

INTERNATIONAL INSTITUTE OF MINERALS APPRAISERS

P.O. Box 1123 Golden, Colorado 80402

NEWSLETTER

June 2024

Vol. 28, No. 2

IN THIS ISSUE

President's Message

IIMA Fall Conference

USPAP Refresher Course

Welcome New Members

Short Course Offering at CSM in October

2024 Annual Meeting Photos

Call for Abstracts -2025 Annual Meeting in Denver

Continuing Education Hours Reminder

Cartwright Award Winner Announced

PRESIDENT'S MESSAGE

It was great seeing many of you in Phoenix this past February, I hope you all had as wonderful a time as I did. We heard a very informative discussion from Paul Dudenas during the IIMA Mentor Mentee session, and the newly renamed John B. Gustavson IIMA Social Event was a fabulous success with some excellent food and drink. The presentations during the SME Valuation Sections were informative, well-prepared, and I want to thank all of the presenters for contributing. It is always great to connect with each other in person, for as long or short a time as we're allowed.

The commodities markets are generally observing increased activity in the areas of price appreciation, mergers and acquisitions, and financing. This is all great for minerals appraisal, and this is the opportunity for our Members to perform. Part in parcel of this increased activity in the space is IIMA's responsibility to provide current, informative discussion and educational materials to our Members *and* the public.

I'd like to take a moment to thank Evan Mudd for all of his efforts, hard work and commitment to the newsletter over the last several years. Kevin Weller

has accepted the role of Newsletter Editor, taking over for Evan. Please feel free to contact Kevin with ideas or updates for articles or discussion materials for future newsletters.

The website has now returned to full functionality, and I'd like to thank John Manes for his continued efforts on this front. A remnant of the COVID-period is a renewed perspective on website security, and while the Institute currently enjoys a high level of site security, this is an integral consideration in our website plans, including the hosting and platform. The Executive and Website Committees are working to identify longer-term solutions and create redundancy in our system to allow for more enhanced use of this communication platform, so please stay tuned.

In closing, the Executive Committee and I are quite pleased with how the first half of 2024 is going and we're very excited for what lies ahead with some slight personnel changes and future communications updates. Please consider how you yourself can contribute to the Institute and increase the awareness and education of those who share our similar interests in minerals appraisal.

All for now,

Darwin

International Institute of Minerals Appraisers Fall Conference-Oct. 15th & 16th, 2024 Southpointe Golf Club, Canonsburg, PA

WHEN & WHAT

Tuesday October 15th:

8:30 am-4:30 pm: In-person 7 Hr. USPAP Refresher Course taught by Mark Smeltzer, instructor The Appraisal Institute (Description below)

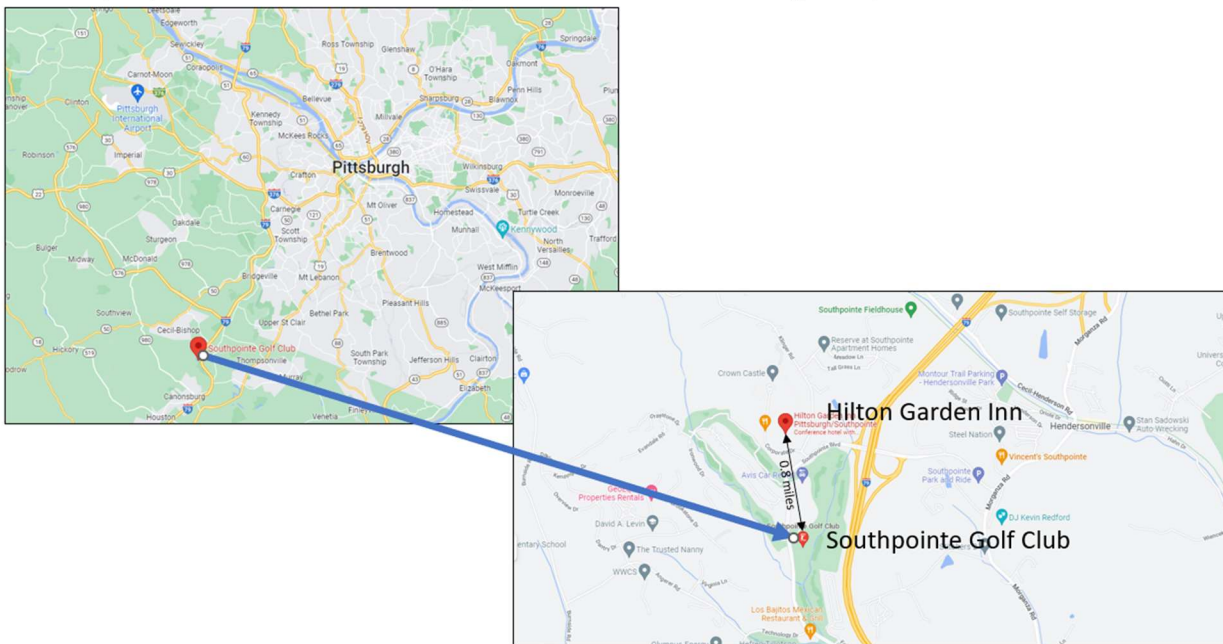
5:00-7:00 pm: Ice Breaker/Happy Hours- -Allegheny Room, Hilton Garden Inn, 1000 Corporate Dr., Canonsburg, PA 15317

