

BEHRE DOLBEAR GROUP INC.
STATEMENT OF QUALIFICATIONS

CORPORATE OVERVIEW
PRECIOUS METALS EXPERIENCE



BEHRE DOLBEAR

founded 1911 MINERALS INDUSTRY ADVISORS

We **Know** The **Business** Of **Mining**

Behre Dolbear Group Inc. Statement of Qualifications Corporate Overview

Behre Dolbear Group Inc. (Behre Dolbear or the Company) is one of the oldest, continuously operating, mineral industry advisory firms in the world. Since 1911, we have specialized in studies for commercial and multilateral financial institutions, mining companies, governments and governmental agencies, legal firms, and other parties with interests in the minerals industry. Behre Dolbear's global experience covers the full spectrum of technical, operational, and financial issues in a broad range of commodities including base and precious metals, coal, industrial minerals, diamonds and gemstones, ferrous metals, and construction materials.

Our worldwide network of offices allows us to be a truly global company. Behre Dolbear operates from offices in 12 of the mining world's most important cities:

• Denver • Chicago • Beijing • Guadalajara • Hong Kong • London
• New York • Santiago • Sydney • Toronto • Ulaanbaatar • Vancouver

We design each project team to specifically meet our client's needs, using professionals with the specific experience needed to successfully complete assignments. For this reason, each office can draw upon personnel from the other offices to assure that the best-qualified professionals are assigned to a client.

Behre Dolbear is known internationally as a "businessman's consultant." Our people have first-hand experience in senior management and executive-level positions, giving them practical and insightful knowledge and skills. They are commercially experienced mineral industry professionals.

The Company possesses unparalleled credibility with the world's major finance organizations and is familiar with the intricacies of project development, financing, mergers, acquisitions, and privatizations. The international mining and financial communities recognize our reports as being among the most accurate and reliable documents in the industry. By engaging Behre Dolbear, our clients gain access to a world-class consulting group, whose studies and reports have international credibility and acceptability.

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Behre Dolbear brings to every project a breadth and depth of experience that encompasses the technical, financial, and managerial aspects of the industry. Some examples of Behre Dolbear’s advisory and consulting services follow:

<u>Technical Advisory Services</u>	<u>Financial Advisory Services</u>	<u>Management and Business Advisory Services</u>
<ul style="list-style-type: none"> • Conceptual, scoping, prefeasibility, and feasibility studies • Planning and monitoring of mineral exploration programs • Technical evaluations and consulting for: <ul style="list-style-type: none"> – Resource and reserve reports – Mine plans, including equipment selection – Metallurgical and mineral processing flow sheets and equipment – Chemical facilities • Environmental and sustainability program development and evaluation • Optimization reviews of operations to identify opportunities for productivity improvements and cost reductions • Expert witness testimony for technical issues 	<ul style="list-style-type: none"> • Due diligence reviews in support of financings, investment decisions, acquisitions, dispositions, and mergers • Valuation of mineral properties, reserves, mines, mineral processing facilities, and chemical plants • Independent and owners’ engineer services • Preparation of technical documents required for listings on the various global stock exchanges, including the U.S., Canadian, London, AIM, Australian, and Hong Kong stock exchanges • Preparation of pro-forma cash flow projections • Risk assessments, including political, financial, and technical 	<ul style="list-style-type: none"> • Privatization of government-owned mining companies • Strategic business plans for mining companies and individual operations • Development of corporate, operating, engineering, and human resource policies, procedures, and organizational structures • Development and restructuring of national mining laws • Market surveys for mineral products • Strategy formulation in connection with preparation or negotiation of contractual agreements, such as mergers, acquisitions, and mineral sales contracts

*“We Know the **Business of Mining**”*

Behre Dolbear Group Inc. Statement of Qualifications Precious Metals Experience

Behre Dolbear enjoys an established reputation for its technical capabilities in gold, silver, and other precious metals. Included in the Company's precious metals experience base are projects relating to due diligence studies; valuations; assessments of ore reserves; underground and open-pit mine planning, methods, and design; and beneficiation, smelting, and refining. Over the past few years, Behre Dolbear has conducted in excess of 140 projects in this commodity group in all regions of the world.

