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NEVADA EXPLORATION SURVEY 2005

by

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NEVADA COMMISSION ON MINERAL RESOURCES
Division of Minerals

The Nevada Division of Minerals, a part of the Commission on Mineral Resources, is responsible for administering programs and activities to promote, advance, and protect mining and the development and production of petroleum and geothermal resources in Nevada. The Division's mission is to conduct activities to further the responsible development and production of the State's mineral resources to benefit and promote the welfare of the people of Nevada. The seven-member Commission on Mineral Resources is a public body appointed by the Governor and directs mineral-related policy for the Division and advises the Governor and Legislature on matters relating to mineral resources. The Division focuses its efforts on three main areas: Industry relations and public affairs; regulation of oil, gas, and geothermal drilling activities and well operations; and abandoned mine lands.

The agency is involved in a wide array of activities relating to mineral development. Staff compiles annual data on all active mines in Nevada and maintains the State's mine registry. Information concerning mining operations and production is made available to the public through this yearly publication. Educational documents and materials concerning many aspects of the minerals industry are also produced. The Division participates in governmental activities affecting policies and laws concerning the minerals industry and resource development. The Division administers the State's reclamation bond pool.

The Division is responsible for permitting, inspecting, and monitoring all oil, gas, and geothermal drilling activities on both public and private lands in Nevada. Staff also monitors production of oil, gas, and geothermal resources to insure proper management and conservation. The Administrator is the Governor's Official Representative to the Interstate Oil and Gas Compact Commission.

The Division's abandoned mine lands program provides for public safety by identifying and ranking dangerous conditions at mines that are no longer operating, and by securing dangerous orphaned mine openings. The program continually urges the public to recognize and avoid hazardous abandoned mines.

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EXECUTIVE SUMMARY

This is the twelfth annual survey conducted by the Division of Minerals of companies engaged in mineral exploration in Nevada. The purpose of the survey is to determine the level of current and projected exploration activity, and to determine what factors are influencing those levels of activity.

The highlights of the survey are as follows:

- Thirty-five companies responded to this survey.
- The respondents reported spending \$121.3 million on Nevada exploration activities in 2005, and project spending \$153.6 million in 2006. \$72.6 million was spent on expansions and \$48.7 million was spent on grass-roots efforts.
- The respondents reported their worldwide exploration expenditures in 2005 were \$556.5 million, and project spending \$571.2 million in 2006.
- The respondents spent 73.9 percent of their budgets on actual exploration costs, 10.3 percent on land holding costs, 8.0 percent on corporate costs, 5.7 percent on permitting and compliance costs, and 2.1 percent on other costs.
- The respondents reported employing 190 geologists in Nevada in 2005, up from the 123 reported for 2004. Projections for 2006 show an increase to 201 geologists.
- The respondents reported holding 76,436 claims in Nevada and 81,037 in the U.S. as a whole in 2005.
- Existence of favorable geology remained the most important factor influencing the respondents' level of exploration activities, followed by commodity prices.
- The time required for respondents to obtain approval of an exploration plan of operations varied from 6 months to 3 years, with an average of 13.5 months, 10 months in 2004.
- Five out of 7, or 71 percent of the respondents who have Nevada production, were able to replace their production with newly found reserves.

Seventy-two percent of the respondents reported they were optimistic about domestic exploration, while 25 percent were neutral. Three percent (one respondent) reported being pessimistic.

INTRODUCTION

In the spring of 2006, the Division of Minerals conducted its twelfth annual survey of exploration companies engaged in projects or holding claims in Nevada. As in previous years, the purpose of this survey is to determine the current and projected levels of exploration activity, and to see what factors are influencing these levels. This survey is regarded as a portion of the official state mine registry, making the individual responses confidential.

One hundred and thirty-four questionnaires were sent out in January. Responses were received from 35 companies. The Division appreciates the efforts made by those who responded. Many, but not all, of the respondents to the surveys are the same from one year to the next. This means that comparing trends from one year to the next is possible only in a general way rather than an exact way. Table 1 shows the number and types of respondents from previous surveys and this current one.

The main topics covered by the survey include exploration expenses and a breakdown of how those dollars were spent, geologists employed, number of claims held, a ranking of factors that influence respondents' levels of activity, success at reserve replacement, type of reserve replacement, and overall attitude toward domestic exploration.

The Division appreciates the efforts of Jonathan Price, State Geologist, for his review of the manuscript. Thanks are also due to Deborah Selig and George Bishop of the Division of Minerals.

EXPLORATION EXPENSES

Exploration expenditures are regarded as one of the two main indicators of exploration activity, the other being the number of geologists employed. Exploration expenditures reported for Nevada for 2005 totaled \$121.3 million, up 52 percent from the \$79.7 million reported for 2004. The actual expenditures reported for 2005 were higher than the \$111.9 million which had been projected by the previous survey. In this current survey, respondents project their 2006 expenditures will be \$153.6 million. Expenditures reported for 2005 marked the fourth consecutive year of increases. Exploration spending is important to Nevada's economy, particularly in the rural areas.

Spending in the rest of the U.S. (non-Nevada) in 2005 was reported to be \$16.6 million, up from the \$9.5 million reported for 2004. It should be pointed out there is a Nevada bias in this survey as companies without known activity in Nevada are not polled. Spending in Nevada was 87.9 percent of the respondents' total U.S. spending in 2005, down from 89.3 percent in 2004. Nevada's percentage of domestic spending is projected to rise to 91.6 in 2006.

Respondents reported that their worldwide spending was \$556.5 million in 2005, up 27.1 percent from the \$437.9 million reported for 2004. Projections for 2006 show a continued increase to \$571.2 million. Spending in Nevada was 21.8 percent of the respondents' worldwide spending in 2005, up from 18.1 in 2004. Nevada's percentage of worldwide spending is projected to increase to 26.9 in 2006.

In this survey, as in most previous ones, a distinction exists between the companies with Nevada exploration budgets greater than or equal to \$1 million (the GE companies) and those with Nevada exploration budgets less than \$1 million (the LT companies). Graph 1 shows the distributions of the respondents' budgets. Of the 35 respondents to this survey, 16 are GE companies and 19 are LT companies. The GE companies accounted for 94.7 percent of Nevada's exploration spending in 2005. The GE companies also account for the bulk of domestic and worldwide spending with 91.4 percent and 94.6 percent respectively. Graph 2 shows the breakdown of exploration spending for Nevada, the rest of the U.S. and the rest of the world for 2005. Table 2 shows the exploration expenditures reported in previous years from 1999 to 2005.

