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GREENS CREEK

Agenda

- Overview
- Tailings
  - Annual Report Summary
  - Tailings FMWP Summary
- Site 23
  - Annual Report Summary
  - 920 FMWP Summary
- Biomonitoring Report Summary
- Discussions
  - FWMP proposed changes
  - Financial assurance meeting plans
  - Tour Wednesday

Overview

- Production statistics
- Exploration statistics
- Spills and releases
- Disturbances and water usage
- Construction activities
- 2009 planned projects
- Reclamation activities
- Closure studies

2008 Production Statistics

- Tons mined per day: 2,021
- Tons milled per day: 2,007
- Shipments of concentrate: 13 (157,436 tons)

Exploration Activities

- 2008 Activities
  - Drilled 14 holes (17,450 ft)
  - All pads were in immediate mine area
    - Big Sore, Gallagher, Bruin Creeks
  - Continued same environmental controls as developed in the 2004-2005 drill seasons
- 2009 Plans
  - Road accessible sites only; 2 sites planned at 920

Disturbances and Water Usage

- Tailings Area Northwest Expansion cleared to approximately 14 acres
- Up to 700 gpm Greens Creek withdrawal (creek flow dependent) for mine and mill use
- Variable Cannery Creek withdrawal for truck wash, camp and port uses

2008 Spills and Releases

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Date	Location	Quantity spilled (gal)	Spilled material	Description of Incident
2/1/08	warehouse	300	50 % hydrogen peroxide	hard plastic bladder on inner tote started spilling from a ruptured opening above the valve during forklift transport
2/27/08	HI water building pad	25-50	Jet-A fuel	ISO container hose valve was left partially open causing fuel to drip onto ground. Spill likely began at 0100 hours on 2/27 and was not discovered until 1430 on the 27th.
3/19/08	ug shop	350	hydraulic oil	mechanic was moving hydraulic oil tote and bumped another oil tote valve, breaking off the bottom of the tote. The tote emptied into the containment area at the ug shop
5/20/08	lab pipeline to mill	100	low pH lab water	pipeline had likely frozen in winter and cracked; thawed and began to drip
6/26/08	warehouse	250	concrete admixture	during transport, tote was compromised by forklift
9/28/08	warehouse	45	automatic transmission fluid	drum was compromised while moving it out of a connex container
10/14/08	ug paste plant	100	hydraulic oil	build up on pump caused powerpack in pump to fail
10/23/08	ug paste plant	100	hydraulic oil	fitting wasn't secure on pump after maintenance work
12/30/08	outside powerhouse	305	glycol	forklift tire slipped on ice and tote fell off of forklift and top broke off

2008 Construction Activities

- Commissioning of Pond 7 water treatment facility
- Decommissioning of Pit 5 water treatment facility
- Decommissioning of Pond 6
- Installation of 18" HDPE stormwater pipeline
  - replacement of production rock bedding materials
- Extension of liner system at tails
- Construction of interim storage facility at Site 23 (25,000 cy capacity)

Pond 7 Water Treatment Facility

July 2008

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Tailings Facility – Pit 5 Area
July 2008

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Site 23 Interim Storage Pad
June 2008

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2009 Planned Projects

- Continuation of Pond 6 area expansion
- 1.4 mile A road sand pit expansion
- Divert clean water away from Pond C
- Batch plant drainage improvements
- Cons building roof work
- Greens Creek water intake screen replacement
  - Completed late winter

Reclamation Activities

- 2008 completed production rock removal
  - B pond berm removal: 2600 cy
  - 1350: 4220 cy
  - B road pipeline bedding: 30,000 cy
- 2009 planned production rock removal
  - Site E (15-20 %)
  - Pond D berm
  - 1.8 Mile
  - Site 1350

B Pond Berm Removal

before

after

Closure Studies

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- Ongoing Closure Studies
  - Soil cover-forest hydrology study
  - Sulfate reduction monitoring program (SRMP)
  - Underground hydrology study

Underground Hydrology Study

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- Key aspects of the study
  - Current water table and hydrologic characteristics
  - Characterize geochemistry of underground waters
  - Develop water balance for the mine system
  - Estimate the stored soluble load
  - Model natural and manual flooding scenarios
  - Predict post-closure flow rates and drainage compositions
  - Evaluate potential active and passive treatment options for mine waters

HGCMC anticipates receiving an interim report in 2009