



North American **Palladium** Ltd.

Rarity
+ Value



Canada's primary
producer
of **palladium**

Metals for Clean Air

7th Annual NYSSA Metals & Mining Conference

June 6, 2007

Forward Looking Statements

Certain information included in this press release, including any information as to our future financial or operating performance and other statements that express management's expectations or estimates of future performance, constitute 'forward-looking statements' within the meaning of the 'safe harbor' provisions of the United States Private Securities Litigation Reform Act of 1995 and Canadian securities laws. The words 'expect', 'believe', 'will', 'intend', 'estimate' and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. These statements are based on certain factors and assumptions, including but not limited to, the assumption that market fundamentals will result in increased palladium demand and prices and sustained by-product metal demand and prices; the integrated operation of the Company's underground mine and the open pit mine remain viable operationally and economically; financing is available on reasonable terms; expectations for blended mill feed head grade and mill performance will proceed as expected; new mine plan scenarios will be viable operationally and economically; and plans for mill production, sustainable recoveries from the Lac des Iles mine, exploration at Lac des Iles and elsewhere will all proceed as expected. The Company cautions the reader that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of North American Palladium to be materially different from the Company's estimated future results, performance or achievements expressed or implied by those forward-looking statements and that the forward-looking statements are not guarantees of future performance. These risks, uncertainties and other factors include, but are not limited to: metal price volatility; economic and political events affecting metal supply and demand; changes in the regulatory environment; fluctuations in ore grade or ore tonnes milled; geological, technical, mining or processing problems; future production; changes in the life-of-mine plan or the ultimate pit design; availability and increasing costs associated with mining inputs and labour; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of mineral reserves; adverse changes in our credit rating; and the risks involved in the exploration, development and mining business. These factors are discussed in greater detail in the Company's most recent Form 40-F/Annual Information Form on file with the U.S. Securities and Exchange Commission and Canadian provincial securities regulatory authorities. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise. Readers are cautioned not to put undue reliance on these forward-looking statements.

Presentation Outline

- **NAP Overview**
- **Key Assets**
 - Producing:
Lac des Iles Mine
 - Advanced Exploration:
 - **Offset High Grade Zone**
 - **Shebandowan Ni/Cu**
 - **Arctic Platinum JV**
- **Palladium Market**
- **Investment Highlights**

New frontiers for growth



North American Palladium Overview

INVESTOR INFORMATION

As of March 31, 2007

Symbols: AMEX – PAL
TSX – PDL

Current Market Cap: \$630 Million

Shares outstanding: 53.6 Million

52-week hi/low: \$13.65/\$7.27

Working capital: \$66 Million

Major shareholder: KFOC (50%)

Dollar amounts in this presentation are
Canadian dollars unless otherwise stated

North American Palladium Overview

Canada's foremost primary producer of palladium

- LDI produces an estimated 5% of global palladium supply
- Significant producer of nickel concentrate
- Substantial by-product metal production (Pt-Ni-Cu)
- Unhedged palladium production

100% owned Lac des Iles mine



LDI Performance – 2006 Financial Review

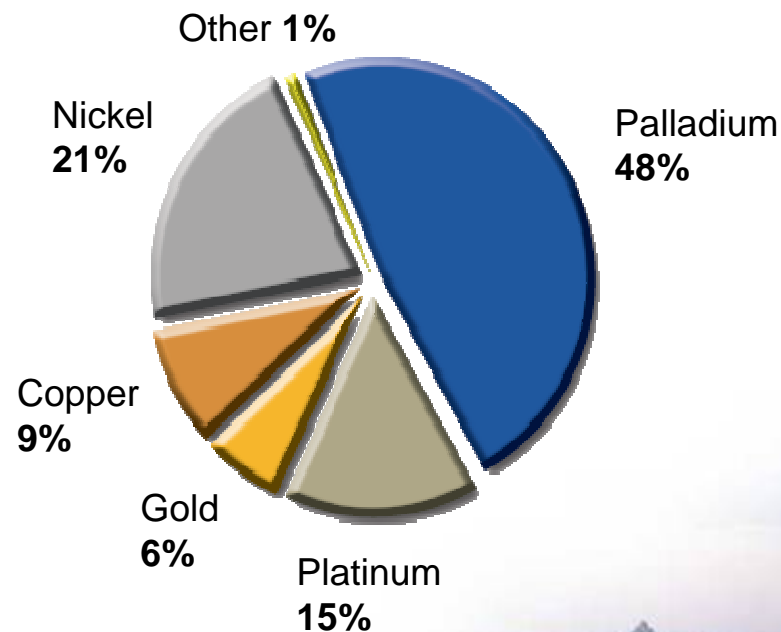
Total Revenues \uparrow 72% to \$159 Mil

