

Donald G. Sutton P.E.

Senior Principal Mining Engineer

AREAS OF EXPERTISE

- Coal Contract Negotiations
- Mine Design & Optimization
- Mine Auditing & Economics
- Mine Reclamation/Remediation
- Computer Modeling & Programming (SurvCadd, ArcView, Excel)
- Arbitration/Mediation

EDUCATION

B. Ap. Science Mining and Mineral Processing, University of British Columbia (1969)

2 years postgraduate studies at Penn State in Mineral Engineering Management (similar to MBA)

PROFESSIONAL HISTORY

Professional Engineer in Montana

- 1984 – Present. Senior Principal Engineer
Spectrum Engineering and Environmental LLC,
Billings, MT
- 1984 – 2015. President
Spectrum Engineering Inc., Billings, MT
- 1978 – 1984. Director of Engineering
Billings office of IntraSearch
- 1974 – 1978. Manager of Exploration
Consolidation Coal (Alberta and Pennsylvania)
- 1973 – 1974. Penn State Graduate School
- 1969 – 1973. Mine Engineer
Cominco (Northwest Territories and British Columbia)

BACKGROUND

Mr. Sutton's career includes a broad experience in mining, mine reclamation, mine and smelter environmental remediation, economics, accounting, exploration, permitting, management consulting, commercial contract negotiation and litigation support.

After graduation, he held a variety of positions at Cominco's open pit lead-zinc mines in Pine Point, NWT, such as mine planning, maintenance planning, pit shift boss, and mill foreman. His experience with Cominco included engineering and contract administration in underground lead and zinc mines, designing a large open pit copper mine, implementing a computerized mine accounting and MIS system, drilling and blasting engineer at Fording Coal, and assistant to the vice president of operations. He also developed a computer program for the lead and zinc smelter in Trail, BC to process custom ore.

He returned to graduate school at Penn State where he enjoyed 2 years studying management, accounting, finance and advanced coal mining techniques. As a graduate assistant, he helped write a computer program for modeling coal geology, and taught surveying to undergraduates.

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BACKGROUND (cont.)

After graduate school, he worked for Consolidation Coal in a variety of positions that focused primarily on exploration, property management, development of new properties, and geology and rock mechanics problems at existing mines. He was manager of exploration for many of the eastern states when he decided to become a consultant in 1978, and moved to Billings to assist in the coal mining development of the Powder River Basin (PRB), which is now the dominant coal mining area in the USA.

As a consultant, he managed the design and permitting of several PRB coal mines, during the period when new coal mine reclamation laws and regulations were being established. He has continued to help his clients in the areas of coal supply agreements, coal contract negotiation, mine permitting, and mine design and reclamation. This work involves considerable economic and 3-D geological modeling, and has involved him in a variety of commercial litigations and arbitrations. He has acted as an arbitrator and mediator for some of these cases.

Spectrum Engineering's expertise in mine reclamation and cost accounting led to our involvement in some superfund remediation, and eventually in taking over some bankrupt gold mines and managing the reclamation and environmental remediation for agencies such as the BLM, EPA, and the State of Montana DEQ.

REPRESENTATIVE EXPERIENCE

Mine Design

Mr. Sutton worked as a miner and a mine planning engineer in underground and open pit hardrock and surface coal mines before becoming a consultant. As a consultant, he has designed a variety of open pit coal and phosphate mines, and fine tuned or optimized many others. For example:

- Mr. Sutton oversaw the design and equipment selection of 3 open pit phosphate mines in southern Israel for Rotem Amfert Negev. He changed the maintenance system and the mining methods. Mr. Sutton trained the mine managers, engineers, and production staff. This involved trips to the mines, and bringing the managers to the USA to learn how maintenance, safety, production, et cetera are practiced here.
- He designed and permitted the North Antelope and Rochelle Coal Mines in the Southern Powder River Basin for Powder River Coal (Peabody). Tasks included long range plans, optimizing the overburden placement, short term plans, PMT design, and mining methods analysis.
- He prepared geologic models, mine plans, and detailed economics for an oil shale mine in southern Israel for PAMA. Then, he prepared detailed short term development plans for the 4 million tpy pilot plant.

Reclamation Design

Mr. Sutton has helped many clients save millions of dollars by showing them how to reduce their coal mine reclamation costs by intelligently optimizing and coordinating the mining and reclamation activities. He has successfully performed this work for mining companies and on behalf of utilities with cost plus contracts. Clients include:

- Powder River Coal, North Antelope and Rochelle Mines
- Peabody Coal, Big Sky Mine

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REPRESENTATIVE EXPERIENCE (cont.)

