

Return to Bulletin Home Page

OCT/NOV 2000

Inside this issue:

Cautious Optimism	2
International Mining	2
Keynote Session Focus	3
DeVoto to Speak	3
Jack Gerard to Speak	4
IUCN Official to Speak	4
Membership Meeting	4
Environmental Sessions	4
Legislative Session	4
Adrian Smith Award	5
Stibnite Settlement	6
NWI's EPA Report	8
3809 Update	8
Ancal New Procedure	9
State/Prov Reports	10
New Members' News	13
Committee Reports	14
Calendar	16

The Emphasis is on Exploration at NWMA's 106th Annual Meeting

Spokane set to welcome leading international mine finders

Minerals explorationists from around the world will contribute their cutting-edge expertise to make the **Mineral Deposits** and **Geology & Exploration** technical sessions cornerstones of this year's NWMA Annual Meeting & Exposition, held in Spokane, Washington, Dec. 4-8.

The Mineral Deposits technical session begins with the "USGS Open-Industry Briefing" session, chaired by **Dr. Art Bookstrom**, a geologist with the USGS in Spokane. The open-industry briefing will present the results of current research by the USGS' Mineral Resource Surveys program. It will include an overview by USGS scientists of preliminary results from ongoing mineral resource and mineral environmental studies. Topics include: exploration datasets in Idaho and Montana by M.L. Zientek; selenium and phosphate mining by Phillip Moyle; the Permian Phosphoria formation by James Evans; and mineral resources and sustainability by Kathleen Johnson.

"The Lead, Zinc and Silver Deposits of the Northwest" session, chaired by **Jeffrey Clark** of the Spokane office of **Cominco American Incorporated**, will focus on new developments and unique challenges of base metal deposits, including an overview of the Gold Hunter Mine in Idaho by Jon Carlson of **Hecla Mining Company**, the Finlayson massive sulfide deposit in the Yukon by Harlan Meade of Expatriate Resources, the Pend Oreille Mine in Washington by Cominco's Mark Cox, and the Anarraaq ore body in Alaska by Cominco's Adrian King.

Area Reports I and II, chaired by **Earl Bennett**, Dean of the University of Idaho's College of Mines and Earth Resources, will provide the latest update on minerals activity in Alaska by **Dr. David Szumigala** of the Alaska Dept. of Natural Resources, in British Columbia by **Dr. Tom Schroeter** of the British Columbia Mineral Development Office, in Colorado by Jim Cappa of the Colorado Geological Survey, in Idaho by **Dr. Virginia Gillerman** of the Idaho Geological Survey, in Nevada by **Dr. Jonathan Price** of the Nevada Bureau of Mines & Geology, in Oregon by Gary Lynch of the Oregon Dept. of Geology and Minerals Industry, in Washington by Dr. Robert Derkey of the Washington Dept. of Natural Resources, and in the Yukon by Mike Burke of the Dept. of Indian Affairs and Northern Development. Covering exploration and production, these are *must sessions* for exploration geologists, miners and investors.

Some of the most exciting new mine developments in North America focuses on platinum and palladium deposits. The "Platinum/Palladium Deposits" session, chaired by consulting geologist **Paul Kuhn**, will highlight PGM (platinum group metals) market turbulence, an overview of deposit classification and geologic settings, and a poster session with core displays. Topics include: developments in PGM markets by Richard Marshall of the USFS; geologic settings for PGM occurrences by M.L. Zientek of the USGS; North American Palladium's Lac des Isles deposit in northwestern Ontario by M.J. Lavigne of North American Palladium; Polymet Mining Corporation's Northmet copper-nickel-PGM project in Minnesota by Don Gentry of Polymet Mining; and Stillwater Mining Company's East Boulder project in Montana by Steve Cutler of Stillwater Mining.

NWMA Trustee and 2000 Annual Meeting Chair **Greg Hahn**, President and CEO of **Summo Minerals Corporation**, will chair The Society of Economic Geologists' "New International Ore

Continued on page 2 ...



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Deposits” session that will highlight the geology of significant new deposits around the world.

Topics will include: the Batu Hijau copper-gold porphyry in Indonesia by Christian Clode and Arif Perdanakusuma of Newmont Indonesia; the geology of the Ken Snyder gold-silver mine in Nevada by **Patrick Goldstrand** and **Kirk Schmidt** of **Franco-Nevada Mining Corporation**; Argentina’s Veladero gold deposits by a representative of **Homestake Mining Company**; Mongolia’s Oyu Tolgoi copper-gold deposit by mining consultant Donald Cox; and the Tara zinc-lead ore body in Ireland by John Ashton of Outokumpu Oy.

In an effort to develop exploration models for large ore deposits, “Giant Ore Deposit Models,” chaired by **Earl W. Abbott**, President of Sierra Exploration, will explore and emphasize the reasons these unique deposits are formed.

The Geology & Exploration sessions begin with “New Technology and New Twists on Old Technology,” chaired by **Dutch Van Blaricom**, a leading consulting geophysicist. The session will concentrate on getting the biggest bang from your geophysical buck.

Topics will include: three-dimensional terrain effects in galvanic resistivity data by **Frank Fritz** of Fritz Geophysics; CSAMT applications to manto mineralization in Mexico by Emmett Van Reed of **Zonge Engineering**; Aerotem (an electrogenetic system) by Jim Misin of Paterson, Grant and Watson; physical rock property analysis by **Robert Gordon** of Quantec Geoscience; and integrating the geosciences through quantitative technologies by John Buckle of Quantec Geoscience.

Peter Megaw of IMDEX, will chair “Mexican Exploration and Development,” a session highlighting new and large base and precious metals exploration and development projects in an emerging Mexico.

Dr. Elizabeth Jones Crafford of GeoLogic Services will chair the ever-popular “Large Left-Lateral Leaps,” offering unconventional ideas from the cutting edge of geoscience that promises to stir up spirited discussion on provocative new ideas. Complimentary beverages, designed to facilitate free expression and debate, is a trademark of this session.

Topics include: folds and faults of the Pacific Northwest by **Eric Cheney** of the University of Washington; ore deposits and deep cracks from the perspective of wet zones, differentiation hooks, oxidation state and slab tears by Monty Swan of MagmaChem; northern Nevada’s geochemical ‘V’ trend by Mark Mihalsky of the USGS; North American suture zones by Bill McClelland of the University of Idaho; and satellite imagery of low-sulfidation systems by **Sandra Perry** of Perry Remote Sensing.

Topping off the sessions, **Robert T. Boyd**, President and CEO of **Ashton Mining of Canada**, will chair “Canadian Junior Companies and New Discoveries.” This session will highlight four recent discoveries and significant exploration developments by junior resource companies, and will comment on their financing methods.

Topics will include: Yukon’s Howard Pass zinc deposit by Gerry Carlson of Copper Ridge Exploration; Alberta’s new kimberlite field by Ashton’s **Brooke Clements**; and British Columbia’s Cariboo and Bonanza Ledge gold projects by Frank Callaghan of International Wayside Gold Mines. *

Cautious Optimism Sets the Stage for NWMA’s 106th Annual Meeting

NWMA staff attended MINExpo 2000 in Las Vegas, Nevada, where some 35,000 attendees and exhibitors were surprisingly upbeat about the prospects for the mining industry in 2001. David Menzie, Chief of the International Minerals Branch of the United States Geological Survey (USGS), made a case for accelerating per capita consumption rates of metals and minerals in major industrial countries, as well as in emerging economies like China and Korea. This, according to Menzie, will require massive growth in mine production in the foreseeable future.

