



Mining and Metallurgical Society of America

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President's Message
MMSA's PAST, PRESENT
and FUTURE

By Michael D.S. Blois

As I am sure it was with all the MMSA Presidents before me, it is a very great honor for me to be elected your President.

It is especially so for me for a number of reasons. Firstly, it is an honor to take over the Presidency from a globally recognized person such as Barney Guarnera. Secondly, I am only the second person who was not born in the USA to be elected President. The first was Waldemar Lindgren of Sweden who served nearly one hundred years ago in 1920. My thanks to Stan Dempsey for being the historian here.

In 2014 when Matt Bender was the President and Barney Guarnera was the Vice President, Matt challenged the Executives and the Council with the question: "How can we be sure that the MMSA remains relevant to its members?" This led to fourteen members of the Executive and the Council meeting in January 2015 at Barney and Laura Guarnera's condo residence in Las Vegas. Most of the day was spent "brainstorming" the simple and equally difficult question of what the MMSA should be and likewise what it should not be! One key result was that the MMSA is very proud of its Qualified



Michael D.S. Blois
MMSA President, 2017-2018

Professional (QP) status and that it must, at least, maintain its current high standard for the award of QP status.

A second retreat, held in October 2015 in Tucson, focused on the Mission and Goals of the MMSA. The third retreat was held in Denver in March 2016 and focused on key strategic issues. Separate committees were formed to focus on three critical issues: The Quality Membership committee which includes a focus on education, The Next Big Thing committee and The QP Enhancement committee. Out of these three committees come my thoughts for the *PAST, PRESENT & FUTURE*.

PAST— There is no doubt that the public perception of the mining industry is much worse than ever and

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we are now an industry “scorned” to quote Barney. I do realize that many efforts are being made to try and correct this perception, including the SME’s *Move Mining* initiative.

Until we as an industry are seen to be responding to the “Sins of Our Fathers”, I believe that we face an uphill battle. I realize that other organizations are trying to accelerate some form of “Good Samaritan” legislation. I accept that the miners of long ago had little or no understanding of Acid Mine/Rock Drainage or the biological science of bacterial leaching; but this does not alter the current perceptions of the public about our industry. The nexus of Water and Mining is a critical one for our industry.

I am pleased that one of the recommendations of the Next Big Thing committee is to see where the MMSA can assist with “Abandoned

and Orphaned Mines”. Discussions with the Colorado School of Mines have centered around the possibility of organizing a joint conference on the subject, as a follow up to the one that CSM arranged in late 2016. Clearly, the MMSA must make sure that it does not put itself into a position of being legally liable.

PRESENT—Many people have commented/complained to me about the quality of the NI 43-101 Technical Reports. Perhaps the most polite description I have heard is that “they are not worth the paper they are written on”.

How can the MMSA be proactive to help to raise the bar for reports authored by MMSA QPs?

One possibility that I have asked the Quality Membership committee to explore is the concept of a Senior QP (SQP) status. The concept is that there would be at least one SQP

among the numerous section authors that we see these days in the Technical Reports (TR). The purpose of the SQP would be to see that the sections of the TR present a coherent and appropriate report on the project. It needs to be made clear that the SQP would not be accepting any technical responsibility for the individual sections, other than the sections that he or she may have written in their usual QP roles. Thus there must be no additional legal responsibility over and above that of the regular QP and especially to the MMSA.

What would be the criteria for awarding the SQP status? This would be for the Quality Membership committee to recommend.

Clearly the NI 43-101 regulations are the responsibility of the CSA and the CIM. It is absolutely not the intention of the MMSA to interfere with the roles of the CSA or the CIM.

The overall aim is to raise the quality of the technical reports so that investors in our industry can increasingly rely on them. Indeed, the protection of investors is one of the MMSA’s Objectives in our Constitution. Further, mining companies, potential investors and other parties would actively seek out MMSA members, both in the QP and the SQP roles, to be authors of the Technical Reports.

