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Cooperative Mineral Resources and the Emily Manganese Project

Manganese is an important natural resource for Minnesota.

- Emily has one of the most concentrated deposits of manganese in North America. Currently the U.S. imports all of its manganese.
- Manganese is used in the steelmaking industry and is being considered for new environmentally friendly technologies, including power plant emissions reduction, air and water pollution abatement, water purification, and rechargeable car batteries.
- Cooperative Mineral Resources, a subsidiary of Crow Wing Power, owns the Emily site. Local ownership by a trusted, long-term member of the community helps ensure that this Minnesota resource will benefit Minnesotans.
- Several companies from around the world wanted to buy the site and mine the manganese, benefiting themselves rather than the community.

Cooperative Mineral Resources has the right plan to recover the manganese in Emily.

- Cooperative Mineral Resources will begin a three-month demonstration project in November.
- Cooperative Mineral Resources will demonstrate the borehole process, the most environmentally friendly technique in existence today, to extract the manganese.
- This process will utilize water jet technology to collect bulk samples of manganese ore through a single well that extends down to the ore 200-400 feet below the surface. An ore/water slurry will be pumped to the surface. The water will be separated, filtered and pumped back down the well. The recovered ore will be taken to Coleraine, Minnesota, where the manganese will be processed.
- The process involves no major excavation, and no open pits.
- Cooperative Mineral Resources will meet or exceed all local, state and federal rules, regulations, environmental standards, and safety standards.
- The results of the demonstration project will help Cooperative Mineral Resources decide if a commercial manganese mining operation at the Emily site will be possible.

Cooperative Mineral Resources is working closely with the community on this project.

- Cooperative Mineral Resources created an Environmental Responsibility Committee made up of regulatory and planning officials, Emily residents, lake association members, and landowners from around the site. The committee holds regular meetings to share information and identify and address concerns.

- The minutes and materials from each committee meeting are available on Cooperative Mineral Resources' website at <http://www.cwpower.com/manganese.shtml>.
- Cooperative Mineral Resources conducted extensive water testing around the site and in Emily.
 - Test results showed that the project will not impact local lake water, residential wells, or the water table. The City of Emily; the Minnesota Pollution Control Agency, Department of Health, and Department of Natural Resources; and the U.S. Environmental Protection Agency reviewed the results as part of the permitting process.
- Cooperative Mineral Resources also coordinated and paid to test individual wells for all area residents and measure the manganese and iron levels currently in their drinking water.
- Demonstration project work will be as unobtrusive as possible.
 - Hours of operation during the demonstration project will be limited to weekdays only.
 - Cooperative Mineral Resources built a sound-insulated building for the processing work to help reduce noise.
 - Cooperative Mineral Resources paved the road into the site and set up a truck wash station to reduce dust.

This project will benefit Emily and surrounding communities.

- If the demonstration project shows that it makes sense to pursue a commercial operation and a full commercial operation is approved and permitted, Cooperative Mineral Resources will generate an estimated \$20-\$25 million in new tax revenue for Emily, Crow Wing County, the local school district, and the state of Minnesota.
- Crow Wing Power will share profits from Cooperative Mineral Resources directly with its 36,000 cooperative members – the people of Cass, Crow Wing, and Morrison counties.
- Crow Wing Power ratepayers are not funding this project. The money to fund the project comes from proceeds from Crow Wing Power's sale of Hunt Technologies.
- Cooperative Mineral Resources is committed to working with Minnesota companies and creating as many local jobs as possible. It has already created jobs for local firms doing the water testing and the demonstration project.
- When the project is completed, Crow Wing Power will restore the site and donate it as a gift to the City of Emily.

Crow Wing Power is looking to the future.

- Crow Wing Power is interested in the Emily project because of its community benefits.

We welcome your comments, questions and interest.

- For more information, visit <http://www.cwpower.com/manganese.shtml>.