For example, if growth of copper consumption in China continues at the current pace, demand could require 7.5 to 15 million metric tons of copper per year by 2020. This range is 50 to 100% of today’s global copper use. Recognizing that China is not the only emerging economy experiencing rapid growth, and that the high-tech industries and the “new economy” are electricity- and metal-intensive, many experts are predicting a mining and exploration upswing in the near future.

Throughout the event, exhibitors and attendees seemed cautiously optimistic about the need for new mining projects soon.

The program for this year’s **NWMA Annual Meeting, Winds of Change**, is designed to prepare you for this next wave of mining and exploration activities. The final convention program with session details, including the presenters and the titles of their talks, is in the mail and available on the NWMA website at www.nwma.org.

Register today to stay ahead of the competition. *

Interest in International Mining Evident at NWMA Meeting

They will be coming to Spokane from the four corners of the globe — the Arabian Peninsula, South America, the Far East, Europe and Africa — and will represent mining ministries, geological surveys, major operating companies, and juniors. They’ll be seeking equipment, services, partners, and knowledge, and they will find it all at the **106th NWMA Annual Meeting and Exposition**.

Our cross-border roots have always given our annual gatherings a unique flavor and spirit. This unique and lively attitude is enhanced by the new faces and fresh ideas from overseas.

Attendees are expected from Argentina, Australia, Chile, China, Ecuador, Ghana, Indonesia, Ireland, Mexico, Mongolia, Oman, Russia, Saudi Arabia, Tanzania, Venezuela, and Yemen, among others.

Many sessions are designed to help NWMA members appreciate, and take advantage of, the vast opportunities that are presenting themselves to the North American mining community.

A host of sessions and special events will allow everyone to explore, learn and become acquainted with our visiting colleagues. On Wednesday, Dec. 6, the exhibit halls will open at 11:00 A.M., giving all the chance to view booth displays, project posters and the Core Shack, and to discover new products and projects from around the world, as well as our own backyard.

That same morning, *International Area Reports* will focus on reviews of geology, mineral exploration and mining outside of North America. Topics will include: developments in Argentina by Dr. Roberto F.M. Pagae of SEGEMAR; mining investments in Tanzania by Edwin P. Mchihiyo of the Tanzanian Energy Ministry; mineral opportunities in Yemen by Dr. Ismail N. Al-Ganad;

the newly-formed Saudi Geological Survey by Dr. Mohammed A. Tawfiq; Ecuador's ProdeMinca Project by Antonia Bermeo of Unidad de Coordinación ProdeMinca; and PGM exploration in Oman by Halil Mohammed Al-Azri of Oman's Minerals Ministry. *

Keynote Session to Focus on the Future for North American Mining

Today, we clearly mine only with the consent of the public. The needs, desires and wishes of society are changing faster than our industry is adapting. We are clearly an industry under stress. The rules of engagement have changed, the public attitudes have changed, and our industry needs new approaches and new solutions if we are going to have a viable North American mining industry in the 21st century.

Sustainable development is often cited as the solution to mining's future. But how do we define it? How do we practice it? What does it mean in terms of environmental, social and economic responsibility?

Attend the **NWMA Annual Meeting's Keynote Session** on Tuesday, and join session chairman **Joe Danni**, VP-Corporate Relations for **Placer Dome North America**, **Dennis Wheeler**, Chairman, President and CEO of **Coeur, the Precious Metals Company**; David Humphreys, Chief Economist, Rio Tinto, London; Douglas Horswill, VP-Environment and Corporate Affairs, **Cominco, Ltd.**; Dorothy Kosich, Consultant to **Anglogold North America**; U.S. Senator Larry Craig, and Montana Governor Marc Racicot, as they discuss real solutions to the hard choices facing the North American mining industry as we enter the 21st century.

The discussion continues Thursday at the technical session co-chaired by **Leigh Freeman**, Freeman and Associates, and Peter Dolph, Triad, Inc., called "Sustainability, Our Challenge and Our Opportunity." Internationally recognized speakers, including Rio Tinto's David Humphreys and consultant Ian Thompson, and will explore the economics of sustainable development, whether the mining industry can afford it and how do we break out of our cultural paradigm. *

DeVoto to Discuss Open Pit Mining and Cyanide Ban

Anti-cyanide initiatives have become the latest weapon in the arsenal of anti-mining groups nationwide: Oregon in 1994, Montana in 1998, and Colorado in 2000. Therefore, can Nevada be far behind? Is the real issue cyanide, or is it open pit mining? The mining industry defeated the initiatives in Oregon and Colorado, but not in Montana. Why?

At the Industry Outlook Luncheon on Thursday, Dec. 7, **Dick DeVoto**, President of **Canyon Resources Corporation**, will discuss the history of the McDonald Gold Project near Lincoln, Montana, and attempts by anti-mining groups to stop the project.

In 1998, the voters of Montana passed an anti-cyanide initiative (the infamous I-137), which bans the use of cyanide heap-leach technology in open pit gold and silver mines.

DeVoto's premise is that the real objective of I-137 was to ban any future open-pit mining, first in Montana and then in other states.

In DeVoto's view, the misleading of the public by anti-mining groups about the risks of cyanide usage in mining operations is

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the reason Montana voters approved I-137.

Canyon has since filed two lawsuits against the State of Montana, seeking to overturn I-137 or, alternatively, to obtain a "takings damage award," which could be more than \$500 million. *

New NMA Chief to Speak at NWMA Annual Meeting

Jack Gerard, the new President and CEO of the National Mining Association, will speak at the **106th Annual Meeting of the Northwest Mining Association**. Gerard, who succeeds Richard L. Lawson, brings a wealth of mining-issue experience to the job.

Currently the Chairman and CEO of McClure, Gerard and Neuenschwander Inc., which specializes in representing natural resource and energy clients in federal legislative matters, Gerard organized and managed the Mineral Resource Alliance in the early 1990s along with key mining industry executives to focus on reforming the 1872 Mining Law.

From 1985 to 1990, Gerard was the legislative director for former Idaho senator and former Energy Committee and Interior Appropriations Subcommittee chairman James McClure. *

IUCN Official to Speak at NWMA Annual Meeting

Mr. David Sheppard, who heads the Programme on Protected Areas for the International Union for Conservation of Nature, is the featured speaker Friday afternoon, Dec. 8 in **Eric Williams'** session entitled, "Winning in the Court of Public Opinion II ... Are We Swaying the Jury?"

Mr. Sheppard is traveling from Gland, Switzerland, to speak on the World Commission on Protected Areas (WPCA) position statement on Mining and Associated Activities in Relation to World Heritage Sites and Other Protected Areas.

This is an outstanding opportunity for NWMA members to dialogue with Mr. Sheppard and demonstrate that modern mining and protection of World Heritage Sites are compatible.

Also joining Mr. Sheppard on the program is Fred Palmer, CEO and General Manager, Western Fuels Association, asking the question, "Will the Mining Industry Ever Join the Environmental Debate?"

Holly Houston, Executive Director, Mining Information Office, will speak on "Superfund EPA's Political Environmental Policy," and Steven L. Pilcher, National Resource Coordinator, Montana Stockgrowers Association will discuss "Undaunted Stewardship." *

General Membership Meeting New This Year

The NWMA General Membership Meeting, a new convention feature this year, will take place from 5 to 6 p.m. Tuesday, Dec. 5, following the Keynote Session. Outgoing NWMA President **Paul Jones** will present the Association's 2000 accomplishments, and incoming President, **Pat Gochnour**, will present the Association's Goals for 2001 for membership approval.