Revenues by Commodity

% Change
FY 2005

FY 2006

Palladium	\uparrow 74%	\$76 M
Platinum	\uparrow 43%	\$24 M
Gold	\uparrow 50%	\$10 M
Nickel	\uparrow 108%	\$33 M
Copper	\uparrow 80%	\$15 M



- Cash cost per oz¹ in Q4 2006: US \$108
- Operating cash flow¹ in Q4 2006: \$11 Mil.

(1) Non-GAAP measures



LDI 2006 Performance – Production

Underground Production

- Since start-up in April 2006:
 - Produced 618,000t of mill feed or 2,245 tpd at 5.96 g/t avg Pd
 - Reached 6.42 g/t avg in Q4 2006
 - Development well advanced at the second mining level
 - No lost time injuries in first year of operation



First Quarter 2007 Results

A Solid Beginning – Financials

Q1 2007 vs Q1 2006

Total Q1 Revs ↑ 117% to \$68 M

Pd Revenues ↑ 85% to \$31 M

By-product Revs ↑ 154% to \$37 M

Pd cash cost/oz: Q1 2006 \$329



Q1 2007 \$15

	Q1'07	Q1'06
Operating cashflow	\$22.5 M	
vs cash used		(0.4 M)
Mining profit	\$12.9 M	
vs loss		(3.5 M)
Net profit	\$5.5 M	
	\$0.10 ps	
vs net loss		(4.1 M)
		(0.08ps)



First Quarter 2007 Results

A Solid Beginning – Operations

Production vs Q1 2006:

Palladium ↑ 68% to 78,800oz

By-product Metals:

Platinum ↑ 46% to 6,860oz

Gold ↑ 35% 4,890oz

Nickel ↑ 32% 812,385 lb

Copper ↑ 13% 1,370,113 lb

Ore processed	14,317
Mill availability	95%
Pd recovery	77%

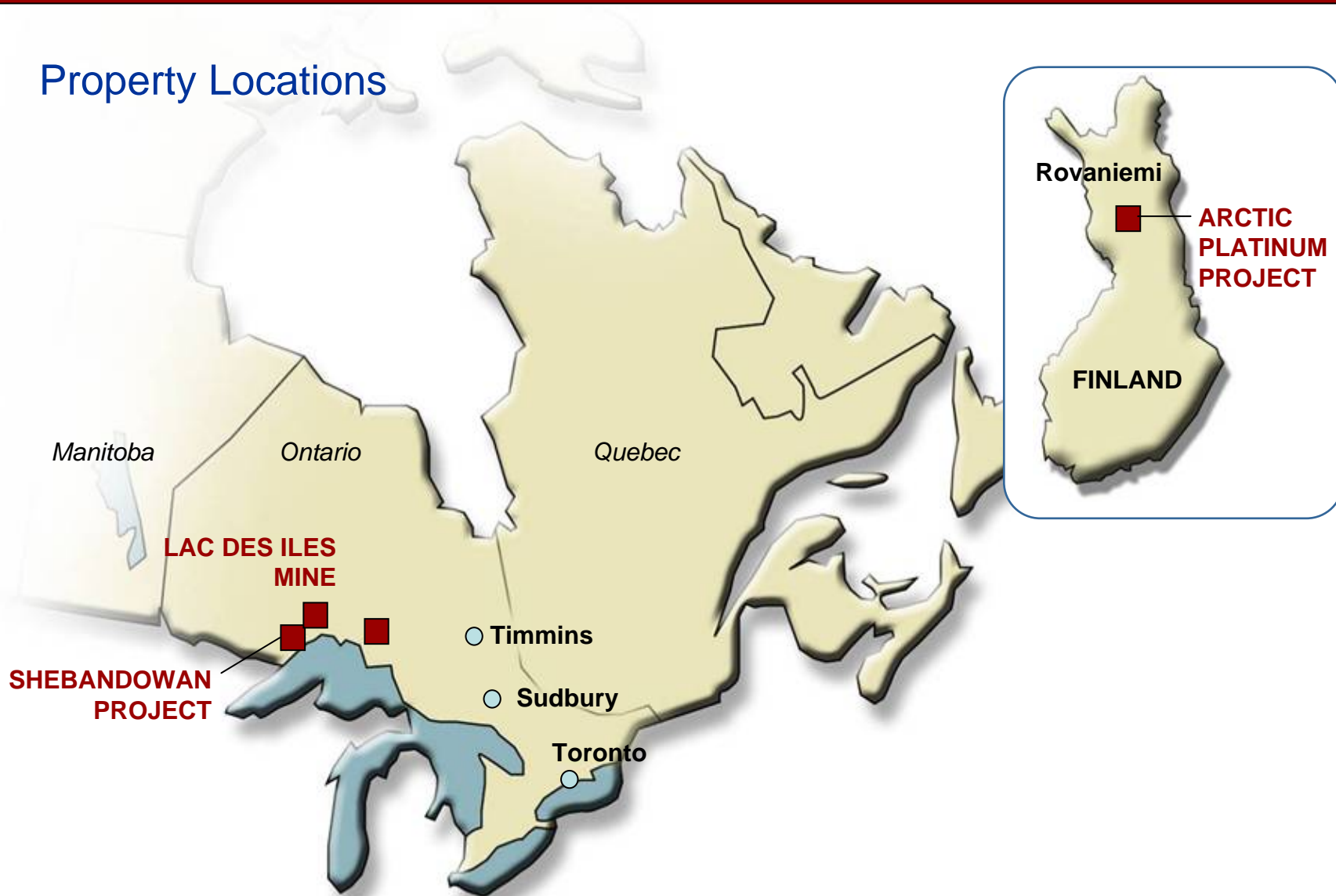
Pd head grade	2.48gt vs 1.79gt
Waste to ore strip	1.55:1 vs 2.20:1