The average Nevada spending per respondent was \$3.5 million, down slightly from \$3.6 million in 2004. The GE companies spent an average of \$7.2 million in 2005, while the LT companies spent an average of \$340,000. Graph 3 illustrates the average spending per respondent in Nevada, the rest of the U.S., and the rest of the world.

BREAKDOWN OF EXPENDITURES

In addition to the amount of spending, respondents were asked to provide the percentages of their budgets devoted to land holding costs, (claim staking and holding, lease payments, etc.), permitting and compliance costs (bonding, reclamation, etc.), corporate cost (overhead, taxes, etc.), actual exploration costs (drilling, mapping, assaying, etc.), and other costs (respondents were asked to specify). The percentages given by each respondent were weighed against that respondent's budget.

For all respondents together, 74 percent of their budgets were spent on actual exploration, the same as in 2004. They spent 10 percent on land holding cost, down from 12 percent in 2004; 8 percent on corporate costs, up from 7 percent in 2004; 6 percent on permitting and compliance costs, up from 5 percent in 2004; and 2 percent on other costs, specified as operation support.

For the GE companies as a group, 74 percent of their budgets were spent on actual exploration, down from 75 percent in 2004. They spent 10 percent on land holding costs, down from 12 percent in 2004; 8 percent on corporate costs, up from 6 percent in 2004; 6 percent on permitting and compliance costs, up from 5 percent in 2004; and 2 percent on other costs, the same as in 2004.

For the LT companies as a group, 50 percent of their budgets were spent on actual exploration, down from 54 percent in 2004. They spent 22 percent on land holding costs, up from 16 percent in 2004; 19 percent on corporate costs, down from 23 percent in 2004; and 9 percent on permitting and compliance costs, up from 7 percent in 2004. Less than one tenth of a percent was reported for other costs.

The GE companies continue to spend a higher percentage of their budgets on actual exploration than the LT companies. The LT companies spent a higher percentage on land

holding and corporate costs than the GE companies. Graph 4 shows the expense breakdown for all respondents, GE respondents, and LT respondents.

GEOLOGISTS EMPLOYED

The second main indicator of exploration activity is the number of geologists employed. In Nevada, respondents reported 190 geologists on the payroll in 2005, up 54 percent from the 123 geologists in 2004. This is higher than the 144 geologists who were projected to be employed by the previous survey. Respondents to the current survey project that 201 geologists will be working in Nevada in 2006. Of the 190 geologists at work in Nevada in 2005, 158 were employed by the GE companies and 32 by the LT companies. Graph 5 shows the number of geologists employed in 2005 and projected to be employed in 2006. Table 3 shows the geologists employed in the previous surveys from 1999 to 2005.

In the U.S., including Nevada, 200 geologists were reported to be at work in 2005, up from 165 in 2004. Of those, 163 were employed by the GE companies and 37 were employed by the LT companies. Ninety-seven percent of the domestic geologists employed by the GE companies in 2005 were working in Nevada, compared to 87 percent for the LT companies. Overall, 95 percent of domestic geologists were at work on Nevada projects. Projections for domestic employment in 2006 show an increase to 222 geologists, but Nevada's percentage is projected to drop to 91. Of the 222 domestic geologists projected to be employed in 2006, the GE companies account for 181 and the LT companies 41. Ninety-one percent of the GE company's geologists are projected to be at work in Nevada, compared to 90 percent for the LT companies.

Worldwide, including the U.S., respondents reported 846 geologists at work in 2005, up from 792 in 2004. Of those 761 were working for the GE companies and 85 for the LT companies. Nevada's percentage of worldwide geological employment was 23 for all respondents, and 21 and 38 for the GE companies and LT companies, respectively. The respondents project an increase to 1,026 geologists employed in 2006, with 935 employed by the GE companies and 91 by the LT companies. Nevada's projected percentages of worldwide geological employment for 2006 are 20 for all respondents, 18 for the GE companies, and 40 for the LT companies.

EXPENDITURES PER GEOLOGIST

Reported expenditures and geologists employed were both higher in 2005 than 2004. For all respondents the average spending per geologist in Nevada in 2005 was \$638,000, down slightly from \$648,000 in 2004. In Nevada, the GE companies spent more per geologist (\$727,000) than the LT companies did (\$202,000). Projections for 2006 show the respondents spending \$764,000 per geologist.

In the U.S., including Nevada, both the GE and LT companies spent more per geologist than in Nevada alone. In 2005, the GE companies spent \$774,000 per domestic geologist and the LT companies spent \$319,000. Worldwide, the spending per geologist was lower for the GE companies than in Nevada or the U.S., but higher for the LT companies. The worldwide

spending per geologist was \$658,000 for all respondents, \$692,000 for the GE companies, and \$354,000 for the LT companies.

MINING CLAIMS

The number of mining claims held in Nevada and the rest of the U.S. has risen in recent years. According to the BLM, Nevada State Office, there were 146,532 active claims in Nevada as of October 1, 2005, compared to 119,050 in 2004. Table 4 shows the mining claims held by respondents from 1999 to 2005. Graph 6 shows the number of claims held in Nevada according to BLM from 1995 to 2005, and the average gold prices for those years.

As depicted in Graph 7, respondents to this survey reported holding 76,436 claims in Nevada and 81,037 claims in the U.S. as a whole in 2005 compared to 56,673 and 63,591 respectively in 2004. Thus, respondents to this survey account for approximately one half of the claims in Nevada. Eighty-one percent of the claims in Nevada reported in this survey were held by the GE companies with 62,254 compared to 14,182 for the LT companies. In the U.S. as a whole, the GE companies held 65,058 claims and the LT companies held 15,979. Ninety-four percent of the claims held by respondents are in Nevada.

Projections for 2006 show a slight increase in the number of claims held by respondents. The total claims held by all respondents is projected to be 76,568 in Nevada and 82,679 in the U.S. as a whole. The GE companies project their claim holdings will drop in 2006 to 61,685 while the LT companies project their claim holdings will rise to 14,883. In the U.S. as a whole, the GE companies project they will hold 65,522 claims, and the LT companies project they will hold 17,157. In 2006, 93 percent of the claims held by respondents are projected to be in Nevada.

FACTORS INFLUENCING ACTIVITY

As in previous surveys, the respondents were asked to rank the factors influencing their level of exploration activity. The composite of all respondents' ranking of these factors is listed below in order of decreasing importance.

