

COEUR

The Precious Metals
Company

Coeur d'Alene, Idaho - USA

COEUR



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COEUR

Developing & Managing
Four Mine Rescue
Programs,
Four Countries,
One Company

COEUR

Corporate
Headquarters
located in
Coeur d'Alene
Idaho
USA



COEUR



COEUR

- ▣ Coeur d'Alene Mines Corporation is one of the world's leading silver companies and also a significant gold producer, founded in 1928.
- ▣ Company owns and operates underground mines in USA, Mexico, Chile and Argentina as well as surface mines in USA, Mexico and Bolivia. It also owns non-operating interest in two underground mines in Australia.
- ▣ Coeur is a publically traded company.

COEUR

- ▣ Employs approximately 1,200 employees.
- ▣ Will produce 20 million ounces of silver and 87,000 ounces of gold in 2009.
- ▣ Excellent Safety Record – Incident rate of 1.01 vs. 2.72 USA National rate. (June-2009)

COEUR – Safety Policy

- ▣ At Coeur we believe a safe mine is a productive mine.
- ▣ Our most important asset is our employees.
- ▣ We will manage and work at our mines under the principal that all losses are preventable.
- ▣ It is our responsibility to put safety first in all of our actions.
- ▣ We simply call this **“Producing & Protecting”**

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Goal & Priority

Provide mine rescue services to respond and control emergencies in our mines throughout the world wherever our properties are located.

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- ▣ History of Mine Rescue - Coeur
 - Idaho, USA – Galena & Coeur Mines
 - ▣ June 1996 – June 2006 (Sold Mines)
 - Alaska, USA – Kensington Gold Mine
 - ▣ January, 2006
 - Chile, Cerro Bayo Gold & Silver Mine
 - ▣ February, 2007
 - Argentina, Mina Martha Gold & Silver Mine
 - ▣ October, 2007
 - Mexico, Palmarejo Gold & Silver Mine
 - ▣ September, 2009

COEUR – Alaska Kensington Mine

- ▣ Juneau, Alaska – USA
- ▣ All volunteer Mine Rescue Program - started in January 2006.
- ▣ Started with experienced miners from previous mines and new volunteers.
- ▣ Four six man teams with four benchmen.





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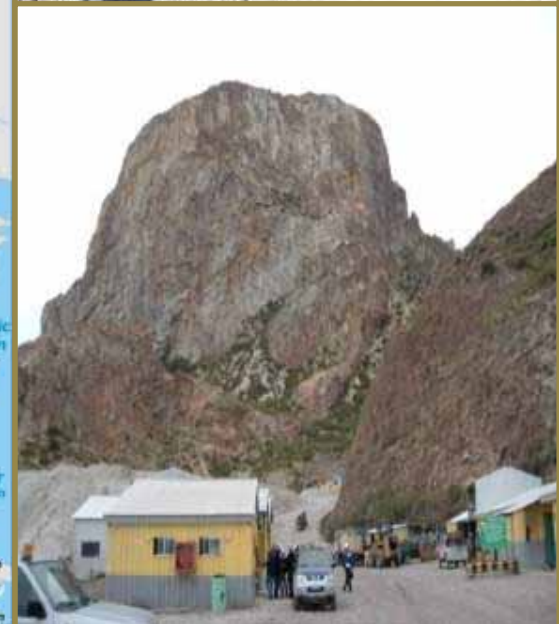


Cerro Bayo
Mine

Martha Mine

COEUR-Cerro Bayo Mine - Chile

- ❑ Chile Chico, Southern Chile.
- ❑ All volunteer Mine Rescue Program - started in Feb. 2007.
- ❑ Started with experienced mine rescue volunteers from previous mines and new volunteers.
- ❑ Four six man teams with four benchmen.



COEUR – Mina Martha - Argentina

- ❑ Santa Cruz District, southern Argentina.
- ❑ All volunteer Mine Rescue Program - started in Oct. 2007.
- ❑ Started with all new volunteers. (No experience)
- ❑ Four six man teams with four benchmen.



COEUR – Mina Martha - Argentina

- ▣ One of four mines in Argentina to have a mine rescue station and mine rescue teams.
- ▣ There are approximately 40 mines in Argentina. Coal & Hard Rock.



Mexico



Palmarejo Mine

COEUR – Palmarejo Mine - Mexico

- ❑ Palmarejo District, northwestern Mexico.
- ❑ All volunteer Mine Rescue Program - started in Sept. 2009.
- ❑ Started with all new volunteers. (No experience)
- ❑ Four six man teams with four benchmen.



