

Overview of Nevada's Abandoned Mine Lands Program, Bonding, Mineral Exploration Activity, and Other Programs and Activities of Nevada's Commission on Mineral Resources

Nevada Legislative Committee on Public Lands
June 6, 2008
Elko, Nevada

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ABANDONED MINE LANDS

- Mining and prospecting has occurred all across Nevada for last 150 years
- 526 identified mining districts
- Over 200,000 mining-related features
- Estimated 50,000 mining-related features (adits, shafts, tunnels, declines, pit high-walls) considered hazardous to people

CALL TO ACTION

- Because of the number of deaths and injuries related to abandoned mines, the Nevada Legislature created the Abandoned Mine Lands Program in 1987
- Three Program Activities Mandated:
 - State-wide Inventory of Sites
 - Securing of Hazardous Mines
 - Public Awareness Campaign

"STAY OUT AND STAY ALIVE"

12,782 Discovered - 9,427 Secured (1987 - 2007)



AML DATABASE STATISTICS (5/14/2008)

COUNTY	HAZARDS DISCOVERED	HAZARDS SECURED
Carson City	74	72
Churchill	226	372
Clark	2039	1355
Douglas	170	137
Elko	382	296
Esmeralda	1732	1190
Eureka	672	883
Humboldt	283	421
Lander	220	309
Lincoln	894	473
Lyon	827	660
Mineral	1168	1027
Nye	1557	1005
Pershing	927	677
Storey	160	132
Washoe	340	329
White Pine	762	379
TOTAL	12790	9427

EAGLE SCOUT SECURING PROJECT

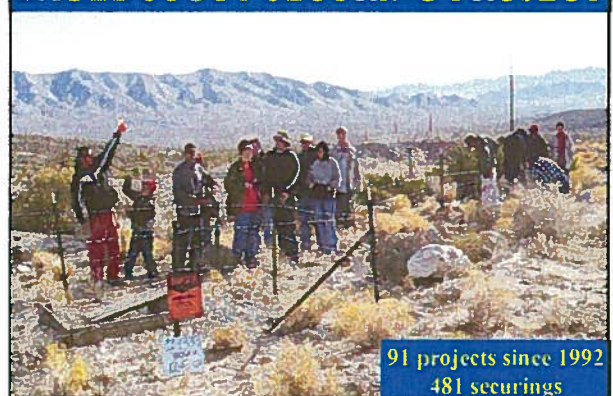
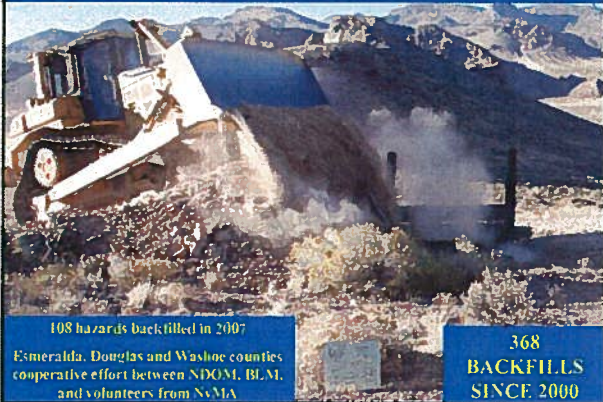


EXHIBIT L - LANDS
Document consists of 48 slides.
Entire Exhibit Provided
Meeting Date: 06-06-08

AML BACKFILL PROJECTS



108 hazards backfilled in 2007
Esmeralda, Douglas and Washoe counties
cooperative effort between NDOM, BLM,
and volunteers from NEMA

368
BACKFILLS
SINCE 2000

PUBLIC AWARENESS



Brochures, bumper stickers,
magnets, stickers, pencils,
mugs, squeeze bats

2007 AML ACCOMPLISHMENTS



- 591 sites secured
- 965 new sites logged
- 3,100 non-hazards identified



- 156 by six summer interns
- 21 by Boy Scouts



108 sites backfilled thru multi-agency and industry volunteer efforts

UPDATE ON PRODUCTION AND EXPLORATION ACTIVITY IN NEVADA

Jonathan G. Price¹, Alan R. Coyner²,
John Muntean¹, and Doug Driesner²

¹Nevada Bureau of Mines and Geology
(www.nbmng.unr.edu)