This meeting also will give members the opportunity to discuss their concerns at an open mike. Refreshments will be provided. *

Environmental Sessions to Focus on Reclamation

Successful mine reclamation and abandoned mine land issues and successes are the focus of the two environmental sessions at this year's Annual Meeting.

Mike Long, Director, Colorado Division of Minerals and Geology, Russ Fields, President, Nevada Mining Association and Dirk J. A. van Zyl, Director, Mining Life-Cycle Center, Mackay School of Mines, University of Nevada-Reno are among the featured speakers that will discuss successful mine closure and reclamation, national Good Samaritan legislation, lessons learned from several AML projects, and examples of successful mine reclamation projects. *

Legislative Affairs Session Features Leading Industry Experts

Don't miss this year's Legislative and Regulatory Affairs Session on Friday morning. The Clinton-Gore administration and anti-mining groups have leveled one attack after another on the domestic mining industry. The Millsite Opinion, 3809, sacred sites and anti-cyanide initiatives were on industry radar screens throughout 2000.

A leading industry lobbyist, **Michael Brown**, Vice President of Governmental and Community Affairs for **Barrick Gold Corporation**, Washington, DC, will discuss mining issues in light of a new administration and a new Congress. Whether it is Bush or Gore, Republican or Democrat, Michael will offer insights that only an experienced Washington, DC-based company government affairs representative can offer.

One of the mining industry's leading attorneys, **Ed Green, Crowell & Moring**, will update us on the 43 CFR 3809 rulemaking, the Millsite Opinion, the roadless initiative and other proposed rules affecting the domestic mining industry.

Former NWMA Trustee, **Kathy Benedetto**, now with the National Wilderness Institute in Washington, DC, will present NWI's latest report exposing abuse and corruption in the Environmental Protection Agency. "Under the Guise of Environmental Protection - EPA Revealed" (see page 8) will open your eyes to the corruption that permeates the entire Clinton/Gore administration.

Anti-cyanide initiatives are not new. The industry defeated one in Oregon in 1994 at a cost of several million dollars, but failed to defeat a similar initiative in Montana in 1998. This year, the mining industry, led by **AngloGold North America, Inc.** and the Colorado Mining Association, adopted a strategy that led to the failure of an anti-cyanide initiative when the proponents were unable to collect the requisite number of signatures.

AngloGold's successful strategy saved the company and the industry millions of dollars by preventing the initiative from reaching the ballot. How did they do it and why did they succeed? Amy Knous, Manager, Public Affairs, AngloGold North America, Inc., will let us in on the, "Lessons Learned from Defeating the Anti-cyanide Initiative in Colorado."

Also participating in this important session will be congressional staffers Mike Menge, Senate Energy and Natural Resources Committee, John Rishel and Bill Condit, House Resources Committee, and Nils Johnson, Office of Senator Larry Craig. *

The Adrian Smith International Environmental Mining Award

Fred Fox, Director of Health, Safety and Environmental Quality for **Kennecott Minerals Corp.** in Salt Lake City, has been selected unanimously to receive the 2000 Adrian Smith International Environmental Mining Award. The award will be presented to Fox by **Dr. Terry Mudder** of TIMES Limited and John Chadwick of *The Mining Journal* during Wednesday's welcoming luncheon at **NWMA's 106th Annual Meeting** on Dec. 6.

The Mining Journal, *Mining Environmental Management* and TIMES Limited have jointly created and sponsored the award to honor the life and career of Dr. Adrian Smith, and to highlight the importance of environmental considerations in mining.

The first recipient of the award in 1996 was James Scott of Environment Canada, who pioneered the study of the environmental aspects of water management and treatment in mining. At present, this is the only international environmental award given to individuals in the mining industry.

At the beginning of Dr. Smith's environmental career 25 years ago, the environmental movement was just beginning, as was the application of science and engineering in solving long-stand-

ing technical problems in the mining industry.

Smith pioneered innovative solutions and approaches on many mining projects throughout the world, and was relentless in his pursuit of knowledge and its application in resolving the most challenging technical and environmental problems facing the mining industry. He could unmask the essence of a problem, ask the appropriate question, and provide the pathway to its solution. He exhibited the internal wisdom to know his own limits, and rarely wavered from the philosophy that science is the ultimate judge of truth and quality.

Throughout his career, Smith demanded exposure to, and transfer of knowledge from, the private sector to students, professionals and the public. He was an advisor, author, lecturer, scientist and teacher with a global impact on individuals and industry.

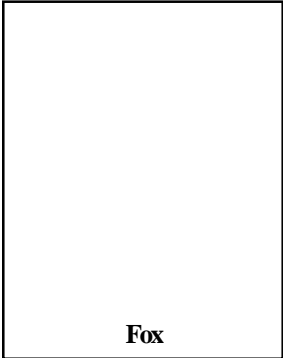
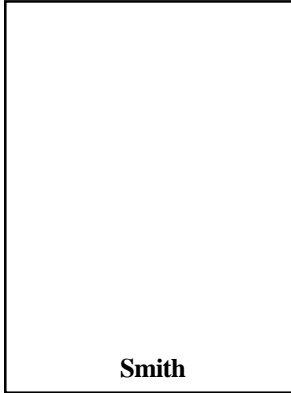
The five-member international selection panel included: Dr. Dirk van Zyl, Director of the Mine Life-Cycle Center at Mackay School of Mines at the University of Nevada-Reno; Walter Kuit, Director of Environmental Affairs for **Cominco Ltd.**; Dr. Terry Mudder, Managing Director of TIMES Limited; Dr. Chris Hinde, Editor of *The Mining Journal*; and Kerry Brooks, Principal Environmental Officer and Manager of Environmental Geochemistry Services for the New South Wales (Australia) Department of Mineral Resources.

Fox was selected from a field of three nominees that also included Dr. David Blowes, a professor at the University of Wa-

terloo (Ontario), who was nominated for his extensive research and scientific contributions in the field of geochemistry and acid rock drainage, and John Morgan, a mining engineer and consultant who was nominated for his fundamental work in the area of surface reclamation in the coal industry in the eastern United States and around the world.

Fox was selected as the recipient of the award for his outstanding environmental record over two decades as an environmental director and coordinator for **Homestake Mining Co.**, Kennecott Utah Copper, Kennecott Minerals, and Rio Tinto Ltd. He is deeply committed to the personal and professional principles exemplified by Dr. Smith and has provided many important contributions in the fields of environmental engineering, management systems, auditing, regulations, and education. His persistent dedication to protecting the air, water and land environments during the permitting, operational and closure phases of a mine is unmatched.

Dr. Smith would be proud of the selection of Fox as the recipient of the award, a bronze sculpture commissioned specifically by *The Mining Journal* and TIMES Limited by a leading artist in the United Kingdom. *



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The Stibnite Mine Settlement: Feds Liable Under Superfund

In 1998, Mobil Oil Corporation was targeted by the U.S. Environmental Protection Agency (EPA) and the U.S. Forest Service (USFS) under Superfund to clean up the Stibnite mining site in Valley County, Idaho.

Mind you, Mobil had never mined at the site, but had acquired Superior Oil Company that conducted gold exploration and mining at the site in the early 1980s. This operation generated more than one million tons of arsenic-bearing spent ore which was disposed of on top of an existing four-million-ton tailings pile generated by tungsten and antimony mining conducted mainly in the 1940s for the American war effort, an operation that was underwritten by the federal government.