Behre Dolbear's recent precious metals project experience includes:

Project: **Royalty Portfolio Evaluation**
Commodity: **Gold**
Location: **Global**

Behre Dolbear Capital was retained to assist Newmont Mining Corporation in evaluating alternatives for disposal of its royalty assets. The royalty portfolio included a large number of mineral royalties and oil and gas royalties. Specifically, Behre Dolbear was asked to provide a 5-year history and 15-year projection of estimated production volumes by mine as well as by major commodity; and a 5-year history of operating costs by project. Behre Dolbear was also asked to provide an opinion as to the reasonableness of Newmont's cost projections; a detailed analysis of the Goldstrike and Stillwater projects; a qualitative assessment of the prospects for the "development assets"; and a review of public data highlighting both potential high level risks and upside potential. The evaluation methodology was built around three concepts:

- 1) identify and focus on the assets that appear to provide the maximum value;
- 2) test assets for "fatal flaws" and, if none are found, provide estimated values; and
- 3) use public information and data supplied by Newmont. (854670)

Project: **Exploration License Review**
Commodity: **Gold**
Location: **Guinea**

Behre Dolbear was engaged to undertake a review of the gold potential of three Exploration License areas in the northern part of the Republic of Guinea, West Africa. Behre Dolbear prepared a valuation and Competent Person's Report (CPR) for inclusion in an admission document for a listing on the Alternative Investment Market (AIM) of the London Stock Exchange. (903144)

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Project: **Independent Engineer**
Commodity: **Gold, Copper**
Location: **Australia**

Behre Dolbear was engaged to act as Independent Engineer for the monitoring of the construction, commissioning, completion tests, and operations for the Prominent Hill copper mine. (903958)

Project: **Independent Technical Evaluation**
Commodity: **Gold, Manganese**
Location: **Brazil**

Behre Dolbear was engaged by the property owner to conduct technical evaluations of gold and manganese properties in Brazil. Behre Dolbear reviewed and commented on the resources and reserves work done to date, as well as the exploration plan and budget. Behre Dolbear also verified the land ownership (working in conjunction with a Brazilian legal firm) and conducted a market survey for manganese. Later phases of the evaluation included reviewing the existing tailings and alluvial mining deposits for mineral potential as well as the extent to which artisanal mining had affected the properties. (849112)

Project: **Exploration Program Review**
Commodity: **Gold**
Location: **Ecuador**

Behre Dolbear is engaged to conduct a preliminary review of the current exploration work and resource estimate for the Joaquin alluvial placer gold deposit in Ecuador and to make recommendations for further work. (852541)

Project: **Independent Engineer**
Commodity: **Gold**
Location: **Philippines**

Behre Dolbear was retained to conduct an Independent Engineer review of the bankable feasibility study of the Siana gold project currently under development in the Philippines. The assignment included a review of resources and reserves estimates, mine plans and schedules, life of mine plans, metallurgical test work and process plant design, environmental and Equator Principles aspects, capital and operating cost estimates, project construction and implementation plans, financial models, and risk assessment. The project is near Surigao City, in the northern part of the island of Mindanao. (855519)

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Project: Stock Exchange of Hong Kong (SEHK) IPO Technical Review of Gold Mining/Exploration Properties
Commodity: Gold
Location: Shandong, Hainan, and Xinjiang, China

Behre Dolbear was engaged to serve as Zhaojin Mining Industry Company Limited's independent technical advisor in support of the company's IPO on the Stock Exchange of Hong Kong (SEHK). Behre Dolbear prepared a technical review of the client's five operating gold mines and one gold concentrate cyanidation plant in Zhaoyuan, Shandong Province and two exploration properties in other locations in China. Zhaojin is one of the largest gold mining companies in China. The company successfully completed a listing on the SEHK and raised over US\$280 million in November 2006, with a 530 times over-subscription. (780173)

Project: Independent Technical Review
Commodity: Gold, Copper
Location: Armenia

Behre Dolbear was engaged by Tamaya Resources to conduct an independent technical review and provide an evaluation of the Lichkvaz gold-copper project in Armenia. The assignment involved a site visit to review the geology, infrastructure, and environmental aspects of the project and develop a technical review of the design, construction logistics, and operation of the proposed mine and plant. In particular, the review focused on resource/reserve estimates. (851564)

Project: Technical Review and NI 43-101 Report
Commodity: Silver
Location: China

Behre Dolbear was appointed as the "Qualified Person" by Coeur d'Alene Mines Corporation to conduct a technical review and prepare an NI 43-101 report on the Xitieshan lead-zinc-silver mine in China. (787035)

Project: Technical Due Diligence
Commodity: Gold
Location: British Columbia, Canada and Alaska, United States

Behre Dolbear was engaged to conduct a high-level due diligence assessment of the Galore Creek project in British Columbia and the Donlin Creek Project in Alaska, both of which are in advanced development stages. The assignment included a review of reserves and resources, mining and processing methods, infrastructure, and environmental and sustainability issues. Behre Dolbear reviewed technical data, reports, and studies produced by other consulting firms,

