Acknowledgements and Thanks
Snake River Section SME, SE Idaho

• One of 50 SME sections, globally
• Mining education to public and members
• All SE Idaho, north and south of SRP
  – inc. Idaho phosphate industry, plus Mo, Co, stone, pumice, zeolites, limestone, cement, gold, etc.
  – 43 members, inc. 9 new in 2008
• Annual fundraising golf tourney, supports college scholarship program
• Numerous other educational projects
Idaho Non-fuel Mineral Production

![Graph showing Idaho Non-fuel Mineral Production](image_url)
Idaho Minerals by Commodity

2007: $790 million

- Con. S& G
- Crush Stone
- Phosphate
- Other Industrials
- Base Metals
- Silver+(Au)
- Molybdenum

2008p: $1,069 million

- Con. S& G
- Crush Stone
- Phosphate
- Other Industrials
- Base Metals
- Silver+(Au)
- Molybdenum

USGS data
2009 Recap: Glad it’s over but it ain’t really!!

- Recession start, but many metal prices up by end of year. Light at end ??
- States/U.S. still in financial doldrums.
- China and other global economies better and buying minerals and properties.
- Gold at $ 1168/oz.? Silver at $ 17.98/oz.? – Financial uncertainty??
- Exploration investment still tight.
Idaho’s Coeur d’Alene District
Silver- 1,211,153,000 ounces

Lead – 8.3 million tons; Zn – 3.3 million tons, + Cu, Au
(1884-2008, Wallace Mining Museum)
Hecla Mining Company

Third Quarter 2009
Earnings Conference Call
November 3, 2009

- 3rd Q, 2009: one of best in Hecla’s 100-year history
- Record tons at LF; > 900,000 oz Ag in 3Q.
- Cash costs down (byproduct credits) and Ag prices up
- Mining improvements: reduce dilution

Lucky Friday Mine

2.9 million tr. oz. Ag in 2008 and should top that in ‘09
New #4 Tailings Impoundment, Lucky Friday mine, September, 2009.
Lucky Friday (Ag Grade x Width)

30 VEIN

<table>
<thead>
<tr>
<th>Levels</th>
<th>Avg Width</th>
<th>Ag oz/t</th>
<th>Pb %</th>
<th>Zn %</th>
</tr>
</thead>
<tbody>
<tr>
<td>6300-6500</td>
<td>13.9 feet</td>
<td>10.3</td>
<td>7.8</td>
<td>2.6</td>
</tr>
<tr>
<td>6500-7000</td>
<td>15.2 feet</td>
<td>15.69</td>
<td>9.93</td>
<td>3.94</td>
</tr>
<tr>
<td>7000-7750</td>
<td>16.5 feet</td>
<td>19.09</td>
<td>10.77</td>
<td>5.04</td>
</tr>
</tbody>
</table>

(Grades are Diluted and Uncapped)

+26.6% increase in Ag/vertical foot below 6300L

(based on resource at Dec 31, 2008)
Galena and Coeur Mills
Record revenues in 1st Q 2009.
Operational investments.
On production schedule (>20 AgCu headings; 11 PbAg headings)
Hybrid Mining (diesel access and conventional stopes)
Galena Shaft Repair

Resumed July 27, 2009

Repair of caved area and installation of circular concrete lining.

736 feet already concreted through where shaft caved.

About 30 feet left to reach 3200 level.

Completed around end of year.

Greatly increase mining flexibility and production capability in 2010.

Cryderman mucking machine, Galena Shaft
Exploration/Development at Galena

175 vein West, 5200 level, with barite (white). Grade is + 10 opt Ag, 10% Pb
Sunshine Mine (Sterling Mining Co.)

- Sept. 15, 2008 - Sterling suspends production.
- March, 2009 - Sterling declares bankruptcy
New Jersey Mill
ACTIVE MINES AND PLANTS 2009
Thompson Creek Mine

2008 production ~16.8 million pounds moly

- Nov. 2009 reserve update: Proven and probable 164 million tons @ 0.084% Mo (277 million lbs. Mo)
- Resource: 326 million Tons, inc. both E & W walls (30% increase)
- New 16-year mine plan
- Back to full mine and mill output by 2010
Kinross Gold Corporation
DeLamar Mine

Winner 2009 Hardrock Mineral Environmental Award from BLM
Tailings Pond Closure - 2008

- The water management pond constructed in 2008 to facilitate de-watering of the tailings pond as final phases of the engineered cover are constructed.
- Engineering and geotechnical specifications included stringent material and compaction requirements, compacted clay under-liner, 60 mil HDPE liner, under-drains, and leak detection system.
GEOLOGY OF THE IDAHO PHOSPHATE DISTRICT

- Permian Phosphoria Fm.
- Meade Peak Member (5 m.y. of deposition about 265 m.a.?)
- Phosphatic black shale – restricted marine basin with upwelling organic-rich currents
- P, + C, V, U, Mo, Se, etc.
- Apatite

(Piper, 2001)
Only elemental phosphorus plant in North America
Monsanto: South Rasmussen

Panel 5

Backfilling
S. Rasmussen Reclamation
West Limb Pit
Monsanto: Blackfoot Bridge DEIS

- Released Fall, 2009 by BLM
- Comment period extended and ended Oct. 31
- Sensitive area due to river and water quality
- Monsanto proposed geosynthetic liner cap
- Final EIS out in 2010
J. R. Simplot
Don Plant, Pocatello
Phosphoric Acid Fertilizer Plant
Smoky Canyon mine

Mining Panel F

Panel C Reclamation
Agrium’s Phosphoric Acid Plant
AGRIUM Dry Valley Mine

In final 2 years of mining
Mining ore for Conda Plant
> 1 ¾ million tons a year of phosphate rock
Markets back to 2007 levels
Transitioning to move to North Rasmussen Ridge mine (approved 2003 mine plan, 600 acres)