Mobil was the sole surviving, economically-viable private entity that had been a party to mining and waste disposal — all of the other mining operators at the site, from the 1940s to the 1990s, were either defunct or had limited financial resources. In response to the EPA and USFS allegations, Mobil undertook a “removal action” estimated by EPA to cost less than \$2 million. Not surprisingly, the costs were substantially higher.

In 1999, Mobil received an award from the USFS, the Interior Department and the State of Idaho for carrying out outstanding mine reclamation at Stibnite. Still, the threat of increasing Superfund response costs loomed on the horizon, and EPA threatened to list the site on the Superfund National Priorities List.

Mobil fights back

In response, Mobil filed a contribution action against the United States under § 113 of the Superfund Law, alleging that the

federal government itself was jointly liable and substantially responsible for the Superfund costs because of the government’s status as former owner of the original waste disposal site, and as current owner of the surrounding national forest lands.

Mobil further alleged that the government’s extensive activities in encouraging, facilitating and controlling mining for strategic minerals during and shortly after World War II, rendered the government also liable as a former operator.

During the 1940s, Stibnite was the largest domestic source of antimony and tungsten. Extensive drilling by the U.S. Bureau of Mines, and the work of the U.S. Geological Survey had actually discovered the deposits.

As was common with most western metal mines during the war, the government furloughed soldiers to operate the mine and mill and provided draft deferments for mine workers.

The government carried out substantial road building activities to facilitate the extraction of these strategic minerals, operations that generated four million tons of fine-grained tailings. The USFS had even issued a special use permit for the tailings disposal activity.

Mobil’s position was that the chief environmental threat in the Stibnite area was posed by the potential for rapid migration of the WWII-era fine-grained tailings, not the coarse spent ore generated from the 1980s and ‘90s gold mining activity. Indeed, Mobil stated that the coarse spent ore had provided a substantial environmental benefit by stabilizing and controlling the underlying, fine-grained, 1940s tailings.

The government’s response was to move to dismiss Mobil’s complaint on the grounds that the 1940s mining was performed by private mining companies without any contractual relationships with the government.

Given the facts of the Stibnite case, the attempted use of a third-party defense by the government seemed like quite a stretch, but in the past several years the government successfully had employed it at the Iron Mountain mine site in California, at the Blackbird cobalt mine site in Idaho, and at the Clarks Fork site in Montana.

In the spring of 2000, Mobil filed a motion for summary judgment seeking to obtain a court ruling that the government was indeed jointly liable under Superfund, relying on facts from government records that pointed to definite government involvement in mining and waste disposal.

Government, of course, denies liability

The government stubbornly continued to deny any culpability in the matter, ignoring the significance of its numerous actions which had been critical to the historic mining and waste disposal activity at Stibnite. Mobil countered that the long-defunct mining companies were merely pawns used by the government to achieve its policies of the day — policies that were in the national interest.

Furthermore, that the government facilitated the mining activities with little or no regard for environmental consequences. Mobil argued that finding the government liable at Stibnite was not only legally proper, but clearly equitable.

To rebut the government’s attempt to present revisionist history to the Court, Mobil retained T.S. Ary, the former Director of the U.S. Bureau of Mines, and former NWMA trustee David

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Fredley, the former Assistant Director for Minerals and Geology with the Forest Service.

On April 28, 2000, a federal judge decided that summary judgement ought to be granted against the government, making them responsible as an owner, because after the discovery of the minerals by the government (U.S. Bureau of Mines and USGS), it encouraged their production. It was the first time a sitting federal judge had stated his intent to impose liability on the government under Superfund at a mining site.

Understandably, the government was stunned. Due to the government's strong interest in avoiding a published precedent on this liability issue, intensive settlement negotiations commenced immediately following Judge Hilton's announcement, and a few days later Mobil reluctantly agreed to file a joint motion asking the judge to withhold publication of a formal opinion pending settlement negotiations which were diligently underway.

This past June, the parties reached an agreement to provide Mobil with a 100% release of liability for future response costs covering the entire Stibnite tailings and spent-ore disposal area and nearly 7000 surrounding acres, including downstream drainages.

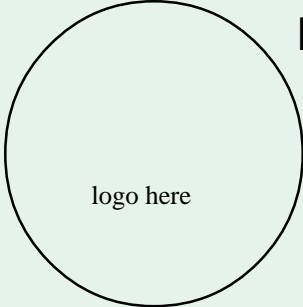
Additionally, the government agreed to pay Mobil \$1.55 million as a partial reimbursement for past reclamation costs it had incurred, and the government agreed to waive all claims that it would have to recover multimillion dollar costs which it alleged had occurred at the site.

Yet, even though Mobil achieved a fair settlement only after aggressively pursuing the government's joint liability under Superfund, the federal government continues to defend positions of *no liability* at mining sites. Such is the government's position in the Coeur d'Alene Basin.

By pursuing the liability of the federal government at Western mining sites, potentially responsible private entities possess the ability to ask a federal court to rely on equitable factors in allocating substantial liability to the government in situations where government was a former or current landowner at the site, and especially where the government played an active role in developing mineral deposits and facilitating mineral extraction during time of war.

Mobil was represented by NWMA members **Tim McCrum** and **Tim Biddle** of the law firm of **Crowell and Moring (202/624-2585)**. Congratulations for a job well done! *

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New NWI Report Charges Gross Abuse of Power at EPA

A recently-released report by the National Wildlife Institute (NWI) charges that the Environmental Protection Agency (EPA) grossly misuses science for political ends, intimidates and harasses employees who question agency policies, and commits or condones numerous unethical and possible illegal activities.

“Waste, fraud and abuse have reached a new low at the EPA under Carol Browner,” said NWI Director Rob Gordon. “It is clear that EPA remains a rogue agency driven by self-interest, not by a concern for science, law, people’s welfare or protection of the environment.”

In the report, *Under the Guise of Environmental Protection — EPA Revealed*, author Dr. Bonner Cohen, a Senior Fellow at the Lexington Institute, documents an alarming pattern of behavior by EPA officials, including:

- the maintenance of secret files so as to evade Freedom of Information Act requests from the Wisconsin Department of Natural Resources and other private parties;
- gross mismanagement of an EPA lab which conducts tests affecting citizens, businesses and state and local governments across the Midwest;
- violations of the Anti-Federal Lobbying Act by EPA officials in Chicago, and abusive practices in various parts of the nation;
- pushing for dredging along New York’s Hudson River which will do more environmental harm than good, and which may create an even larger Superfund site.

This year marks the 30th anniversary of the creation of the EPA, an agency that has grown from a hodgepodge of programs taken from other agencies to what is the most powerful regula-

tory entity in the nation, employing 18,000 workers charged with overseeing 13 national statutes and many related programs affecting the lives and livelihoods of all Americans.

Yet, for all the power that has accrued to the EPA over the years, its status has never been so shrouded in controversy and riddled with conflict as now. In recent years, the courts have overturned many of its most prized regulations, and scores of lawsuits have been brought against it by EPA employees.

Cohen’s report shows just how far the EPA has strayed from its original path: at work at the agency is more than just the usual mission creep that drives bureaucracies to constantly reinvent themselves so as not to run out of things to do.

Who would have imagined 30 years ago that the agency would end up in relentless and petty vendettas against its own employees who were simply trying to steer the EPA away from ill-considered programs? And who would have imagined that the agency would go to extraordinary lengths to cover up the malfeasance of its own programs and employees?

