<u>APPENDIX A</u>

Abbreviations and Units of Measure

1 carat (metric) (diamond) = 200 milligrams

1 flask (fl) = 76 pounds, avoirdupois 1 karat (gold) = one twenty-fourth part 1 kilogram (kg) = 2.2046 pounds, avoirdupois 1 long ton (lt) = 2.240 pounds, avoirdupois

1 long ton unit (Itu) = 1% of 1 long ton or 22.4 pounds avoirdupois

long calcined ton (lct) = excludes water of hydration long dry ton (ldt) = excludes excess free moisture

Mcf = 1,000 cubic feet

1 metric ton (t) = 2,204.6 pounds, avoirdupois or 1,000 kilograms

1 metric ton (t) = 1.1023 short ton

1 metric ton unit (mtu) = 1% of 1 metric ton or 10 kilograms

1 pound (lb) = 453.6 grams

1 short ton (st) = 2,000 pounds, avoirdupois

1 short ton unit (stu) = 1% of 1 short ton or 20 pounds, avoirdupois

1 short dry ton (sdt) = 2,000 pounds, avoirdupois, excluding moisture content

1 troy ounce (tr oz) = 1.09714 avoirdupois ounces or 31.103 grams

1 troy pound = 12 troy ounces

APPENDIX B

Definitions of Selected Terms Used in This Report

Terms Used for Materials in the National Defense Stockpile and Helium Stockpile

Uncommitted inventory refers to the quantity of mineral materials held in the National Defense Stockpile. Nonstockpile-grade materials may be included in the table; where significant, the quantities of these stockpiled materials will be specified in the text accompanying the table.

Committed inventory refers to materials that have been sold or traded from the stockpile, either in fiscal year 2007 (FY 2007) or in prior years, but not yet removed from stockpile facilities as of September 30, 2007. FY 2007 is the period October 1, 2006, through September 30, 2007.

Authorized for disposal refers to quantities that are in excess of the stockpile goal for a material, and for which Congress has authorized disposal over the long term at rates designed to maximize revenue but avoid undue disruption of the usual markets and financial loss to the United States.

Disposal plan FY 2007 indicates the total amount of a material in the National Defense Stockpile that the U.S. Department of Defense is permitted to sell under the Annual Materials Plan approved by Congress for the fiscal year. For mineral commodities that have a disposal plan greater than the inventory, actual quantity will be limited to remaining disposal authority or inventory. Note that, unlike the National Defense Stockpile, helium stockpile sales by the Bureau of Land Management under the Helium Privatization Act of 1996 are permitted to exceed disposal plans.

Disposals FY 2007 refers to material sold or traded from the stockpile in FY 2007.

Depletion Allowance

The depletion allowance is a business tax deduction analogous to depreciation, but applies to an ore reserve rather than equipment or production facilities. Federal tax law allows this deduction from taxable corporate income, recognizing that an ore deposit is a depletable asset that must eventually be replaced.

<u>APPENDIX C</u>

A Resource/Reserve Classification for Minerals¹

INTRODUCTION

Through the years, geologists, mining engineers, and others operating in the minerals field have used various terms to describe and classify mineral resources, which as defined herein include energy materials. Some of these terms have gained wide use and acceptance, although they are not always used with precisely the same meaning.

The U.S. Geological Survey (USGS) collects information about the quantity and quality of all mineral resources. In 1976, the USGS and the U.S. Bureau of Mines developed a common classification and nomenclature, which was published as USGS Bulletin 1450-A—"Principles of the Mineral Resource Classification System of the U.S. Bureau of Mines and U.S. Geological Survey." Experience with this resource classification system showed that some changes were necessary in order to make it more workable in practice and more useful in long-term planning. Therefore, representatives of the USGS and the U.S. Bureau of Mines collaborated to revise Bulletin 1450-A. Their work was published in 1980 as USGS Circular 831-"Principles of a Resource/Reserve Classification for Minerals."