D Pit, Phase 2, look N
Agrium – reclamation at Dry Valley
C Pit
Industrial Minerals
Aggregate Industry

Sandpoint Bypass
Road Construction
Emerald Creek Garnet: WGI Heavy Minerals

- Mining in N. Idaho near Fernwood —
  - 2 wash plants
  - Change to flat screens working well
  - Markets depressed, but made operational improvements & catching up on reclamation needs
Three Rivers Stone Quarry Expansion

Expand Quarry near Clayton, Idaho, Custer County

High value flagstone (Three Rivers Stone)

Needed for continued operations

Included visual simulations of effects as seen from Highway and river corridors

Final Environmental Impact Statement
ID-330-2006-EIS-1464
July 2009
Rocky Mountain Travertine

- Formerly Idaho Travertine Corp.
- Sold in 2008 and renamed
- Quarry is 40 miles east of Idaho Falls
- Large saws and equipment to cut and finish stone
- Increased marketing in 2009
Bear River Zeolite
Preston, Idaho

Markets: Animal nutrition, water filtration, oil well reagents, waste water treatment, soil conditioning, etc.

2008 sales up.
Congrats to Azteca & Ruen Drilling- Deepest holes ever drilled in the Silver Valley!
DDH005A- 8,784' deep. At 7,950', 50 feet of massive sulfides.
DDH005B- Wedged off 005A at 4,000', 9/15 at 10,243'.
DDH006A- 11,173' deep. Carbonate zone from 11,081'.
DDH006B- Wedged off 006 at 9,900', 9/15 at 11,643'.
As of 9/15 halted drilling to do Scintrex Ltd., downhole geophysics.
DDH-005A - massive zinc sulfides – 55.9% Zinc

DDH-005A - Massive Lead Sulfides – 44.7% Lead
Toboggan JV with Newmont

New Jersey Mining Co.
25.4 million oz Ag; 1917-1984
JV with Syringa Exploration, Inc.
Idaho Cobalt Project, Lemhi County, Idaho

- Proven and Probable Reserves: 2.636 million tons @ 0.559% Co, 0.596% Cu, 0.014 opt Au utilizing a 0.2% cobalt cut-off for a 10 year mine life. Inferred resources of 1.122 million tons @ 0.585% Co, 0.794% Cu and 0.017 opt Au
- Substantial Exploration Potential
FIGURE 1-3
GENERAL FACILITY LOCATION MAP
Formation + Salmon Valley Stewardship = Stream restoration
Midas Gold: Golden Meadows Project (aka Stibnite)

2650 m HQ core; geophysics
Hole MG09-9: 183 feet @ 0.117 opt and 45 feet @ 0.042 opt and many other ore grade intercepts
Otis Gold Corp.: Kilgore Project, Clark County, Idaho

• Core Drilling
• > 3000 meters
• 2008 results inc. 55 m of 6.15 g/t Au and multiple high grade (+ 0.1 opt Au) zones
• Fall 2009 CSAMT survey
Thunder Mountain Gold

- South Mountain
- Polymetallic skarn (drilled 2008)
- 2009 Gold Discovery – Intrusive Breccia with potassic alt., qz.
- Au 0.5 – 5.8 ppm rock chips; soil anomaly (> 5000 ft. long)
- Follow-up results pending

870 acres private, 290 acres unpatented

Other interesting Au targets in Owyhee County
Plus action at:

Elk City (Premium)
Musgrove (Journey)
Marshall Mountains
Lemhi County (U.S. Rare Earths)
Atlanta
Ima (on hold by Gentor)
Idaho Almaden changed hands
And one more biggie - Cumo
Mosquito Consolidated: CUMO

- Boise County, Idaho
- Mo-Cu Porphyry
- BIG
- 2009 about 9 holes
- NI 43-101 resource (May 2009):
  - 1.3 billion tons indicated and 2.25 billion tons inferred @ approx. 0.1% MoS$_2$eq.
- Prelim Econ Assess +

2008 A team drilling; 2009 drill was better looking.
Nov. 23, 2009 – Mosquito will proceed with feasibility target at 125,000 + short tons per day for mine plan

- NPV of $ 16 billion USD at 150,000 ton rate. IRR ~ 30 %
- Over $ 2 billion capital cost
- Mo, Cu, Ag, Rh credit
Figure 1 – Cumo 2009 and Future Drilling
Thanks again to Snake River SME Section

• Think moly, silver, or cobalt, think Idaho

• Idaho Geological Survey (www.idahogeology.org) for all your geological and mineral resource needs
  – Pubs and maps online (new in ’09)
  – Geologic mapping needs
  – Hydrogeology and Geothermal Data
  – Mine Histories and Files
Slide 2

Special thanks to Snake River Section SME for financial support to attend NWMA this year (in time of state’s budget problems.) Special gratitude to active SME Section Members Dan Bruner of Cascade Earth Sciences and also Paul Link of ISU Geosciences for arranging this and their strong support for the SME section over the years.

Slide 3

Still awaiting final values for several key commodities. But 2008 value tops $1 billion.
2008 Mo price did not drop until December and that upped our production value. Plus fall off in construction materials meant higher % value in metals.

2009 Recap: Glad it’s over but it ain’t really!!

- Recession start, but many metal prices up by end of year. Light at end ???
- States/U.S. still in financial doldrums.
- China and other global economies better and buying minerals and properties.
  - Gold at $1168/oz. ? Silver at $17.98/oz. ?
  - Financial uncertainty ??
- Exploration investment still tight.

Coeur d’Alene District
Production data originally Don Springer (deceased) long time geologic consultant in the Cda and then compiled by the Wallace Mining Museum.

1884-2008 (Wallace Mining Museum, 2008)
Silver- 1,211,153,000 ounces
Lead- 8,362,649 tons
Zinc- 3,311,293 tons
Copper- 207,304 tons
Gold- 529,699 ounces
Total $ Value = $ 6,363,102,000
Slide 7

Have 100% of Greens Creek, Alaska, production. Flagship LF mine producing from the Gold Hunter deposit accessed by long drifts on 4900 and 5900 levels.