Unhedged metal production



Exploration & Development Projects

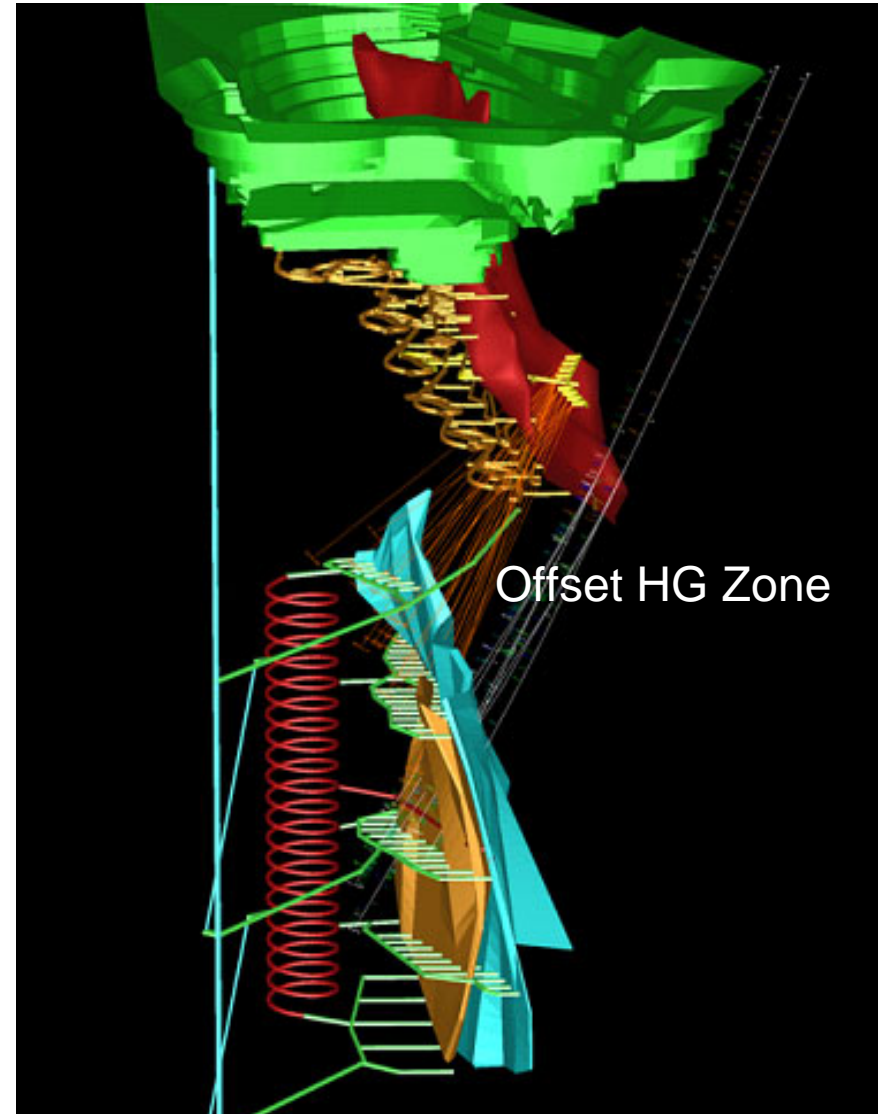
Property Locations



Lac des Iles – Offset High Grade Zone

Offset High Grade Zone

- \$3.3M drill program from surface completed in 2006
- Feb. 2007 resource estimate upgrade 3.2 Mt Indicated; 12.8Mt Inferred
- Good continuity of PGM-Ni-Cu over significant widths
- **2007 development program:**
 - underground drilling to be completed
 - mine planning
 - costing
 - feasibility work



Shebandowan Ni-Cu-PGM – Ontario

- Phase I and II drill programs completed – 83 holes for 12,511m
- New resource estimate expected in near term
- 2007 development program:
 - metallurgical testwork; baseline studies
