

Outlook for Mining in Alaska

Global Markets

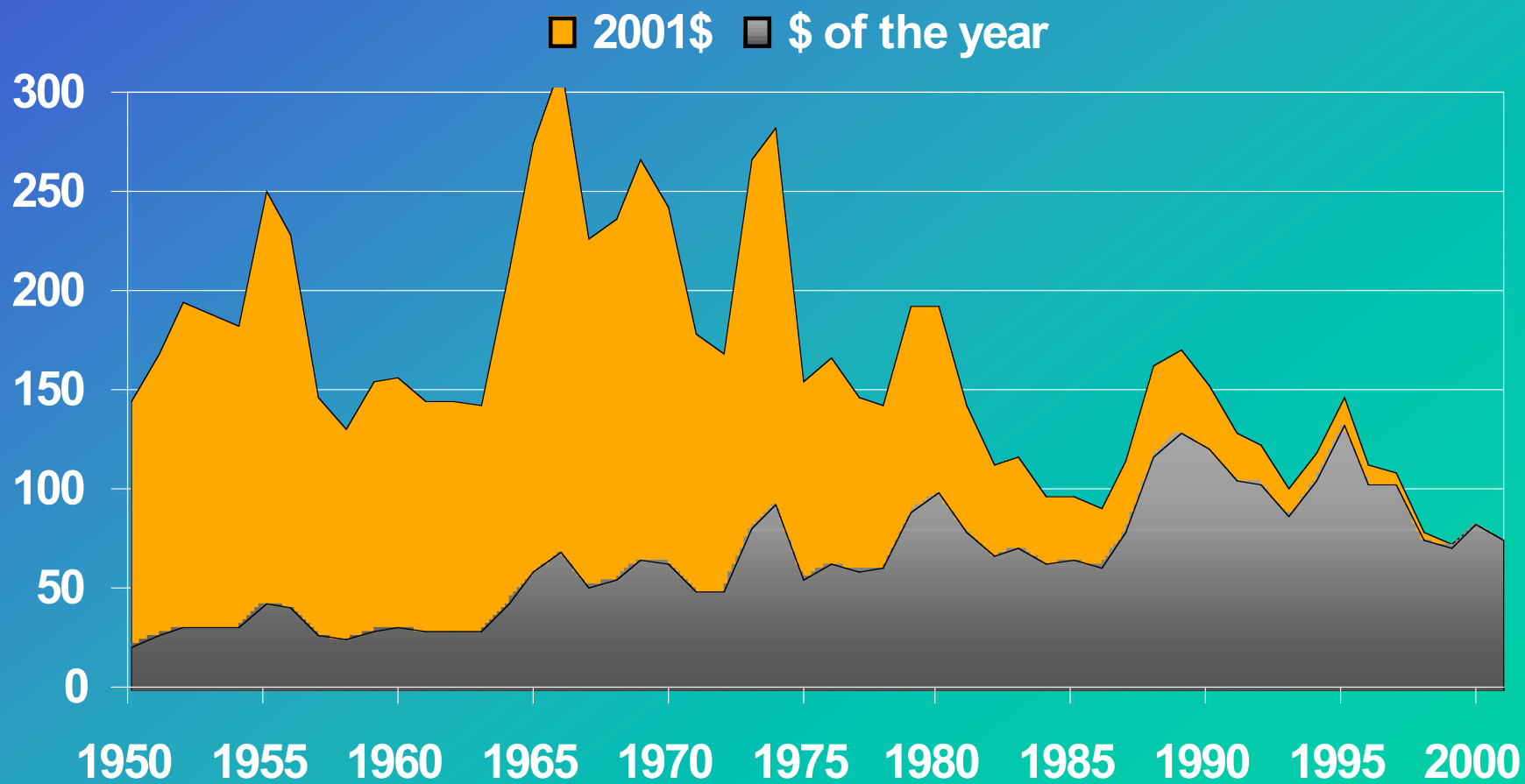
Alaskan Issues

Resource Potential

Global Consolidation & Change

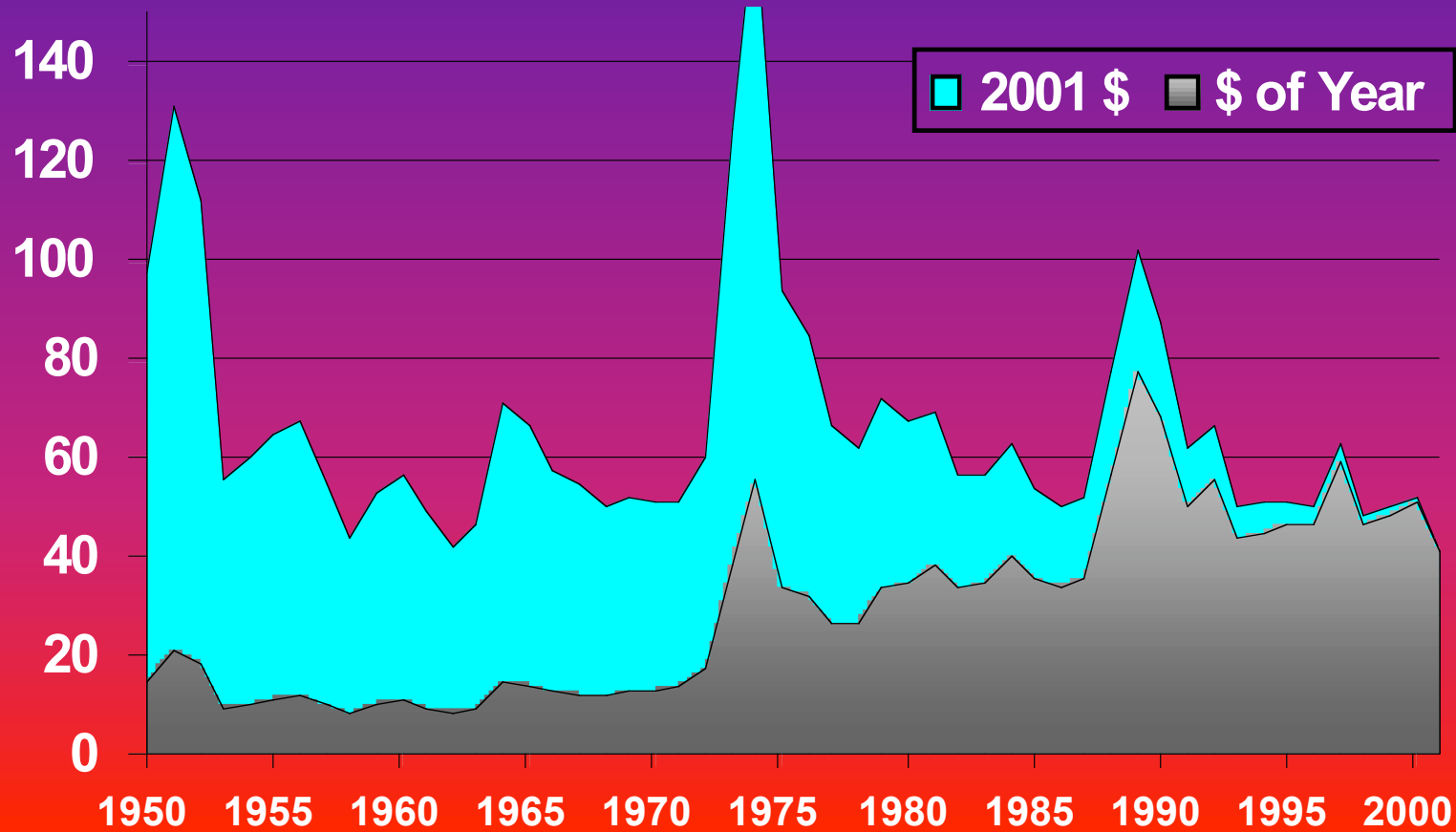
- Capital Markets Are Very Tight
- Junior Capital Market is Dismal
- Management Focused on Return on Capital
- 40% of Top Mining Companies Have Disappeared in the Past 5 Years

Average Annual Copper Prices (Cents per Pound)