When, in 1998, NWI released *The People vs. Carol Browner: The EPA on Trial*, it was hoped that the abuses exposed in that volume would spur Congress to rein in an agency so out of control that it was doing more harm than good. However, the prevailing political climate has not permitted the far-reaching reforms the agency needs. As a result, sadly, things have only gotten worse.

(NWI’s report is available on the Internet at www.nwi.org. For more information on NWI, see *NWMA BULLETIN* Sept. 2000, page 3.) *

3809 Update

Thanks to some hard work and heavy lifting by Senators Harry Reid (D-NV), Slade Gorton (R-WA), Larry Craig (R-ID), and Frank Murkowski (R-AK), the FY 2001 Interior Appropriations Bill contains language that allows BLM to publish final rules amending 43 CFR 3809 “which are not inconsistent with the recommendations contained in the National Research Council report entitled *Hardrock Mining on Federal Lands*, so long as those regulations are also not inconsistent with existing statutory authorities.” This provision restates a requirement included in the FY 2000 Interior Appropriations Bill.

The Conference Committee report specifically repudiates Solicitor John Leshy’s December 8, 1999 opinion, concluding that this requirement applied only to a few lines of the report and imposed no significant restriction on BLM’s rulemaking authority. The Committee made clear it does not agree with the Solicitor’s opinion and that the statutory language quoted above does not constitute a ratification or agreement with that opinion.

A colloquy between Senator Reid and Senator Gorton clarifies that it is Congress’ intent that BLM study the entire NRC report and adopt rules that are consistent with the findings and recommendations of that report. The colloquy also strongly suggests that the so-called “mine veto” provision, which was included in an April 2000 predecisional 3809 draft, would require additional statutory authority which Interior does not have and is specifically denied by the Interior Appropriations Bill.

In a related matter, the BLM posted the final EIS for the pro-

posed 3809 regulations on the web at www.blm.gov/nhp/index.htm, and it was also mailed to all parties who submitted comments. The final EIS was published in the October 20 Federal Register and it is anticipated that the final 3809 regulations will be published 30 days thereafter, on or about November 19, 2000.

Currently, the Office of Management and Budget and the Small Business Administration are reviewing the proposed final regulations, the Cost/Benefit Analysis and the Small Business Regulatory Flexibility Analysis. The National Mining Association and NWMA members **Ed Green** and **Tim McCrum** of the **Crowell and Moring** law firm have met with both agencies pointing out the deficiencies in the Cost/Benefit and Reg Flex Analysis.

It seems that there is one thing relating to the 3809 rulemaking process on which the BLM and industry are in agreement — that is, that the “prelitigation” phase is about to end and publication of the final rule will begin the “litigation” phase. It is virtually certain that industry will be forced to initiate litigation challenging the procedural and substantive deficiencies of the final rules soon after they are published. NWMA is participating with other industry associations and companies in analyzing the various litigation options and venues. We will keep you informed as these matters play out.

Action Item. *Please take the time to thank Senators Reid, Gorton, Craig and Murkowski for their hard work on behalf of the U.S. mining industry. They stood up to Administration threats to veto the Interior Appropriations Bill over the conference report language.* *

New Assaying Procedure for Copper Concentrations in Leach Lines

A new assaying procedure for measuring copper concentration in leach lines has been recently developed by **ANCAL, Inc.**, of Henderson, Nevada. This quantitative procedure was developed using actual working samples from five different properties.

“The key to this procedure is the use of miniature fiber optic spectrometers; these new spectrometers are similar to older spectrometers that have been used for many years in chemical and colorimetric analyses,” said **Bud Wood**, ANCAL’s Manager.

It has been known that utilizing visible and near-infrared spectrometry can be effectively and efficiently applied to assays of metals in solutions.

However, before the advent of these miniature spectrometers, there was little incentive to explore the use of spectrometry for such assays.

Unlike classical spectrometers, these new, cost-effective spectrometers have miniaturized optical trains and use fiber optic lines to transmit spectral information. And, having no moving parts, these miniature spectrometers are both economical and robust.

A single spectrometer may be used in a lab for discrete measurements. Also, when used for on-line assays of copper concentrations, they are particularly cost-effective because a separate, miniature spectrometer may be dedicated for continued monitoring on each line.

Total instrument cost for five or six on-line assay stations is a fraction of what an atomic absorption or X-ray diffraction unit will cost.

Further, it is easy and safe to transmit data via fiber optic lines to a single computer in a control center. Features such as these enhance reliability and decrease costs.

“In order to validate this new method, ANCAL conducted studies for three different copper-producing entities on samples from five mine locations,” said Wood.

“Multiple runs of the same samples showed results that were well within required repeatability, and comparisons across samples from different mine locations showed reliable congruity. Having good repeatability is the criterion for correct assays because effective calibration

produces accuracies that approach repeatable precision. The simplicity of the instrumentation validates the cost-effective basis of the assays.

“Although tests on other components in solution were not conducted, opinion from a knowledgeable source suggests that this procedure can be used in assaying concentrations of other materials such as gold.

“It is important to remember, though, that this procedure is a quantitative assay; it is not qualitative — but then, most of what is in a leach line is pretty well known, so quantitative is what’s needed.”

How it works

Visible light and near-infrared radiation are forms of radiant energy. Many leaching agents, most notably sulfuric acid in copper leach lines, are not significantly affected by such optical energy.

In contrast, metals in solution usually will react by absorbing a portion of the radiant energy. Determination of absorbance values in the visible and near-infrared region of the spectrum can be done by use of low-cost miniature spectrometers.

The amount of absorption shows up in the acquired spectra in several ways and can be used to calculate actual concentrations.

When assaying copper in solution, a light is passed through the sample; the resultant light is received by a fiber optic line and transmitted to a spectrometer. The information is then processed by a computer. This information can be from on-line stations or, for discrete sample assays, can be the result of light passing through sample cuvettes.

An alternative for implementing discrete assays is the use of a dip probe. This entails merely dipping a probe into most any sample bottle and taking a

spectral reading; such sampling procedure gives equally accurate readings as well as taking less than a minute.

A typical miniature spectrometer will cost about one-tenth the cost of a typical qualitative and quantitative analyzer that is applicable to the analysis of metals. There is the added expense of having a PC-type computer, which is needed to operate the spectrometers and implement concentration calculations.

However, one computer can be used to operate several spectrometers, so there is significant efficiency for multiple one-line stations.

Also, the input to the miniature spectrometers is via fiber optic lines. That type of input allows a spectral response from a processing line to be ‘piped’ to a spectrometer as far away as 200 yards, allowing the spectrometer to be located in a lab or other remote location.

The miniature spectrometer used for these tests was a StellarNet EPP2000C, a highly-robust, aberration-corrected instrument. For installations where concentrations in multiple lines need to be assayed, a series of spectrometers in a console may be used.

Contact Bud Wood ANCAL at 702/896-5787 for additional information. Also, check out ANCAL’s website at www.ancal.com. *

ANCAL

1/5 page

STATE AND PROVINCIAL REPORTS

ALASKA

Pourchot is New Natural Resources Director

Pat Pourchot, a former legislator with an extensive background in natural resource management, is the new head of the Alaska Department of Natural Resources. Since 1972, Pourchot has been a natural resource specialist for the U.S. Department of the Interior, a legislative assistant on resources and the environment for former Sen. Mike Gravel, land manager for the Alaska Federation of Natives, state Senate committee on natural resources staffer, and resource manager for the NANA Regional Corporation.

Pourchot, who served two terms in the Alaska State House and one term in the state Senate, will administer 750 employees whose mission is to develop, conserve and enhance Alaska's lands and natural resources for the benefit of all Alaskans.

