



Quadra Mining Ltd.

TSX: QUA

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Quadra Mining Ltd. Announces US\$200 Million Term Loan Financing

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Quadra Mining Ltd. and its wholly owned subsidiaries (the "Company" or "Quadra") (TSX:QUA) announces it has agreed to enter into term loan facilities with a syndicate of lenders in the aggregate amount of US\$200 million. The financing is expected to close on or about March 5, 2007 and the net proceeds from the offering will be used to fund the construction and development of the Carlota copper project in Arizona (the "Carlota Project"), to fund partial repayment of Quadra's working capital credit facility and for general corporate purposes. There are no requirements to hedge production under the facilities.

The financing is being arranged by UBS Securities LLC and Hill Street LLC is acting as financial advisors to Quadra. The financing will be structured to include a US\$150,000,000 First Lien Senior Secured Credit Facility (the "First Facility") and a US\$50,000,000 Second Lien Senior Secured Credit Facility (the "Second Facility") (the First Facility and the Second Facility are collectively the "Facilities"). The First Facility will be for a 5 year term and will bear interest at LIBOR + 650 basis points. The Second Facility is for a 7 year term and will bear interest at LIBOR + 1000 basis points. The Second Facility lenders will receive warrants approximately equal to 5% of the total issued and outstanding common shares of Quadra exercisable for a five year period to purchase common shares of Quadra at an exercise price equal to \$9.24 per share.

Paul Blythe, President and CEO of Quadra comments, "We are pleased that we will have this facility in place very shortly. It contains a number of elements that are important to us including the ability to repay part or all of it from cash flow at any time and no requirement or obligation to hedge. The two facilities will allow us to proceed expeditiously with the Carlota Project, and to repay the working capital line of credit. We believe that this is an appropriate time to move forward with the Carlota Project as we continue to see little movement on the supply side which, we expect, will result in strong copper prices for some time to come."

The Facilities will be fully secured over the assets and shares of, and guaranteed by, all Quadra companies, other than those directly associated with the Sierra Gorda project in Chile. The Facilities are non-amortized facilities but Quadra will be obligated to make a semi-annual offer to purchase the Facilities in an amount equal to 50% of "Excess Cash Flow" as defined in the credit agreement. Quadra will have the right under the credit agreements to prepay the First and Second Facilities at an initial price of 103% and 104% respectively, declining over the term. Notwithstanding, at anytime Quadra has the right to prepay the Second Facility with proceeds of an equity financing at a price of 110%. A working capital and hedging facility will be permitted to be pari passu secured with the First Facility, in the amount of US\$80 million, with the working capital component not to exceed US\$40 million. Payments outside of Quadra and the Quadra subsidiaries that form the security package will be limited to a restricted payment build-up. Such payments can cover dividends, investment in Sierra Gorda, and other limited purposes.

Further specific terms of the borrowing will be set out in the definitive credit agreement which will be available on SEDAR following closing. The borrowing is expected to complete subject to finalization of the definitive credit agreement and related documentation.

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. 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 contains 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 the financing and its terms depend on future events, market conditions and risks, and there can be no certainty that the borrowing will complete as it is subject to finalization of the definitive credit agreement and related documentation, and the final decision to fund the borrowing by the lenders under the Facilities. Quadra disclaims any obligation to update such forward-looking statements.

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