Annual Average Zinc Prices

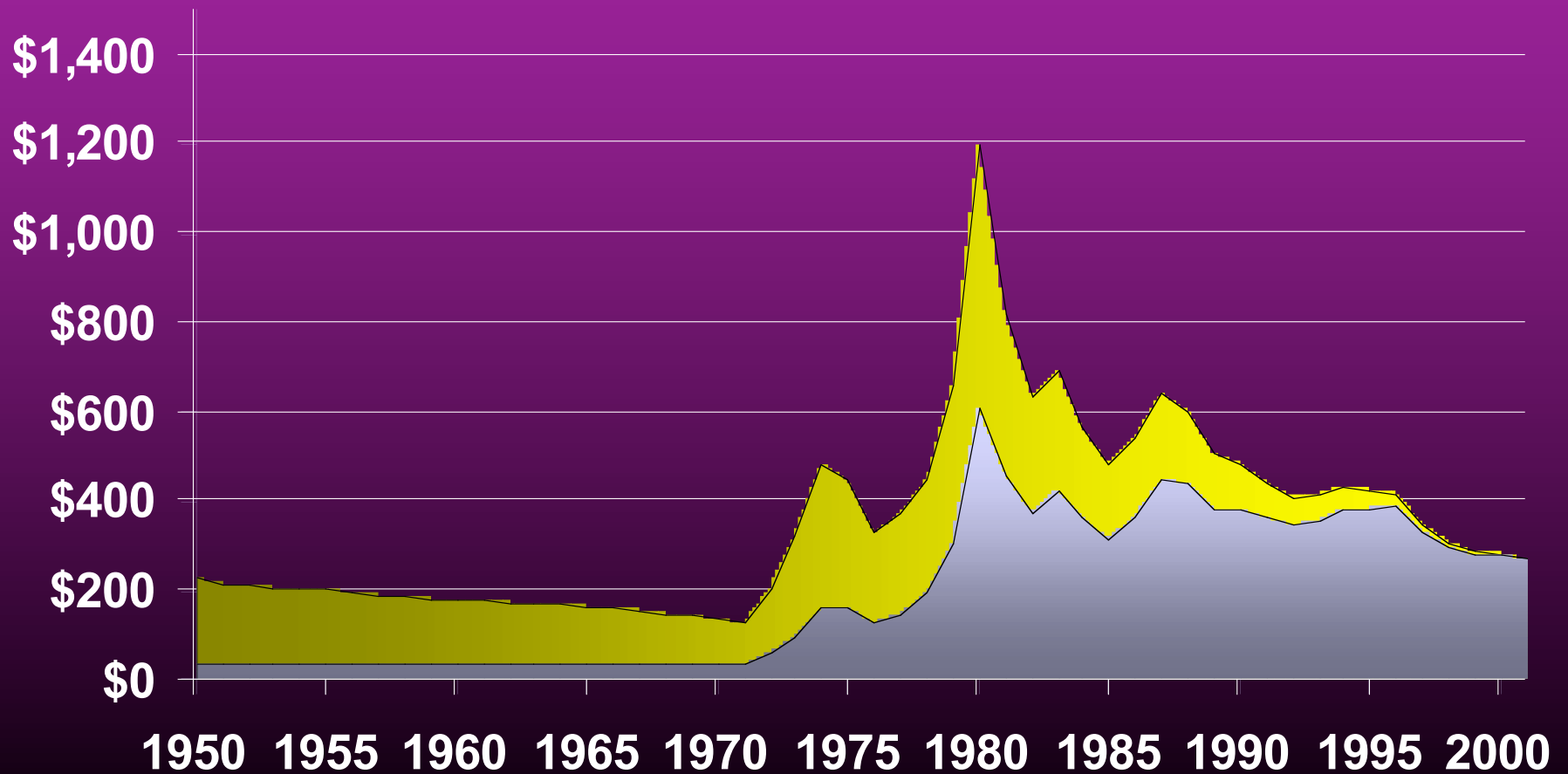
(Cents per pound)