Wednesday, October 16th :

9:00 am-4:00 pm: Morning and afternoon sessions of 30-minute presentations on case studies or lessons learned in appraisals. Most presenters are IIMA members (See program sample below).

WHERE

Conference will be held at Southpointe Golf Club-360 Southpointe Blvd, Canonsburg, PA 15317 (Courtesy Kimberly Ayers, IIMA Associate, Ayers Petroleum Consulting LLC)



WHY YOU SHOULD ATTEND

- 1) Maintain Certification-Certified members are required to bi-annually take a 7 hr. USPAP refresher course to stay abreast of current industry appraisal practices -the in-person class satisfies that requirement.
- 2) Satisfy Continuing Education Requirements (30 hours every three years)-attending will satisfy 7 hours of that requirement
- 3) Satisfy Continuing Education Requirements -Giving a talk will satisfy 3 hours of CE requirements
- 4) Learn from your peers
- 5) Network with IIMA members and attendees who may potentially need your services.
- 6) A day out of the office is always great.

October 15th 7 Hour USPAP Course description & details: The one-day course focuses on recent changes to USPAP requirements for ethical behavior and competent performance by appraisers. The course, which clarifies several commonly misunderstood aspects of USPAP, will aid appraisers in all areas of appraisal practice seeking updated competency in USPAP, including those subject to state licensing or certification and continuing education requirements imposed by professional organizations, client groups, or employers. **Cost for USPAP Course ONLY (IIMA Members) \$250**

The tuition includes the electronic version of the course materials (Course Handbook AND Reference Manual). Everyone must have these two for the class. When they come to class, they would need to bring a laptop with them to view their materials or print them out and bring with them.

If someone would like a hard copy of the course materials (Course Handbook AND Reference Manual) shipped to them they would pay an additional \$15 at the online check out. The discount code is: YVDK523673 for IIMA and AI members.

Additionally, in order to sit the class everyone must have a copy of 2024-2025 Uniform Standards of Professional Appraisal Practice (USPAP). This contains the USPAP Standards 1 through 10. Mark will bring copies of the 2024-2025 USPAP manual for students to borrow for the day if they would like. If someone would like to purchase their own electronic and/or hardcopy version of the 2024-2025 USPAP manual, they are available from The Appraisal Foundation in three different options:

- | | |
|--|---------|
| 1) 2024-25 USPAP COMBO PACKAGE (USPAP spiral-bound book & PDF) | \$50.00 |
| 2) 2024-25 USPAP spiral-bound book only | \$35.00 |
| 3) 2024-25 USPAP pdf only | \$35.00 |

Registration Link for 7 Hr. USPAP Refresher Course:

<https://www.appraisalinstitute.org/education/search/2024-2025-7-hour-national-uspap-update-course/523673>

.....
October 16, 2024-Mineral Appraisal Workshop description & details: The members of the IIMA will guide a full-day session of Do's and Do-Not's, when estimating the Market Value of producing and undeveloped mineral estates. These presentations would be appropriate for client attorneys, accountants and landmen.

Program Sample: Several invited speakers are prepared. Here is a selection from four of our speakers:

Presentation	Presenter	Affiliation
Why Mapping Accuracy is Important in Mineral Appraisals	Jessica Wright	True Mapping Inc.
How to address valuations of minority interest in entities holding mineral interest and other related assets	Dennis Richter	Spardata
A Quick Summary on Valuing Pore Space	Ed Moritz	WSP USA Inc.
Interesting and Odd Oil & Gas Valuations: Legal Matters in which a Geologist Wouldn't Typically be Involved	Dan Billman	Billman Geologic

Accommodations for Fall Conference:

A Block of Rooms will be held for the attendees at:

**The Hilton Garden Inn, Southpointe,
1000 Corporate Dr, Canonsburg, PA 15317**

This hotel is <1 mile from the Southpointe Golf Club. Conference rate is \$139/night (not including taxes & fees). The block will be held until September 14th, 2024.