COEUR – TRAINING REQUIREMENTS



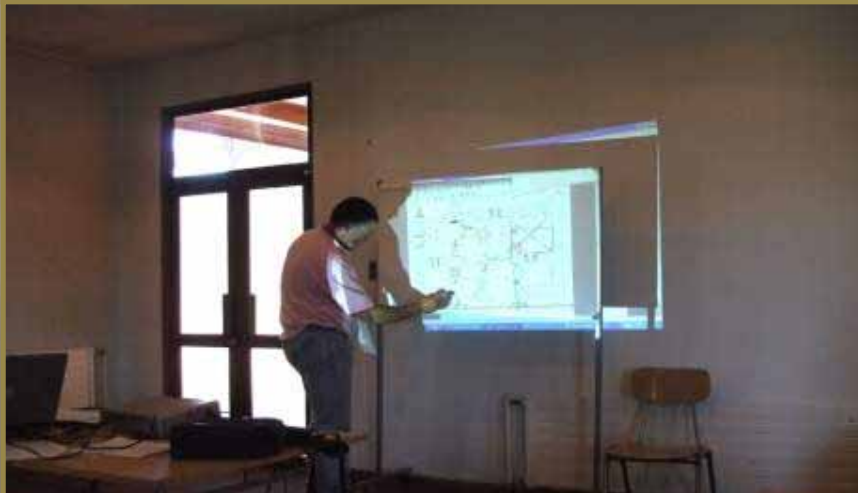
- ▣ **Kensington-USA**
- ▣ **Program – 4 years**
- ▣ **Initial training=24 hrs**
- ▣ **Annual Training, Minimum 48 hours, teams train every other month + teams train with neighbor mine annually + Competition team train an extra 80-120 hours**



COEUR – TRAINING REQUIREMENTS



- ▣ Cerro Bayo-Chile
- ▣ Program =2.5 years
- ▣ Initial training =24 hrs
- ▣ Minimum 48 hours annually – teams train every other month

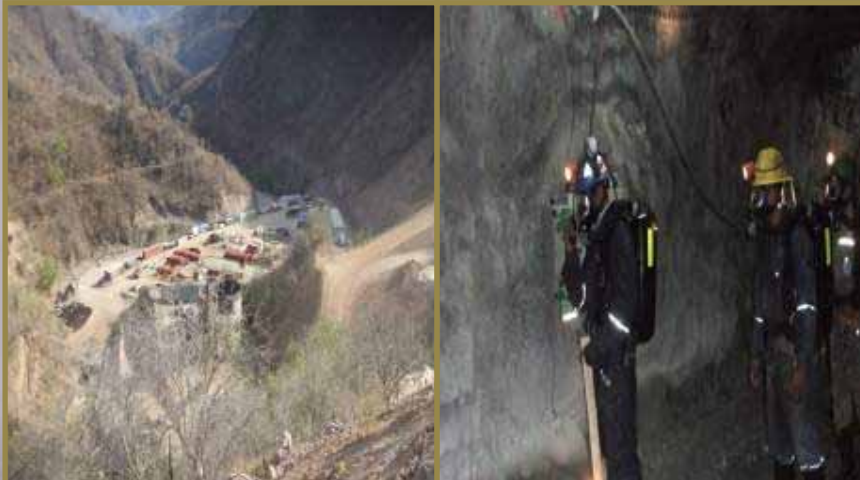


COEUR – TRAINING REQUIREMENTS



- ▣ **Martha-Argentina**
- ▣ **Program = 1.5 years**
- ▣ **Initial Training =24 hrs**
- ▣ **Annual training, minimum 48 hours – Currently training every month + teams train with neighbor mine annually**

COEUR – TRAINING REQUIREMENTS



- ▣ **Palmarejo-Mexico**
- ▣ **Program = New**
- ▣ **Initial training = 24 hrs**
- ▣ **Minimum 48 hours annually – teams train every other month**



Kensington Mine Rescue Training & Apparatus Room



Avalanche Training & Control Coeur Alaska Kensington



COEUR – TRAINING REQUIREMENTS OVERALL



Mine	Years	New Vol.	Teams
Kensington-USA	4	24 hrs	Minimum 48 hours, teams train every other month + teams train with neighbor mine annually + Competition team trains an extra 80-120 hours
Martha-Argentina	1.5	24 hrs	Minimum 48 hours – Currently training every month + teams train with neighbor mine annually
Cerro Bayo-Chile	2.5	24 hrs	Minimum 48 hours – teams train every other month
Palmarejo-Mexico	New	24 hrs	Minimum 48 hours – teams train every other month