Average Annual Gold Prices

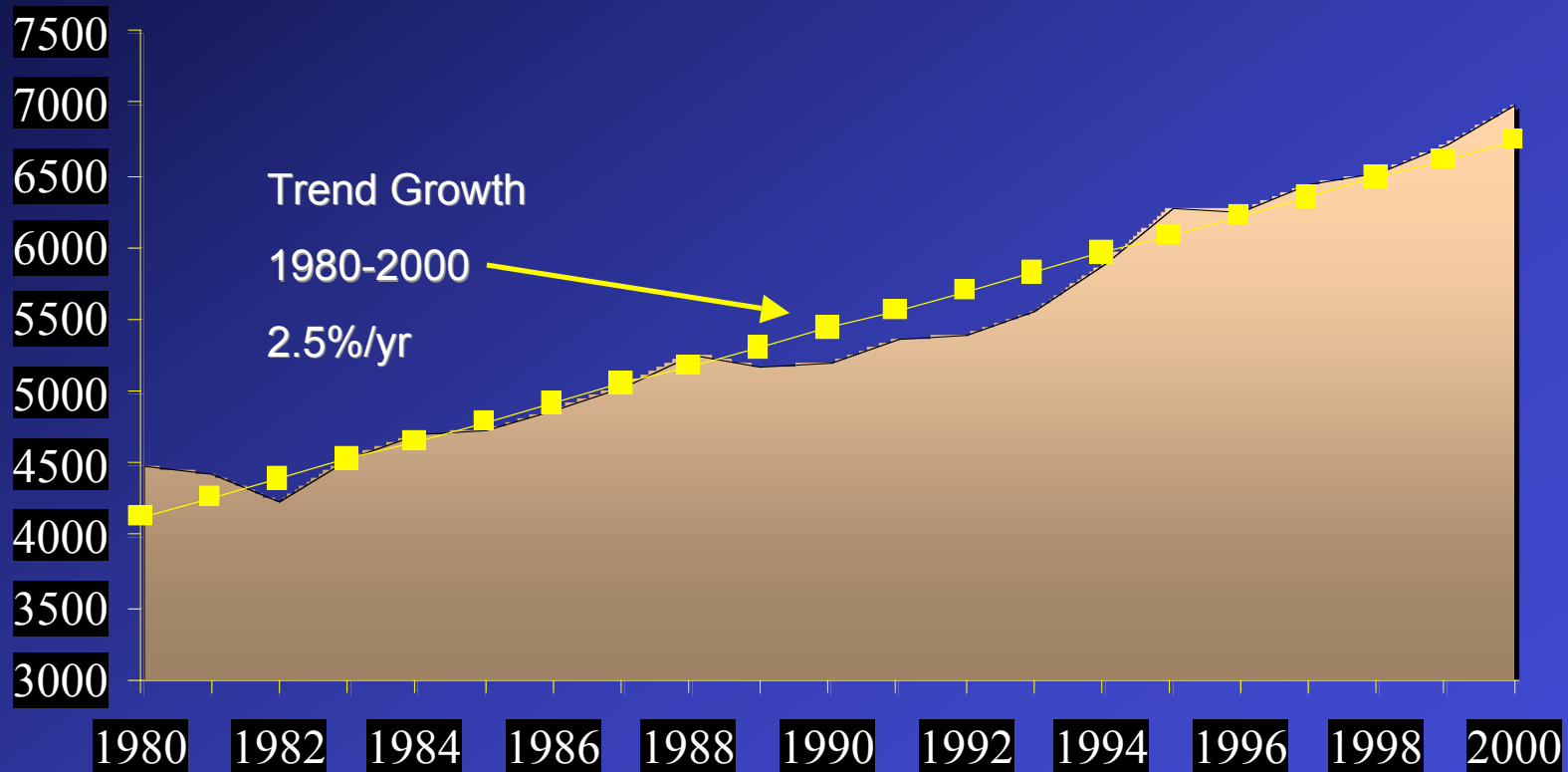
(Dollars per troy ounce)