Slide 8

New Lucky Friday Tailings Impoundment No. 4 as of Sept. 2009 from Lookout Pass.
Exploration drilling below the Gold Hunter deposit at the Lucky Friday is proving quite encouraging. In 2008 reserves increased approx. 25%. Drilling of resource down to 7100 level. Grade and widths increase as go deeper according to Hecla management. As shown here. Multiple intercepts on 30 vein, can see on slide. One drill intercept at 7650 level: 11.5 feet of 37.9 opt Ag plus 21% lead and 9% zinc. Require significant deepening of mine. Detailed engineering studies in progress.

Surface Exploration Drill at Vindicator property, one mile east of Lucky Friday. Results pending. Vindicator veins may be eastern projection of #30 vein from Gold Hunter. Drilling in the shallow GAP zone of Gold Hunter showed mineralized structures. Also continuing their compilation on detailed mine scale of 3D mine workings from extensive holdings in district.
Belt-tightening at end of 2008 included putting the Coeur mill on care and maintenance. But increased grades allowed re-opening (April 09) of Coeur mill to treat Ag-Pb ores while Galena mill continues to mill the Cu-Ag tetrahedrite ores. 225 employees and 20 contracted raise crews.


A number of major exploration and drilling programs. Two largest are exploration and development of the Footwall of Silver Vein on 4600 and below. Second is the 114 vein complex on 2400 level. New exploration of this big lead vein, the 175, which they are mining with an old style, air-driven Cavo mucker.
Rep. Walt Minnick visits the Galena mine.

Slide 15

2009
SNS Silver Corp. signed an agreement with Sunshine Precious Metals, Inc., for the operation of the Sunshine Mine near Wallace on April 15.

8/19/2009
Sterling Mining Company (the “Company”) has regained possession of the Sunshine Mine after a ruling from the United States Bankruptcy Court District of Idaho granted Sterling’s motion for turnover. The Company took physical possession of the mine site on Wednesday afternoon, August 19, 2009, and began preliminary inspections to ensure the basic infrastructure required for care and maintenance is in good working order. In order to facilitate ongoing security, care and maintenance Sterling has re-hired eleven of the original Sunshine Mine crew. After inspections are complete, Sterling will begin work necessary to resume dewatering. Order of Turnover Motion is attached hereto as Exhibit 99.1
Sep 01, 2009 16:56 ET

SPMI Clarifies That Legal Controversy Over Sunshine Mine Continues

KELLOGG, ID--(Marketwire - September 1, 2009) - Sunshine Precious Metals, Inc. (“SPMI”) clarifies Minco Silver's press release of Sept. 1st where they incorrectly state that "all the issues relating to the Sunshine Mine Lease" regarding Sterling Mining Co. "have been resolved permanently."

"The federal bankruptcy court's recent ruling said that while bankrupt Sterling Mining Co. has a right to cure its defaults on the lease of the Sunshine Mine with us, it also declared that Sterling could not have assigned the mine's lease with us to someone else. Thus, any claim by third parties to an interest in the lease of the Sunshine Mine without our consent is untrue," said Robert Mori, SPMI president.

Mr. Mori continued, "We had an agreement with SNS Silver to pick up where Sterling failed, but Sterling’s actions destroyed any opportunity for SNS to employ the Silver Valley."

SPMI is proud to announce the engagement of the law firm Holland & Hart LLP to appeal the Bankruptcy Court's decisions. A "Notice of Appeal" was filed on August 31, 2009, allowing appeal in Federal District Court.

Six years ago, Sunshine Precious Metals, Inc. was confronted with a difficult decision: whether to raze the Sunshine Mine for scrap value or to enable some entrepreneur to return the Sunshine to production and make it possible for several hundred miners to provide silver for the United States..."
and to provide a living for their families.
"We chose the latter," Mori said, "and based upon representations by Sterling Mining Co. that, if we worked with them, they could restore the Sunshine to production."
"However, sixteen months ago, Sterling ceased all communications with us. Their lease of the mine went into default and we served notice to that effect. Then, to our surprise, Sterling Mining Co. ceased production at the Sunshine mine, quit paying its bills, and let all of their people go. They also announced they were abandoning their lease of the Sunshine in press releases and on their own website, dated Feb. 23, 2009. This was exactly the opposite of our intention for this mine and for this property and for the people of the Silver Valley," Mori stated. Unfortunately, contrary to Minco Silver’s Sept. 1st press release, controversy continues.
"SPMI will carry on with its pursuit of restoring the Sunshine Mine through the appeal process," declared Mr. Mori. "We want to return the Sunshine to life. The Sunshine Mine is worthy of far better than Sterling or Minco Silver currently offers."
For further information, please contact:
J. Edward Short
208-215-8475
April, 2009: SNS Silver signs agreement with Sunshine Precious Metals to Sunshine
August 2009: Sterling regains possession after Bankruptcy court grants motion to turnover decision.
Sterling rehires 13 people to maintain the mine and restarts pumping. Minco loans Sterling another $1 million.
September 1, 2009: SPMI asserts Sterling should have gotten SPMIs permission to deal with Minco
November 2, 2009: Alberta Star Development Corp. Announces a binding agreement with Sterling Mining Company to acquire controlling interest in Sterling and its assets and provide financing. Asserts Sterling is debtor –in-possession in Ch. 11 bankruptcy. Lots of conditions in agreement, incl. reorganization in bankruptcy court. See their website for nice summary of mine’s history and resources. 2007 Behre Dolbear NI 43-101 reports estimated measured and indicated resources of 31 million ounces Ag and a couple hundred million ounces silver inferred.
New Jersey Mining has some exciting exploration prospects I’ll talk about later. It also operates this small mill at Kellogg, the Golden Chest mine at Murry, and the permitted Silver Strand mine under development. Financial reasons forced the company to put these operations on hold earlier this year to focus on their large exploration JV with Newmont (more on that later).