<https://www.hilton.com/en/hotels/pitspgi-hilton-garden-inn-pittsburgh-southpointe/>

Registration:

Step 1. Advise Betsy Suppes by Email of your intention to participate: bsuppes@atlanticbb.net

Step 2. Pay by credit card-IIMA members via member login-“Make Payment” 2024 Fall Conference in comment section **OR**

Step 2.5 PayPal: Contact Charles Howard via email (miningengineerwv@gmail.com) so he can send an invoice to your PayPal account, **OR**

Step 2.75 Mail your check to: IIMA, C/O Charles Howard, Treas. 1125 Queens Ct., Morgantown, WV 26508

A registration link for the conference on the 16th will be available on the IIMA website.

TUESDAY Oct. 15th-IIMA ICE BREAKER/HAPPY HOUR(S) 😊

Hilton Garden Inn- 1000 Corporate Drive

Canonsburg, PA 15317

Allegheny Room 5:00-7:00 pm libations and appetizers

Interested in Sponsoring?

Your logo will be prominently displayed at the Ice Breaker and Conference

Step 1. Advise Betsy Suppes by Email of your intention to participate: bsuppes@atlanticbb.net and send a copy of your corporate logo or name.

Step 2. Pay by credit card-IIMA members via member login-“Make Payment” 2024 Fall Conference Happy Hour Sponsor in comment section **OR**

Step 2.5. PayPal: Contact Charles Howard via email (miningengineerwv@gmail.com) so he can send an invoice to your PayPal account, **OR**

Step 2.75 Mail your check to: IIMA, C/O Charles Howard, Treas. 1125 Queens Ct., Morgantown, WV 26508

Welcome New Associate Members

Dr. Dipesh Dipu, Littleton, CO
Alicia Jupka, Billings, MT
Juliet Moores, Pine, CO
Patryk Szastak, State College, PA
Dr. Christopher Vass, Rainelle, WV

Short Course Offering at CSM

An Integrated Valuation and Risk Modelling
approach to Dynamic DCF and Real Options

Instructor: Michael Samis, PH.D., P. Eng. Principal,
SCM Decisions

October 23 – 25, 2024

Colorado School of Mines, Golden, CO

About this course:

Mining industry investments are exposed to many risks that will likely result in an investment performing differently than initially expected – sometimes disastrously so. Conventional mining investment analysis often relies on a static cash flow model built around a single representative scenario to assess the quality of the project. Unfortunately, these models provide limited insight into how an investment will perform in an uncertain world, even with workarounds such as scenario price decks and sensitivity analysis.

Advances in finance theory and risk management from the finance and insurance industries can translate a conventional cash flow model into a dynamic model that describes a wide range of project possibilities and recognizes management's ability to adapt as the future evolves. Introducing a dynamic cash flow model and real options analysis allows mining professionals to improve their

understanding of how a proposed investment will perform and the design and operating policies that are best placed to support project value and manage risk.

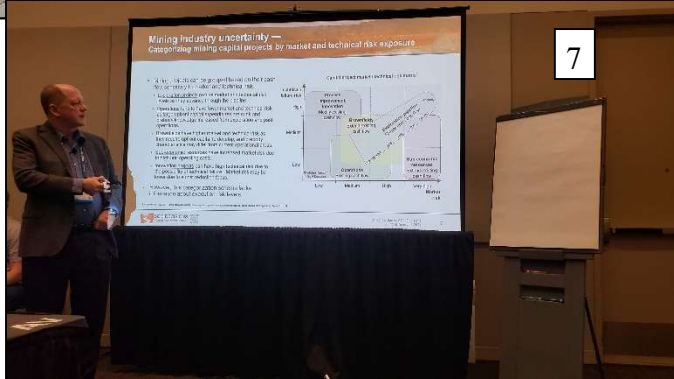
This course will show participants how to create a spreadsheet-based dynamic cash flow and real option model and interpret the value and risk information it generates. It teaches participants how to overlay a description of project market uncertainty with a decision tree to assess the value of project flexibility and the level of investor risk exposure. Two case studies based on the Blackwater Project in B.C. Canada and Copper World Project in Arizona demonstrate the shortcomings of static cash flow analysis and how a dynamic cash flow/real option model can correct these shortcomings.