■ 2001\$ ■ \$ of the year



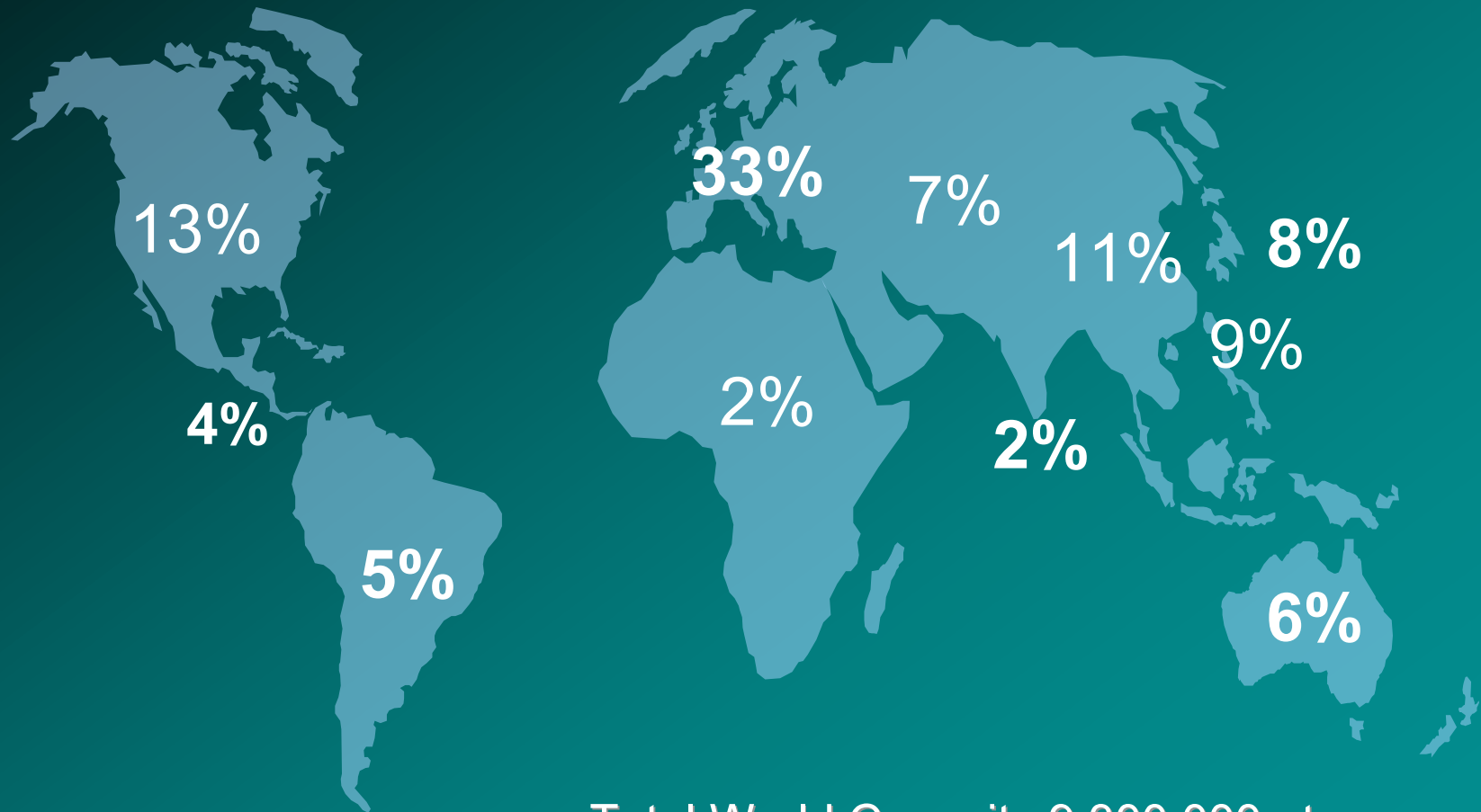
Western World Zinc Consumption

Thou Metric Tonnes



Source: ILZSG, Teck Cominco

ZINC REFINING CAPACITY



Total World Capacity 9,300,000mt

Source: Teck Cominco

Restraints to Mining in Alaska

- Land Status Issues
- Environmental Regulations that are “Urban Oriented”
- Pre-feasibility Costs
- Transportation & Utility Costs

Dealing With Restraints

- Native Lands
- State Lands, Mining Laws & Taxation
- Effective DEC Committed to Finding Solutions
- AIDEA & Positive State Attitude

Alaskan Mine Producers

- Healy (Usibelli) Coal
- Green's Creek Silver/Zinc/+
- Red Dog Zinc/Lead
- Fort Knox Gold

Known Big Deposits

- Beluga Coal
- Red Dog District Zinc/Lead
- Pogo Gold
- Donlin Creek Gold
- Pebble Copper
- Ambler District Copper/+

Gold from Gravels

- Placer industry has contracted enormously in past 20 years
- Outlook is poor considering environmental and market conditions
- Historical placer districts are good places to look for big, hard rock gold deposits

Do Not Forget Gravel
is Mined Too

Exploration

- Food for Future Industry
- Greatly Reduced in 2002
- Unlikely to Rebound Completely to Historical Levels

Long Term

- New Big Discoveries
- New Commodities: Platinum, Palladium, Gemstones, Tin, Others
- New Technology Especially Related To Local Power Generation and Producing Metals from Concentrate

Conclusions

- Excellent Producing Mines Insure Industry for 30 or More Years
- Very Little New Activity in 2002
- Long Term Metal Trends Are Not Favorable
- Unlikely to Rebound Completely to Historical Levels

Thanks To...