COEUR MINE RESCUE MUTUAL AID

Country	Mine	# of Teams	# of Bench-Techs	Back up Teams/ Mines	Distance to travel	Time to respond	Mode of Trans - portation	# of teams available
USA	Kensington	4	4	Greens Creek	45 miles 72.5kil	1.5-4 hours	Boat or helo-copter	4
Mexico	Palmarejo	4	4	Ocampo	56 miles 90 kil	2-6 hours	Vehicle or helo-copter	6
Argentina	Martha	4	4	Triten	6.3 miles 10 kil	1-2 hours	Vehicle	4
Chile	Cerro Bayo	4	4	Martha	280 miles 450 kil	10-12 hours, 2-4 hours	Vehicle Helo-copter	4

COEUR MINE RESCUE- ENFORCEMENT

	Enforcement Agency	Mine Rescue Standards	Enforced
USA	MSHA	Yes	Yes
Mexico	Mexican Dept. of Labor	No	No
Argentina	Argentina Dept. of Labor	No	No
Chile	Chile Dept. of Labor	No	No

COEUR MINE RESCUE-TRAINING

- ▣ Corporate standards for all Coeur mines.
 - All volunteers – selected by mine management
 - ▣ Experienced U/G, responsible & disciplined
 - ▣ Must be 18 years old and pass our medical examination / physical
 - All have to have a full physical above and beyond the MSHA standards set forth by the US Department of Labor (annually)
 - 24 hours initial mine rescue training
 - 48 hours annual training – Minimum
 - Mine Rescue Station equipped with rescue equipment.

COEUR – ALL SITES

- High level emergency technicians, nurse or doctor on site at all times
- Emergency Response Plan
- Crisis Management Plan
- Command Center – Secure controlled area
 - Manned by Crisis Management Team
- Full complement of equipment at each site

Coeur Mine Rescue

Physical Requirements

- ▣ Each new and experienced member of a mine rescue team shall be examined annually by a physician who shall certify that each person is physically fit to perform mine rescue and recovery work for prolonged periods under strenuous conditions..... the physician shall take the following conditions in consideration:

Coeur Mine Rescue Physical Requirements

- ▣ Medical Procedures:
 - Hands-On Physical Examination
- ▣ Laboratory Tests
 - Audiometric
 - Vision Check
 - Complete Blood Count
 - Blood Chemistry Panel
 - Urinalysis

Coeur Mine Rescue

Physical Requirements

- Hernia
- EKG (at physician's option & everyone over 45 years of age)
- Pulmonary Function Test
- Stress Test (Treadmill) – (at physician's option & everyone over 45 years of age)
- Any other condition which the examining physician determines is relevant to the question of whether the miner is fit for rescue team service.

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Challenges

- Continued training and development
- Use of technology
- Senior managers keeping up with Crisis Management Training
- Turn over of trained managers
- Scheduling of training and work schedules
- Lack of experienced helmet people at most sites
- Employee turn over to other neighbor mines
- Up & down metal prices

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- ▣ Major issues, concerns & risks
 - ▣ Equipment fires
 - ▣ Electrical fires
 - ▣ Major fall of ground
 - ▣ Volcano eruptions
 - ▣ Avalanche 's
 - ▣ Remoteness
 - Alaska – Weather
 - Mexico – Gravel, dirt, windy mountain roads & weather
 - Chile – Dirt roads & weather
 - Argentina – Dirt roads & weather
- No fires or major accidents underground at any of our sites in last four years.

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- ▣ Pro Active Vs. Re-Active
 - Risk Assessments
 - ▣ Eliminate the risk and reduce the chance of human error
 - Commitment towards safety from all managers
 - Training, Training, Training
 - Avoid hazards
 - ▣ Good housekeeping
 - Increasing the focus on high fire potential area's
 - ▣ Equipment P.M.s
 - ▣ Pre Shift Inspections of work area & equipment
 - Using a five point safety system

COEUR- Pro Active Vs. Re-Active

Continued.

