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Manganese Project Receives Nod of Approval from Emily Planning and Zoning Committee

Last night, the Emily Planning and Zoning Commission approved an Interim Use Permit for Cooperative Mineral Resource (CMR) to allow the company to move forward with a proposed bulk sample demonstration project. The commission voted 4 to 1 in favor of the permit that would allow CMR to recover up to 12,000 cubic yards of ore that will be extracted from a five acre site located about one mile north of the main city.

Commissioners voting in favor were Bonnie Fairchild, Art Patterson, Bill Spiess and John Bergstrom. Jan Mosman voted against.

CMR has been working closely with the Minnesota Department of Natural Resources (DNR), the Minnesota Pollution Control Agency (MPCA), the U.S. Environmental Protection Agency (EPA), Minnesota Department of Health, Minnesota Department of Transportation (MnDOT) and the Emily City Council and Planning and Zoning Commission to secure permits and other approvals needed for the demonstration project.

As part of this work, CMR conducted a number of tests last summer to ensure the proposed mineral extraction procedure would not negatively impact the environment. The tests included pumping water, monitoring area wells, groundwater, and lakes. Test results were needed to gather information to obtain necessary permits to conduct a small bulk sampling of the manganese ore.

Last night's vote was another crucial milestone for the project. The next step is securing a permit from EPA for an injection well permit that is needed for the borehole extraction process. CMR applied to the EPA for a class five permit to construct and operate an

injection well to be used for hydraulic borehole mining of manganese. The public comment period for the EPA well permit ends July 2.

The well, if approved, would be a 14 inch well, in which a borehole tool would be inserted and used for the bulk sample collection project. The project would test the use of a water jet technology, where existing filtered ground water from the iron-manganese formation is forced into the ore 200 to 400 feet below the surface. The forced water creates a mineral/water slurry that would be pumped to the surface and de-watered. Water would be re-used and pumped back down the well. Recovered solids are planned to be shipped off site for study.

The purpose of the small demonstration project is to generate data and information to determine the effectiveness and feasibility of this technology in a commercial manganese mining operation. If approved and successfully completed, CMR would analyze the results from the demonstration project to determine if a commercial mining operation using the borehole process on the site would be feasible.

A commercial manganese mining operation automatically requires an extensive Environmental Impact Statement (EIS) and all new permits from regulatory agencies. None of the permits and approvals for the demonstration project can be applied to the commercial mine plan.

CMR's small-scale bulk sampling project is slated to begin this fall and run for approximately 12 weeks. After that time, analysis would begin to determine the feasibility of moving ahead with an EIS and potential commercial mineral extraction process.

“We are very thankful to the Emily City Council and Planning and Zoning Commission for their support” said Bruce Kraemer, president of Cooperative Mineral Resources and CEO of parent company Crow Wing Power. “We’ve received a lot of cooperation and encouragement from many local residents, lake associations and neighboring residents.

We recognize there is concern about the project and we are committed to doing everything we can to address these issues.

Right now we are working diligently to get all the permits and approvals for the demonstration project because we need to find out if the proposed technique is the right way to extract the manganese from this special and unique site. The bulk sample project will tell us whether or not it's financially feasible to operate a commercial-scale operation here. We believe the borehole process is the most environmentally sensitive way to recover this very valuable natural resource. There is an opportunity here for Emily and our entire community to see the job and financial benefits from the potential billion pounds of rich manganese located on this site. Our challenge and commitment is to find the best way to move forward with this project that shares the benefit while protecting the lakes, the watershed and other natural resources that make this such a special part of Minnesota. .”

Continual updated information on the proposed manganese project can be found at www.cwpower.com.