2017 Year in Review

TMRA Past Chairman
Brett Wilson, Luminant

Source: Larry Jones
It is with great pleasure and lots of gratitude that I write this note to Brett Wilson, our outgoing Chairman, and Luminant, thanking both for the continued support they provided to me and TMRA’s mission and goals.

While in some ways different from the challenges TMRA and its members faced in 2016, yes – even positive differences – 2017 has nonetheless been a year of challenges for TMRA and many of our members. Positive actions at the federal level and here in Texas have given hope and opportunities. Even so, many of our members continue to tighten belts, do more with less and, yes, shut down operations, which inevitably hurts workers, families and communities.

Through those challenges, Brett has provided leadership: leadership to guide, be an example, be proactive and be thoughtful and, for sure, to care. Once again, as in 2016, leading TMRA with strength and foresight is not easy. Brett has worked continuously with ALL our TMRA Leadership and Support TEAM, adding a thoughtful and stabilizing rudder to our association when very much needed.

I have once again been successful in surrounding myself with people smarter and even more dedicated than am I. There is no question that Brett has shown his dedication and commitment over several years, especially during these past 12 months when it has been key to the continued success of our association.

As we are well aware, 2018 will have its own set of challenges. Our new leadership, headed by Nellie Frisbee, North American Coal - CRF, will lead us with skill and commitment. A real bonus is that Brett – as our Immediate Past Chairman – will still be available to help guide TMRA to help maintain the strength of our coal/lignite, industrial minerals and uranium industries and our invaluable TMRA Support Members.

Best,

Ches Blevins,
TMRA Executive Director
As the regulatory atmosphere continues to pivot under our current administration, it is no secret to anyone in the coal industry that 2017 has been quite a year. We have felt some relief from the scrutiny and attacks on coal mine operators and coal-consuming power plants, allowing our focus to shift from constantly defending our position to more optimistically pursuing future improvements. In addition, improved dialogue with the RCT leadership has enabled us to continue responsible mining and environmental stewardship while maintaining cost-effective operations. This is critical, since the market is still very challenging, with efficiency and cost management key to remaining competitive.

We collaborated and supported completion of the 306(e) Advisory Notice and continue to pursue other beneficial Advisory Notices addressing issues such as mixed overburden, acid seeps, permanent impoundments and slopes and permitting review, just to name a few. This has been achieved through the diligent efforts of our TMRA Committees and Leadership, as well as the willingness of the RCT to interact with industry members and collaborate on sensible solutions to common challenges.

The Regional Environmental Impact Statement (REIS), which was coordinated by the Environmental Committee, was completed and finished. The project was a success and was managed and funded through TMRA over nearly five years from start to finish.

TMRA also participated in the Process Mapping Workshop with the RCT, which met with us to formally present its new flow maps process for project review. This marked a very positive step forward in the relationship between the coal mining industry and RCT staff.

This year we also saw changes in the Mine Safety and Health Administration (MSHA) with the closing of its District 11 office and our return to oversight out of its District 9 office. MSHA inspectors have spent more time onsite performing E-17 inspections out of their special emphasis program, focusing on training and education. During these inspections, MSHA inspectors have engaged with supervisors and employees and educated when applicable, with no intent to move to enforcement action.

In our December Quarterly meetings, we will nominate and select new Lignite and Environmental Committee Chairmen and Vice Chairmen for 2018. Thank you to all committee members for their diligence and involvement and to TMRA Owner/Operators for their support and sponsorship.
The Industrial Minerals sector has realized its fair share of legislative hurdles and industry challenges in 2017. Property rights, water quality and air emissions led the pack when it came to initiatives and regulations. Within Texas, effects of the Clean Air Act (CAA) were felt by not only the Texas Commission on Environmental Quality (TCEQ), but also by major sources within Texas. To meet the statutes of the CAA and its associated implementation of attainment initiatives, the TCEQ has set up a complex system of air monitors in key areas to better understand the air quality in Texas. This three-year project is key for the development of an implementation plan for attainment of the National Ambient Air Quality Standards (NAAQS).