Long-term public and commercial planning must be based on the probability of discovering new deposits, on developing economic extraction processes for currently unworkable deposits, and on knowing which resources are immediately available. Thus, resources must be continuously reassessed in the light of new geologic knowledge, of progress in science and technology, and of shifts in economic and political conditions. To best serve these planning needs, known resources should be classified from two standpoints: (1) purely geologic or physical/chemical characteristics—such as grade, quality, tonnage, thickness, and depth—of the material in place; and (2) profitability analyses based on costs of extracting and marketing the material in a given economy at a given time. The former constitutes important objective scientific information of the resource and a relatively unchanging foundation upon which the latter more valuable economic delineation can be based.

The revised classification system, designed generally for all mineral materials, is shown graphically in figures 1 and 2; its components and their usage are described in the text. The classification of mineral and energy resources is necessarily arbitrary, because definitional criteria do not always coincide with natural boundaries. The system can be used to report the status of mineral and energy-fuel resources for the Nation or for specific areas.

RESOURCE/RESERVE DEFINITIONS

A dictionary definition of resource, "something in reserve or ready if needed," has been adapted for mineral and energy resources to comprise all materials,

¹Based on U.S. Geological Survey Circular 831, 1980.

including those only surmised to exist, that have present or anticipated future value.

Resource.—A concentration of naturally occurring solid, liquid, or gaseous material in or on the Earth's crust in such form and amount that economic extraction of a commodity from the concentration is currently or potentially feasible.

Original Resource.—The amount of a resource before production.

Identified Resources.—Resources whose location, grade, quality, and quantity are known or estimated from specific geologic evidence. Identified resources include economic, marginally economic, and subeconomic components. To reflect varying degrees of geologic certainty, these economic divisions can be subdivided into measured, indicated, and inferred.

Demonstrated.—A term for the sum of measured

demonstrated.—A term for the sum of measured plus indicated.

Measured.—Quantity is computed from dimensions revealed in outcrops, trenches, workings, or drill holes; grade and(or) quality are computed from the results of detailed sampling. The sites for inspection, sampling, and measurements are spaced so closely and the geologic character is so well defined that size, shape, depth, and mineral content of the resource are well established.

Indicated.—Quantity and grade and(or) quality are computed from information similar to that used for measured resources, but the sites for inspection, sampling, and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for measured resources, is high enough to assume continuity between points of observation.

Inferred.—Estimates are based on an assumed continuity beyond measured and(or) indicated resources, for which there is geologic evidence. Inferred resources may or may not be supported by samples or measurements.

Reserve Base.—That part of an identified resource that meets specified minimum physical and chemical criteria related to current mining and production practices, including those for grade, quality, thickness, and depth. The reserve base is the inplace demonstrated (measured plus indicated) resource from which reserves are estimated. It may encompass those parts of the resources that have a reasonable potential for becoming economically available within planning horizons beyond those that assume proven technology and current economics. The reserve base includes those resources that are currently economic (reserves), marginally economic (marginal reserves), and some of those that are currently subeconomic (subeconomic resources). The term "geologic reserve" has been applied by others generally to the reserve-base category, but it also may include the inferred-reserve-base category; it is not a part of this classification system.

- Inferred Reserve Base.—The in-place part of an identified resource from which inferred reserves are estimated. Quantitative estimates are based largely on knowledge of the geologic character of a deposit and for which there may be no samples or measurements. The estimates are based on an assumed continuity beyond the reserve base, for which there is geologic evidence.
- Reserves.—That part of the reserve base which could be economically extracted or produced at the time of determination. The term reserves need not signify that extraction facilities are in place and operative. Reserves include only recoverable materials; thus, terms such as "extractable reserves" and "recoverable reserves" are redundant and are not a part of this classification system.
- Marginal Reserves.—That part of the reserve base which, at the time of determination, borders on being economically producible. Its essential characteristic is economic uncertainty. Included are resources that would be producible, given postulated changes in economic or technological factors.
- **Economic.**—This term implies that profitable extraction or production under defined investment assumptions has been established, analytically demonstrated, or assumed with reasonable certainty.
- **Subeconomic Resources.**—The part of identified resources that does not meet the economic criteria of reserves and marginal reserves.
- Undiscovered Resources.—Resources, the existence of which are only postulated, comprising deposits that are separate from identified resources. Undiscovered resources may be postulated in deposits of such grade and physical location as to render them economic, marginally economic, or subeconomic. To reflect varying degrees of geologic certainty, undiscovered resources may be divided into two parts:
 - Hypothetical Resources.—Undiscovered resources that are similar to known mineral bodies and that may be reasonably expected to exist in the same producing district or region under analogous geologic conditions. If exploration confirms their existence and reveals enough information about

