



Nortec (NVT) announces Letter of Intent for \$20.5 Million option of the LK Project, Finland

Vancouver, B.C., July 27, 2011: Nortec Minerals Corp. (TSX-V:NVT), ("Nortec" or the "Company"), is pleased to announce that it has signed a binding Letter of Intent ("LOI") with Otterburn Ventures Inc. (CSNX: OTB) ("Otterburn"). The LOI gives Otterburn the option to earn up to an 80% interest in Nortec's Lantinen Koillismaa project, a 100 % owned palladium-platinum-gold-copper-nickel property ("LK Project"), located in north central Finland.

Under the terms of the LOI, Otterburn can earn an 80% interest in the LK Project on payment of \$10.5 million in cash and securities to Nortec and by expending \$10 million in exploration work within 3 years of signing the Option Agreement ("OA"). The effective date ("Effective Date") of the OA shall be within five business days after receipt of both CNSX and TSX Venture (collectively, the "Exchange") acceptance (if necessary) of the OA, and in any event no later than August 30, 2011.

Otterburn can earn an initial 49% interest in the LK Project by: a) making payments totalling \$4.5 million in cash to Nortec; b) issuing the equivalent of \$2 million in shares of Otterburn; and, c) spending \$5 million on exploration within 24 months, including a firm commitment to spend a minimum \$2 million in the first 12 months. The payments of cash and securities will be carried out in 4 (four) instalments over 18 months effective on the date of signing and approval of the OA ("Option 1").

Otterburn can earn the remaining 31% interest by: a) making a payment of \$3 million in cash to Nortec on or before the 3 year anniversary of the signing of the OA; b) issuing the equivalent of \$1 million in shares of Otterburn to Nortec; and, c) spending a further \$5 million on exploration on the LK Project ("Option 2").

The following table shows the schedule of the time-based payments and exploration expenditures.

Dates	Cash	Shares	Direct Exploration Work Program
Option 1 (49% Interest in the Properties)			
Upon execution of this LOI	non-refundable \$100k (paid)		
On or before the 5 th day following the Effective Date	\$900k	\$500k	N/A
Sixth month after the Effective Date	\$1.0 mil	\$500k	N/A
On or before the 12 th month after Effective Date	\$1.25 mil	\$500k	\$2.0 mil
On or before the 18 th month after Effective Date	\$1.25 mil	\$500k	N/A
On or before the 24 th month after Effective Date	N/A	N/A	\$3.0 mil
Option 2 (80% Interest in the Properties)			
On or before the 36 th month after Effective Date	\$3.0 mil	\$1.0 mil	\$5.0 mil
TOTAL	\$7.5 mil	\$3.0 mil	\$10.0 mil

Otterburn has made a \$100,000 non-refundable payment to Nortec at the time of signing the binding LOI.

Commenting on the announcement, Mr. Mohan Vulimiri, Chairman and CEO of Nortec stated, “Detailed methodical exploration programs from the grassroots level onward have confirmed the potential value of LK project and the potential of the Koillismaa ultramafic layered igneous complex to host other significant PGE deposits. Jan Akkerman and I have recognized this probability over 5 years ago and it was the reason Nortec got actively involved in exploration of this area. Ian Laurent joined Nortec in 2008 and was instrumental for 3-D modeling and putting together the PGE mineralization. I am sure exploration funding from Otterburn will take this project to the next level and to fruition.”

About LK Project

The LK Project is located in north central Finland, 660km north of the capital Helsinki, 65km south of the Arctic Circle. The project is well serviced by power, water and roads affording all season access and development. The LK Project consists of the Kaukua, Lipeävaara, Murtolampi and Haukiaho Zones. Nortec carried out over 10,000 metres of diamond core drilling on the Kaukua Zone since 2007 and over 7,000 metres of historical diamond drilling was performed on the Haukiaho Zone since the 1960’s. Nortec has not carried out any drilling to date on the Haukiaho Zone. The LK project has a combined surface area of over 3,200 hectares and covers a palladium-platinum-gold-copper-nickel (“PGE+Au-Cu-Ni”) mineralized Marginal Series hosted within a sequence of mafic and ultramafic layered intrusions. The geology and the modes of mineralization are similar to Goldfields’ Suhanko Project (Arctic Platinum) situated 80 km to the West - Northwest. Goldfields reported total resources (measured, indicated and inferred categories) at Suhanko to be 152Mt @ 1.07g/t Pd; 0.25g/t Pt; 0.12g/t Au; 0.08% Ni and 0.19% Cu (North American Palladium – TSX:PDL News Release October 31, 2007)