 - initiation of environmental permitting
 - bulk sample in first half 2008
 - production target mid to late 2008

100 km SW of Lac des Iles Mine



Arctic Platinum Project – Finland

- \$6 million – 49 diamond drill program completed to drill test targets at Narkaus and Penikat
- Aker Kvaerner - 43-101 compliant preliminary scoping study expected in Q2 2007
- P&E Mining-open pit design/ optimization
- Early permitting of Narkaus initiated
- **Environmental permits/mining lease application for Suhanko approved**



LEGEND

 Suhanko mining

 GFAP claims
PGE Deposit

 Licence

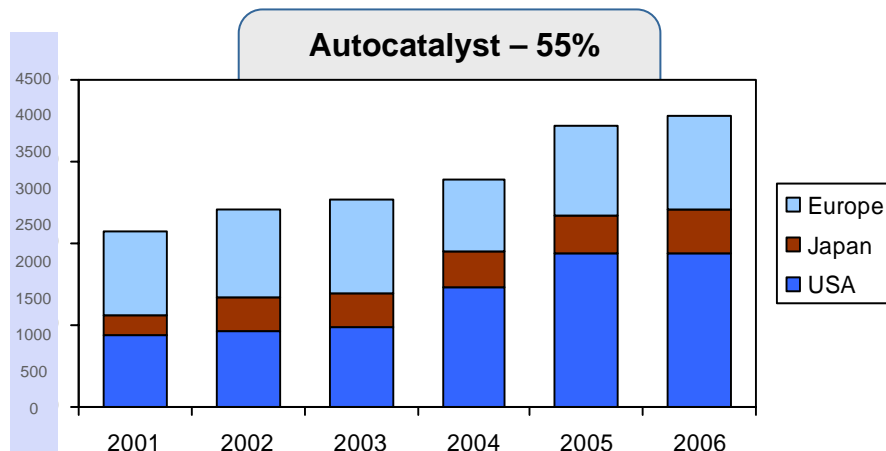
Global Palladium

Supply and Demand

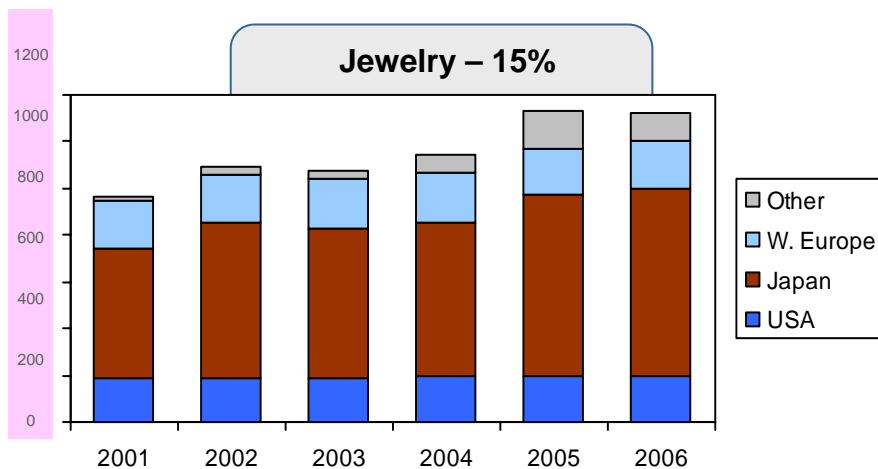
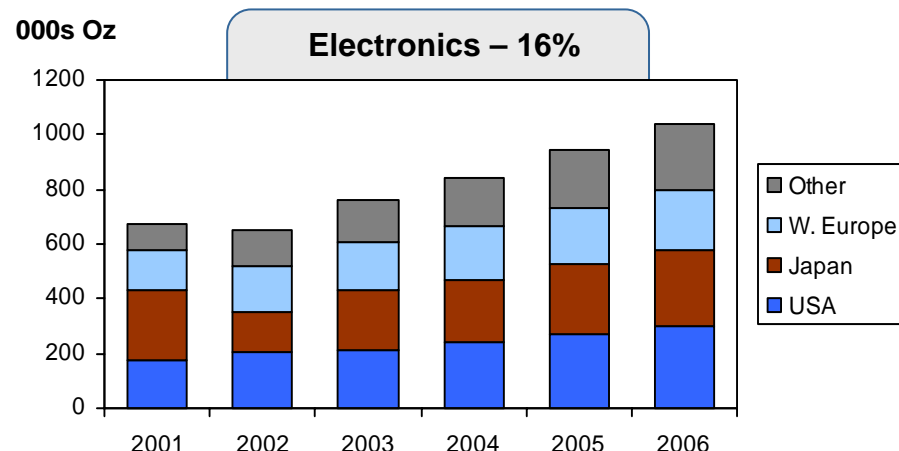