- their quality, grade, and quantity, they will be reclassified as identified resources.
- Speculative Resources.—Undiscovered resources that may occur either in known types of deposits in favorable geologic settings where mineral discoveries have not been made, or in types of deposits as yet unrecognized for their economic potential. If exploration confirms their existence and reveals enough information about their quantity, grade, and quality, they will be reclassified as identified resources.
- Restricted Resources/Reserves.—That part of any resource/reserve category that is restricted from extraction by laws or regulations. For example, restricted reserves meet all the requirements of reserves except that they are restricted from extraction by laws or regulations.
- Other Occurrences.—Materials that are too low grade or for other reasons are not considered potentially economic, in the same sense as the defined resource, may be recognized and their magnitude estimated, but they are not classified as resources. A separate category, labeled other occurrences, is included in figures 1 and 2. In figure 1, the boundary between subeconomic and other occurrences is limited by the concept of current or potential feasibility of economic production, which is required by the definition of a resource. The boundary is obviously uncertain, but limits may be specified in terms of grade, quality, thickness, depth, percent extractable, or other economic-feasibility variables.
- Cumulative Production.—The amount of past cumulative production is not, by definition, a part of the resource. Nevertheless, a knowledge of what has been produced is important in order to understand current resources, in terms of both the amount of past production and the amount of residual or remaining in-place resource. A separate space for cumulative production is shown in figures 1 and 2. Residual material left in the ground during current or future extraction should be recorded in the resource category appropriate to its economic-recovery potential.

FIGURE 1.—Major Elements of Mineral-Resource Classification, Excluding Reserve Base and Inferred Reserve Base

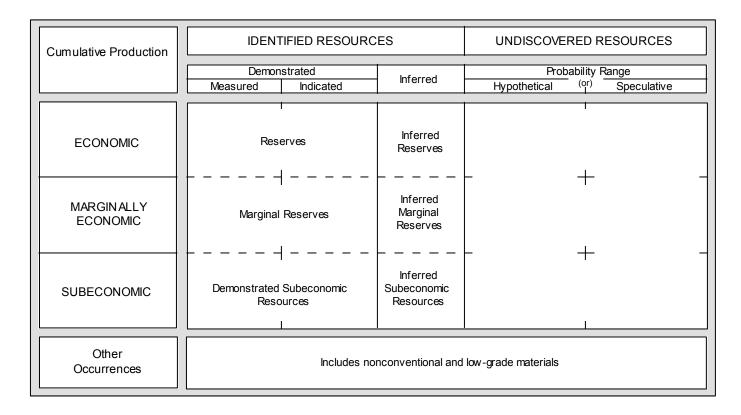
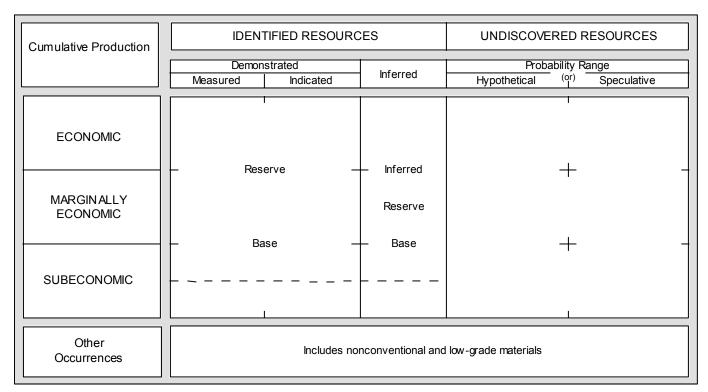


FIGURE 2.—Reserve Base and Inferred Reserve Base Classification Categories



APPENDIX D

Country Specialists Directory

Minerals information country specialists at the U.S. Geological Survey collect and analyze information on the mineral industries of more than 170 nations throughout the world. The specialists are available to answer minerals-related questions concerning individual countries.