July 9, 2009
Kellogg, Idaho. New Jersey Mining Company (NJMC: OTCBB) announced today that two core holes have been completed at its Toboggan project and a third hole is underway. The Toboggan project is a gold exploration joint venture between New Jersey Mining Company and Newmont North America Exploration Limited (Newmont), a subsidiary of Newmont Mining Corporation (NYSE: NEM).

Two holes were completed at the Mineral Ridge prospect. The first hole was inclined at -45 degrees and drilled to a depth of 336.8 meters. It intercepted multiple zones of silicification with pyrite and chlorite mineralization. The second hole was drilled at an inclination of -70 degrees to a depth of 153.8 meters, and it also intercepted multiple zones of silicification with pyrite and chlorite mineralization. In a report on a reverse circulation drilling program which took place at the Mineral Ridge prospect in 1992, Huebschman states, “Results showed extensively fractured quartzite sequences with fairly wide multiple zones (20-40 feet) of highly
anomalous gold, associated with quartz-pyrite and chlorite.”

Newmont’s geologists have logged the first two holes and are cutting samples from selected intervals for gold and multi-element analysis. Samples are obtained by sawing the core in half and retaining one-half of the core in a secure facility for future reference.

After completion of drilling at the Golden Reward, the drill will be moved to the Gold Butte prospect to test a mapped structural zone and geophysical target with associated anomalous gold values, pyritic vein and quartz-sulfide mineralization.
Large quartz monzonite hosted molybdenite deposit of Cretaceous age in central Idaho. Lower moly prices at start of year forced some slowdowns and reduced personnel and schedule slightly. 2-week slowdown in July, but Mo prices looking a bit better. At full operations with approximately 350 employees. Past couple of years have done considerable exploration drilling. Pit/orebody is about 5000 feet long, 2100 feet wide and 2100 feet deep at present. The radar system used for ground control monitoring has been very useful.

New 43-101 compliant reserves published. New water treatment plant up on hill will conserve water by allowing more recycling.
Thompson Creek has submitted an amended Plan of Operations to agencies earlier in year and proposed a land exchange with BLM. Federal and state agencies cooperating to prepare EIS. One part of plan needed to expand the operation is an expansion of the tailings embankment, shown here. View to NE along crest of tailings dam. Proposed mining still within original permit.

Several years ago during time of low precious metal prices, Kinross closed the DeLamar mine complex, inc. original DeLamar mine, with tailings pond/area shown here from Bankers Point, and the newer Stone Cabin mine on Florida Mtn. to east. Hard at work reclaiming and closure for site. 2009 BLM Hardrock Mineral Environmental Award winner is Kinross Gold Corporation’s DeLamar Mine in Owyhee Co.
SE Idaho’s phosphate industry is huge chunk, and has been for long time, of Idaho’s mineral production and related fertilizer and chemical industry. Economic mainstay of SE Idaho, esp. Caribou County where mines and 2 of plants are located. Rising global populations and need for food generated price spikes in 2008 and while markets “back to normal” there has been continued “grass roots” interest in phosphate and other ag chemical commodities. Large open pit mines (red ovoid) with ore 25-30% P₂O₅. Processed by 2 types of plants: Elemental phosphorus (nation’s only source) for use in Roundup and chemicals and foods and Phosphoric Acid Fertilizer (2 plants). Each plant (red square) employs around 500 people, so quite important to local economy.

Phosphoria and black organic shales enrich other elements: P, plus C, V, U, Mo, Se, etc. Selenium enriched in center waste shales and easily released if material is oxidized and has water flowing through old waste dumps, etc. Quite a problem.
Monsanto, Elemental Phosphorous Plant, Soda Springs. Monsanto (P4 Production, LLC) continues to operate the sole elemental phosphorus plant in the western hemisphere in Soda Springs and source it from its South Rasmussen Mine. Plant manufactures elemental phosphorus—used internally by Monsanto. Much is for Roundup herbicide.

2009: Due to global economic slowdown, plant ran at lower than expected rate for part of year. P4 did needed maintenance and some capital improvements. Fall, 2009, demand has improved and plant is at full capacity.

Mine at S. Rasmussen Ridge, haul ore to tipple at Enoch Valley. Use own trucks and road system to haul ore.

Mine about 1.25 million tons of ore. Most elemental phos goes to Roundup Employ 450 Monsanto employees with another 250 contractors. Permitting for Blackfoot Ridge with draft EIS expected next year 2009. Feasibility plan underway along with EIS. Hope to be mining Blackfoot Ridge by 2011 or 2012. Blackfoot Ridge is the north end of Woodall Mt. mined by Simplot years ago. Chinese competitors with good price and quality but unsure delivery schedules. Mining Contractor is ______________. Have own road system and ship from the mine to the plant using unit trucks.
At S. Rasmussen mine, operations continued, including mining and reclaiming the West Limb Pit, as small satellite deposit on steep topography.

Mining completed, Pit backfilled, and replanted. Slopes up to 24 degrees were rebuilt (see above) and planted. Over 17,000 feet of straw wattles installed for erosion control on steep faces.
Slide 29

Monsanto: Blackfoot Bridge DEIS

- Released Fall, 2009 by BLM
- Comment period extended and ended Oct. 31
- Sensitive area due to river and water quality
- Monsanto proposed geosynthetic liner cap
- Final EIS out in 2010

Agencies cooperating, BLM is lead. 739 acres of existing federal leases and mineral estate. Within a few hundred feet of upper Blackfoot River a Section 303d listed stream under Clean Water Act (impaired due to Se from historic mining in watershed). BLM, FS, Idaho DEQ cooperating.

Slide 30

The Simplot company has been an Idaho institution for decades. The J. R. Simplot, Don Fertilizer Plant, Pocatello, ID – manufactures various phosphoric acid fertilizers and precursor ingredients using ore from massive Smoky Canyon mine, located near Wyoming border. Over 400 people work at the plant which is 63 years old.