1. Existence of favorable geology
2. Commodity prices
3. Announcements of new discoveries
4. Actual length of permitting time
5. Uncertainty over permitting time frames
6. Federal claim maintenance fees
7. Land exchanges / withdrawals
8. Uncertainty over mining law reform
9. Wilderness study areas / ACECs
10. Changes in foreign mining laws

Other factors written in were drill availability, regulatory compliance, and quality of land packages.

The ranking of factors is similar to previous years, but not identical. For all respondents, the existence of favorable geology remained the most important factor, followed by commodity prices. The gold price has improved from an average of \$410 per troy ounce in 2004 to \$444 per troy ounce in 2005. As of May 2006, gold was trading in the \$670 to \$680 per troy ounce range. Silver and copper are also trading at relatively high prices. Announcements of new discoveries remained the third most important factor, followed by the actual length of permitting time. Changes in foreign mining laws became the least important factor.

Both the GE companies and the LT companies ranked favorable geology and commodity prices as the most important factors. The next most important factors for the GE companies were announcements of new discoveries and the uncertainty of permitting time frames, while for the LT companies the next most important factors were the actual length and uncertainty of permitting times. Graphs 8, 9, and 10 show the relative importance of the factors for all respondents, the GE companies, and the LT companies, respectively.

Due to the relative importance of permitting time frames, this survey again asked how long it took to get a notice of intent through the permitting process, and how long it took to get a plan of operations approved. For a notice, the time ranged from 2 weeks to 1 year, with an average of 2.0 months. For a plan, the time ranged from 6 months to 3 years, with an average of 13.5 months for all respondents. For a notice, the average time was 2.0 months for both the GE and LT companies. For a plan, the average time was 12 months for the GE companies and 15 months for the LT companies.

REPLACEMENT OF RESERVES

Respondents were asked whether or not they were able to replace their reserves lost to production with newly found reserves. In this question, a “yes” answer indicates a total replacement of reserves and a “no” answer indicates that reserves were not totally replaced. The response from the smallest company carries the same weight as the largest company, thus the results signify the number of companies replacing their reserves, and not the amount of reserves being replaced. Table 5 shows the percentages of respondents who replaced their reserves. Companies with no production were not figured into the results.

On a worldwide basis, 8 of 11 companies with production (73 percent) replaced their reserves. Twenty-three companies had no worldwide production. The GE companies were more successful at worldwide reserve replacement with 7 of 8 (88 percent) replacing their reserves than the LT companies with 1 of 3 (33 Percent).

In the U.S., including Nevada, 4 of 7 companies with production (57 percent) replaced their reserves. Three of 4 (75 percent) of the GE companies replaced their reserves compared to 1 of 3 (33 percent) of the LT companies.

In Nevada, 5 of 7 companies with production (71 percent) replaced their reserves. Three of 4 GE companies (75 percent) replaced their reserves compared to 2 of 3 (67 percent) of the LT companies.

The method of reserve replacement included expansions around existing operations and grass-roots efforts. Previously subeconomic resources may be added to reserves as commodity prices increase, or reserves may be purchased or acquired through mergers, but those methods were not considered in this survey. Overall, 60 percent of the respondents' budgets were spent on expansions and 40 percent on grass-roots efforts. The GE companies focused slightly more on expansions with 62 percent of their budgets spent on expansions and 38 percent on grass-roots efforts. The LT companies focused more on grass-roots efforts with 77 percent of their budgets spent on grass-roots efforts and 23 percent on expansions.

CONCERN OVER THE 43CFR 3809 REGULATIONS

Respondents were asked to rank the impact of the 43 CFR 3809 regulations on their level of exploration activity from 1 to 5 with 1 being a little and 5 being a lot. The overall average was 3.3, up from the previous survey's average of 2.9. The GE companies were slightly less concerned averaging 3.0 compared to the LT companies, who averaged 3.6.

ATTITUDES

Respondents were asked whether they were optimistic, neutral, or pessimistic about domestic exploration. Overall, 72 percent of the respondents reported being optimistic, 25 percent were neutral, and 3 percent were pessimistic. The GE companies were 69 percent optimistic and 31 percent neutral, while the LT companies were 75 percent optimistic, 19 percent neutral, and 6 percent pessimistic.

Graph 11 shows the calculated "optimism indices" for all respondents, GE companies, and LT companies for the past 11 years. The optimism index is a number calculated by scoring 100 points for each optimist, negative 100 points for each pessimist, and 0 points for each of the neutral respondents. The sum of the scores divided by the number of respondents is the optimism index. The optimism index for 2005 is at a high level, but down slightly from 2004.

CONCLUSIONS

The 35 respondents to this survey reported spending \$121.3 million on Nevada exploration activities in 2005, a 52 percent increase over the reported 2004 level. The number of geologists employed in Nevada by respondents stood at 190, up from 123 in 2004. Employment of geologists is projected to increase to 201 in 2006. Respondents spent 74 percent of their overall budgets on actual exploration costs, such as drilling, mapping, and assaying. Existence of favorable geology and commodity prices remained the most important factors influencing respondents' level of activity. Seventy-one percent of respondents who have Nevada production were able to replace their reserves lost due to production. Finally, 72 percent of the respondents reported they were optimistic about domestic exploration.

TABLE 1

Number and Types of Respondents

Year	Companies with Nevada budget \geq \$1 million	Companies with Nevada budget $<$ \$1 million	Total respondents
2005	16	19	35
2004	10	12	22
2003	10	20	30
2002	11	22	33
2001	10	14	24
2000	10	23	33
1999	13	20	33

* Data for 1994 through 1998 are available in previous surveys, which may be found on the Division of Minerals' web site: minerals.state.nv.us

TABLE 2**Exploration Expenditures in Millions of Dollars**

All Respondents	1999	2000	2001	2002	2003	2004	2005
Nevada	86.7	76.9	51.2	64.6	69.2	79.7	121.3
Rest of U.S.	20.6	23.5	1.9	23.6	2.2	9.5	16.7
Outside U.S.	307.3	246.9	151.2	308.8	326.2	348.7	418.5
Total World	414.6	346.4	204.3	397.0	397.6	437.9	556.5

Companies with Nevada budget > = \$1 million	1999	2000	2001	2002	2003	2004	2005
Nevada	83.1	72.6	49.5	60.8	67.0	77.7	114.8
Rest of U.S.	11.3	22.0	1.9	5.0	0.5	6.6	11.4
Outside U.S.	236.9	226.0	148.8	219.2	296.4	334.2	400.2
Total World	330.4	320.6	200.2	285.0	363.9	418.5	526.4