FUTURE—As we proactively prepare for the promulgation of the new SEC regulations, the Council has come to the conclusion that our current five QP categories are no longer sufficient. Indeed, this also applies to the NI 43-101 Technical Reports. The QP Enhancement committee is looking at the following suggestions for new categories, or sub-categories: Mineral Economics,

Membership Applications

New Regular and QP Member Applications:

The following individual(s) have submitted membership applications and/or changes to their membership status. They have either received approval of the Membership Committee as candidates or are currently under review:

If any member of MMSA has good cause to believe that any of the applicant(s) should not be granted Regular membership or QP membership, as appropriate, you are requested to make known your objections, in writing, to **Betty Gibbs**, Executive Director, within 30 days from issue of this Newsletter. In the absence of any objections and after receiving approval of the various committees, the candidate members and those members requesting a change of status will be confirmed as Regular Members or QP Members, as provided by the ByLaws.

Applicant

Endorsers

Applicant

Endorsers

David L
Kelley

J Stevens Zuker
Lewis Kleinhans
Keith Laskowski

Stanley
Dempsey
Jr.

Stan Dempsey Sr
Jack Goth
Stuart Sanderson

QP Applications

Endorsers

Area of Special Expertise

David L
Kelley

J Stevens Zuker
Lewis Kleinhans
Keith Laskowski

Geology

Rock Mechanics, Hydrogeology, Capital & Operating Costs, Geotechnical, Valuation, Project Management, Infrastructure and Mine Ventilation. Getting consensus on the criteria for QP status for these additional categories will not be easy. I hope that the committee will be able to complete three categories this year. This committee is willingly accepting volunteers who may be able to contribute to this important challenge.

In conclusion, with the help of the Council, Executives, and Betty Gibbs, the Executive Director, I believe that the MMSA will continue to be relevant, and hopefully become more relevant, for its members.

Membership Update

The following changes in membership have taken place since the last newsletter, with the authority of the respective membership committees.

Regular Member Additions:

Youssef Daafi
Francisco MV Macedo

QP Members Confirmed:

Youssef Daafi, Geology and Ore Reserves
Francisco MV Macedo, Mining and Ore Reserves

Membership Deletions:

William Pennstrom, Deceased
Mark F Vancas, Deceased

MMSA presently has a total of **347** members, **6 in process**. Currently, **195** members are QP members

Additions, deletions and routine changes to the Society's data base and member biographies are accessible through the Members Only page in our web site, at www.mmsa.net This data base is the best source for information on any particular member.

MMSA News

Annual Meeting and Dinner Report

The MMSA Annual Meeting and Dinner was held on February 20 at the University Club in Denver. The Joint Committee meeting was well attended and the chairs of the Next Big Thing, Quality Membership, and QP Enhancement committees presented the status of the activities.

Committees. The three committees working on MMSA goals and improvements are scheduling meetings in the coming months.

The Annual Meeting was well attended with standing room only. The

Annual Meeting packet is available in the Members Only section of the Web site. Minutes of the meeting will be available soon.

Many thanks to the Booth Dudes who helped with the MMSA booth at the SME Exhibit Hall. You all did great work and it was much appreciated: Jaye Pickarts, Chris Easton, Richard Kunter, Corby Anderson, Jack McPartland, and Doug Ward.

Volunteers are needed for the Continuing Professional Development (CPD) audit committee. This committee will develop the audit procedures and then evaluate the CPD submittals as they are received. If you are interested in joining any of the Committees, contact the MMSA office.

5th Current Trends in Mining Finance Conference. Theme: Managing through the Cycle, Investing for the Future.

April 30 - May 3, 2017.

The conference is organized by the New York section of SME. Intended for executives and mining industry specialists, bankers, financial analysts, investors, engineers and service providers, the conference will bring experts together to discuss trends and a range of topics, solutions, risks and opportunities. For more information and to register, visit:

<http://www.smenet.org/events-professional-development/events/current-trends-in-mining-finance-managing-through>

Other Items

Sage Grouse Legislation introduced in Senate and House. Senator Heller introduced sage-grouse legislation (S.273) that would reverse the burdensome federal sage-grouse plans and allow the state developed plans a chance to show results. This legislation mirrors policies Senator Heller and other western members have worked to enact in the Senate over the past few years.