Based on the current drilling information, the Kaukua mineralization is open down-dip and along strike to the west and south. Information to date shows that the LK Project can host several large - tonnage PGE+Au-Cu-Ni deposits, amenable to low cost open pit methods. Detailed drill results on the LK Project can be referred to in the Company’s previous press releases. Almost 90% of the 38 holes drilled by Nortec and 10 holes drilled by GTK returned significant mineralized intercepts

Mineral Resources for the Kaukua and Haukiaho deposits were modeled and estimated by Watts-Griffis-McQuat applying a contained metal value approach to define the lower cut-off (see Nortec News Release February 22, 2011). This approach was used due to the presence of several metals contributing to the value of the deposit. The Mineral Resource, containing palladium (“Pd”), platinum (“Pt”), gold (“Au”), copper (“Cu”), nickel (“Ni”) and cobalt (“Co”), is estimated using a cut-off of US\$50/tonne and is tabulated below (Tables 1 and 2).

Table 1: Indicated Mineral Resource Estimate Kaukua Deposits

Property	Classification	Tonnes T x 1000	Pd (ppm)	Pt (ppm)	Au (ppm)	PGE+Au (ppm)	Cu (%)	Ni (%)	Co (ppm)
Kaukua	Indicated	2,887	0.65	0.21	0.07	0.93	0.17	0.12	65

Table 2: Inferred Mineral Resource Estimate Kaukua and Haukiaho Deposits*

Property	Classification	Tonnes T x 1000	Pd (ppm)	Pt (ppm)	Au (ppm)	PGE+Au (ppm)	Cu (%)	Ni (%)	Co (ppm)
Kaukua	Inferred	9,225	0.73	0.26	0.08	1.07	0.15	0.10	55
Haukiaho	Inferred	20,721	0.24	0.08	0.10	0.43	0.24	0.15	57

**Note: Due to the uncertainty that may be attached to Inferred Mineral Resources, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration.*

The total contained ounces of palladium, platinum and gold (“PGE+Au”) and total tonnes of copper and nickel calculated from the Mineral Resource estimate in Table 1 and 2 is shown below in Tables 3 and 4.



Table 3: Indicated Mineral Resources - Kaukua Deposit (in ounces and tonnes)

Property	Classification	Tonnes T x 1000	Pd Ounces	Pt Ounces	Au Ounces	PGE+Au Ounces	Cu tonnes	Ni Tonnes
Kaukua	Indicated	2,887	60,332	19,492	6,497	86,322	4,908	3,464

Table 4: Inferred Mineral Resources - Kaukua and Haukiaho Deposits (in ounces and tonnes)

Property	Classification	Tonnes T x 1000	Pd Ounces	Pt Ounces	Au Ounces	PGE+Au Ounces	Cu tonnes	Ni Tonnes
Kaukua + Haukiaho	Inferred	29,946	378,263	133,007	91,279	602,550	63,153	40,534

Mr Turkka Rekola, M.Sc, Project Geologist – Finland and, Mr Ian F. Laurent MSc.(EconGeol) MAIG RGeo, President for Nortec, are the persons responsible for initiating and guiding of the work programs on the LK Project. Mr Mohan R. Vulimiri, M.Sc., P.Geo. is the Qualified Person responsible for the contents of this press release.

About Nortec Minerals Corp.

Nortec is a mineral exploration and development company based in Vancouver, British Columbia. The Company has a 100% interest in the LK Palladium-Platinum-Gold-Copper-Nickel Project in north-central Finland.

Nortec also has a 100% interest in the Tammela Lithium Project in south-west Finland; an option to earn from Akkerman Exploration B.V., a 100% interest in the Seinäjoki Gold Property and Kaatiala Beryllium-Rare Earth Property in western Finland, a minimum 51% interest with an option to earn 100% interest in the TL Nickel-Copper-Cobalt Property in Northern Labrador, Canada; and, an option to acquire 51% interest in the Ganarin Gold-Silver Property, Ecuador.

On behalf of the Board of Directors,

NORTEC MINERALS CORP.

“Mohan R. Vulimiri”

Mohan R. Vulimiri, CEO and Chairman

The TSX Venture Exchange has not reviewed and does not accept the responsibility for the adequacy or accuracy of this news release.

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