Companies with Nevada budget < \$1 million	1999	2000	2001	2002	2003	2004	2005
Nevada	3.5	4.3	1.7	3.8	2.2	2.0	6.5
Rest of U.S.	9.3	1.5	0.0	18.6	1.7	2.9	5.3
Outside U.S.	71.3	20.0	2.4	89.6	29.8	14.5	18.3
Total World	84.1	25.8	4.1	112.0	33.7	19.4	30.1

* Data for 1994 through 1998 are available in previous surveys, which may be found on the Division of Minerals' web site: minerals.state.nv.us

TABLE 3**Geologists Employed by Respondents**

All Respondents	1999	2000	2001	2002	2003	2004	2005
Nevada	225	125	107	129	126	123	190
Rest of U.S.	48	33	11	13	7	42	10
Outside U.S.	449	160	90	419	423	627	646
Total World	722	318	208	561	556	792	846

Respondents with Nevada budget > = \$1 million	1999	2000	2001	2002	2003	2004	2005
Nevada	205	100	92	110	102	109	158
Rest of U.S.	38	14	6	1	2	29	5
Outside U.S.	359	118	75	315	372	560	598
Total World	602	232	173	426	476	698	761

Respondents with Nevada budget < \$1 million	1999	2000	2001	2002	2003	2004	2005
Nevada	20	25	15	19	24	14	32
Rest of U.S.	10	19	5	12	5	13	5
Outside U.S.	90	42	15	104	51	67	48
Total World	120	86	35	135	80	94	85

* Data for 1994 through 1998 are available in previous surveys, which may be found on the Division of Minerals' web site: minerals.state.nv.us

TABLE 4**Mining Claims Held by Respondents**

All Respondents	1999	2000	2001	2002	2003	2004	2005
Nevada	57,466	46,112	38,075	48,988	50,760	56,673	76,436
Rest of U.S.	11,888	9,118	1,697	2,100	3,428	6,918	4,601
Total Claims	69,354	55,230	39,772	51,088	54,188	63,591	81,037

Respondents with Nevada budget > = \$1 million	1999	2000	2001	2002	2003	2004	2005
Nevada	51,729	35,289	32,696	42,404	43,389	53,460	62,254
Rest of U.S.	9,863	5,557	654	1,679	2,625	4,190	2,804
Total Claims	61,592	40,846	33,350	44,083	46,014	57,650	65,058

Respondents with Nevada budget < \$1 million	1999	2000	2001	2002	2003	2004	2005
Nevada	5,737	10,823	5,379	6,584	7,371	3,213	14,182
Rest of U.S.	2,025	3,561	1,043	421	803	2,728	1,797
Total Claims	7,762	14,384	6,422	7,005	8,174	5,941	15,979

* Data for 1994 through 1998 are available in previous surveys, which may be found on the Division of Minerals' web site: minerals.state.nv.us

TABLE 5

Success at Reserve Replacement by Respondents

Numbers refer to the percentage of respondents who answered “yes.”

For all respondents with production:

Are you replacing your reserves	1999	2000	2001	2002	2003	2004	2005
Worldwide?	74	62	43	71	80	89	73
Domestically?	62	35	23	62	87	86	57
In Nevada?	54	47	25	54	82	71	71

For producing respondents with Nevada exploration budget > = \$1 million:

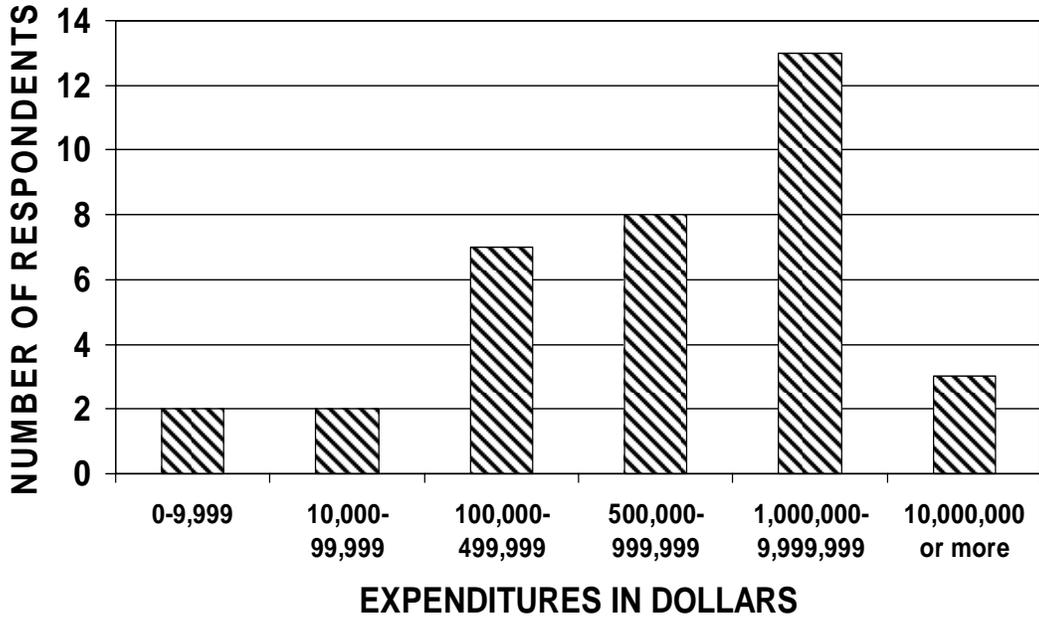
Are you replacing your reserves	1999	2000	2001	2002	2003	2004	2005
Worldwide?	80	71	37	67	87	100	87
Domestically?	50	37	29	62	100	100	75
In Nevada?	44	44	29	67	100	100	75

For producing respondents with Nevada exploration budget < \$1 million:

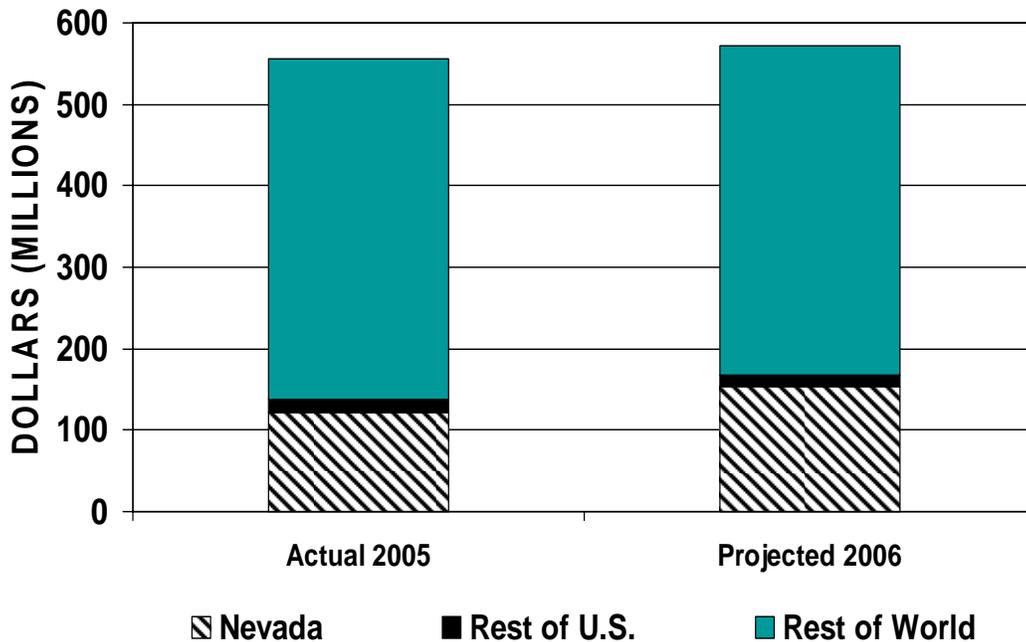
Are you replacing your reserves	1999	2000	2001	2002	2003	2004	2005
Worldwide?	67	56	50	80	50	67	33
Domestically?	80	33	17	60	67	67	33
In Nevada?	75	50	20	25	60	33	67

* Data for 1994 through 1998 are available in previous surveys, which may be found on the Division of Minerals’ web site: minerals.state.nv.us

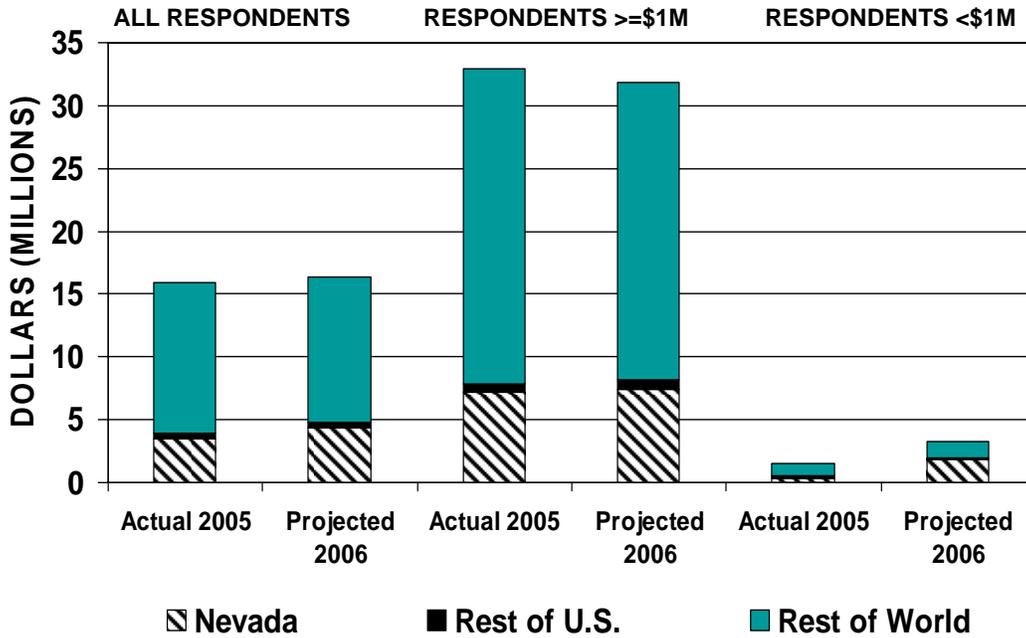
NEVADA DIVISION OF MINERALS
 GRAPH 1
 RESPONDENTS' NEVADA EXPLORATION EXPENDITURES 2005