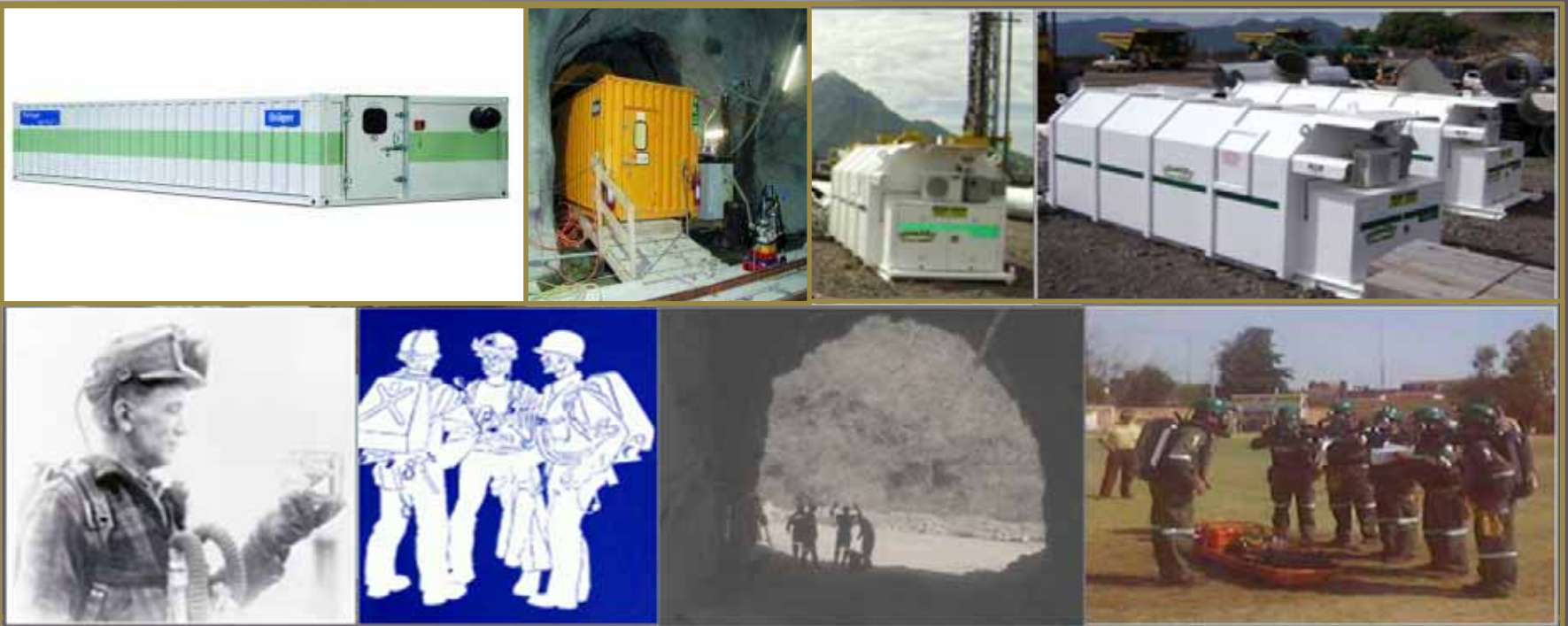
- ▣ Maintaining alertness to increased and unexpected risks during abnormal operating conditions.
- ▣ Addressing culture and leadership through objective assessment and, where required, improvement plans.
- ▣ Providing courageous leadership in leading change and holding each individual accountable for safety, health and loss control.

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- ▣ Communications required at all sites
 - Land line telephone if applicable
 - Cell phone coverage
 - Satellite internet service
 - Satellite telephone service

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- ▣ Refuge Chambers, portable and stationary
 - ▣ Located within 30 minutes of all working area, can be reached with a filter self rescuer.



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- ▣ Initial cost to develop mine rescue programs throughout our company?
 - Equipment
 - Training material (English & Spanish)
 - Physicals
 - Wages
 - Lost productivity due to employees in training
 - = “0” –Site build training into budget process

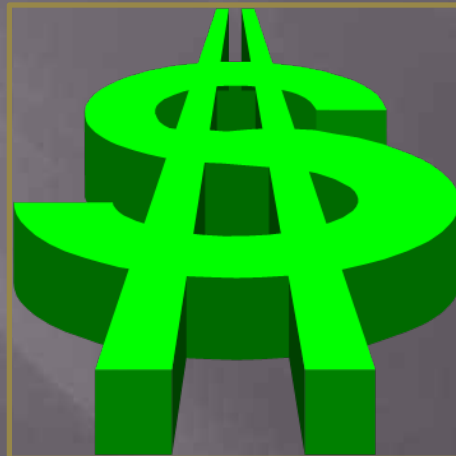
COEUR – Estimated Annual Costs

- ▣ Annual Budget - \$225,000.00 (US \$)
 - Training hours & bonus only
- ▣ Average cost per mine = \$56,250.00
- ▣ Average cost per volunteer = \$2,445.0
- ▣ Average training hours per volunteer
 - 48 – 120 hours/Competition teams train an additional 60 to 80 additional hours per year

COEUR – What's in it for us? Benefits

- ▣ A perspective from industry
 - Low incident rates
 - Low workmen's compensation
 - Low property insurance premiums
 - Savings
 - Money for share holders
 - Good business

▣ Equals =



COEUR – Competitions



COEUR – Competitions



COEUR – Competition



Best Part of the competition!