- Detroit Edison, East and West Decker Mines
- Commonwealth Edison, Decker, Big Horn, and Black Butte Mines
- Northern States Power, Absaloka and Rosebud Mines

Operational Audits

- Southern California Edison, Black Mesa Mine
- Idaho Power, Jim Bridger Mine
- Northern States Power, Absaloka and Rosebud Mines
- Northern Indiana Public Service, Carbon Co. Coal, Medicine Bow Mine
- El Cerrejon coal mine in Columbia. Reviewed operational practices and feasibility of using small dragline for Exxon
- Arizona Public Service, Four Corners Mines

Fuel Supply Auditing

Mr. Sutton helps utilities ensure that they are paying the correct amount for their fuel, and that the contracts prices are being properly computed. He uses his experience in mine accounting, auditing and mining operations to ensure that all costs are properly booked, and that pass through costs are reasonable and fair. He has performed this work as an advocate for the utilities, and as a arbitrator. His goal is to be fair and to try to establish a win/win outcome.

- Southern California Edison, Black Mesa Mine
- Northern States Power, Absaloka and Rosebud Mines
- Otter Tail Power, Beulah Mine
- Wisconsin P&L, Absaloka Mine
- Arizona Public Service, Navajo Mine
- For Detroit Edison, LCRA, and Commonwealth Edison, audited East and West Decker Mines
- For Commonwealth Edison, audited Big Horn and Black Butte Mines
- For Northern Indiana Public Service, audited Medicine Bow Mine Contract

Geology and Resource Evaluation

- As exploration manager for Consolidation Coal, managed several large coal exploration and property acquisition projects in Alberta, West Virginia, Ohio, and Pennsylvania.
- As a consultant, managed coal exploration projects in Montana for Wesco and Montco.
- Provided consultation, economic analysis, technical advice, audit services and testimony for the Lower Colorado River Authority in litigation with Decker Coal Company.
- Provided economic evaluation and testimony for plaintiff in a condemnation of some coal lands by a pipeline.
- Created complex geologic computer models of 3 multi-seam phosphate deposits in Israel. Trained the local engineers and geologists to perform geologic investigations and computer modeling.
- Created complex 3-D economic computer models of phosphate deposits for Rotem Amfert Negev to identify the most economic areas considering different types of fertilizer being produced, and the cost of sulfuric acid and other raw materials required to manufacture fertilizer. Models also included the mining costs, the % P₂O₅, the haul distance to the plant, and the acid consumption of each type of phosphate.

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REPRESENTATIVE EXPERIENCE (cont.)

- Created complex 3-D model of an underground coal mine and associated mine fire in Utah.
- As a consultant, evaluated numerous coal reserves and resources for confidential utility clients. The tasks involved ensuring that the bidders could prove that they could produce the quantity and quality of coal represented in long term coal supply agreement proposals.

Abandoned Mine Land Reclamation

- Since 1984, Spectrum Engineering has worked for the States of Montana, Wyoming, and Utah inventorying, designing the closures, and, in many cases, supervising the reclamation of the abandoned mine sites. Mr. Sutton completed the engineering and project management on some of these sites.
- Provided detailed engineering for the Upper Blackfoot Mike Horse Mine remediation project.

Superfund Remediation

Mr. Sutton provided engineering design services and economic evaluations on portions of:

- The Bunker Hill Superfund site in Kellogg, Idaho. Spectrum Engineering provided engineering services to the State of Idaho DEQ as a subcontractor to Terragraphics Environmental Engineering. Work included determining methods to remove mine tailings from the South Fork of the Coeur D'Alene River and disposing them in a repository.
- Silver Bow Creek Operable Unit portion of the Butte Anaconda Superfund Site. Retained by ARCO to provide construction engineering oversight (prior to Montana DEQ involvement) and economic evaluations for the removal of mine tailings from over 20 miles of stream channel.
- Acid Brook Superfund Site, Rariton River, NJ for DuPont. Prepared computer models and plans for removing metal contamination and rebuilding the river.
- Prepared an Engineering Evaluation and Cost Analysis for the BLM regarding mine reclamation and water treatment issues for the Zortman and Landusky Mines in Montana.

Management Consulting/Litigation Support

Mr. Sutton has assisted clients in cases involving long term coal supply agreement disputes, construction disputes and property valuation disputes. He provided technical expertise, discovery expertise, economic evaluations and strategy development.

- Testified on behalf of the U.S. Army Corps of Engineers in a construction dispute involving the excavation of the Tom Bigbee Waterway.
- Provided consultation, economic analysis, discovery advice and testimony for Commonwealth Edison in several cases involving force majeure and other economic issues with a variety of long term coal contracts.
- Provided consultation, economic analysis, technical advice, audit services and testimony for Lower Colorado River Authority in litigation with Decker Coal Company.
- Provided economic evaluation and testimony for plaintiff in a condemnation of some coal lands by a pipeline company.

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TRAINING AND CONTINUING EDUCATION

- OSHA 29CFR1910.120 40-hour hazardous material handling training (HazMat) and yearly 8-hour refresher training.
- OSHA 29CFR1910.120 8-hour OSHA supervisor training.
- OSHA 10-Hour Outreach Training Program - Construction (360training.com)
- MSHA 32-hour safety training and yearly 8-hour refresher training.
- Land Reclamation, Geomorphology.
- Managerial and Financial Accounting.
- Computer Modeling (geology, mining, GIS).
- Corporate Ethics Plan, Code of Business Conduct, Training.
- Harassment Prevention Training.

AFFILIATIONS

Society of Mining Engineers