NEVADA DIVISION OF MINERALS
 GRAPH 2
 TOTAL EXPLORATION SPENDING 2005/2006

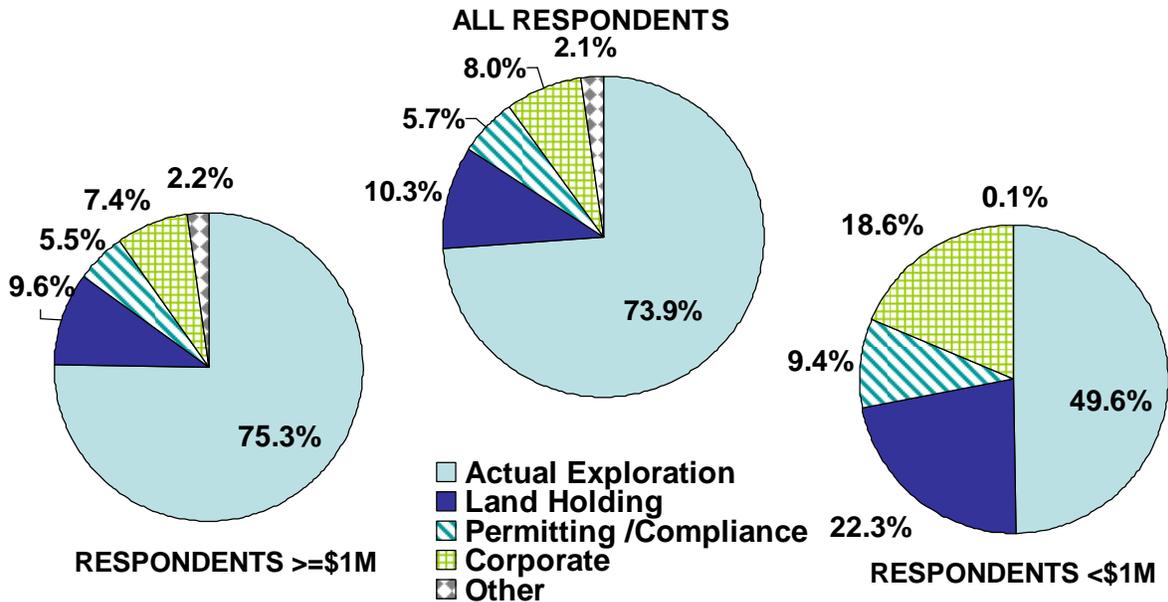


NEVADA DIVISION OF MINERALS
 GRAPH 3
 AVERAGE SPENDING PER RESPONDENT 2005/2006

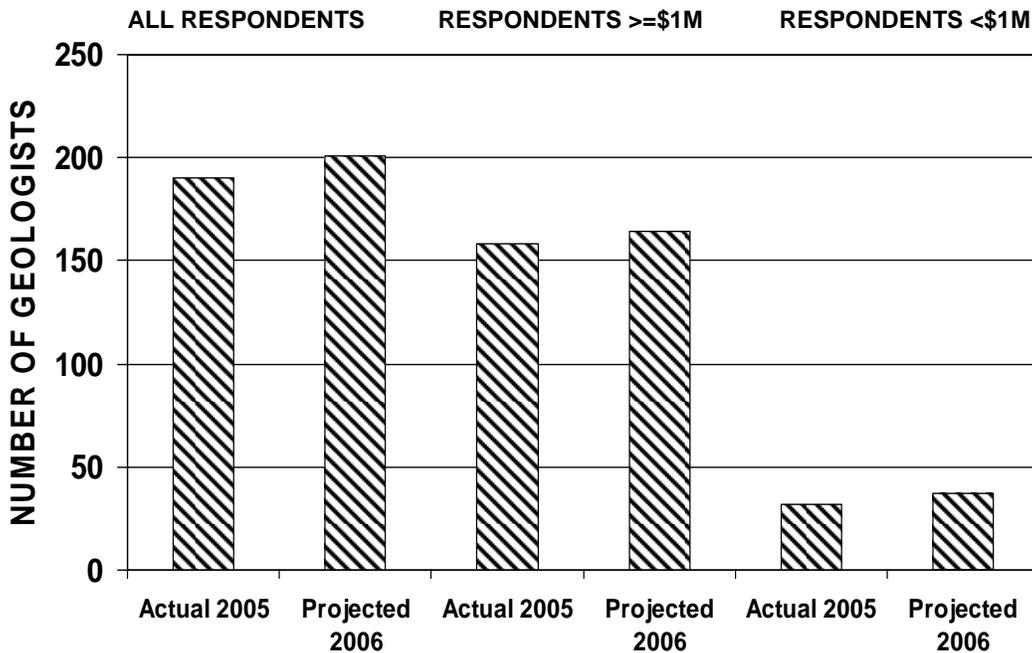


▨ Nevada ■ Rest of U.S. ■ Rest of World

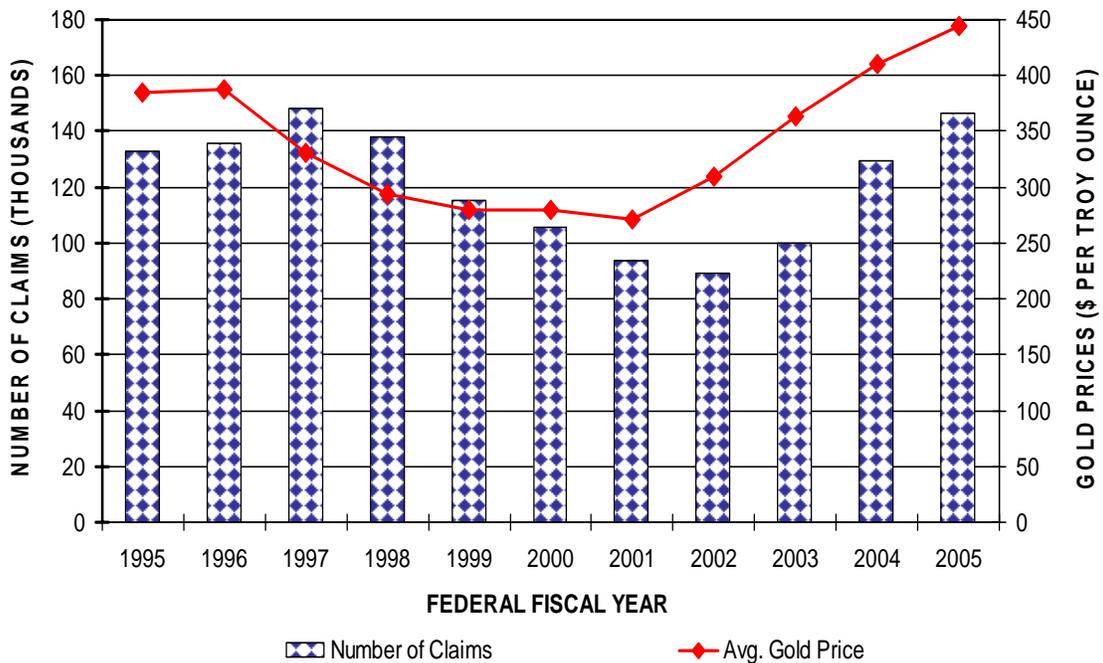
NEVADA DIVISION OF MINERALS
 GRAPH 4
 BREAKDOWN OF NEVADA EXPENSES 2005



NEVADA DIVISION OF MINERALS
GRAPH 5
EXPLORATION GEOLOGISTS EMPLOYED IN NEVADA 2005/2006

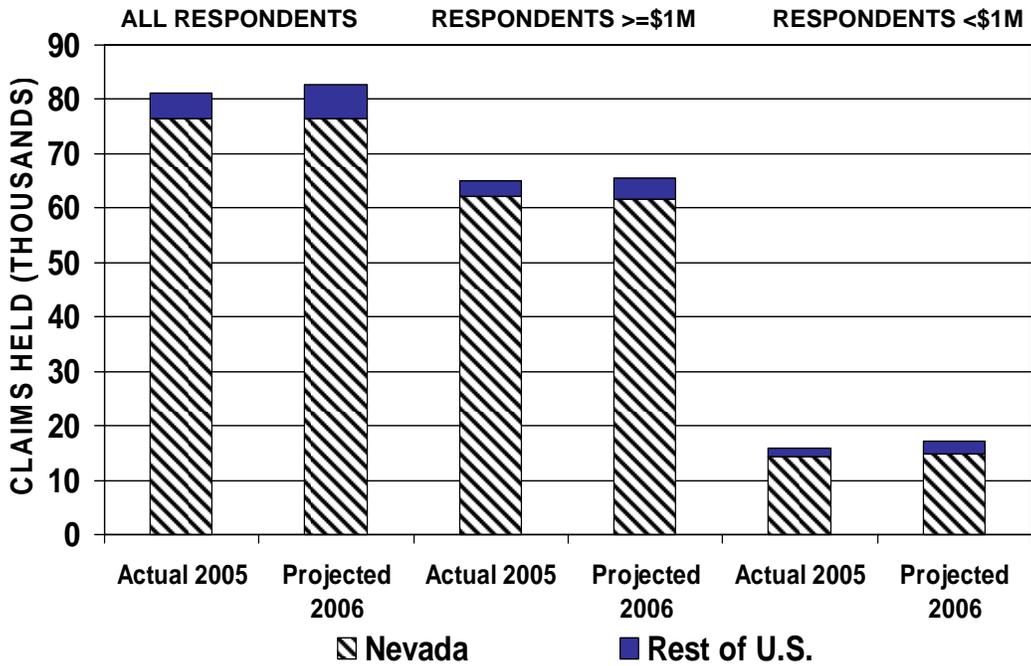


NEVADA DIVISION OF MINERALS
GRAPH 6
NEVADA MINING CLAIMS & AVERAGE GOLD PRICES, 1995-2005

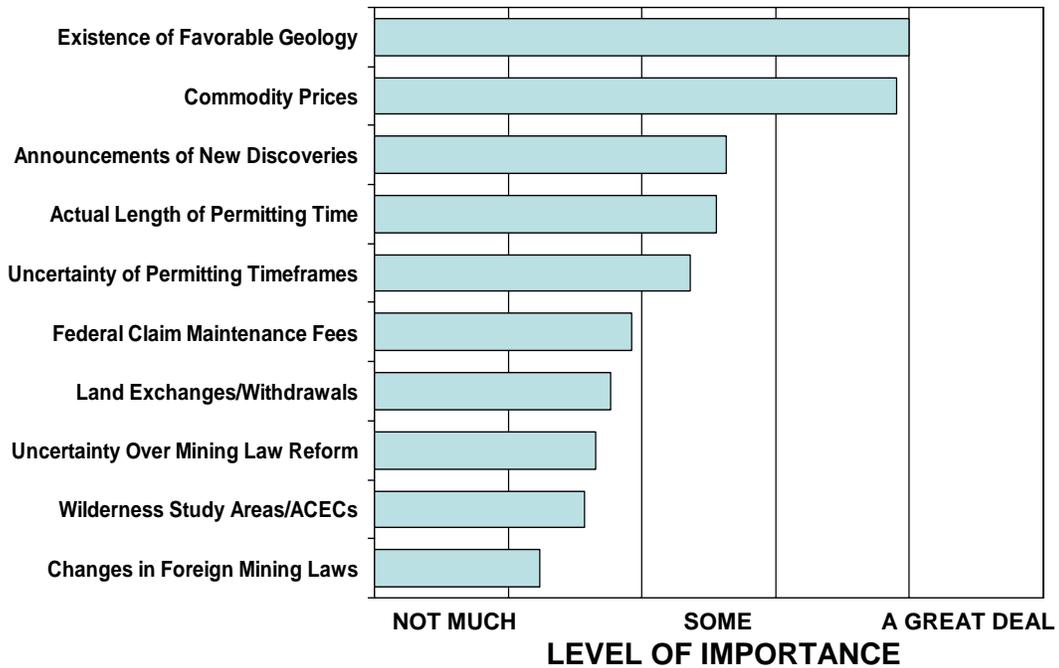


NOTE: Claim data from the BLM Public Land Statistics

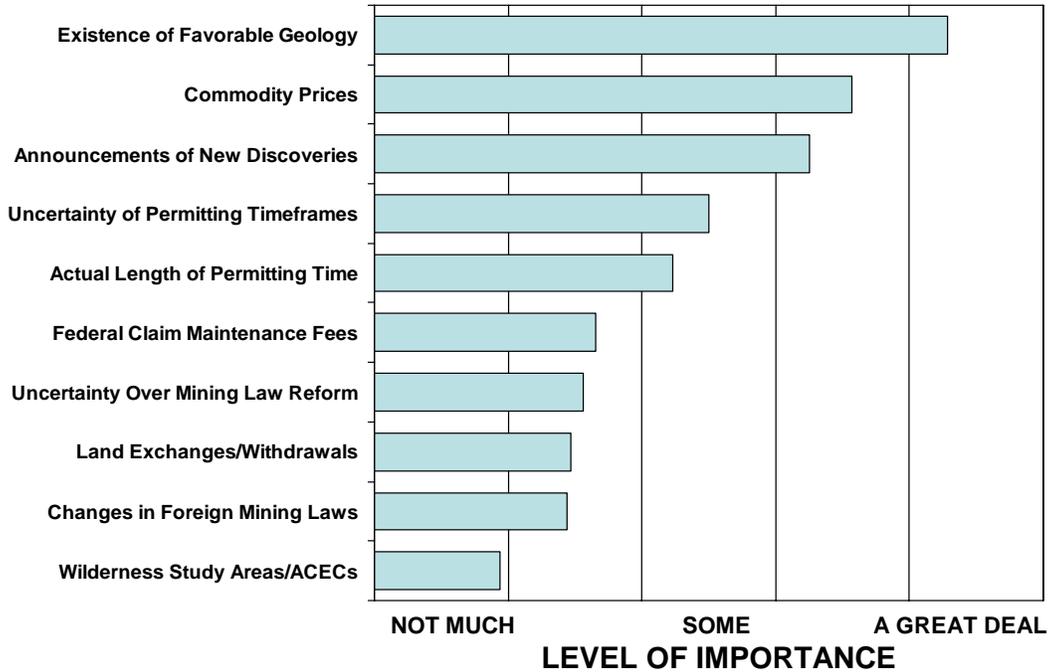
**NEVADA DIVISION OF MINERALS
GRAPH 7
NUMBER OF CLAIMS HELD 2005/2006**



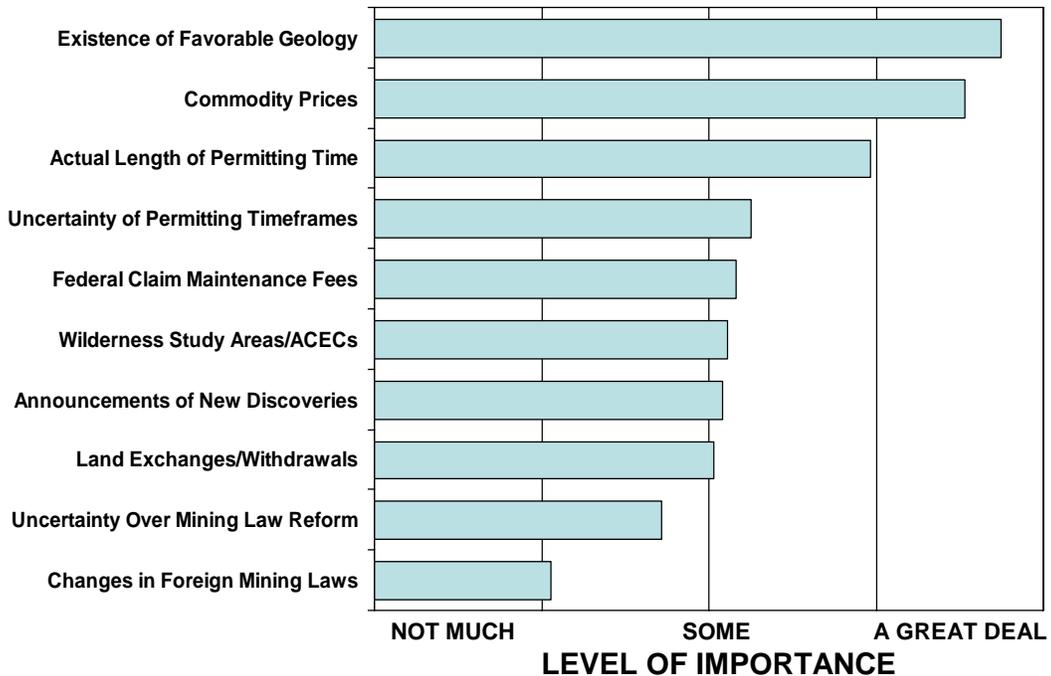