The End



CAK's Mine Rescue Mascot



Cerro Bayo & Martha Joint Training – March 2008



Networking after training



Courageous Leadership-Exercise

▣ Audience Participation

- Pencil or pen
- Piece of Paper
 - Your utmost attention

Sago Mine-2006

January 2, 2006:
Thirteen coal miners
were trapped below
ground after an
explosion in West
Virginia. Twelve of
them perished, one
survived.



Survivor Randal McCloy wrote:

"To the families and loved ones of my co-workers, victims of the Sago Mine disaster:

"The explosion happened soon after the day shift arrived at the mine face on January 2, right after we got out of the man-trip. I do not recall whether I had started work, nor do I have any memory of the blast. I do remember that the mine filled quickly with fumes and thick smoke, and that breathing conditions were nearly unbearable.

"The first thing we did was activate our rescuers, as we had been trained. At least four of the rescuers did not function. I shared my rescuer with Jerry Groves, while Junior Toler, Jesse Jones and Tom Anderson sought help from others. There were not enough rescuers to go around.

"We then tried to return to the man-trip, yelling to communicate through the thick smoke. The air was so bad that we had to abandon our escape attempt and return to the coal rib, where we hung a curtain to try to protect ourselves. The curtain created an enclosed area of about 35 feet.

Randal McCloy continued....

"We attempted to signal our location to the surface by beating on the mine bolts and plates. We found a sledgehammer, and for a long time, we took turns pounding away. We had to take off the rescuers in order to hammer as hard as we could. This effort caused us to breathe much harder. We never heard a responsive blast or shot from the surface.

"We eventually gave out and quit our attempts at signaling, sitting down behind the curtain on the mine floor, or on buckets or cans that some of us found. The air behind the curtain grew worse, so I tried to lie as low as possible and take shallow breaths. While methane does not have an odor like propane and is considered undetectable, I could tell that it was gassy. We all stayed together behind the curtain from that point on, except for one attempt by Junior Toler and Tom Anderson to find a way out. The heavy smoke and fumes caused them to quickly return. There was just so much gas.

Randal McCloy continued....

"We were worried and afraid, but we began to accept our fate. Junior Toler led us all in the Sinners Prayer. We prayed a little longer, then someone suggested that we each write letters to our loved ones. I wrote a letter to Anna and my children. When I finished writing, I put the letter in Jackie Weaver's lunch box, where I hoped it would be found.

"As time went on, I became very dizzy and lightheaded. Some drifted off into what appeared to be a deep sleep, and one person sitting near me collapsed and fell off his bucket, not moving. It was clear that there was nothing I could do to help him. The last person I remember speaking to was Jackie Weaver, who reassured me that if it was our time to go, then God's will would be fulfilled. As my trapped co-workers lost consciousness one by one, the room grew still and I continued to sit and wait, unable to do much..."

Sago Mine-2006

- ▣ One of those who died lived for at least 10 hours, a note found on his body has revealed his message.

- ▣ Martin Toler Jr. was the crew foreman for the men who died in Sago Mine. He left this note, handwritten on the back of an insurance form, telling his family he died peacefully.

Tell All
I see
Them
on
The
other
side
SR
I just
want
to
sleep
& Love you

Individual Activity

- ▣ In two minutes write the message you would leave behind if you knew you were going to die.

Start Now

Time Remaining

1:00

Time Remaining

:30

Time Remaining

00:00

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- ▣ Please fold up your messages and put them away, you can do whatever you please with them, they are yours.
- ▣ Remember, NOBODY has the right to make a decision that will effect anybody's life.
- ▣ Make good sound decisions, use common sense.
- ▣ Have a good emergency evacuation plan, crisis management plan and use Courageous Leadership at all times.



We wish you always:

**Air to breath,
Fire to warm you,
Water to drink and
The earth to live On.**

have a great Day !

Thank You - The End



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Questions?