Congressman Amodei has also championed this policy in the House via appropriations and a standalone bill. In the 115th Congress, the Senate bill is S.273 and the House bill is H.R.527. For more information:

<http://www.heller.senate.gov/public/index.cfm/pressreleases?ID=D825286E-0FEA-4A0E-AACF-C364CC896E02>

Obituary
William J. Pennstrom



By Jim Arnold
William J. Pennstrom, Jr. of Highlands Ranch, Colorado passed away at his home, early Tuesday morning, January 31, 2017. Born on June 5, 1958, Bill was 58 years young.

Bill graduated in 1983 with a Bachelors of Science degree in Metallurgical Engineering from the University of Missouri - Rolla, Rolla, Missouri, and in 2001 with a Master of Arts degree in Management from Webster University, St. Louis, Missouri. He was a Registered Member of the Society for Mining, Metallurgy, and Exploration (SME), and was a recognized Qualified Professional (QP) Member with the Mining and Metallurgical Society of America (MMSA). He was the President and CEO of Pennstrom Consulting, Inc.
Bill started in the mining industry right out of high school. He was a Kennecott scholar and participated in a work-study program working at Ozark Lead Company, a Kennecott mine. He showed early promise in the lab, being able to operate lab processing equipment like no one else. It was prophetic, as Bill seemed to be able to operate any piece of milling equipment in the lab or in the mill to the maximum of its potential. His ability to design and operate mineral processing facilities was unmatched.
With his newly minted degree Bill went to work for Gold Fields Mining at Ortiz and was an early pioneer in

the heap leaching of gold ores. He rose through the ranks and worked in operations at Mesquite in California before building and managing the Ridgeway mill in South Carolina.
Bill worked for several engineering firms in process design before taking over as manager of the Process and Operations Group with Knight Piesold. In 2001 he went out on his own and founded Pennstrom Consulting, Inc. where he provided processing services to the industry right up to his death. Through his career Bill worked on projects on every continent except Antarctica.
Bill developed various passions over his lifetime. He was an accomplished trumpet player in his younger years, and played some mean Foosball. He loved slalom waterskiing, fishing, and camping. Family was always first, both immediate and extended, with his professional life a close second. He was a "pretty good" bowler in his day, with a 299 ring to show for it. He remained a fiercely loyal fan of the St. Louis Cardinals, the Broncos became his favorite football team, and the Colorado Avalanche became his favorite team to coach from the stands. His favorite activity, though, was coaching and watching young people play inline hockey.
He is survived by his best friend and wife Kathy, loving sons William (Will), and Benjamin (Ben), of Denver Colorado, and loving daughter Christine, of Washington, Missouri.
Bill was one of the truly fine gentlemen in the industry. Always positive but realistic, he mentored many young engineers and loved working with people. Anyone who knew Bill respected and liked him. He will be missed professionally and especially personally. Bill was an incredibly generous, sweet, loving, brave soul, taken too soon. He will forever live on in our hearts.

Comment from Tom White about MMSA: Appreciate the work all active MMSAers are doing. For us retirees in far flung places it is too bad we can't participate more actively. But, the "penance" of being successful in this wonderful business is we can indeed afford to move to those fun pretty places offering a comfortable winter lifestyle (warm weather) for our golden years. Then head off in the spring to the mountains or sea shore.

QP seals are available from MMSA.

The seal comes as a self-inking rubber stamp and the stamp is about 1 high by 2.6 inches wide. The stamp has the MMSA logo, member name, and member number. The cost is \$35, including shipping. To order a QP seal, contact the MMSA office or order directly from the MMSA Web site (www.mmsa.net/payments). The QP seal is in the Products category.

2008 MMSA Centennial Medallions are available for the great price of \$40. The coin has 1 oz of silver and 24 carat gold plating.