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as well as information provided by the client. The intent of the process was to ascertain and verify those factors that would impact the enterprise value of NovaGold's interests in the Galore Creek and Donlin Creek properties. (785757)

Project: **Annual Reserve Audit**
Commodity: **Platinum**
Location: **Montana, United States**

Behre Dolbear was commissioned to verify the estimated ore reserves at Stillwater Mining Company's (SMC) Stillwater and East Boulder Mines and adjacent sectors as of December 31, 2006. To accomplish this, Behre Dolbear examined the methodologies used to estimate the tonnage, grade, and ounces of platinum plus palladium at SMC's properties; the mining and processing methods employed at the two mines and concentrators; and the Company's smelter/base metal refinery. Behre Dolbear also examined SMC's long-range mining plans, Ore Reserve Economic Test for the 2006 year-end reserves, and environmental compliance. In addition, Behre Dolbear independently verified specific Control Objectives, which are part of SMC's Sarbanes-Oxley Section 404 Internal Control Procedures for Metal Inventory Accounting. (786254)

Project: **Phased Pre-Feasibility Study**
Commodity: **Gold**
Location: **North America**

Behre Dolbear was engaged to provide the client with a phased pre-feasibility study to build and operate a 500-tpd underground gold mine. During Phase 1 of the assignment, the Behre Dolbear team conducted an intense data review of existing on-site studies and reports in the mine's data room, with the objective of updating and incorporating much of the existing data into a new study. The team identified existing gaps in the data and provided the client with a report of the findings, along with a "roadmap" of costs and schedules to conduct a pre-feasibility study. During Phase 2 of the assignment, Behre Dolbear conducted a new pre-feasibility study for the client. (787885)

Project: **IPO Technical Review of Various Mining Properties**
Commodity: **Gold, Base Metals**
Location: **Inner Mongolia, China**

Behre Dolbear was engaged to conduct an initial technical review of various gold and base metals mining properties in Chifeng City, Inner Mongolia, China and to provide guidance on how to prepare the properties to support an initial public offering. (850952)

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Project: **Purchase Price Allocation Valuation**
Commodity: **Gold, Silver**
Location: **Mexico, Central America**

Behre Dolbear was commissioned to conduct a Purchase Price Allocation Valuation of assets and liabilities of Bolnisi Gold NL and Palmarejo Silver and Gold Corporation to comply with Financial Accounting Standards 141 (FAS 141). A team of Behre Dolbear professionals inspected the Palmarejo, El Realto, and Yécora mineral properties in the Sierra Madre Occidental in the states of Chihuahua and Sonora, Mexico. Behre Dolbear's professionals also reviewed – by standards of reasonability – exploration data, mineral resource/reserve estimates, feasibility studies and other studies completed on the properties, projected capital and operating costs, and forward-looking projections of exploration and operating results. As part of the valuation, Behre Dolbear reviewed the balance sheets of the two companies as of March 31, 2007. The valuation was performed by Behre Dolbear using the Income Approach to value projected financial results of the Palmarejo operation. Other recognized and accepted methods were used to value the exploration properties and the upside (blue sky) potential of the combined mineral properties. (849297)

Project: **NI 43-101 Report for Toronto Stock Exchange Listing**
Commodity: **Gold**
Location: **Cambodia**

Behre Dolbear was engaged to prepare an independent review of a package of exploration properties for reporting purposes and a detailed exploration write-up for an NI 43-101 submission to the Toronto Stock Exchange. Behre Dolbear reviewed the resource estimates, conceptual plans, and risk issues in relation to development. The latter are material as there are significant social, political, environmental, and conservation issues associated with development in Cambodia. (847758)

Project: **Technical Due Diligence and Valuation**
Commodity: **Copper, Gold**
Location: **Mongolia**

Behre Dolbear was selected to perform the technical review and valuation of the Oyu Tolgoi copper-gold project in Mongolia, including reviews of reserves and resources, infrastructure, proposed mining and processing plans, and final product sales. The review initially focused on the open-pit mining phase, followed by a technical review of the underground mine plan. The reports were prepared to assist the client in an analysis of the risks that might be inherent in the project in the context of proposed financing. (780533)

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Project: **Technical Review**
Commodity: **Gold**
Location: **Russia**

Behre Dolbear was engaged to undertake a review of the Noni gold deposit and the Gudzhai exploration license in the eastern part of Khabarovsk Krai, in the Far East of Russia. Both the Noni deposit and the Gudzhai exploration license are held by Sever Placer Mining Artel Close Joint Stock Company. Behre Dolbear carried out this independent technical appraisal of the Noni license area on a reasonableness basis. (847264)

