

WHY DENVER AND COLORADO ARE IMPORTANT TO MINING

STUART A. SANDERSON, PRESIDENT



Minerals are Essential



- Average American uses 35,000 pounds of minerals annually
- There are 42 minerals in a cell phone, 35 in your television, and 66 in your computer
- We use minerals every day

Minerals & National Security

MiNeRaLs Make Security

Minerals are among the most important components in **technologies protecting** our **nation**.

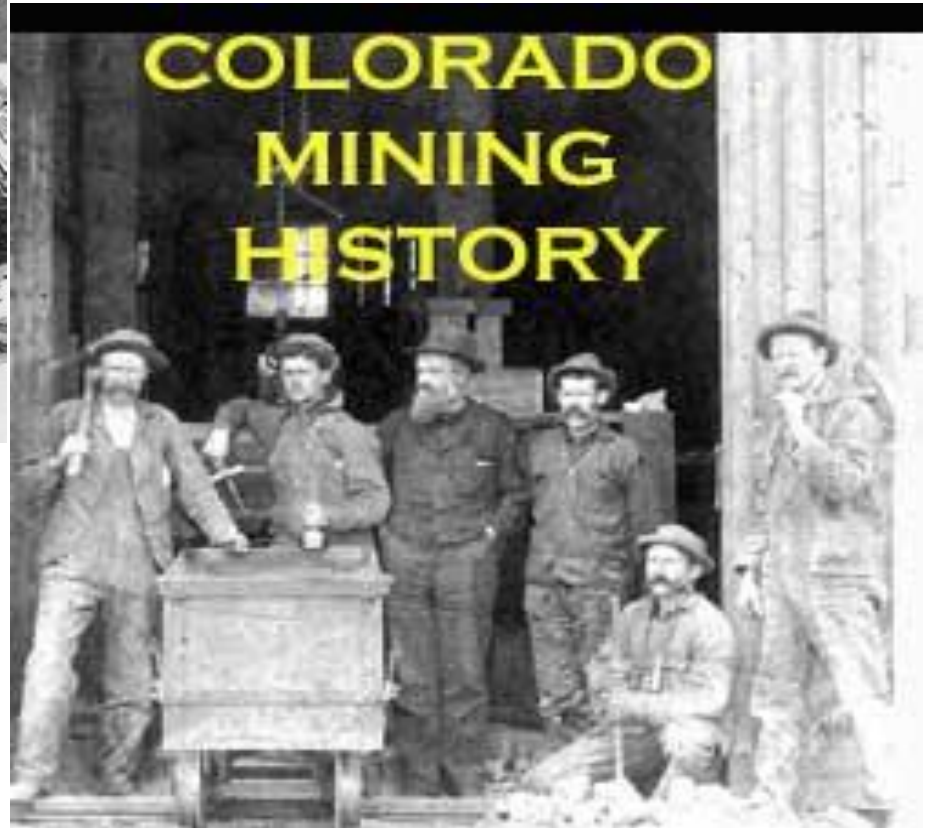


- Aluminum in Aircraft
- Rare Earth Minerals in lasers, radar systems, night vision equipment and satellites
- U. S. is 100% import dependent on rare earth minerals

