

Job's Listening Session, January 8, 2011
Testimony of Tim Lindsey, Chairman, Revett Minerals, Inc.

NAME AND BRIEF BACKGROUND

Good morning Senators, Representatives, and members of the audience. For the record, my name is Tim Lindsey. I was born & raised in the Troy area; and, after graduating from Troy High School, I received a bachelor of science in geology from Eastern Washington University and completed graduate studies in economic geology at the University of Montana; and then, left the state to make a living. I've been involved in exploration, production and business development in the U.S., Canada, Africa, Europe, Latin America, the CIS and Asia-Pacific, primarily in the oil and gas business, but have returned to my roots in mining.

I am the Chairman of the Board of Revett Minerals, a publicly traded mining company with shares listed in both the U.S and Canada; and, split time between Troy and Houston.

REVETT AND TROY MINE STORY

Revett owns several mining properties in Montana including the 185 employee silver-copper Troy Mine in Lincoln County and the Rock Creek Project in Sanders County. I actually worked as a geologist on these properties in the mid-70's prior to the opening of the Troy Mine.

A worker at the Troy mine earns an average of \$55,000 plus benefits and our proposed Rock Creek Mine hopes to provide similar wages to hundreds more families in this chronically depressed portion of the state. Job skills include heavy equipment operators (loaders and haul trucks, drills, etc); mill-workers; mechanics; electricians; technical professionals; administrative personnel; and more. Most of these job skills apply in many pursuits outside the mining industry. In addition, many other non-Revett jobs provide supporting supplies and services to the Company.

The worker response to a 2008 announcement of imminent closure at the beginning of the recession included wage concessions throughout the organization coupled with worker led production improvements and a plea to give them a chance to make it. They told us that they knew that they were the last best hope for economic survival of northwest Montana and did not want to go without a fight. The mine literally dug its way out, survived; and, has restored wages and salaries to the workforce. This stands as a testament to Montana worker's tenacity, ingenuity and work ethic.

ROCK CREEK INTRO

The Troy mine, which re-opened in 2004 after 11 years of shut-in care and maintenance, is also serving as the training ground for the core of a workforce who will operate the Rock Creek Mine after it is finally approved. That has been our intention and we remain committed to this responsible mineral development. The Rock Creek project ranks in the top ten undeveloped silver resources worldwide.

MINING JOBS IN NORTHWEST MONTANA: SURVIVE, SUSTAIN, GROW

The start-up of the proposed Rock Creek mine is contingent on final regulatory and legal approvals.

It is the reality of over 20 years of permitting on Rock Creek that has me before you today.

BEST PLACE TO CREATE JOBS

As you deliberate how best to balance your short and long term budgets and provide a future for coming generations of Montanans please remember that often the best place to create new jobs is where the current jobs exist. Our HR manager receives 5-10 phone calls and e-mails each day inquiring about work.

LOOK AT EXISTING INFRASTRUCTURE INCLUDING MINING

For Montana, this means we can and should look at potential enhancement of our existing infrastructure to assist in building a future: energy and mineral resources, the timber sector, education, communication technologies, health services. For too long, resource industries have been looked at as a remnant of the past rather than hope for the future.

The Rock Creek mine has been touted by Governor Schweitzer as the kind of environmentally sensitive mine that should be operating in Montana. The mine's silver and copper reserves are among the best in the world and are enjoying high prices and growing global demand - and on paper the business and environmental arguments conclude that the mine should open and operate. These are very "clean" ore bodies to begin with and the mining & milling are very benign processes.

MONTANA MUST COMPLETE IN A GLOBAL MARKET

However, just as companies compete for the best talent, governments compete to attract business investments. We all know that long-term job creation requires cooperative efforts between Federal & State government, industry & service providers; and the non-government watchdogs & communities.

For those of us trying to move forward with projects, we know that 'Good Business Ideas' require investor confidence in the total business environment where a project is located. We also know that Montana has a problem when it comes to this confidence.

TORONTO STORY

I am sorry to tell you that in global market exchanges – where investor capital either flows or stops flowing toward mining projects throughout the world - the word 'Montana' is often a discussion stopper. Investors will tell me "I'll invest in any place but there." Whether or not this sentiment is deserved does not diminish the reality of its existence. Perception can equal reality in the world of investors.

CHANGING THIS PERCEPTION

I am thankful that you are asking what we can do together to make Montana a competitor for investment capital so critical for jobs creation. I know that one session filled with seven minute testimonials is but the tip of a very large process that we must all commit to if we are to give the next generations of Montanans any hope of using their education to raise a family within our borders.

Following this listening session we commit to doing our part in the long term consideration of specific, substantive changes to regulatory requirements under state control. We will look for and suggest to you those changes that we think will assure that society's protections remain intact while facilitating positive capital investment considerations.

FOCUS AREAS FOR IMPROVING PERCEPTIONS

Some areas where we think focus can be spent include:

- Assuring that the relationship of state regulators and industry is as compliance partners first, rather than as static roles of the enforcer and the violator.
- Assuring that state budgets allow permitting and approval processes to move forward at reasonable pace.
- Streamlining, simplify, and removing duplicity of processes wherever possible with the recognition that the burden of slow permitting process can kill both existing and future business opportunities.

Revett has experienced both ends of the spectrum in dealing with state agencies - but on balance our treatment has been fair and equitable and we enjoy a good relationship with state agencies.

EXAMINE ROLES OF GOVERNMENT AND BUSINESS

I hope that you will closely examine the roles of government and business when it comes to maximizing opportunities from raw resources. I hope that legislative oversight can assist in assuring that the agencies of state government are providing help - not hindrances - to private sector investment potential.

BUILD AND PROMOTE A HEALTHY BUSINESS CLIMATE

I also hope that the same vigor infused into necessary and important environmental impact studies can be infused into studies of why Montana has a bad business reputation and what can be done to correct this reality.

CONCLUSION

As Chairman of the Board and as a Troy kid who saw the timber-based economy phased out and now comes home to work on mining in Montana, I hope that one day we can, with a straight face, telegraph to the world that Montana is a modern industrial state that is largely pristine, stunningly beautiful, environmentally sensitive, and, indeed, competitively open for business. Revett will maintain its commitment to responsible mineral development with our focus on safety, the environment, and our communities. As our CEO is fond of saying, "If we can't do it right, then we won't do it." We are prepared to work with all stakeholders toward the many mutual benefits. Thank you, and please come visit our operations.