Africa and the Middle East

Algeria Angola Bahrain Benin Botswana Burkina Faso Burundi Cameroon Cape Verde Central African Republic Chad Comoros Congo (Brazzaville) Congo (Kinshasa) Côte d'Ivoire Diibouti Eavpt **Equatorial Guinea** Eritrea Ethiopia Gabon The Gambia Ghana Guinea Guinea-Bissau Iran Iraq Israel Jordan Kenva

Liberia Libva Madagascar Malawi Mali Mauritania Mauritius Morocco & Western Sahara Mozambique Namibia Niger Nigeria Oman Qatar

Kuwait

Lebanon

Lesotho

Reunion

Rwanda São Tomé & Principe Saudi Arabia Senegal Sevchelles Sierra Leone Somalia

Philip M. Mobbs Omayra Bermúdez-Lugo Philip M. Mobbs

Omavra Bermúdez-Lugo Harold R. Newman Omayra Bermúdez-Lugo Thomas R. Yager Omayra Bermudez-Lugo Harold R. Newman Omayra Bermúdez-Lugo Philip M. Mobbs Thomas R. Yager Philip M. Mobbs Thomas R. Yager Omayra Bermúdez-Lugo Thomas R. Yager Harold R. Newman Philip M. Mobbs

Harold R. Newman Thomas R. Yager Omayra Bermudez-Lugo Omayra Bermúdez-Lugo Omavra Bermúdez-Lugo Omayra Bermúdez-Lugo Omayra Bermúdez-Lugo Philip M. Mobbs Philip M. Mobbs Thomas R. Yager Thomas R. Yager

Thomas R. Yager Philip M. Mobbs Thomas R. Yager Harold R. Newman Omayra Bermúdez-Lugo Philip M. Mobbs Thomas R. Yager Thomas R. Yager Omayra Bermúdez-Lugo Omayra Bermúdez-Lugo Thomas R. Yager Harold R. Newman Thomas R. Yager Philip M. Mobbs Omayra Bermúdez-Lugo Philip M. Mobbs

Philip M. Mobbs Philip M. Mobbs Thomas R. Yager Thomas R. Yager Harold R. Newman Philip M. Mobbs

Omayra Bermúdez-Lugo Thomas R. Yager Omayra Bermúdez-Lugo Thomas R. Yager

South Africa Thomas R. Yager Sudan Thomas R. Yager Swaziland Harold R. Newman Svria Thomas R. Yager Tanzania Thomas R. Yager Togo Harold R. Newman Tunisia Philip M. Mobbs Turkey Philip M. Mobbs Uganda Harold R. Newman **United Arab Emirates** Philip M. Mobbs Yemen Philip M. Mobbs

Asia and the Pacific

Zambia

Zimbabwe

Afghanistan Australia Bangladesh Bhutan Brunei Burma Cambodia China Christmas Island Fiii India Indonesia Japan Korea. North Korea, Republic of Laos Malavsia Mongolia Nepal New Caledonia New Zealand Pakistan Papua New Guinea **Philippines** Singapore Solomon Islands Sri Lanka Taiwan

Chin S. Kuo Pui-Kwan Tse Chin S. Kuo Chin S. Kuo Pui-Kwan Tse Yolanda Fong-Sam John C. Wu Pui-Kwan Tse Pui-Kwan Tse John C. Wu Chin S. Kuo Chin S. Kuo John C. Wu John C. Wu John C. Wu John C. Wu Pui-Kwan Tse Pui-Kwan Tse Chin S. Kuo John C. Wu Pui-Kwan Tse Chin S. Kuo John C. Wu Yolanda Fong-Sam Pui-Kwan Tse Chin S. Kuo Chin S. Kuo Pui-Kwan Tse John C. Wu Pui-Kwan Tse Chin S. Kuo