Mining, Colorado's First Industry



Keller Colorado Mining
Photographic Collection
Courtesy: MiningBureau.com

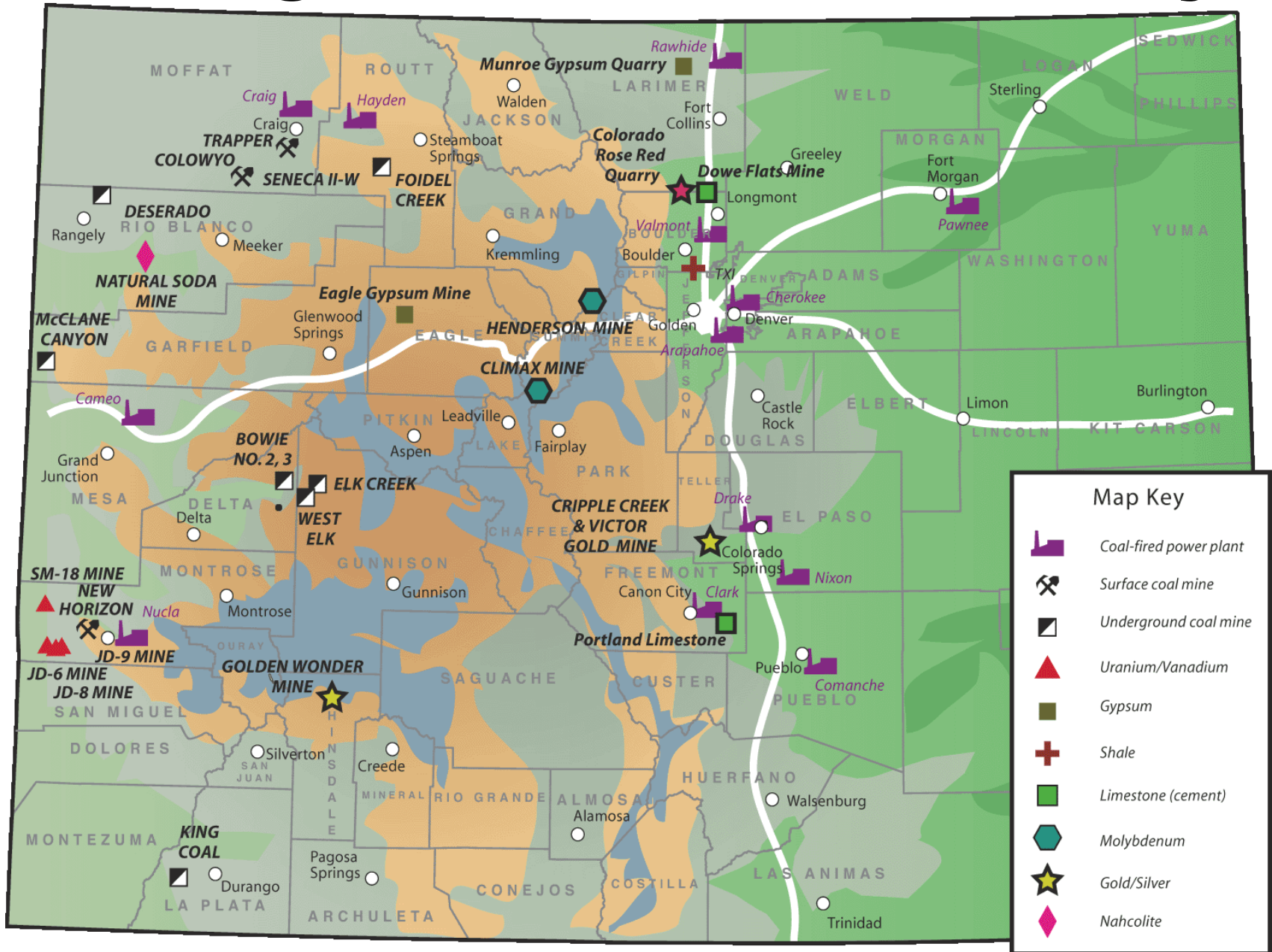


Mining Means Jobs

- 5,700 direct jobs and 20,000 in General economy – multiplier effect is substantial
- U.S. mining industry supports 700,000 jobs
- In Colorado average Mining wages and benefits exceed \$70,000 annually; \$107,000 annually for coal mine employees



Mining: Colorado's First Industry





Energy Minerals

Coal & Uranium

- **Clean coal** is used to produce 68% of Colorado's electricity
- Also used in:
 - Tires and rubber
 - In the processing and manufacturing of other metals
- **Uranium** is used primarily in the production of nuclear energy
- Also used in medicine in MRI's, CAT scans, and X-rays used to diagnose patients and to treat cancer patients