²Nevada Division of Minerals
(minerals.state.nv.us)



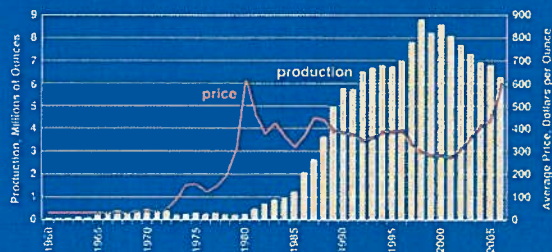
Nevada is a great
place to explore
for and mine gold,
silver, and other
mineral
commodities

Nevada Mineral, Petroleum, and Geothermal Production



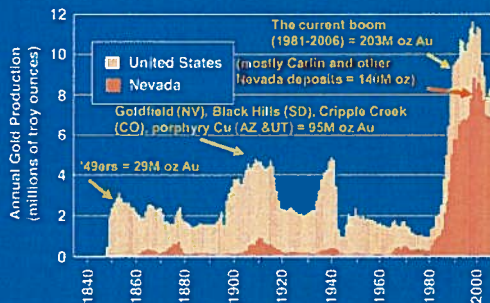
6.04 M oz X \$695 per oz average price = \$4.2 B in 2007

Nevada Gold



Nevada produced 78% of U.S. and 8% of world gold in 2007

We are in the biggest gold-mining boom in history Gold Production, 1835—2006



U.S. Total = 522 M oz Nevada = 170 M oz

Not \$650, but ~\$900+/oz Au!

1 Year Gold

High 1882.88 Low 641.88



Not \$300, but ~\$900+/oz Au!