Philip M. Mobbs

Philip M. Mobbs

Europe and Central Eurasia

Thailand

Tonga

Vanuatu

Vietnam

Timor, East

Albania Armenia¹ Austria² Azerbaijan¹ Belarus

Walter G. Steblez Richard M. Levine Harold R. Newman Richard M. Levine Richard M. Levine

Chin S. Kuo

John C. Wu

Europe and Central Eurasia—continued

Belaium² Harold R. Newman Bosnia and Herzegovina Walter G. Steblez Bulgaria² Walter G. Steblez Croatia Walter G. Steblez Cyprus² Harold R. Newman Czech Republic² Walter G. Steblez Denmark, Faroe Islands, and Greenland² Harold R. Newman Estonia² Richard M. Levine Finland² Harold R. Newman France² Walter G. Steblez Georgia¹ Richard M. Levine Germany² Steven T. Anderson Greece² Harold R. Newman Hungary² Walter G. Steblez Iceland Harold R. Newman Ireland² Harold R. Newman Italy² Walter G. Steblez Kazakhstan¹ Richard M. Levine Kyrgyzstan¹ Richard M. Levine Latvia² Richard M. Levine Lithuania² Richard M. Levine Luxembourg² Harold R. Newman Macedonia Walter G. Steblez Malta² Harold R. Newman Moldova¹ Richard M. Levine Montenegro Walter G. Steblez Netherlands² Harold R. Newman Harold R. Newman Norway Poland² Walter G. Steblez Portugal² Alfredo C. Gurmendi Romania² Walter G. Steblez Russia¹ Richard M. Levine Serbia Walter G. Steblez Slovakia² Walter G. Steblez Slovenia² Walter G. Steblez Spain² Alfredo C. Gurmendi Sweden² Harold R. Newman Switzerland Harold R. Newman Tajikistan¹ Richard M. Levine Turkmenistan1 Richard M. Levine Ukraine¹ Richard M. Levine

North America, Central America, and the Caribbean

Antigua and Barbuda Aruba The Bahamas Barbados Belize Bermuda Canada Costa Rica Cuba Dominica Dominican Republic El Salvador Grenada Guadeloupe Guatemala Haiti Honduras Jamaica Martinique Mexico Montserrat Netherlands Antilles Nicaragua Panama St. Kitts and Nevis	Omayra Bermúdez-Lugo Omayra Bermúdez-Lugo Omayra Bermúdez-Lugo Omayra Bermúdez-Lugo Steven T. Anderson Omayra Bermúdez-Lugo Alfredo C. Gurmendi Steven T. Anderson Omayra Bermúdez-Lugo Omayra Bermúdez-Lugo Omayra Bermúdez-Lugo Steven T. Anderson Omayra Bermúdez-Lugo Omayra Bermúdez-Lugo Steven T. Anderson Omayra Bermúdez-Lugo Steven T. Anderson Omayra Bermúdez-Lugo Steven T. Anderson Steven T. Anderson Omayra Bermúdez-Lugo
St. Vincent & the Grenadines Trinidad and Tobago	

South America

Argentina	Steven T. Anderson
Bolivia	Steven T. Anderson
Brazil	Alfredo C. Gurmendi
Chile	Steven T. Anderson
Colombia	Steven T. Anderson
Ecuador	Steven T. Anderson
French Guiana	Yolanda Fong-Sam
Guyana	Yolanda Fong-Sam
Paraguay	Alfredo C. Gurmendi
Peru	Alfredo C. Gurmendi
Suriname	Yolanda Fong-Sam
Uruguay	Alfredo C. Gurmendi
Venezuela	Yolanda Fong-Sam

United Kingdom²

Uzbekistan¹

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Alfredo C. Gurmendi	(703) 648-7745	agurmend@usgs.gov
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²Member of European Union.