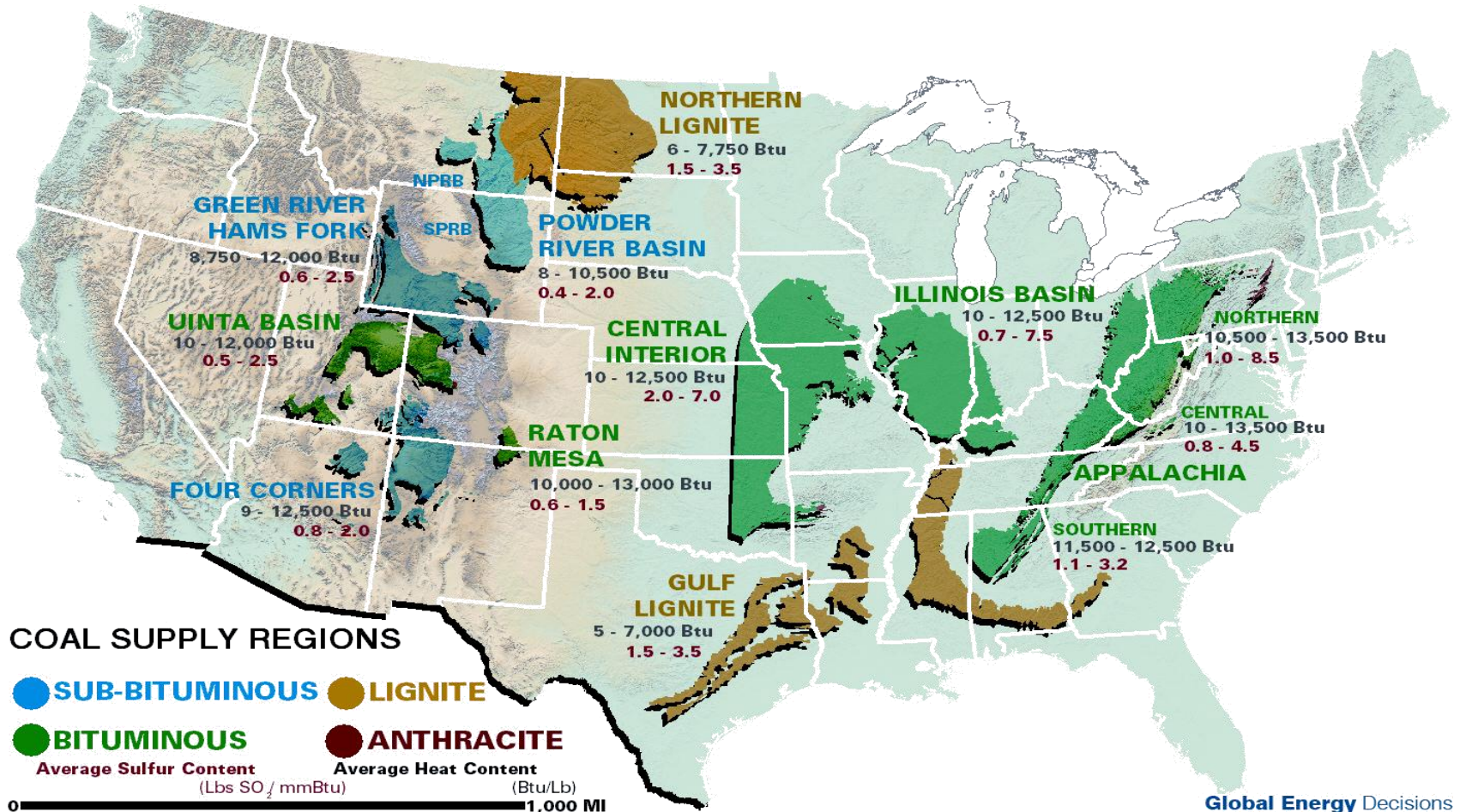
Both energy minerals are mined in Colorado!



Mining Matters... when you plug in for power.