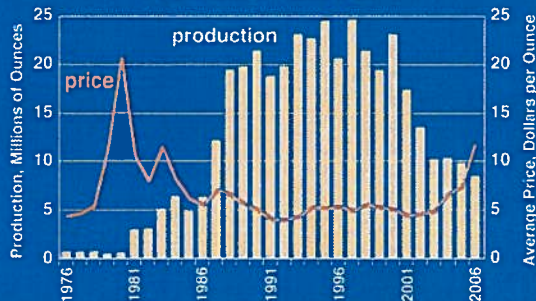
10 Year Gold

High 1882.88 Low 252.88



8.4 M oz X \$13.38 per oz average price = \$113 M in 2007

Nevada Silver



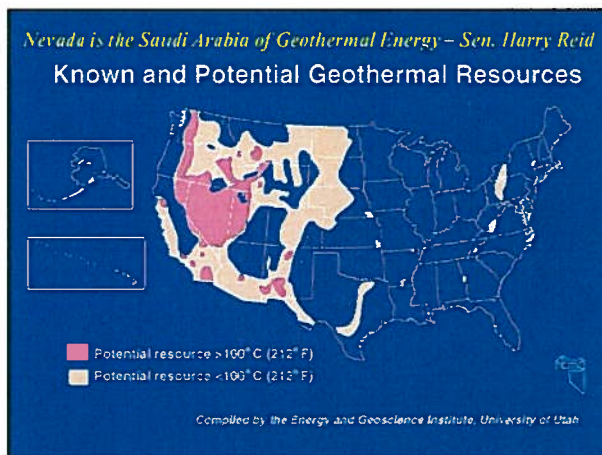
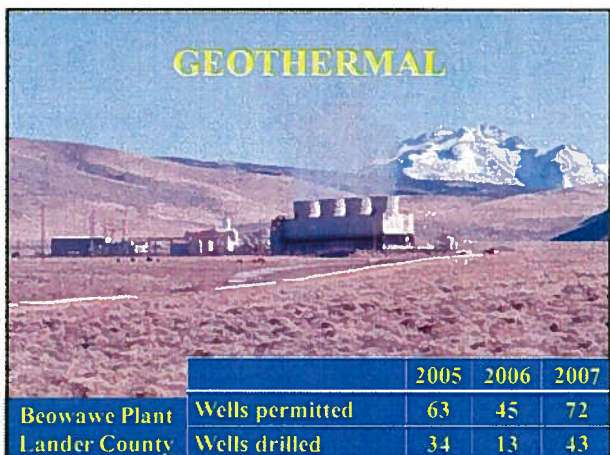
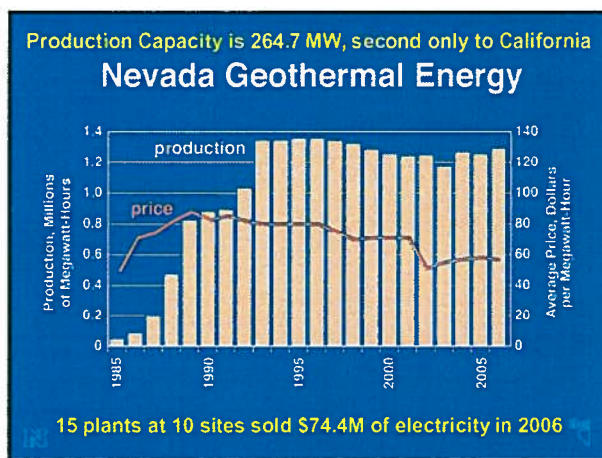
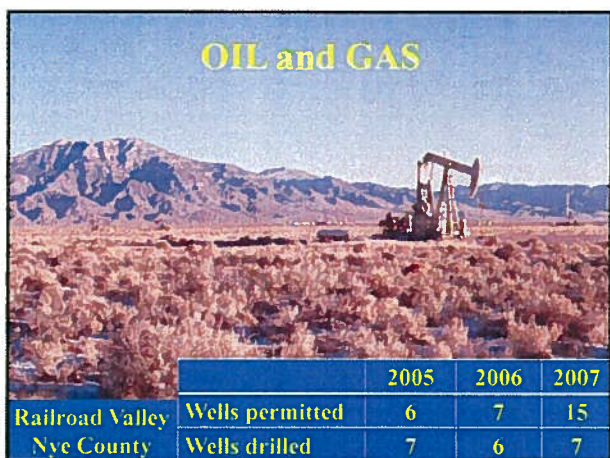
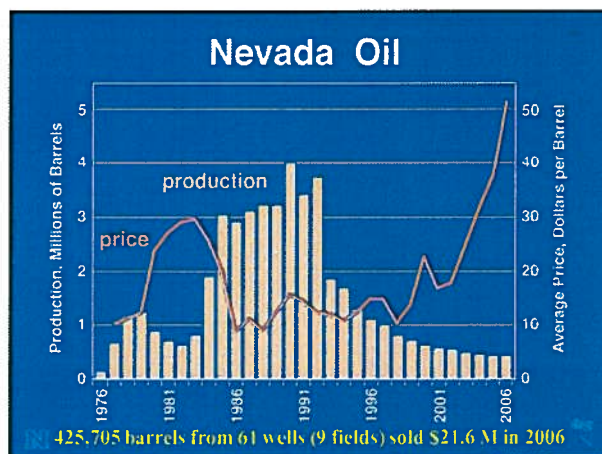
Nevada is "The Silver State", but Alaska is #1

143 M lbs X \$3.23 per lb average price = \$461 M in 2007

Nevada Copper

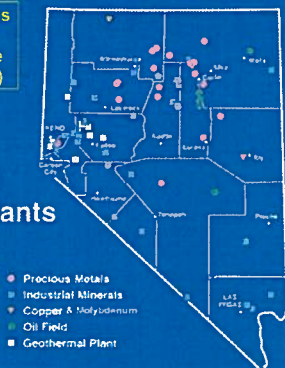


516,000 pounds of Mo produced in 2007



22 major gold operations
(9 with production
>100,000 oz in 2007 are
not on the Carlin trend)