Knowles Knocks Carter

On a recent trip to Alaska, former President Jimmy Carter called for a shut down of a portion of the Arctic National Wildlife Refuge to potential energy development. Answering Carter's intrusive and meddling position, Alaska Governor Tony Knowles delivered a handwritten letter to Carter, taking the former Southern politician to task for his stance.

Governor Knowles told Carter in no uncertain terms that he was "... wrong to call upon the President to take legal action that is prohibited by the Alaska National Interest Lands Conservation Act." ANILCA provides that only Congress may enact future land withdrawals of greater than 5,000 acres in Alaska."

Knowles added that the essential needs of Alaskan working families "... depend on the responsible development of our natural resources. For us, environmentally responsible oil and gas development in a tiny portion of the Arctic Refuge means jobs, the opportunity to improve our schools and other public services, and address some of the most acute social problems in the country."

Good for you, Tony! *

IDAHO

Wheeler Sees Silver Price Recovery

Dennis Wheeler, Chairman, President and CEO of **Coeur**, believes the stage is being set for a silver price recovery due to a potential increase in demand. In a recent statement, Wheeler noted that because of a drawdown in silver supply, and a strong demand that should increase by 3% this year, the price should hold above \$5 an ounce.

Corp of Engineers to Probe EPA, Itself

The U.S. Army Corps of Engineers has confirmed that its Criminal Investigation Division is looking into criminal allegations of misconduct at the Bunker Hill Superfund site near Kellogg.

Sources close to the investigation say it involves possible misconduct among officials of the Environmental Protection Agency, the Corps of Engineers and private contractors at the site. Apparently, the investigation is focusing on allegations that contractors provided lavish gifts and all-expense-paid trips for government officials controlling contracts at the site.

Also being investigated is the use of government property for private purposes and private land-taking issues, and allegations of mismanagement of contracts by the Corp of Engineers, made possible by certain companies to keep their contracts at the site.

Mining Firms Sue State Over Limits

Three Silver Valley mining companies, **ASARCO**, **Hecla** and **Coeur**, are suing the State of Idaho over new TMDL limits for the South Fork of the Coeur d'Alene River. The lawsuit asks that the limits be declared illegal and set aside. The companies say they can't afford to install the kind of technology necessary to meet the new limits on lead, zinc and cadmium.

The lawsuit also points to EPA's failure to seriously consider the valley's site-specific conditions, such as high natural background levels of lead.

Hecla's Bill Booth outlines three issues:

- the new limits violate a 1993 agreement between the state, Hecla and the EPA to determine site-specific metals criteria for the South Fork;
- the new limits may violate an Idaho law that bars new TMDL restrictions for the mines on waterways like the South Fork that are too polluted due to historic activities to meet water quality standards; and
- the TMDL restrictions jeopardizes ongoing efforts to settle a 10-year-old lawsuit filed by the Coeur d'Alene Tribe, and later joined by the U.S. Justice Department.

"Issuing the TMDL now will only serve to alienate the parties and escalate litigation," said Booth. *

MONTANA

Golden Sunlight Mine: A Good Neighbor

Jefferson County, Montana, where **Placer Dome North America's** Golden Sunlight Mine is located, was fortunate not to have any major fires this summer. However, Ravalli County, in the Bitterroot Valley, was not so lucky. In addition to the loss of timber and homes, the Ravalli County 4-H Show in August was cancelled.

Joe Danni, VP-Corporate Relations at Golden Sunlight, along with Mine Manager **Doug Bailey** and Human Resources Director **Sam Graham**, decided that Golden Sunlight would help out the 4-H club members by purchasing animals that were not sold because of the cancellation of the show.

A special show was then rescheduled for early September for the 200 4-H kids and their animals. Proceeds from the show were donated to the *Bitterroot Cattle Drive*, a program organized by the radio stations in Missoula, to help fire victims in the Bitterroot Valley.

Golden Sunlight Mines and Smith Construction, a reclamation contractor at Golden Sunlight, purchased, and then donated, 400 pounds of lamb, 1,400 pounds of pork and 6,400 pounds of beef to the *Bitterroot Valley Cattle Drive*.

Graham, Sunlight's representative at the 4-H show, was later interviewed by Missoula TV and radio stations, and a local paper.

Graham's message was simple: "Programs such as 4-H and

FFA are the backbone of the core values of rural America, especially Montana. Golden Sunlight has been a longtime supporter of these programs and of the young people that participate. This sale also afforded Golden Sunlight Mine with an opportunity to help fire victims in the Bitterroot Valley.”

Ninth Circuit Affirms I-125 Unconstitutional, Refuses to Invalidate I-137 Election

On September 26, 2000, the United States court of appeals for the ninth circuit, in a 2-1 decision, affirmed the district court’s holding that Montana’s corporate spending ban on ballot initiatives was unconstitutional. However, the court refused to set aside the I-137 election that banned the use of cyanide in open pit gold and silver mines. I-125 had limited the mining industry’s ability to oppose I-137, and was declared unconstitutional by the district court only 11 days before the election.

Expert testimony was presented that a successful challenge to I-137 was no longer possible because the election was less than two weeks away. Despite this evidence at the court trial, the district court had refused to invalidate the election. In affirming the district court’s refusal, the ninth circuit balanced the state’s interest in avoiding the costs of a special election with the violation of the mining industry’s First Amendment rights.

NWMA believes the ninth circuit erred in refusing to invalidate the I-137 election by adopting a balancing test.

Clearly, the state’s interest in avoiding the administrative burdens and costs of a new election are not such a compelling state interest that it justifies the violation of a core constitutional right.

Furthermore, the ninth circuit appears to be under the misperception that the mining companies spent approximately the same amount fighting I-137 as they did in the challenge to I-122 in 1996, before I-125 was adopted by the voters. This clearly is not the case. On I-137, the mining companies spent less than 10% of the amount spent fighting I-122.

NWMA’s attorneys, the Mountain States Legal Foundation, did an outstanding job briefing and arguing the case on appeal. Because we believe the ninth circuit committed a reversible error in refusing to invalidate the I-137 election, we will be filing a motion for a writ of *certiorari* before the United States Supreme Court asking the Supreme Court to overturn the ninth circuit with respect to the I-137 issue.

The final outcome of the ninth circuit case does not affect Canyon Resources Corporation’s two lawsuits against the State of Montana challenging the constitutionality of I-137, or alternatively, seeking damages for an unlawful takings of Canyon’s property (the McDonald Gold project). Canyon is represented

by Alan Joscelyn of Gough, Shanahan, Johnson & Waterman and Randy Parcel of Perkins Coie, LLP.

The ninth circuit opinion is available on the Internet at www.ce9.uscourts.gov. *

NEVADA

Humboldt River Dewatering Impacts Lower

Estimated dewatering impacts to the Humboldt River from proposed expansion of Newmont Mining’s Gold Quarry Mine, for Barrick Goldstrike’s Betze-Post Mine dewatering, and for all mining on northern Nevada’s Carlin Trend, are lower than earlier predictions, according to the BLM. Currently, all the water from Barrick’s operation is being used in irrigation or is discharged into the TS Reservoir.

Nevada Hurt by 1999 Anemic Gold Price

Nevada lost 1,320 mining jobs in 1999 due to the impact of gold’s continuing low price, according to a report by John Dobra, the head of the Natural Resource Industry Institute at the University of Nevada-Reno. Lost mining industry-related jobs totaled 10,000, and the state lost \$1 billion in economic output as a result of mining’s downturn.