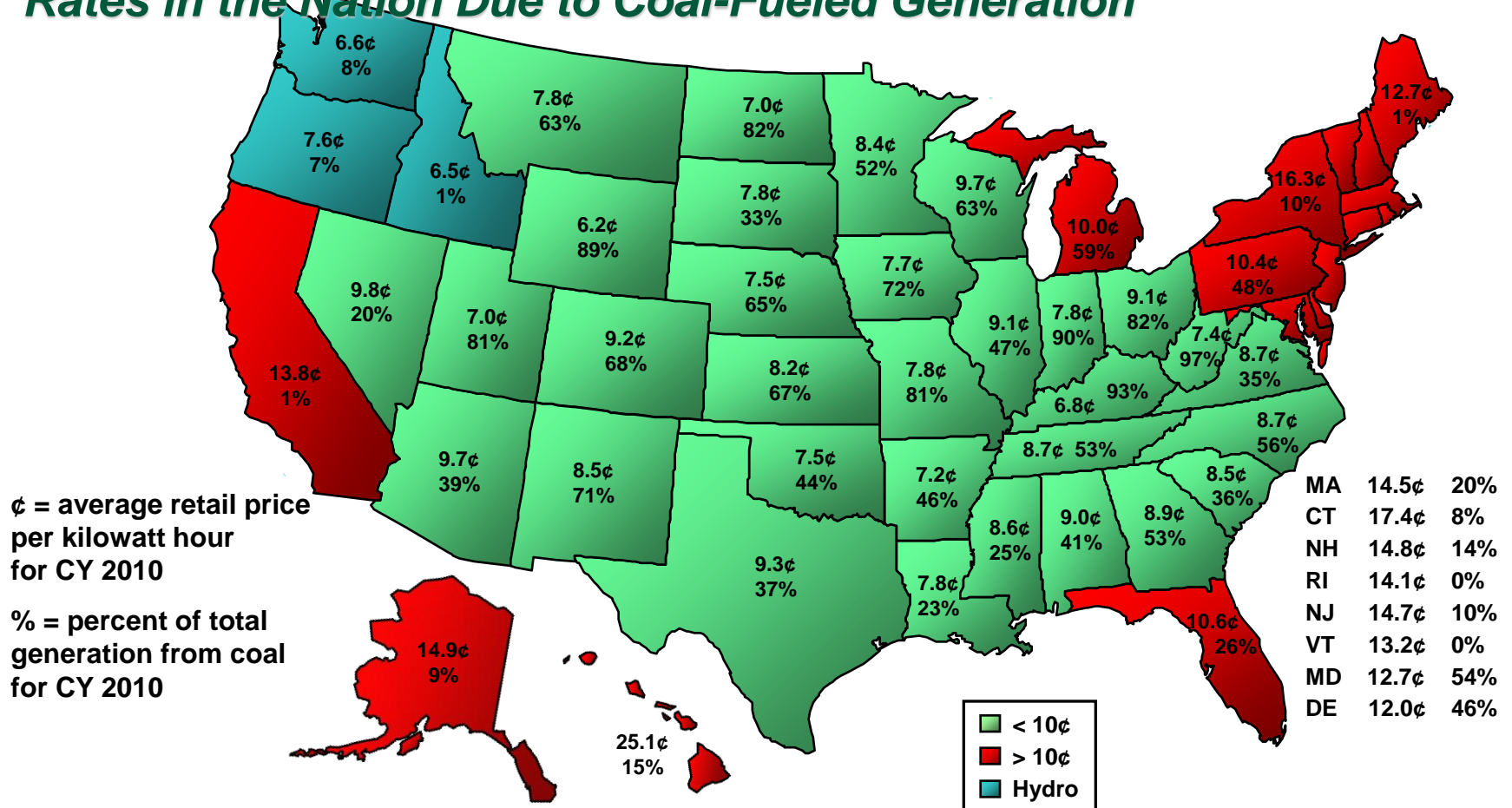
Coal is Our Most Abundant Energy Fuel

The Resource: 27% of the World's Coal is in the United States



Low-Cost Electricity Comes from Coal

Electric Customers Pay Some of the Lowest Rates in the Nation Due to Coal-Fueled Generation