Additionally, we have seen an abatement of numerous federal regulations that would have had sweeping width and breadth. Probably none was as potentially onerous to the industrial minerals industry as the Environmental Protection Agency’s (EPA) attempt to legislate. In spite of numerous companies and associations that lobbied diligently to halt the EPA’s overreach of its authority, including TMRA, the EPA’s Water of the U.S. Rules (FR Volume 80, No 124, 37057), commonly referred to as WOTUS, went into effect on Aug. 28, 2015. This attempt by the EPA to expand its jurisdiction under the guise of improving water quality was met with sharp resistance by the mining community, as well as other industries. Through continued industry and association efforts, beginning in February 2017, the Trump Administration began the process of repealing this overreaching rulemaking.

TMRA realizes the value of not only a strong association, but also an association that makes up a network of industries and nationwide industry organizations. This is just one of many reasons that the TMRA Industrial Minerals Committee has begun and will continue to reach out to member and non-member producers to strengthen the association for the next challenge waiting around the corner.
My interpretation of 2017 can be summed up as such: more of the same, but with a glimmer of optimism. Last year was a very slow year for the uranium industry – the lowest spot price in a decade, critically low employment numbers and little, if any, production.

This year, although TMRA Members struggled through similar conditions, they were able to stabilize their workforces and make positive advancements at all of their projects. One member was able to complete a successful drill campaign, another completed a reclamation project and a third completed restoration efforts on a previously mined wellfield.

I would say the operators’ accomplishments were impressive, considering the current state of our industry. Despite the hardships encountered, the last quarter of the year has finally seen some positive market changes. For the first time in a long time, it feels like we can start planning an offensive, rather than a defensive strategy.

As a committee, we focused on two main objectives: following the progression of 40 CFR Part 192 and nurturing a petition for rulemaking through the regulatory process at the Texas Commission on Environmental Quality.

The proposed rule change for 40 CFR Part 192 is a stale leftover from the previous Environmental Protection Agency (EPA) that will just not go away. The most unpalatable rule from the proposal was a requirement for 30 years of stability monitoring after a project had been restored and reclaimed. The industry and its proponents fought hard to have the proposed rules withdrawn last year due to a lack of scientific data to support the change. Just when we thought the rule would be withdrawn, the previous administration decided to resend the proposed rule with minor changes just days before President Obama left office.

The revised rules came with a new comment period that went well into 2017. After many meetings with the EPA and the Office of Management and Budget, it appears Washington is finally listening to our side of the story. With help from the Uranium Producers of America (UPA), the National Mining Association (NMA) and even our own TMRA Executive Director Ches Blevins, we are confident that the new administration fully understands the dire consequences this rule change will have on the domestic uranium industry. We are hopeful the EPA will make the right decision moving forward.

The petition for rulemaking also began in 2016; however, due to the last legislative session, a formal rulemaking
has yet to be finalized. What prompted the rulemaking was a series of concerns experienced by operators affected by a persistently depressed uranium market. As many of you know, the compliance requirements and financial expenditures associated with annual fees do continue long after depressed markets force projects from production to standby mode.

What the industry was looking for in this rulemaking was alternative sampling schedules during standby mode, lower annual fees and some reasonable variance between monthly monitoring samples. Without citing too many specifics, the proposal was intended to reduce what the industry felt was burdensome regulatory requirements without increasing environmental or safety hazards to the public. At this point, the Uranium Committee has agreed on revised language for the petition, with a formal submission taking place very soon.

Lastly, an annual update would not be complete without mentioning the successful Uranium Teacher Workshop that took place this summer. This program is perhaps the most meaningful and beneficial program for the poorly understood uranium industry. Thanks to the operators who offered tours and provided hands-on training and – most importantly – thanks to those who helped plan this year’s workshop.
This year’s communications initiatives garnered a variety of positive results. As in years past, we focused on activities that would help amplify mining industry messages, including collateral material development and traditional and social media programs.