**NEVADA DIVISION OF MINERALS
GRAPH 8
FACTORS INFLUENCING ACTIVITY 2005
ALL RESPONDENTS**



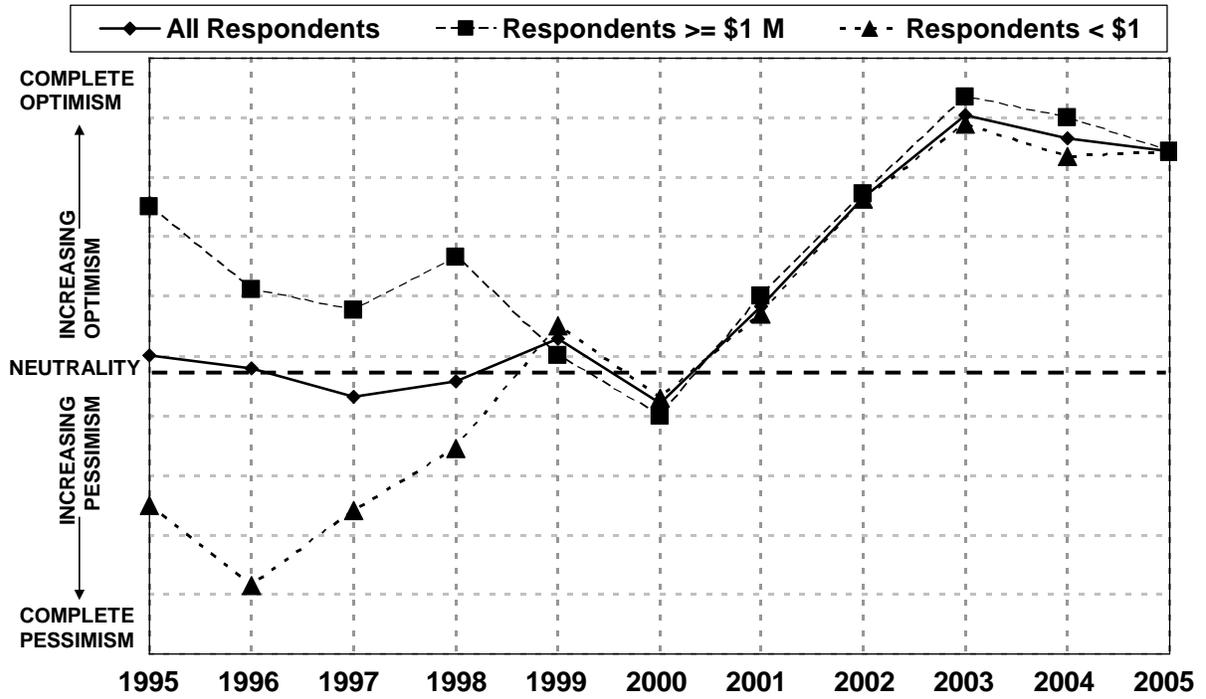
**NEVADA DIVISION OF MINERALS
GRAPH 9
FACTORS INFLUENCING ACTIVITY 2005
RESPONDENTS \geq \$1 MILLION**



**NEVADA DIVISION OF MINERALS
GRAPH 10
FACTORS INFLUENCING ACTIVITY 2005
RESPONDENTS $<$ \$1 MILLION**



NEVADA DIVISION OF MINERALS
 GRAPH 11
 OPTIMISM INDEX 1995-2005



**Nevada Division of Minerals
Twelfth Annual Exploration Survey**

Company Name: _____

Contact Person / Phone: _____

1) Level of Exploration Activity	2005 Actual	2006 Planned
1. Total Worldwide Expenditures	_____	_____
2. Total U.S. Expenditures	_____	_____
3. Nevada Expenditures	_____	_____
4. Number of Geologists Worldwide	_____	_____
5. Number of Geologists in U.S.	_____	_____
6. Number of Geologists in Nevada	_____	_____
7. Number of Claims held in U.S.	_____	_____
8. Number of Claims held in Nevada	_____	_____

2) **Please estimate your Nevada exploration expenditures into components by percentage. Include salaries and benefits within their appropriate component. If you do not know exact percentages, please provide your best approximation.**

1. Land holding costs (claim staking/holding, lease payments, etc.)	_____ %
2. Permitting and compliance costs (bonding, reclamation, etc.)	_____ %
3. Corporate costs (overhead, taxes, etc.)	_____ %
4. Actual exploration (mapping, drilling, interpreting, etc.)	_____ %
5. Other (please specify _____)	_____ %
Total	100 %

3) **Please estimate the percentage of your Nevada exploration expenditures dedicated to expansions around existing operations and to grass-roots efforts.**

Expansions _____ % Grass-roots efforts _____ %

(Total should equal 100 %)