Slide 31

Big Story at Smoky Canyon was the legal fate of the Panel F and G expansion to the south. The ROD approved mid-2008. Greater Yellowstone Coalition appealed the ROD and asking for stay in development. Mid-December, District judge denied stay on pre-development activities. April to June 2009, Ninth Circuit gets involved; issued then lifted a stay after Simplot warned about layoffs. In late summer, District Judge Williams toured the mine and issued summary judgement in favor of Simplot continuing operations. GYC
appealed that to Ninth Circuit and that hearing set for 2010. Meanwhile, Simplot did start timber cutting and haul road development to Panel F. Mined first ore from Panel F in July.

Mining continued in prior panel E and in F. Reclamation projects continued. Reclamation in E added cap of Dinwoody shale. Planted 19,000 trees. Relocated a public road. Investigated some new water treatment processes for selenium and has a successful smoking cessation program for mine employees. Already working on plans for their next area, the Dairy Syncline property.

Make and sell phosphoric acid fertilizer. Only public company in the SE Idaho industry big 3. Agrium noted that prices for all of ag and fertilizer sector markets were challenged in 2009 due to global economic issues and crop conditions. Prices for phosphate products were about a third of the record and unsustainable prices received in 2008 though sales volume steady. Expect better market conditions in 2010.

2008 was good year for Agrium corporate, a Canadian ag resources
industry. Potash and phosphate doing very well in marketplace until last quarter of year. Agrium, the only publicly traded phosphate company in Idaho, announced record results for 3rd quarter earnings with net earnings over 7 times the 3rd quarter in 2007. Phosphate (not sure what form they report it as) sales prices were almost 3x that of the previous year. Realized sales prices in 3rd quarter were $1321/tonne, while cost was $508/tonne. However, they note major crop prices have declined 30% in recent months, and their stock price dropped dramatically late in the fall like all other mining companies. Demand and prices have dropped significantly at end of year.

Agrium had good year for 2007 in general. Fertilizer prices and markets good.
Closed S. Rasmussen and moved to Dry Valley mine in 2005
Ship by rail to Conda plant.
-----------------------------------------------------------------
--------
2004 Agrium acquired FMC’s (Astaris) Dry Valley Mine. Moved to Dry Valley in 2004 and started mining in 2005. 2.3 million tons from Dry Valley.
Washington Group Int does contract mining with about 100 people.
Agrium has about 12.
About 260 in the plant in Conda.
Reclamation award from Dept. of Lands for Rasmussen Ridge haul roads. Use rail system to ship from Dry Valley to Conda.
-----------------------------------------------------------------
AGRIUM Dry Valley Mine

In final 2 years of mining. 
Mining ore for Conda Plant
> 1 ¾ million tons a year
of phosphate rock
Markets back to 2007 levels
Transitioning to move to
North Rasmussen Ridge
mine (approved 2003 mine
plan, 600 acres)

D Pit, Phase 2, look N
In last phases of mining at Dry Valley.
D pit, furthest S shown here.

Agrium – reclamation at Dry Valley
C Pit
Numerous small to medium size operations, very critical to local rural economies. Sand and gravel and aggregate operations not shown. General consensus for 2009: Markets down significantly (up to 50%), but companies still hanging on. Upturn not likely to be significant for another year.

2008 saw sharp drop (30+ %) in some sand and gravel operations. Sharp drop in home construction but still some good highway projects. This Sandpoint by pass on US 95 in north Idaho. Also, lots of projects on I-84 through Boise Valley. White-knuckle driving but good for aggregate business, not enough to counteract effect on concrete needs from total drop in home construction market.

Nov. 2009: Despite the poor economic conditions, WGI’s operations have returned positive results for the third quarter by improving production flows, managing expenses and responding to customer needs. TGI, our supply partner in India, has increased production of garnet by bringing on capacity in Andhra Pradesh. This capacity is associated with TGI’s production of ilmenite. During the quarter the Company
recognized its second brokered ilmenite sale of the year, after being absent from this market since 2004. The Company’s mining and processing facilities at Emerald Creek Garnet (“ECG”) in Idaho, U.S.A. has increased its productivity and lowered costs through more efficient processes despite the lowest sales levels of its range of products seen in the Company’s eighteen years of operations. The Company hired a full time geologist in North America to work with the existing management team to identify mineral deposits and evaluate those deposits through drilling programs and other means deemed necessary to understand the geological characteristics and economics of those deposits. To date this work has been concentrated in areas around existing ECG mining. The Company has also retained a qualified person to prepare the necessary reports once economical deposits are confirmed. Today this project continues and the Company hopes to be able to report on its efforts in 2010.

Despite the poor economic conditions, WGI’s operations have returned positive results for the third quarter by improving production flows, managing expenses and responding to customer needs. TGI, our supply partner in India, has increased production of garnet by bringing on capacity in Andhra Pradesh.
Idaho operations about the same but some reduction in employees and production due to costs and ore grades. Market still good but who knows when it will change. Biggest change was away from trommels to flat screens for more efficiency. Coeur d’Alene, Idaho, September 15, 2008 – WGI Heavy Minerals, Incorporated (WGI) (TSX: WG) today announced that it has completed the sale of its investment in Transworld Garnet India (Pvt) Limited (TGI). The sale consists of WGI’s 74% equity interest in TGI and the repayment of debt financing. WGI has repatriated from India US $4.85 million in cash for its 74% equity interest in TGI. (Sept. 2008) The sale marks the beginning of WGI’s three-year distribution agreement with V.V. Mineral covering garnet, ilmenite and other minerals that may be present in the beach sands mined by V.V. Mineral. The agreement provides WGI with an assured minimum supply of 60,000 metric tons of garnet annually, which is a significant increase over current production rates. Garnet grades and quality levels will be consistent with material currently supplied to WGI by TGI, and additional quantities of garnet will be supplied as V.V. Mineral’s capacity expands. In addition, WGI will act as a broker for the sale of V.V. Mineral’s ilmenite products.
Three Rivers production about 22,000 tons in 2008 but only 15,000 tons estimated for 2009 (BLM). May be partly market conditions but also delays and work needed for EIS completion. Nearby Ramshorn quarry of local company Rockworks also active. Challis area.

