

☰ **Thu Mar 31, 2005**

## **Quadra Obtains Working Capital Facility to Increase the Cash Liquidity of the Robinson Mine**

Vancouver, Canada -- (March 31, 2005) Quadra Mining Ltd. (QUA.TSX) is pleased to announce that on March 30, 2005, Robinson Nevada Mining Company ("RNMC"), a wholly-owned subsidiary of Quadra Mining Ltd. ("the Company"), arranged a revolving working capital facility and hedge line of credit facility with Macquarie Bank Ltd. ("Macquarie") pursuant to agreements between RNMC, the Company and Macquarie. Proceeds from the working capital facility are available to provide additional liquidity for the Robinson Mine between the production and final sales of metal concentrate.

Macquarie has agreed to provide a revolving working capital facility of up to U.S.\$30,000,000 until August 1, 2005 and U.S.\$20,000,000 thereafter until March 31, 2006. This will allow the Company to leverage its inventory pipeline which normally consumes a significant amount of working capital. Each drawdown under this facility will be no greater than 90% of the net smelter return based on the hedged value of concentrate shipments under current sales contracts. The metal prices used in the estimated value will be based on the hedged prices entered into by RNMC between each drawdown date and the first provisional payment made by customers pursuant to the terms of their individual sales contracts. The Company made an initial drawdown of U.S. \$12,000,000 on March 30, 2005.

The security for the obligations under both facilities consists of: (i) a security interest in all of the assets of RNMC; (ii) a limited recourse guarantee of Robinson Holdings (USA) Ltd. ("RHUSA") and pledge of all of RHUSA's shares in RNMC; and (iii) an unlimited and unsecured guarantee of the Company and a subordination agreement whereby the Company has agreed to subordinate all indebtedness of RNMC to the Company to the indebtedness of RNMC to Macquarie.

In addition, to the working capital facility, Macquarie has agreed to provide RNMC with an uncommitted hedge line of credit facility. The current terms of this facility allow RNMC to hedge up to 25,000 tonnes of copper metal and 60,000 oz of gold, free of margin calls.

Prior to future drawdowns under the working capital facility, RNMC must meet a number of financial and other conditions. These conditions include requirements that at the time of the drawdown the Robinson Mine copper production shall be greater than specified levels of the budget and operating and capital costs shall not exceed specified levels of the budget.

Derek White, CFO stated "The working capital facility provides a low cost financing alternative for the Robinson Mine and increases its flexibility during its initial year of the restart of operations. As previously disclosed, the shortage of rail cars resulted in a build up of concentrate inventory to 34,000 tonnes at year end, approximately 14,000 tonnes higher than would be expected in normal operations. With the improved availability of cars and the use of unit trains which began in March, we expect to move the excess inventory to market as budgeted, by the end of the year."

**About Quadra Mining Ltd. (TSX: QUA)**

Quadra is a British Columbia corporation based in Vancouver and is a mining company whose principal asset is the Robinson Mine in Nevada, purchased from BHP Billiton in April, 2004. The Company has a goal of becoming a mid-tier base metals development and operating company with interests in a number of advanced exploration, development and producing properties.

This press release may contain some forward-looking statements that are subject to risks and uncertainties that may cause actual results to differ from those expressed or implied by such statements. Statements relating to revenues, growth, profits, production and operating expenses depend on, among other things, future market conditions and risks, including risks ordinarily associated with mining, and are considered forward-looking thereby providing no guarantee that they will be realized. Quadra disclaims any intent or obligation to update or revise publicly any forward-looking statements, whether a result of new information, future events or otherwise

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