Paul Glavinovich (Anchorage)

Steve Borell (AMA)

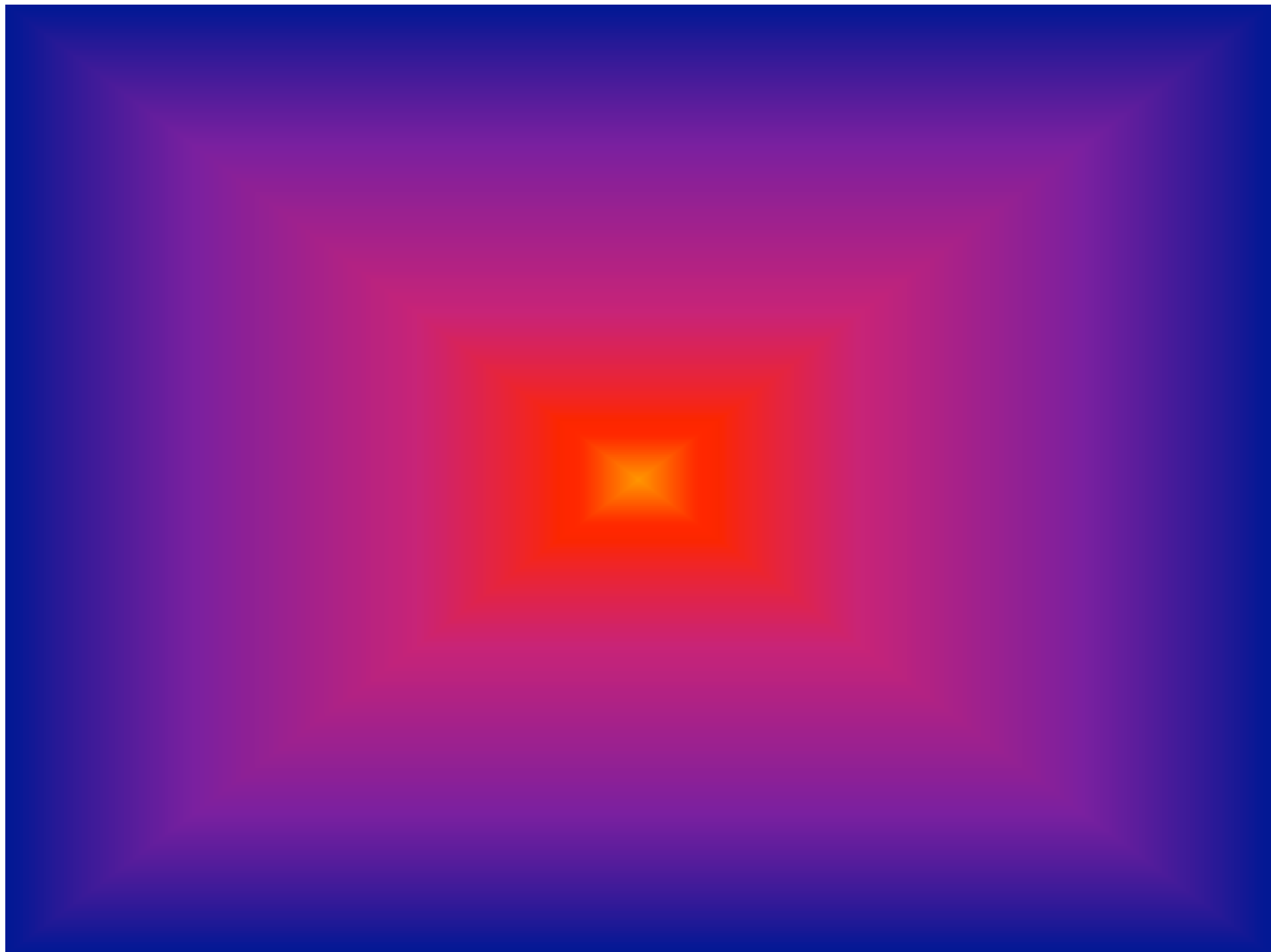
Neil Seldon (Vancouver)

