



TAHERA CORPORATION
(TSE: TAH)

PRESS RELEASE

TAHERA CORPORATION ANNOUNCES SETTLEMENT WITH FORMER PRESIDENT AND CHIEF EXECUTIVE OFFICER

Toronto – Thursday, October 11, 2001

Tahera Corporation (TSE:TAH) announced today that it has settled all issues outstanding with Mr. Howard B. Miller which relate to Mr. Miller's termination as President and Chief Executive Officer of Tahera Corporation on June 19, 2001.

Tahera paid to Mr. Miller \$1,063,500 of which \$500,000 was satisfied by the issuance to Mr. Miller of 4,000,000 common shares of Tahera, and paid for certain of Mr. Miller's legal expenses. In addition, Mr. Miller was entitled to retain all of the options to purchase common shares in the capital of Tahera which he held prior to his termination.

The settlement included an agreement reached with The Fern Trust, a trust established for the benefit of the family of Howard B. Miller, for the early redemption of a 9% secured subordinated Debenture in the principal amount of \$600,000 dated August 3, 1999 held by The Fern Trust. The Debenture would have matured on August 4, 2004 and was convertible at the option of The Fern Trust into 3,870,600 common shares of Tahera at \$0.155 per share. As part of the settlement with Mr. Miller, The Fern Trust surrendered the Debenture to Tahera for cancellation and released all security which it had relating to Tahera and its subsidiaries and properties in consideration of the payment to The Fern Trust of \$710,000 plus interest on the principal amount of \$600,000 from July 1, 2001 to October 11, 2001 at 9% per annum and common share purchase warrants exercisable into 3,870,600 common shares of Tahera at \$0.155 per share until August 4, 2004. Tahera also paid for certain of The Fern Trust's legal expenses.

Each of Mr. Miller and The Fern Trust have agreed that they will not vote, or cause to be voted, any common shares of Tahera owned or controlled directly or indirectly by either of them in favour of any nominees to the board of directors of Tahera other than nominees proposed by management and the board of directors of Tahera until June 30, 2004.

To find out more about Tahera Corporation (TSE: TAH), visit our website, www.tahera.com

For further information, please contact:

Grant Ewing, Vice President Investor Relations and Corporate Development

Tel: (416) 777-1998 Fax: (416) 777-1898 Toll free: (877) 777-2004

Email: investor@tahera.com