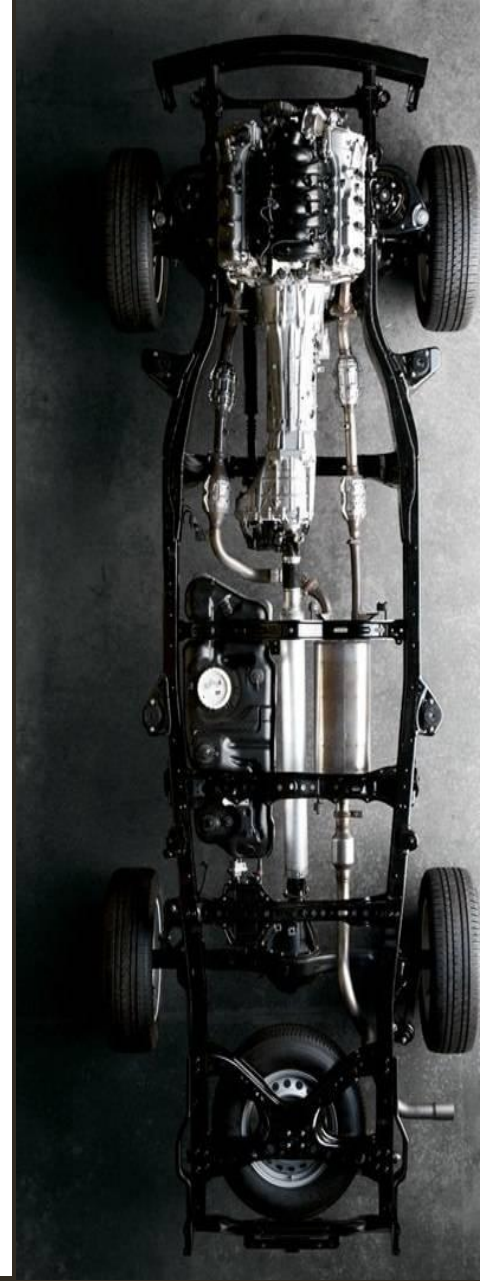


Molybdenum

- Added to stainless and alloy steels for anticorrosive and strength qualities
- It is used in many of the products used in households and industry:
 - Automobiles, motorcycles, bicycles, industrial, lab, and hospital equipment and parts
 - Heat sinks, computers
 - Toothpaste, WD-40, light bulbs, cooking utensils, paint, and so much more.

Mined in Colorado!

Mining Matters... when you drive a vehicle.

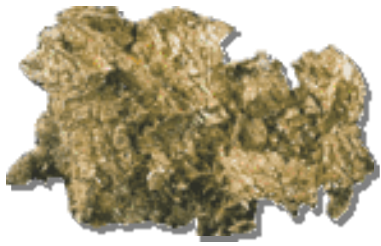


HENDERSON MINE – WORLD'S LARGEST MOLYBDENUM MINE



The Climax Mine





Gold

- Used in a variety of products and industries including:
 - Currency and Jewelry
 - Medicine and dentistry
 - Scientific research
 - Computers and satellites
 - Cell phones, MP3 players, and automobile airbag control panels

Mined in Colorado!

Mining Matters... when you work on a computer.







Silver

- Used in a variety of products:
 - Jewelry and currency
 - Photographic materials and electronics
 - Medical and dental care and research
 - Batteries, cutlery, mirrors
 - Solar panels

Is a by-product of gold, and is mined in Colorado!



Mining Matters... when you set the table for dinner.



Gypsum

- Primarily used in wallboard and plaster products
- Also used to make Portland cement
- Used in small amounts in agricultural applications
- Pure gypsum is used in glass-making

Mined in Colorado!



Mining Matters... when you build a house.



Limestone

- Used as aggregate, and in cement and other building materials
- Used in industrial air filters to remove sulfur from exhaust gases
- Used in paint, paper, glass, plastic, and carpet production
- Used in water treatment and filtration
- Used in the construction of pads for wind towers

Mined in Colorado!



Mining Matters... when you rollerblade on a sidewalk.

Nahcolite – Pure Sodium Bicarbonate

- Colorado has only pure sodium bicarbonate reserves in U. S.
- Used in flue gas desulfurization – lowering power plant emissions
- Other uses, baking soda and toothpaste

Mined in Colorado!



Environment Matters

- Mining projects are subject to federal and state environmental laws and regulations.
- Project environmental reviews include provision for public review and input.
- Any impacts to land, air, water, fish and wildlife, and cultural resources are evaluated, monitored, and addressed.
- Mined lands are restored to productive use following mining.



Commitment to Safety and the Environment



More than **2.6 million acres** of mined lands have been restored through reclamation for other uses such as sanctuaries for wildlife, range land for cattle—even research facilities.