The state also felt the pinch as net proceeds of mine taxes dropped by \$30 million, while companies continue to cut costs and merge to survive.

However, despite lower gold production in 1999 of 8.26 million ounces (compared to 8.86 million ounces in 1998), Nevada remains the third largest gold producer in the world. And state-wide average cash costs were \$167 an ounce, down from \$179 in 1998. But the lower costs generally reflect the closing of several high-cost mines.

Gold accounts for 85% of the value of the state’s mineral production, 76% of the nation’s gold production, and 11.2% of world production. Also, mining remained the highest-paying industry in Nevada, with 1999 salaries averaging \$57,183 per year, an increase of \$4,300 over the 1998 average salary.

Dobra’s *Economic Overview of the Nevada Mining Industry 1999*, reports that a third of Nevada’s gold mines lost money in 1999. While the mining industry accounted for \$5.9 billion of the state’s economic output in 1998, that figure fell to only \$4.8 billion in 1999.

According to Dobra, the apparent success that Nevada’s miners achieved in cutting costs is hiding the bleakness of today’s overall picture of Nevada’s mining industry. *

NWMA’s Convention Checklist

Dec. 4-8, Spokane, Washington

- Hotel, Airline Reservations?
- Meeting, Short Course, Booth Registrations?
- Hockey Game, Beatlemania Reservations?



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OREGON

Steens Mountain: a New Wilderness Area?

About one million acres around Steens Mountain in central Oregon has been targeted for a wilderness-area designation by the Clinton/Gore administration.

Under the bill negotiated with the Oregon delegation, the federal government would pay a total of \$5.5 million to five ranches surrounding Steens Mountain, barring grazing, mineral and/or geothermal exploration on the preserved area.

Late in August, **NWMA** sent a letter to the congressional delegation of Oregon, suggesting that a certain parcel of the proposed wilderness area be excluded from wilderness designation.

The particular parcel proposed in the letter, about 200 acres total, is host to the Borax Lake geothermal resource. The letter explained that this viable geothermal resource can provide affordable electrical energy without any greenhouse emissions and with only limited environmental disturbance.

Unfortunately, **NWMA's** suggestion was not adopted by the parties. *

SOUTH DAKOTA

Homestake Mine to Close at the End of 2001

Homestake Mining Company has reported that the high-cost 124-year-old Homestake gold mine in Lead, S.D., will close at the end of 2001. Between now and then, up to 240,000 ounces of gold will be mined and processed at an average cost of \$237 an ounce. Homestake CEO **Jack Thompson** said that despite a plan to restructure the operations to achieve certain efficiencies, the fall in the price of gold has prevented the two-year plan from working up to expectations.

The mine has continued to consume capital, and ore grade has not met expectations. As the mine-out plan is implemented and operations draw to a close, the company's overall average cash costs are expected to show continued improvement. *

WASHINGTON

Cominco to Reopen the Pend Oreille Mine

The Board of Directors of **Cominco American Inc.**, a wholly-owned subsidiary of Cominco Ltd., has made the decision to reopen the Pend Oreille zinc-lead mine near Metaline Falls.

The \$70 million project will commence with a two-year construction program this fall and will involve refurbishment of the existing concentrator, the sinking of a 1,250-foot shaft, and other mining preparation activities. The mine is scheduled to begin production in September 2002 and is expected to produce 92,600 tons of zinc concentrate at 14,300 tons of lead concentrate annually. Concentrate will be shipped to Cominco's Trail, B.C. facility.

The Pend Oreille Mine is expected to have a minimum mine life of 10 years and will provide good-paying jobs for 170 workers. *

YUKON TERRITORY

Howard Pass Zinc Deposit to be Explored

The Howard Pass zinc deposit, on the Yukon/Northwest Territory provincial boundary, will be developed through a joint ven-

ture between Copper Ridge Explorations and Billiton Metals Canada. Copper Ridge recently signed a Letter of Intent with **Placer Dome** and Cygnus Mines which allows it to purchase a 100% interest in the property for \$10 million in staged payments over four years.

Howard's Pass hosts one of the largest undeveloped zinc deposits in the world, with a resource estimated at 110.5 million metric tons grading 7.7% combined zinc-lead-silver-cadmium. It is the subject of a featured presentation in the "Canadian Junior and New Discoveries" session at this year's Annual Meeting.

Kennecott, NovaGold Agreement on Sprogge

Kennecott Exploration Company has entered into an agreement with NovaGold Resources, whereby Kennecott may earn up to a 70% interest in NovaGold's Sprogge gold property in the Tintina Gold Belt, about 175km north of Watson Lake.

Under the agreement, Kennecott must contribute \$30 million in exploration expenditures, and/or complete a feasibility study, and making a decision to bring the property into production.

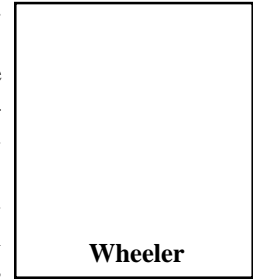
Sprogge consists of 303 mining claims covering 15,635 acres adjacent to Anglo American's Hit property. Sprogge is jointly owned by NovaGold (68%) and **Battle Mountain Gold Company** (32%). The property is host to two Carlin-type gold and porphyry copper-gold mineralized targets: the Sugar Bowl and Justin zones. Both exhibit areas of highly-anomalous gold, bismuth, arsenic and antimony in surface rock-chip and soil geochemical sampling. NovaGold will manage the exploration phase of the initial program that seeks to develop mineralized zones associated with intensely-altered and quartz-veined host rocks. *

NWMA Members' News

ISMP Recognizes Wheeler, Sheppard

Dennis Wheeler, CEO of **Coeur d'Alene Mines**, and **Ben W. Sheppard** of the consulting firm **Ben W. Sheppard Associates** of Coeur d'Alene, Idaho, recently were recognized by the International Society of Mine Professionals for their involvement in maintaining mine safety.

Wheeler received the society's Leadership Award, given to persons within the mining industry who play key roles in improving safety through people. Sheppard received the Society's Guardian - Safety Professional Award.



NWMA's Education Commitment Gets High Points From NMA

NWMA's commitment to minerals education has been recognized by the National Mining Association's Excellence in Mining Education Program. NWMA was a strong second-place finisher in the highly-contested "Associations" category, mainly because of its ongoing community programs and sponsorship of the 2000 Minerals Education Conference. NMA's judges specifically praised NWMA's outreach program of educating minerals industry personnel and school teachers on the efforts of the mining industry in protecting the environment.

Brush Wellman Awarded Flange Patent

Brush Wellman Powder Metal Group has appointed several new manufacturing representatives due to increased market demand for copper/tungsten heat sinks in telecommunication and optoelectronics applications. They are Scientific Devices (PA), M&S Sales (IL), Dossett Industrial Sales (TX), Micro Marketing (FL), O&S Sales (MA), and Charles Reed Enterprises (CA).

Yearley Gets NMA Award

Douglas C. Yearley, former Chairman and CEO of **Phelps Dodge Corporation**, was awarded the National Mining Association's 2000 Distinguished Service Award at NMA's recent MINExpo meeting in Las Vegas. Sharing the award with Yearley was Milton H. Ward, former Chairman, President and CEO of **Cyrpus Amax Minerals Company**. *

BAROID

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4 3/4" tall

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COMMITTEE REPORTS

ABANDONED MINED LANDS

Chair: Llee Chapman, Barrick Goldstrike Mines, Inc.
775/778-8196

Nevada Launches AML Backfilling Program

Private industry — prompted and primarily funded by Nevada's mining industry — has launched an aggressive program aimed at backfilling the state's 50,000 mines considered hazardous due to their depth and proximity to population centers.