**Member Collateral Material**

For those who haven’t had the opportunity, please visit the member portal of the TMRA website and click on “Member Resources” to access frequently updated industry collateral pieces that are available for members’ use, including an industry PowerPoint presentation and TMRA’s key message points. This year we added another item to our toolkit: What Mining Means to Texas, which is a one-pager highlighting the importance of Texas’ coal, uranium and industrial minerals industries. Make sure to print copies to share with your contacts!

All TMRA members should receive the association’s quarterly magazine *TX-Mining*. Thanks to those members who contributed this year. The success of this valuable industry resource is because of you. Throughout 2018, keep your eyes open for the TMRA Call for Content announcements that will tentatively include the following editorial themes:

**Mentoring at the Mine (Spring)**

Today’s mine leaders will pass on their legacy to a new generation that will face the same challenges and enjoy the same job satisfaction that they have. But how do they ensure that an upcoming group of mining professionals will develop within the ranks to lead this dynamic industry? We explore some of the programs and attitudes at Texas mines that foster mentoring.

**The Future of Mining (Summer)**

From exploration to sustainability to innovation to investment, the mining industry is always changing. But how? This issue will explore some of the technological, regulatory and policy dynamics that will change the industry and how mining officials are planning for them.

**The Equipment Issue (Fall)**

Bulk handling, exploration, load and haul, mine development and reclamation—all these mining activities require the specialized equipment that gets the job done. What are some of the considerations, innovations and efficiencies of choosing and maintaining the right equipment for the job?

**Year in Review (Winter)**

TMRA Committee Chairs will recap the year and take a look ahead. This is a digital report only that will be posted online in December.

We are excited to announce two new columns in 2018:

**What’s on your Mine?**

TMRA invites a mine manager to write a one-page editorial on the state of mining, challenges to mining, an employee or safety program, anything that’s on their mind.

**The Interview**

From environmental engineers to safety officials to dragline operators, mines employ some of the most
skilled and dedicated employees in the country. Q&A with a mining industry worker on the challenges and rewards of their job and how the industry has changed and will change in the future.

Teacher Workshop Social Media Campaign
To continue to raise the profile of the award-winning TMRA Teacher Workshop program, Pure Energy PR utilized social and digital media for four of this year’s workshops. Several months prior to the workshop start date, Pure and the TMRA Team prepared for the initiative. Pure Energy worked with Teacher Workshop instructors Francye Hutchins, Charitie Wright and Kelley Ferguson to develop protocol with the mine heads, in addition to content that was shared throughout the summer. When the Teacher Workshop program began, Charitie and Kelley posted the pre-approved messages on their social accounts, including Facebook, YouTube, Instagram and Twitter. To further amplify the content, we asked the attending teachers to repost on their own social media channels, an approach that ensured a level of control over what was shared.

Through this exercise, we have learned that disseminating messages through social media can help change perceptions of the industry. It is an excellent and effective way to engage with people who do not know the true story of mining. The analytics show that in six weeks alone, TMRA had exposure to more than 204,000 people! This is a powerful number. Moving forward, we encourage TMRA to implement its own year-round social media program.

Media Outreach and Reputation Management
The TMRA Communications Committee also spearheaded the proactive development and strategic distribution of the following press releases, which were uploaded to the TMRA website and featured in a variety of local news outlets, including the Longview News-Journal, Waxahachie Daily Light, Sulphur Springs News-Telegram, The Round Rock Leader and the Taylor Press.

“Texas Mining Industry Commends President Trump’s Executive Order on Flawed Clean Power Plan”

“Award-winning Program Offers 21 Texas Science Teachers a Look into the Uranium Mining World”

“TMRA Recognizes Rep. Larry Gonzales as 2017 Legislator of the Year”

“TMRA Recognizes Sulphur Springs City Manager as 2017 Elected Official of the Year”

Although proactive campaigns are much more fun, a critical piece of a solid communications program is ensuring that TMRA is prepared to address the issues that are not so fun and that have the potential to negatively impact the industry. As part of this, along with the executive director, Pure drafts media holding statements that can be used in case the association is contacted by the media for comment regarding the industry’s position on a certain issue. Listed below is a sampling of the types of topics we addressed this year.