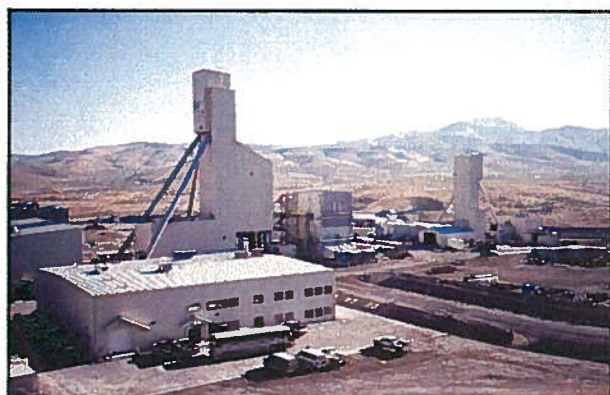
Major Mines, Oil Fields, and Geothermal Plants



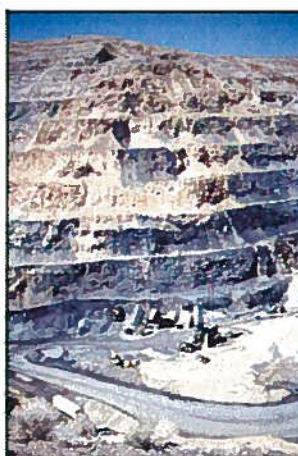
- Precious Metals
- Industrial Minerals
- ▲ Copper & Molybdenum
- ◆ Oil Field
- Geothermal Plant



Most productive open pit: Barrick's Betze-Post mine
1,215,447 million oz of gold in 2007 (25M+ total)



Most productive underground: Barrick's Meikle mine
413,186 oz of gold in 2007 (7M+ total)

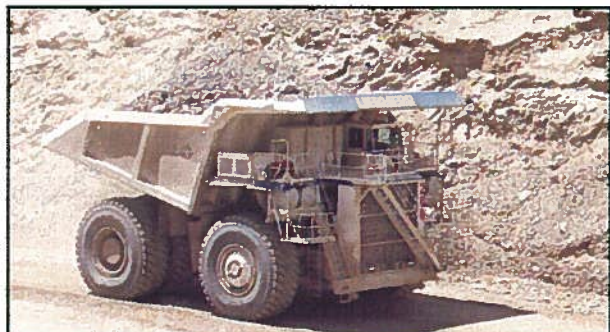


CARLIN TREND

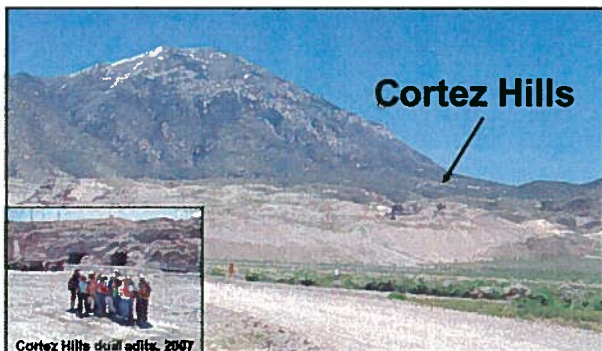
Cumulative production from
the Carlin trend (1965-2007)
= 68.5 million ounces of Au

Barrick and Newmont's
announced proven and
probable reserves on the
Carlin trend (end of 2007)
= 27.3 million ounces of Au

At current prices and
production rates
approximately 9 years of
reserves remain to be mined



Cortez Gold reached 10 million ounces total gold
production in 2004. Mining 300,000 tons per day at the
Pipeline deposit is aided by the use of 400-ton trucks.
Barrick purchased Kennecott's portion for \$1.7 B in 2008



Cortez Hills drill sites, 2007

The Cortez Hills and Pediment deposits, near the earlier
Cortez operations at the foot of Mount Tenabo, contain 9.6+M
ounces, with intercepts as good as 410 feet @ 1.035 opt.
Discovered in October 2004; production expected June 2008