Charlotte MacCay (TeckCominco)

Andy Roebuck (TeckCominco)

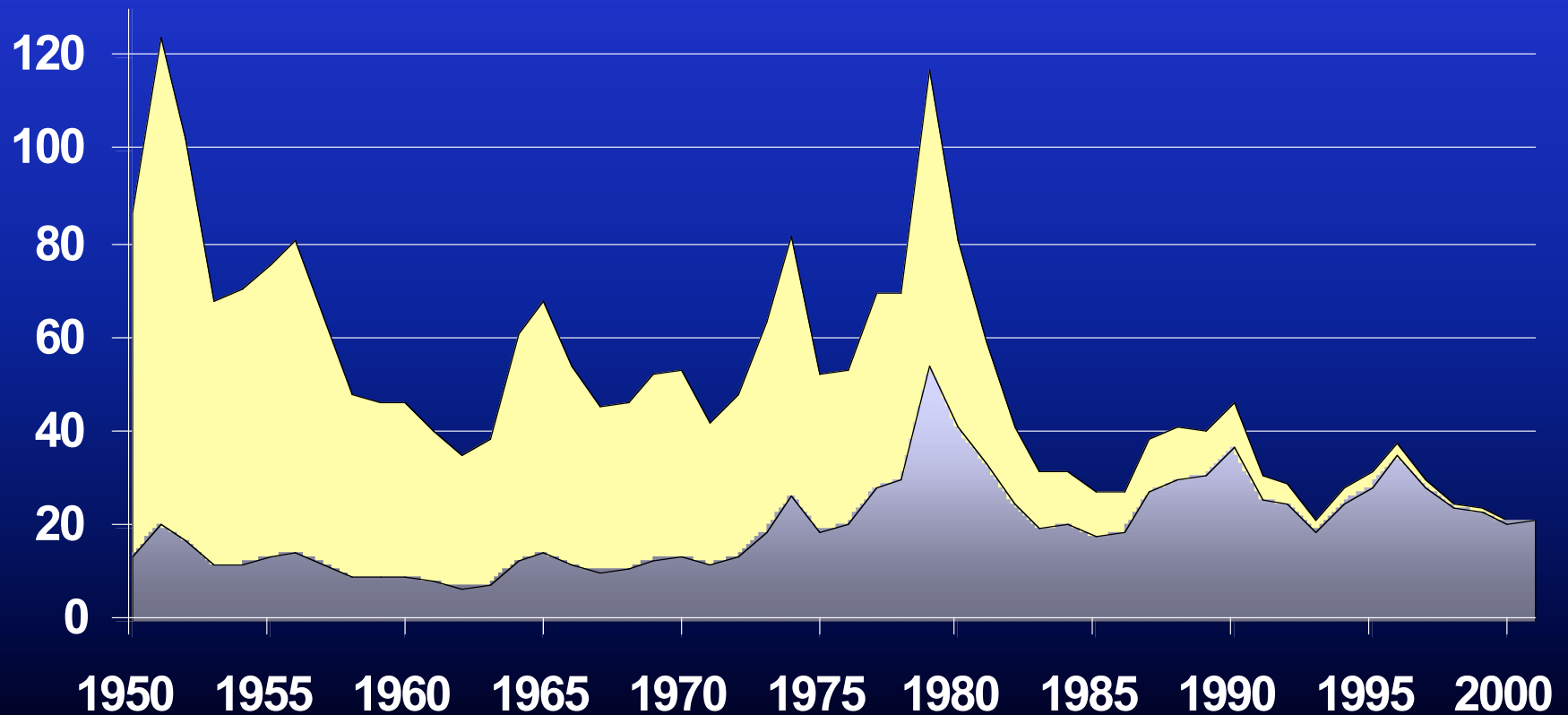
Jason Brune (RDC)

& Others



Annual Average LEAD Prices (cents/pound)

■ 2001\$ ■ \$ of the year



Average Annual Silver Prices (\$ Per Troy Ounce)

■ 2001\$ ■ \$ of the year

