

ABOUT THE SHORT COURSE

Economic and financial analysis is used at all levels of a mining operation, from making decisions on capital expenditures for mining and processing equipment, through analyzing new mine development, and onto decision making regarding proposed acquisitions. The subject is complex and the tools appear formidable to those unfamiliar with them.

With this in mind, the Rocky Mountain Coal Mining Institute's 2004 Short Course has been designed to provide not only an introduction to economic and financial analysis for those unfamiliar with the subject, but also a review and refresher for those who are experienced in this area.

Course objectives are as follows:

┌ Review fundamental concepts involved in discounted cash flow modeling and the history of its utilization by industry practitioners.

┌ Identify and discuss the basic building blocks of discounted cash flow models.

┌ Review the various items that are required as input for DCF models and provide guidelines for developing such input in coal industry applications.

┌ Describe commonly observed industry DCF practice problems and software issues.

┌ Introduce the concept of financial analysis and illustrate how economic analysis can lead into financial analysis.

┌ Describe financial analysis applications for acquisition evaluations.

┌ Review a typical due diligence checklist used in acquisition programs and illustrate how such a checklist is integrated into the economic and financial analysis during the evaluation of an acquisition candidate.

A team of mining and financial professionals will provide instruction in four sessions over the two days of the course. Session topics and the instructors for each are as follows:

Session 1 - Basic Concepts and DCF Model Development

Session 2 - Developing DCF Model Input and Discussions of Industry Practice Problems

David Hammond, Ph.D., a consulting mineral economist with the firm *Hammond International Group*, and **Alan Stagg**, a registered professional geologist with *Stagg Resource Consultants, Inc.*, will provide joint instruction for these two sessions.

Hammond, who has more than 30 years experience in a broad range of mineral commodities, is well-versed in the development and use of discounted cash flow models. He has been involved, at one time or another, with almost every energy commodity, and has held positions in exploration, engineering, financial analysis, marketing, planning, and business development.

Stagg has 40 years experience in the mining industry, with an emphasis on the economic evaluation of mineral properties and operations. He is a certified mineral appraiser and routinely utilizes discounted cash flow modeling in the course of acquisition programs and in his appraisal practice.

Session 3 - Bridging the Gap Between Economic and Financial Analysis

David Hammond will be the instructor for Session 3.

Session 4 - Practical Applications in Acquisition Programs

Lee Miller, senior mining engineer with *John T. Boyd Company*, will provide instruction for Session 4. Miller has more than 25 years experience in a broad spectrum of engineering activities including mine planning, operational analysis, equipment selection, property valuation, and mine permitting. He has conducted or participated in numerous due diligence reviews of both domestic and international mineral property acquisitions.

For those needing continuing education credits, the short course will meet the requirements of the International Association for Continuing Education and Training, with as many as 1.5 CEU's available upon successful completion of the course.

REGISTRATION FORM

If attending convention, please use the registration form received in the convention packet. **Or**
If attending Short Course only, complete this form and return to RMCMI, 8057 S. Yukon Way, Littleton, Colorado 80128-5510. You may go on line at www.rmcmi.org and go to meetings to find the Convention Registration Brochure.

Name _____

Company _____

Title _____

Address _____

City _____

State, Zip _____

Phone _____

Cell _____

Fax _____

E-Mail _____

Enclosed is fee for Short Course:
\$450 if attending RMCMI convention
(Return with RMCMI registration form.)
\$495 if not convention registered.

TOTAL _____

CHECK # _____ VISA MC AMEX

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Expiry Date _____ Authorized payment of \$ _____

Cardholder Name _____

Signature _____

Visit our web site at www.rmcmi.org for more information on the convention. You may also register on the web and receive a credit card receipt immediately.



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THE ROCKY MOUNTAIN
COAL MINING INSTITUTE

2004 SHORT COURSE

Prior to the RMCMI
100th Regular Meeting
and Convention

ECONOMIC AND
FINANCIAL ANALYSIS -

SUCCESSFUL
DEVELOPMENT,
PRACTICAL
APPLICATION

Friday and Saturday
June 25 & 26, 2004
Snowbird Resort
Salt Lake City, Utah
7:30 a.m. to 5:00 p.m.