More information: <https://learn.mines.edu/ivrm/>

ANNUAL MEETING PHOTOS KEY (FOLLOWING PAGE)

1. David Shetler, Greg Sheig, Grant Malensek at the John B. Gustavson Social Event.
2. Rodney Cox, Betsy Suppes, Kevin Weller at the JBG Social Event.
3. Darwin Werthessen presides over the Annual Meeting Luncheon.
4. Erin Bowen (Darwin's work colleague based in Phoenix), Darwin Werthessen and Larry Evans at JBG Social Event
5. Betsy Suppes delivers the Secretary's report at the Luncheon.
6. Dennis Noll and Hannah Cahill at JBG Social Event.
7. Mike Samis delivers his presentation at Technical Conference.
8. Paul Dudenias delivers his presentation at Mentor/Mentee workshop
1 – 6 by Charles Howard
7 – 8 by Kevin Weller

IIMA 2024 ANNUAL MEETING PHOTOS



Call for Abstracts -2025 Annual Meeting in Denver

SME recently made a call for abstracts for the 2025 meeting, which will be held in Denver, CO. The IIMA technical sessions will occur on Tuesday, February 25, 2025, with three hours of presentations in the morning and three hours in the afternoon. Thank you to Zack Smith and Juliet Moores for co-chairing the 2025 sessions.

For those who have given talks in previous years, IIMA appreciates your dedication to the Institute. To those of you who have not presented previously, this is a GREAT way to get CE credit. For Associates who want to be certified, this is an opportunity to help facilitate certification.

Please let Zack and Juliet know soon if you are interested in presenting at the conference. Prospective authors are asked to submit a title and 100-word abstract of your talk to Zack Smith (zsmith@withum.com) and Juliet Moores (julietmoores@proton.me) as soon as possible but no later than August 1, 2024.

Last year's sessions had many non-IIMA members in attendance — perhaps one of this year's attendees will be YOUR next client.

Continuing Education Hours Reminder

Continuing education is vital to minerals appraisers because this is...honestly tough work. And it's especially challenging to appraise minerals consistent with our numerous industry standards, including USPAP—both *credibly* and *reliably*.

To bolster public trust, in 2011, by membership vote, IIMA began requiring Certified members to have earned 30 hours of continuing education over the most recent 3-year period. Essentially, this is an average of 10 hours per year.

The goal: *To certify the qualifications of individual Member appraisers to the public. (IIMA Bylaws Article 1.2)*

IIMA members are part of a select group having the dual training and experience to connect real geologic context to the value of mineral assets. Naturally, setting our standards high enhances trust—and leads to many of those repeat phone calls along the way.

So, remember to seek out excellent CE opportunities and track your instructional hours. IIMA operates on a 3-year education cycle for Certified members.

Also don't forget this bonus benefit for presenting at the annual IIMA Meeting:

What constitutes a CE Credit hour:

- 1) 2 hours CE Credit for chairing a session
- 2) 3 hours CE Credit for giving a talk
- 3) Actual number of hours/minutes spent in session when attending a session on appraisals

The NEWSLETTER is published by the International Institute of Minerals Appraisers, P.O. Box 1123 Golden, Colorado 80402 USA: Phone: 508-846-6799

Editor: Kevin Weller
E-mail: Newsletter.IIMA@gmail.com

Special thanks to the contributions made. The strength of the IIMA organization is through the commitment, education, and contributions of its members. We are always looking for

articles to enhance our profession and welcome any material that members may provide.

All articles are contributed on a volunteer basis. The views and opinions expressed in any and all articles are those of the authors and do not necessarily reflect those of IIMA or your Newsletter Editor. If any IIMA member would like to professionally add-on to, rebut, or clarify any articles, I will feature such articles in the following newsletter. Thank you!

Cartwright Award Winner Announced

It is the Executive Committee's duty and honor to report that Craig Wood has received the Michael Cartwright Award for his presentation ***"Front Loading Damage Claims Versus Just Compensation in Condemnation"***

Summarized from the April 2018 IIMA Newsletter submission by Bill Bagby (#2006-03): "To provide a little history and recognize Michael Cartwright in honor and memory, as a friend and colleague, it is appropriate to share the history of the Michael Cartwright Award.

Michael Cartwright was one of the earliest members of the AIMA (American Institute of Mineral Appraisers) along with several other of our colleagues. One year, I believe it was in Phoenix, Michael Cartwright felt that the presentations had gone downhill. He got up and took a \$100 bill out of his pocket and presented it to whom he thought had given the best presentation. He did it again the following year, but after that, due to his heart problems, he could not travel and so handed it over to Bill Bagby. Bill made one presentation of \$100, and the tradition stuck. The honor of winning the award is much more than the \$100 dollars; it is the recognition of your peers for a job well done!

Prior Recipients of the Michael Cartwright Award are as follows:

2007 Gerald Clark
2008 Robert Frahme
2009 Michael Cartwright
2010 George Silver
2011 John Lizak
2012 Matthew Chapman
2013 None
2014 Robert Frahme
2015 None
2016 Tracy Grote
2017 Graham Davis
2018 Donnie Lumm
2019 None
2020 None
2021 None
2022 None
2023 None
2024 Craig Wood

~Darwin Werthessen