Rocky Mountain Travertine
- Formerly Idaho Travertine Corp.
- Sold in 2008 and renamed
- Quarry is 40 miles east of Idaho Falls
- Large saws and equipment to cut and finish stone
- Increased marketing in 2009

2009: Business slow but hanging on. Any construction related market is just gone. Pumice production down 43% from prior year. Perlite only dropped 10% due to shutdown of competitor. Still have 60 employees. Did have layoffs. Used downturn to remodel plant for needed finer grinds for new uses, esp. filler markets. Also doing R and D on alkali-resistant concrete with pumice ingredient.

2008 – down about 10% in production due to economy. Cultured stone market down significantly due to housing market. Other top markets: 1. cultured stone/Lt weight blocks, 2.

2007-Hess Pumice had good year with pumice market steady. About 10-15% of their production went to new Owens-Corning artificial stone plant constructed next door. Shut down recently due to softening in housing market. 30 people laid off. Not Hess employees. Owens will probably mothball facility.

Produced 180,000 tons of pumice in 2005. A lot is used into making lightweight aggregate for the new Owens Corning Plant built by Hess Pumice. The plant produces a trademarked cultured stone.

Idaho Minerals, also owned by Hess mines Perlite that is largely used for potting soil. The perlite is processed at a new expander plant built by Hess at Malad. Perlite also steady in 2007. Canadian peat bogs mix it with their stuff. Also U. S. Grout.

-----------------------------------------------

From Mike Hess, 11/30/2006

BK Pumice is a new company started by a Hess employee who makes cosmetic products from pumice. This replaces the Italian pumice producers who used to have a lock on the cosmetic abrasive business. Italy is out of luck now as the UN declared the site of the main pumice mines a World Heritage site and shut the mines down. This allowed Hess to move into European markets. Owens Corning plant will probably expand next year. The company
makes various products from cultured stone made from pumice and cement. TV tube polishing has moved to China and Hess has lost a lot of this business. There are no TV glass plants left in the U.S. Hess now has an office in London to capitalize on the loss of the Italian pumice producers. Hess built a new ultra fine grind plant for the European paint business and hopes to expand this into U.S. paint market. Hess now employs 115 people at their facilities.

---

2008-Bear River Zeolite (subsidiary of US Antimony) believes that its sales will be fifty percent higher for 2008 than they were during 2007. The higher sales are a result of a broader and more diversified customer base. Key markets include animal nutrition, water filtration, oil and gas well carriers for reagents, waste water treatment, soil conditioning, air filtration, and numerous retail products. Potential new uses include plastic food containers to adsorb ethylene gas that causes ripening and rotting of vegetables and fruits, a pozzolan for cement, oil and gas well cementing, and alkaline soil remediation. The Company has added a 60 inch vertical roller mill to its circuit that has increased capacity by 200 tons per day. Other improvements have included more product silos, a new semi-automatic packaging plant, increased quality control, truck scales, and more mine equipment. Bear River
Zeolite is regarded as one of the finest zeolites in the world.

US Antimony Corp. of Montana is 75% owner of BRZ (and essentially operator). 15 employees working 24-7. Production for 2004 around 10,000 tons a year. Sales in 2003 up 120% over 2002 and prices up as well. Major markets: water filtration and remediation, animal nutrition, odor control for animals (CAFOs etc.), animal litter, household odor control; wastewater treatment, confidential, soil amendments. Hope to double sales next year. [Drinking Water filtration for municipal water supplies represent large potential market.]

-----------------------------------------------------------------------------------

ZEOLITE, (known as "La Rocka Magica" in Italy) is mined in southeast Idaho. Development of the mine and construction of the plant began in 2001 and sales commenced in 2002. Although the deposit has never been drilled, dozer cuts and outcrops indicate mineralization of more than 200,000,000 tons.

2007: installed Raymond Mill Company expanding and improving facilities.

Mining includes stripping a soil layer, drilling and blasting, then trucking the rock to the processing plant, which is less than one mile from the mine. The plant consists of crushing, drying, blending, screening, packaging equipment, warehousing, and silo storage.

Some $5,000,000 has been spent for the plant, sales development, and
mine. A recent expansion during the first quarter of 2005 increased the plant capacity to more than 150,000 tons per year (tpy). Management believes that this is one of the best quality zeolites in the world due to its high cation exchange capacity, purity, low clay content, low sodium content, homogeneity, and hardness.

Opened in 2001; USAC major owner
Sales/tons increasing
Adding new screens to up mill capacity
Aggressively pursuing new markets, uses

Uses: water filtration & remediation, animal nutrition, odor control, soil amendments, etc.

Although the deposit has never been drilled, dozer cuts and outcrops indicate mineralization of more than 200,000,000 tons.

Three thousand tons of the new BRZ production will be sold as a "pozzolan" for replacement of 10 to 30% of Portland cement in concrete. The pozzolan increases the strength of the concrete and reduces the corrosion of the rebar in the concrete. The corrosion of the rebar can result in failure of structural concrete installations. The balance of the finely-ground BRZ production will be available for flow agents, waste water treatment, animal nutrition, environmental remediation, animal feed palletizing, dairy cow milk supplements, odor control, pond liners, and a variety of other uses.
Dismal Start. Continued difficulty with financing for many juniors. Outrageously high precious metal prices and general outlook for global recovery kept base metals up. A number of last year’s projects on hold but some others going ahead. Geothermal energy exploration also in the news, though only 2 new drilling projects confirmed. Recent discussions with non-geo neighbors only confirmed how little the general public (even educated ones) knows about mining and why we need minerals (other than gold for jewelry). Why mine molybdenum?? How about stainless steel and jet engines that people use daily.

