



North American **Palladium** Ltd.

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NEWS RELEASE

Website: www.napalladium.com

December 16, 2002

FOR IMMEDIATE RELEASE

Trading Symbol: TSX - PDL
AMEX - PAL

North American Palladium Ltd. Announces Update on Primary Crusher

The Company today announced that major repairs to the primary crusher have been completed. The Company and the equipment manufacturer are working expeditiously to resolve one final outstanding issue involving a damaged outer eccentric bushing. Upon completion of this repair to the primary crusher, the Company will conduct a brief testing program followed by full-scale operation. As reported earlier, the Company has property and business interruption insurance and will pursue a claim under the terms of the insurance coverage.

Since the primary crusher has been inactive, the mill has continued to operate at a throughput rate of 12,000-14,000 tonnes per day. The crushed ore feed to the mill is currently being provided by portable contract crushing equipment. The mill is expected to continue to operate at existing throughput rates until the primary crusher has been reactivated.

North American Palladium's Lac des Iles Mine is Canada's only primary producer of platinum group metals and is one of the largest open pit bulk mineable palladium reserves in the world. **Palladium** use in the auto industry continues to be an important component in controlling exhaust emissions as mandated by more stringent hydrocarbon emissions standards for cars, particularly in the United States, Europe and Japan.

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Forward-Looking Statements - Some statements contained in this release are forward-looking and, therefore, involve uncertainties or risks that could cause actual results to differ materially. Such forward-looking statements include comments regarding milling operations, mineral reserve and resource statements and exploration program performance. Factors that could cause actual results to differ materially include metal price volatility, economic and political events affecting metal supply and demand, fluctuations in ore grade, ore tons milled, geological, technical, mining or processing problems, exploration programs and future results of exploration programs at the Lac des Iles Mine, future profitability and production. The Company disclaims any obligation to update forward-looking statements.