The Nevada Mining Association, the BLM and private interests, recently began backfilling 13 abandoned mines near Henderson. Sealing off all the abandoned mines classified as hazardous may take up to 30 years. The required environmental reports could delay it further. Before any mine can be filled, it must first be determined that there are no threatened or endangered species inside, such as tortoises or bats. The BLM is attempting to simplify the process. And, although the state uses a percentage of mining fees to fund its own program to seal off abandoned mines around the state, that money is dwindling as fewer mines are opened. *

ENVIRONMENTAL ISSUES COMMITTEE

Co-Chair: Lisa Kirk, MAXIM Technologies, 406/582-8780
Co-Chair: Luke Russell, Coeur, 208/762-0327

EPA Proposes Tougher Arsenic Standards

The Environmental Protection Agency is proposing to reduce the arsenic standard for public water treatment facilities from 50 ppb to 5 ppb, claiming that the change will reduce the incidence of bladder and lung cancer deaths. And, while the reduction of mortality rates is a lofty goal, this rule will, at best, accomplish an insignificant reduction in overall cancer death rates (less than .5%), while imposing enormous costs that will threaten the viability of many marginal mining operations.

Those operations will have to make expenditures to upgrade their existing water treatment facilities with expensive reverse-osmosis technology (in virtually all cases) to treat already highly-purified water.

NWMA filed comments emphasizing that the health risk data presented by the agency are inconclusive and should be further evaluated before the proposed regulation is promulgated. (NWMA's comments are posted on our website at www.nwma.org.)

What Part of "No" Don't You Understand?

The EPA and the Army Corps of Engineers just can't seem to take no for an answer. In 1998, the U.S. Court of Appeals for the District of Columbia circuit invalidated the "Tulloch Rule" on the basis that it impermissibly regulated "incidental fallback" of dredge material. See *National Mining Association v. United States Army Corps of Engineers*, 145 F.3d 1339 (D.C. cir. 1998).

At issue are the circumstances under which a Clean Water Act Section 404 permit is required. In an attempt to do what the court has said they could not do, EPA and the Corps have issued a proposed rule (65 F.R. 50,108-50,117 August 16, 2000) broadening the definition of "discharge of dredge material," thereby expanding the activities that require a Section 404 permit. The proposed rule is nothing more than an attempt to resurrect the highly controversial Tulloch Rule, which the D.C. circuit court invalidated in 1998. Under the new rule, mechanized land clearing, ditching, channeling, or other excavation is rebuttably presumed to involve more than "incidental fallback," thus requiring a Section 404 permit. The creation of a rebuttable presumption shifts the burden from the agency to the landowner to prove that the activity was "designed to result in only incidental fallback." The presumption is only overcome on a case-by-case basis, showing that the activity was "designed to result in only incidental fallback." If it is "incidental fallback," then no Section 404 permit is required.

NWMA's Environmental Issues Committee filed comments opposing the new rule. *

HEALTH & SAFETY

MSHA's New Noise Standards in Mines

New, one-size-fits-all standards for occupational noise exposure for miners took effect recently. The new regulations (Part 62), quite complex in their level of detailed mandatory requirements, covers all mines uniformly, both surface and underground as well as coal and metal/nonmetal mines. Furthermore, MSHA's intensive inspector presence is likely to result in heightened enforcement of the new standards.

Recent experience shows, however, that MSHA's inspectors make field interpretations that are confusing, incorrect and inconsistent. Consequently, miners can expect a lengthy "shake-down" period until the new standards are well understood by both regulators and the regulated community.

The new Part 62 regulations are classic proof that "the devil is in the details." They include requirements for assessment of the noise exposure of each miner, mandatory exposure levels, and detail provisions for the establishment and implementation of hearing conservation programs, including the provision of hearing protectors, audiometric testing, training and record keeping. Each and every provision of Part 62 is a "mandatory health standard" subject to the full range of enforcement sanctions established under the Federal Mine Safety and Health Act of 1977. But a problem with Part 62 is that it establishes a vague system of monitoring that evaluates each miner's noise exposure sufficiently to determine "continuing compliance." This provision could become a "catchall" for citations. The phrase "continuing compliance" is particularly troublesome because it applies to all provisions of the new Part 62. *

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CALENDAR OF UPCOMING EVENTS

Alaska Miners Association Annual Convention & Trade Show, Oct. 30-Nov. 4, Anchorage. Please call (907) 563-9229 for details; or check out their website at www.alaskaminers.org.

The National Western Mining Conference, sponsored by the Colorado Mining Association, Nov. 1-4, at the Broadmoor in Colorado Springs. Call 1-800-634-7711 for more information.

Randol at Vancouver-Global Mining Opportunities, Nov. 13-15, Robson Square Conference Centre, Vancouver, British Columbia. For information call (303) 526-1626, or visit their website at www.randol.com.

GSA Summit 2000, Nov. 13-16, Reno, Nevada. Call (303) 447-2020 for additional information, or check their website at www.geosociety.org.

National Mining Association Joint Committee Meeting to discuss inclusion of mine reclamation models in the RACER (Remedial Action Cost Engineering Requirements) System, Nov. 15, Marriott Denver City Center. Contact NMA for details at (202) 463-2625.

Manitoba Mining & Minerals Convention 2000: Manitoba - Your Rock-Solid Advantage, Nov. 16-18 at the Winnipeg Convention Centre. Call (800) 223-5215 for details. Email: convention@em.gov.mb.ca.

Geological Research Information Seminar, Nov. 22-23, Quebec City, Quebec. Check the website at www.geologie-quebec.gouv.qc.ca/seminar_2000.

Conference on Mercury in Mining, Nov. 28-30 at the Cathedral Hill Hotel, San Francisco. Sponsored by EPA's Office of Research and Development. Call Doug Grosse at (513) 569-7844 for details.

American Mining Hall of Fame Banquet, Dec. 2 at the Westin La Paloma Resort, Tucson, Ariz. Sponsored by the Mining Foundation of the Southwest. For more information call (520) 577-7519.

NWMA Annual Meeting & Exposition 2000

December 4-8

Spokane, Washington

Contact NWMA at (509) 624-1158

or visit our website at

www.nwma.org for details

The Tailings and Mine Waste '01 Conference, Jan. 15-18, 2001, at Colorado State University, Fort Collins. Call (970) 491-6081 for more information. Email address is lhinshaw@engr.colostate.edu.

The 18th Annual Cordilleran Exploration Roundup, Jan. 23-26, 2001, Vancouver, B.C. Sponsored by the B.C. & Yukon Chamber of Mines. Call (604) 681-5328 for details. Email: chamber@chamberofmines.bc.ca.

International Society of Explosives Engineers 27th Annual Conference, Jan. 28-31, 2001, Orlando, Fla. Call (440) 349-4004. Email: davis@isee.org.

International Symposium on Cyanide: Social, Industrial and Economic Aspects, Feb. 11-15, 2001, New Orleans. For details call Courtney Young at (406) 496-4158, Larry Tidwell at (406) 496-4208 or Corby Anderson at (406) 496-4794.

6th Southern Hemisphere Meeting on Minerals Technology, May 27-31, 2001, Rio De Janeiro, Brazil. For details contact Roberto Emery Trindade at +55 (021) 560-7222; their website is www.cetem.gov.br/shmmt.html. *