2009: a lot of projects on hold. Will briefly cover some of the bigger ones – still lots going on for one year.
Slide 44

**Azteca Gold Corp.**

Two Mile Project Area

---

**Slide 45**

Byron Ruen, 208-266-1151. Used a Boart Longyear 230 drill. Photo is on Azteca’s website. Holes are over 10,000 feet.

---

**Slide 46**

DDH005A- 8,784’ deep. At 7,950’, 50 feet of massive sulfides.

DDH005B- Wedged off 005A at 4,000’, 9/15 at 10,243’.

DDH006A- 11,173’ deep. Carbonate zone from 11,081’.

DDH006B- Wedged off 006 at 9,900’, 9/15 at 11,643’.

As of 9/15 halted drilling to do Scintrex Ltd., downhole geophysics.
Photos on their website (apparently still the best massive mineralization) along with lots more. Target might be analogous to Sullivan-type mineralization. Obviously very deep. Will be interested to learn more. Geophysics down-hole surveys this fall just completed. Results pending.

Earl: See some photos on Newmont Toboggan JV. Other properties on hold to focus on Toboggan.

Drill is at Gold Butte prospect at the head of Butte Gulch and core is from a mineralized breccia zone from that same hole. Zone is described as an explosion breccia with potassic alteration, pyrite and high Te. Lead and Mo are anomalous. Gold is in the pyrite. Bedrock is upper Prichard, Unit H.

Scenic view is Toboggan Creek.

Artesian drill hole is in Toboggan Creek. Flow was 300 gpm but subsided as the pressure dropped.

Fred
Drill is at Gold Butte prospect at the head of Butte Gulch and core is from a mineralized breccia zone from that same hole. Zone is described as an explosion breccia with potassic alteration, pyrite and high Te. Lead and Mo are anomalous. Gold is in the pyrite. Bedrock is upper Prichard, Unit H.
Drilled 6 holes totalling 1359 meters.

Best intercept: 4 m of 2.5 ppm at Gold Butte. Newmont is planning more drilling next year.

Crescent mine started up in 1916 s the Big Creek Mining Co. BH took it over in 1922.
Alhambra production was 2,200 tons yielding 10,536 oz Ag in 1917-1918.
Production from 1924 to 1977 was 868,926 tons yielding 22,570,068 oz Ag.
Production from 1978 to 1984 was 2,853,677 oz Ag from 146,085 tons of ore.
Total silver production was 25,434,281 oz Ag. All production prior to 1935 was from above the Hooper Tunnel.

Got the property in January for $650,000, started drilling in May. Want to do 35-45,000 feet of surface drilling. Restore Hooper tunnel (almost done in September) by Atlas Faucett. 100,000 feet of underground drilling in lower Alhambra and South veins. 5,000 feet of drifting and x’cutting to id drill sites, which extend beyond Hooper Tunnel. Raised $12 million in private placements.

SNS Silver entered JV this fall with Syringa Exploration to reopen the Crescent Mine. Based on 43-101 resource (SRK) and 2008 drill program. About 500,000 tons of + 18 opt Ag material in the Alhambra and South vein structures. Good access to developed mine. Open in several directions. Planning for 500 tpd production level when ramped up.

9/16/2009- SNS Silver Corp. (TSX: SNS-V) and Syringa Exploration Inc. (Syringa) signed of a letter of intent to enter into a Joint Venture Agreement to reopen SNS Silver’s wholly-owned Crescent Silver Mine in Idaho’s famed Silver Valley for development, exploration and production. Under terms of the Agreement, Syringa will expend $2,000,000 in each of the first two years of the Agreement, and
$4,160,000 in the third year toward continued exploration and development of the Crescent Mine for a total of $8.16 million, earning Syringa a 50 percent interest in the Crescent Silver Mine at the end of the third year. Additionally, Syringa will issue 900,000 shares of its stock to SNS. Syringa also will have the right to purchase an additional 1 percent of the Joint Venture by making an additional payment of $200,000 to SNS. “Initial production is expected to begin at a rate of 50 tonnes per day (t.p.d), ramping-up to 250 t.p.d., producing about 70,000 ounces of silver per month and approximately 840,000 ounces per year, of which 428,400 ounces will accrue to Syringa’s account.”

Note that access from Hopper tunnel allows the company to raise up on red zone targets.
Slide 54

- Idaho Cobalt Project, Lemhi County, Idaho
  - Proven and Probable Reserves: 2.636 million tons @ 0.559% Co, 0.596% Cu, 0.014 opt Au utilizing a 0.2% cobalt cut-off for a 10 year mine life.
  - Inferred resources of 1.122 million tons @ 0.585% Co, 0.794% Cu and 0.017 opt Au

- Parent Company changed name to Formation Metals, Inc.
- Purchasing and parking needed equipment. Ball Mill on left, tram cables being unloaded on right.

Slide 55

- Currently in negotiations with Forest Service over final details of implementation of conditions in Record of Decision, bonding, etc. Also looking at financing. Mine plan has decline from portal on west side of mountain with plant and tailings facilities on flat areas on top.

- Access across patented claims controlled by Blackbird Mine Site Group (indirectly owned by Swiss-based Xstrata PLC via subsidiaries Noranda Mining and Blackbird Mining Co.)
- Underground mine, 100% contained. Produce about 1500 tons annually of super alloy grade, high purity cobalt metal. 10-yr. minimum mine life.
- Cons shipped to hydrometallurgical facility at Kellogg, Idaho.
As part of its efforts to improve environment stewardship, Formation agreed, pre-mining, with environmental groups to dedicate funding for local projects. This one was completed last summer with assistance and expertise of Salmon Valley Stewardship. Used typical and innovative (or very old) techniques, including logging with horses rather than heavy equipment. Generated lots of local participation and interest. See talk by Formation on Thursday in sustainability session.