Nevada Mining Financial Assurance (in millions)

	2003	2005	2007	2008
Bonds	\$272	\$248	\$210.6	\$214.0
Letters of Credit	In above	\$254	\$412.7	\$618.1
CD / Cash	In above	\$4	\$4.7	\$9.3
Corp Guarantee	\$271	\$204	\$187.3	\$182.0
USFS	\$14	\$10	\$12.3	\$12.5
State Bond Pool	\$1	\$1	\$2.3	\$2.7
Total	\$558	\$721	\$829.9	\$1,038.6

Mining Districts of Nevada



Exploration is occurring in most of Nevada's 17 counties and many of its 526 mining districts.



ACTIVE CLAIMS & GOLD PRICES, 1982-2006



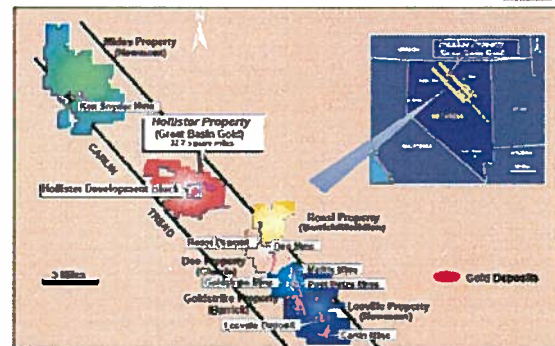
187,165 active claims on October 1, 2007

NOTE: Claim data from the BLM Public Land Statistics

HOLLISTER - Elko Co.

Great Basin Gold - www.greatbasingold.com

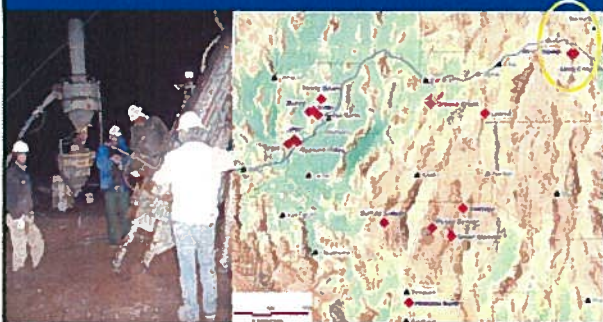
PROJECT - LOCATION



LONG CANYON - Elko Co.

AuEx (JV with Frontier)