Palladium Demand – Key Sectors

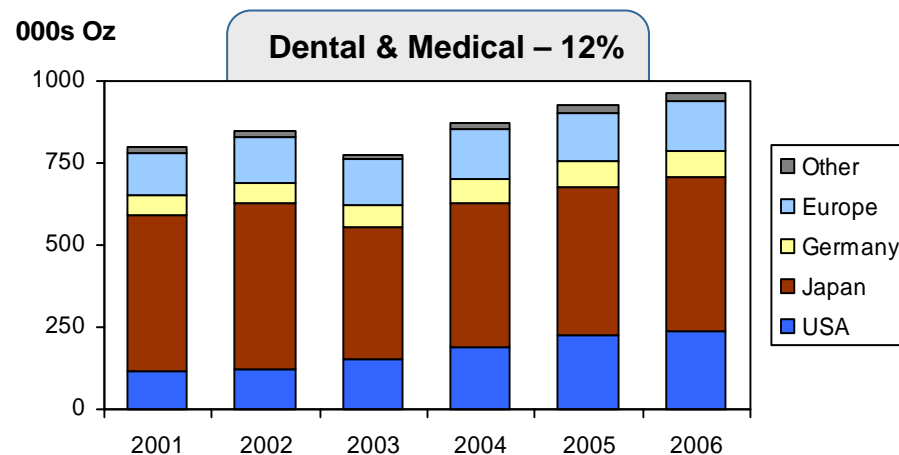
000s Oz



000s Oz



000s Oz



2006 Demand: 6.6 Million Oz*

*JM 2007 Platinum Review

Palladium Demand – Real Growth Potential

AUTOCATALYST

- Global car production forecast to increase by 13 million vehicles from 2005 to 2010
- Autocatalyst purchases at highest level since 2001
- China domestic auto sales up by 34% to 4.2M vehicles
- Diesel currently Pt oriented – technology breakthroughs see Pd increasingly substituted



Palladium Demand – Real Growth Potential

Electronics:

- Consumer electronic market growing at 10% p.a.
- 1 trillion MLCC's produced in 2006 for mobile phones, auto electronics; semiconductors; SED tv's
- New Euro electronics waste legislation sees phase out of Pb

Jewelry:

- Purchases by China expected to resume in 2007
- Popularity of Pd 990 jewelry in North America – top name designers
 - Pd jewelry – Scott Kay
 - Pd watches – Cartier
 - Coinage – Palladium Maple Leaf
 - Investment buying



Palladium Supply-Side

2006 supply declined 4%

- Total supply: 8.0 M oz.

Mine Production

- Russia 45%
- South Africa 35%
- North America 10%

Recycling 10%

*JM 2007 Platinum Review



Supply Stable – No substantial increases planned in foreseeable future

Platinum and Palladium Prices - 1998 to 2007

Current Pt/Pd spread historically significant



Summary - New Frontiers for Growth

- **LDI production on track to achieving targets**
- **Metal prices growing with global economies**
- **Unhedged PGM-Ni-Cu production provides excellent leverage to industrial/investment value**
- **Development projects advancing for long term sustainability**
- **Ongoing pursuit of opportunities with high potential for value creation**