Gold Crest Mines ended up selling their interests in the district to Midas Gold, Inc. a private company. Since acquisition of the properties in the spring Midas has completed
1) District wide drill data compilation covering the 134,500 meters of past core and RC drilling into the 15 known deposits in their land position
2) a district-wide aeromagnetic survey
3) 8-line kilometers of IP surveys
4) 100 meters of backhoe trenching
5) a 2650 meter HQ core drilling program
6) Initiated environmental baseline data collection and advanced exploration permitting process
We have cut some nice mineralization indicating a major new discovery. Some of the better intercepts include:
Hole MG090-1: 536 feet @ 0.067 opt and 226 feet @ 0.053 opt Hole MG090-2: 101 feet @ 0.060 opt Hole MG09-3: 70 feet of 0.070 opt, 180 feet @ 0.078 opt, 40 feet @ 0.095, 61.5 feet @ 0.062 opt and 122 feet @
0.044 opt Hole MG09-4: 31.5 feet @ 0.033 opt, 76 feet @ 0.058 opt, 33.5 feet @ 0.040 opt Hole MG09-6: 233 feet @ 0.101 opt, 85 feet @ 0.046 opt, 55 feet @ 0.054 opt, 53 feet @ 0.056 opt Hole MG09-7: 247.5 feet @ 0.137 opt Hole MG09-8: 109 feet @ 0.029 opt, 135 feet @ 0.035 opt Hole MG09-9: 183 feet @ 0.117 opt and 45 feet @ 0.042 opt

These are generally true widths of mineralization and occur along a mineralized zone at least 800 feet thick, 100-300 feet wide and at least 2500 feet long zone defined by over 34,000 feet of historic and modern drilling adjacent to the Meadow Creek Fault approximately 3 miles south of the Yellow Pine Deposit. I will send you some slides and graphics if you are giving a chat at NWMA in Reno or for other forums if you’d like.

Drilling barely finishing by end of November. Company relooking at last year’s results of high grade zones on Kilgore Mine Ridge. Not sure if this is the renamed “Dog Bone Ridge” silica apron. Volcanic-hosted epithermal prospect. Lots of past drilling and 500,000 ounce resource.
May have heard Pete’s talk earlier this morning. Catch some of the rocks and maps of their new intrusive breccia gold anomaly at the Core Shack and booth in exhibit hall.

All 20 rock chip samples obtained from outcrop and float in the mineralized area were anomalous with gold values ranging from 0.047 ppm to 5.81 ppm. In a 24-sample, 100-foot spaced soil orientation survey in one area resulted in 23 of the samples being anomalous with gold values ranging up to 0.31 ppm. All assays were completed by ALS Chemex in Elko, Nevada.

The gold mineralization occurs in a multi-lithic intrusive breccia that covers an area of at least 60 acres and is oriented parallel to copper, zinc, silver, gold, and lead mineralization at the main South Mountain located one-half mile to the north. The breccia has sub-angular fragments of sulfidized and potassically altered quartz monzonite and silicified fragments of metasediments.
Mosquito Consolidated: CUMO
- Boise County, Idaho
- Mo-Cu Porphyry
- BIG
- 2009 about 9 holes
- NI 43-101 resource (May 2009):
  - 1.3 billion tons indicated and 2.25 billion tons inferred @ approx. 0.1% MoS2eq.
- Prelim Econ Assessment + 2008 A team drilling; 2009 drill was better looking.
- Ausenco supervised Prelim Economic Assessment, just released.

CUMO: Nov. 23, 2009
- Nov. 23, 2009 – Mosquito will proceed with feasibility target at 125,000 + short tons per day for mine plan
- NPV of $18 billion USD at 150,000 ton rate, IRR ~ 30%
- Over $2 billion capital cost
- Mo, Cu, Ag, Rh credit
- At that rate, would be far largest mine in state. Calculations based on 40-year mine life (more likely), ramp up to additional 50,000 tpd eventually.

Not even drilled out yet. Deceptively subtle. But the lateral and vertical continuity of mineralization is staggering. Take a look at their website.

Hole 49-09 is a vertical hole (-90) drilled to a depth of 867.8 meters (2847 feet), from a site located in the southeast corner between holes 14-77 and 44-08. The hole is designed to extend the mineralized zone intersected in Hole 14-77 (409.6m (1343.8 feet) grading 1.36% Cu Equiv/0.12% Molybdenite equiv.) to the south (figure 1) toward hole 44-08.
(low grade hole). Hole 49-09 intersected molybdenum bearing mineralization from 64.0 (210 feet) to 867.8m (2847) feet. The hole confirms that the molybdenum mineralization is present at depth and fills in a large gap between hole 14-77 and hole 44-08 in the mineral resource.

Assay results returned include:

Hole 49-09     457.2 meters (1500 feet) grading 0.07% Cu and 0.093% MoS2  
(0.95% Cu Eq., 0.101% MoS2 Eq., 1.82 lbs MoO3 Eq/t)  
Including   274.31 meters (900 feet) grading 0.06% Cu and 0.105% MoS2  
(1.05% Cu Eq., 0.115% MoS2 Eq., 2.06 lbs MoO3 Eq/t)  
New geological interpretation suggest presence of two separate, superimposed porphyry systems – Earlier copper system and later, cross-cutting molybdenum system. Systems zoned as well, both in metal content and alteration. Two drills going all summer. All core and deep holes. Hosted in Cretaceous granodiorite, cut by series of Tertiary quartz monzonite porphyries. Huge, world class deposit. Lots of permitting and engineering hurdles to address. Fairly remote country in county that could use the jobs. May go from the silver standard to the moly standard.
Thanks again to Snake River SME Section

- Think moly, silver, or cobalt, think Idaho
- Idaho Geological Survey (www.idahogeology.org) for all your geological and mineral resource needs
  - Pubs and maps online (new in '09)
  - Geologic mapping needs
  - Hydrogeology and Geothermal Data
  - Mine Histories and Files