www.auxventures.com/ www.frontiergroup.com



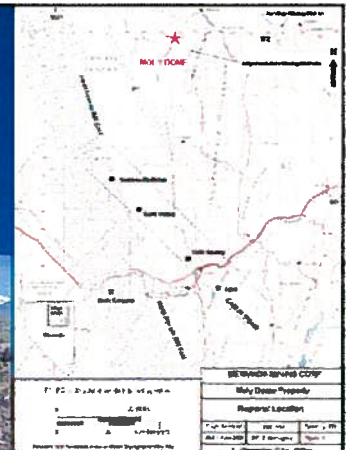
MOLY DOME

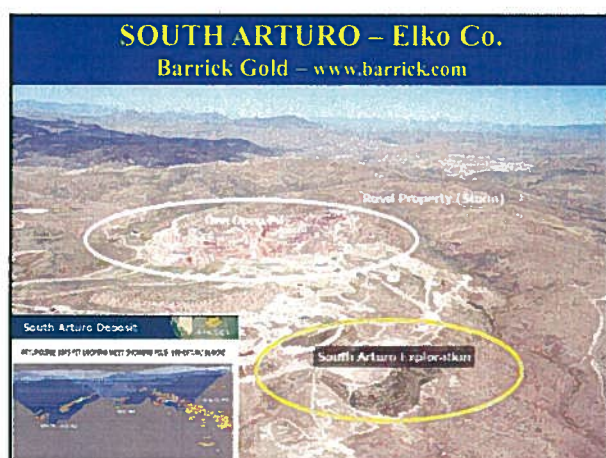
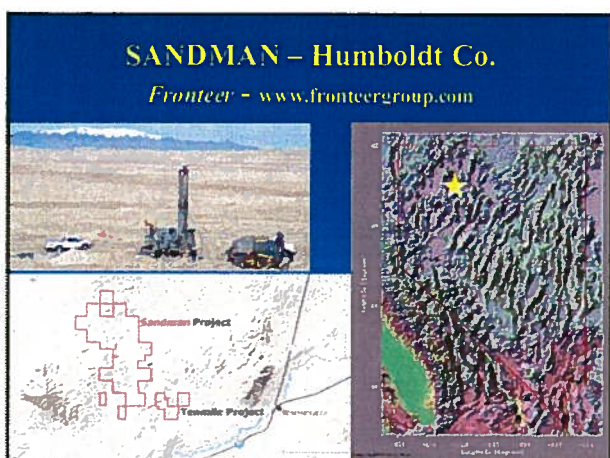
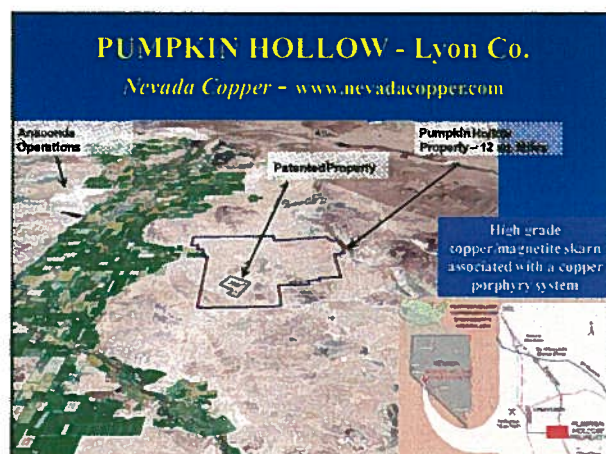
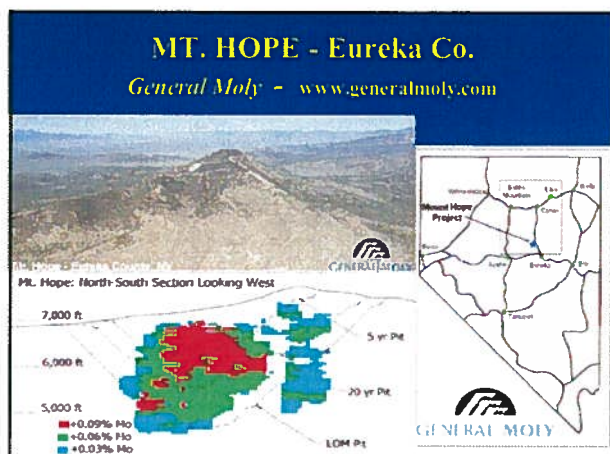
Elko Co.

Mexivada

www.mexivada.com

Disseminated and vein-style molybdenum-copper-rhenium mineralization related to intrusives





Wilderness in Nevada

- White Pine County Land Bill created 14 new wilderness areas (556, 777 acres)
- NV - 70 wilderness areas (3,297,766 acres)
- US - 702 wilderness areas (107,405,123 acres)
- NV is third in the number of areas after CA (137) and AZ (90)
- NV is eighth in the number of acres after AK, CA, AZ, WA, ID, MT, and CO

County Public Land Bills

- Clark, Lincoln, and White Pine completed
- Carson City - urban issues, no wilderness
- Lyon and Mineral - water is the driver (Walker River and Lake), but hundreds of thousands of acres proposed for wilderness
- Douglas and Esmeralda - under discussion
- NBMG tasked to prepare county mineral and energy resource potential maps

Claim Post Monumentation

- 1993 legislation required plastic claim posts to be capped with no open perforations
- Audubon Society indicates hollow claim posts continue to cause significant bird mortality
- Proposed legislation would invalidate hollow claim posts as a legal monument and provide immunity for their removal from public lands
- Notice period to allow remonumentation



Nevada is a really great place to explore for and mine gold, silver, and other mineral commodities