DENVER – MINING EXPERTISE CAPITAL OF THE WORLD

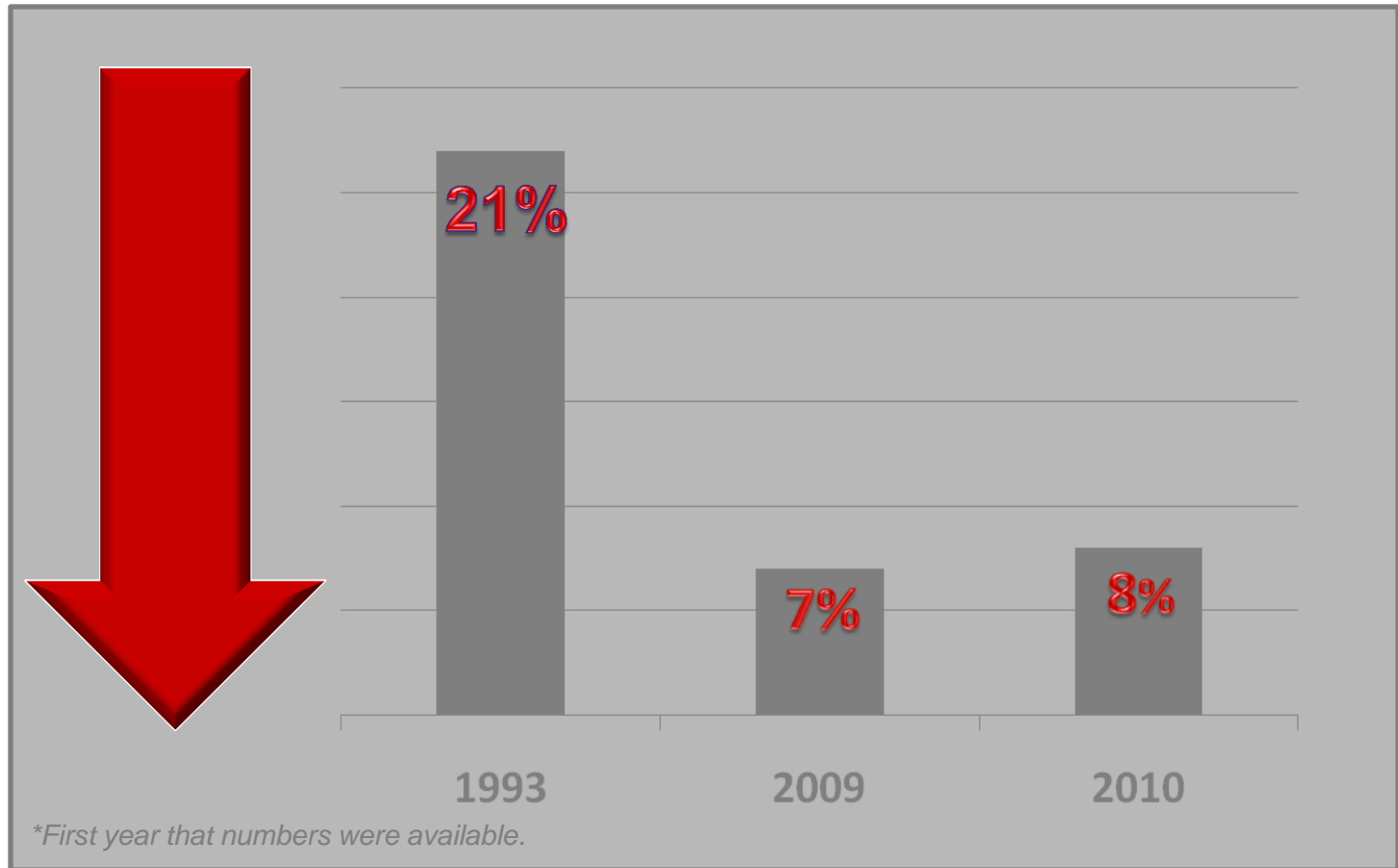


COLORADO – INTERNATIONAL MINING CENTER

- Colorado School of Mines – founded 1874
- Denver – mining's infrastructure of consulting, finance, law, and engineering firms
- Home to SME, CMA, Denver Gold Group, SEG and Others
- Home to some of the largest mining IPO and merger activity in the U. S. – Molycorp, Intrepid
- Mining community an untapped political force in need of deployment



U.S. Share of Global Investment in Sharp Decline



Policy Prescriptions

Modernize the permitting process to shorten the time it takes to acquire a permit for mining.

Create a consistent, rigorous and sound regulatory framework to encourage added investment.

Establish a federal economic policy that encourages development of domestic minerals.

MiNeRaLs Make Policy

We have the ability to
**reverse our
dependence**
on certain mineral
imports.



Challenges at State Level Too

- Ban on Chemical Reagents (Cyanide) Took 10 Years to Defeat
- Colorado Enacted Legislation to Shutter Lower Cost Coal Power Plants in Favor of High Cost Natural Gas
- Colorado Has one of the most Stringent Uranium Regulatory Programs in the Nation
- Industry is traditionally apolitical, but there is a crying need to support industry political efforts – including national political actions committees and those in Colorado – the stakes are high
- CMA Mining For Colorado's Future, PC
- CMA Small Donor Committee





Colorado

Mile High Mining Hub

Save the Date : Plan to Attend
114th National March 19-22, 2012

**Western Mining Conference
& Exhibition**

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Denver, Colorado

Call Jody
for Exhibit Space
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for the Premier
Mining Event
of the Year!

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