Project: **Review and Valuation of 21 Properties**
Commodity: **Gold**
Location: **Global**

Behre Dolbear was engaged to undertake a Purchase Price Allocation Valuation of Normandy Mining Limited and Franco-Nevada Mining Corporation properties acquired by Newmont for US\$4.2 billion in early 2002. The effort consisted of valuing 27 active gold and copper mining operations, hundreds of undeveloped exploration properties, oil and gas properties, royalty interests, security holdings, and real estate holdings in 17 countries on five continents. Behre Dolbear performed all activities typically associated with a purchase price allocation valuation, including the development of cash flow models that incorporated appropriate discount rates, which encompassed identified project risks associated with each class of asset. (302331)

Project: **Independent Technical Review**
Commodity: **Gold**
Location: **New Zealand**

Behre Dolbear was commissioned to conduct an independent technical review of the Macraes, Frasers, and Reefion gold projects in New Zealand as part of an NI 43-101 submission to the Toronto Stock Exchange for listing. Behre Dolbear's review covered only the reserves, mining operations, production estimates, capital and operating costs for 2007, and the life-of-mine plan. The full NI 43-101 was assembled in-house with other independent parties contributing sections. (846955)

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Project: **Reasonableness Review**
Commodity: **Gold, Silver**
Location: **Mexico**

Behre Dolbear was engaged by a leading financial institution to review data and reports on Minefinders' Dolores heap-leach gold project in northern Mexico to determine the reasonableness of projected additions of low-grade material to the previously projected mine life. The additional material was projected to extend the mine life from 12 to 14 years. (785899)

Project: **Independent Technical Review**
Commodity: **Gold**
Location: **Papua New Guinea**

Behre Dolbear was engaged to conduct an independent technical review of the Barrick Porgera Gold Mine in Papua New Guinea and to assess operational performance against budget year-to-date, as well as to review budgets for the next 12 months and for life-of-mine operations. The review was part of documentation being provided to potential investors in Emperor Gold Mines' (EGL) interest in Porgera as part of an EGL restructuring, following the Company's loss of its Vatakoula mine in Fiji. The Behre Dolbear report was to be included in the Information Memorandum being prepared. (846832)

Project: **Overview of Silver Industry and Formulation of Exploration Plan**
Commodity: **Silver**
Location: **Western Hemisphere**

Behre Dolbear was engaged to conduct a market survey to enable the client to put silver mining and exploration in the Western Hemisphere into perspective. The study focused on the geology of primary silver deposits, world silver supply and demand, the countries and companies that are the major primary silver producers, and the political risks of operating in certain countries. (786822)

Project: **Independent Technical Review of Project Feasibility Study**
Commodity: **Gold**
Location: **Laos**

Behre Dolbear was engaged to prepare an independent technical due diligence review of the Phu Bia project feasibility study. The work included a review of the project's resources and reserves, mining plans, metallurgical treatment flow sheet, and environmental aspects, as well as capital and operating cost estimates, construction contracts, and budgets. (700617)

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Project: **Determination of Fair Market Value**
Commodity: **Gold**
Location: **Mexico**

Behre Dolbear was engaged to determine the fair market value of Gold Resource Corporation (GRC), a private corporation in which U.S. Gold Corporation (USGL) held an interest. GRC's sole asset was the El Aguila gold-silver project in the state of Oaxaca, Mexico. The valuation report was prepared to a standard that would withstand scrutiny of regulatory authorities. (703893)

Project: **Asset Valuation and 2006 Impairment Test**
Commodity: **PGM**
Location: **Montana, United States**

In a joint effort, Behre Dolbear and American Appraisal undertook the Purchase Price Allocation valuation of Stillwater Mining Company. In June 2003, Norilsk Nickel acquired 55.5% of Stillwater, a palladium-platinum mining company whose assets consist of two producing mines and a smelter in Montana. Behre Dolbear's and American Appraisal's effort consisted of a valuation and purchase price allocation as of June 30, 2003 and September 30, 2003. The project included those items usually associated with a valuation, with additional emphasis on:

- The review of past and projected operational and production performance.
- Assessment and valuation of ore reserves and resources.
- Assessment of environmental issues and reclamation obligations and liabilities.
- Preparation of cash flow models, which included evaluation of projected capital and operating costs combined with the identification of project risks and determination of an appropriate discount rate.

Behre Dolbear was subsequently engaged to perform annual impairment tests and valuation of Stillwater's platinum and palladium properties. The study was pursuant to IAS 36 in order to independently determine the fair value of the client's assets. IAS 36 requires two tests, a value-in-use calculation, and a net-selling-price valuation. (602603, 779669)



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