EPA Clean Power Plan Repeal
Bloomberg’s documentary “From the Ashes”
EPA’s Withdrawal of Title 40 of the Code of Federal Regulations Part 192
The 2017 program for the TMRA Education Committee was a busy one and included the following:

We continued to expand the role of the education program beyond workshops to encompass education outreach. In concert with the TMRA Communications Committee, we shared positive messages about Texas mining and developed standardized talking points, presentations and communications packets. We plan to identify individuals at each mining site to serve as part of a Speakers’ Bureau to make presentations in Texas communities about TMRA and the mining industry. This is in the early stages of development and will continue in 2018.

We are continuing to develop our succession plan for the education outreach program to ensure its continued success. The plan includes identification, training and development of instructors for summer workshops and existing staff development. The education director created a workshop guide/manual to assist in maintaining continuity of the program during the transition. We will work on this project into 2018.

We continued to promote an alternate funding option – in addition to the annual auction – to provide continued financial support of education outreach and workshops. This initiative includes a teacher sponsorship program that allows individuals and/or companies to sponsor a teacher for $1,500, which covers all costs associated with a teacher attending one of the summer workshops. The “Sponsor-A-Teacher” program provides opportunities for many more TMRA Members to help support the education program. This proposed funding option was presented to the TMRA Executive Committee in the Fall of 2016 and approved and launched at the TMRA Annual Meeting this October. In 2017, the Sponsor-A-Teacher program raised approximately $52,500, which was solely dedicated to the workshops. The TMRA website allows you to go online at any time to sponsor a teacher.

The TMRA Annual Auction was amazing again this year! Our generous TMRA Owner/Operators and Support Members raised more than $300,000 to support education and outreach programs. Thanks so very much for your continued support!!!

Through a partnership with the TEA Region 8 Service Center in Mount Pleasant, we added a teacher workshop in 2018. This allows TMRA to reach many more teachers with our story about mining, reclamation and environmental stewardship, at minimal cost to TMRA.

In 2018, the TMRA Education Committee will continue to explore new ways to expand and enhance the education program, such as with podcasts, a TMRA app and other innovative tactics.

Members of the committee are Linda Campbell, Sam Feagley, Francye Hutchins, Gerry Pearson, Mark Russell, James Thomas and Robert Gentry (chairman).
Governmental Affairs Committee

By Committee Chairman
Mance Zachary, Vistra Energy

In 2017 the TMRA Governmental Affairs Committee successfully tracked bills, filed affidavits, testified and met with legislators during the 85th legislative session. The committee met twice a month to review bills and strategize actions. Several bills or allocations that did pass include HB 1818, the Railroad Commission Sunset bill, which provided 12 years of regulatory certainty to industry; SB 1’s funding rider, which provided $780 million to non-hazardous waste permitting; and HB 62, which is the anti-texting while driving regulation.

During the session, there were dozens of anti-industry bills that the TMRA Governmental Affairs Committee and other trade associations partnered against to ensure they did not become law. This team effort resulted in no bills passing that were detrimental to TMRA Members. After the regular legislative session, Gov. Abbott called a special session. However, none of the 20 items on the call directly impacted TMRA Members.

In 2017, the Governmental Affairs Committee identified, recommended, invited and recognized key elected officials who were supportive of our members and the industry at the TMRA Annual Meeting at the Hyatt Regency Lost Pines Resort & Spa. On Oct. 30, we presented the Legislator of the Year Award to State Rep. Larry Gonzales (R-Round Rock), and the Elected Official of the Year Award to Sulphur Springs City Manager Marc Maxwell.

Also during the TMRA Annual Meeting, the Governmental Affairs Committee briefed TMRA Members on the highlights of the legislative session and national policies, such as President Trump’s Executive Orders vs. the previous administration’s, EPA’s change of leadership and direction and global climate change opinions, and Clean Air Plan and Waters of the U.S. updates, as well as industry outreach education opportunities.

The luncheon keynote speaker was Railroad Commissioner of Texas Wayne Christian, who provided the audience with a strong message on the importance of Texas having an “all of the above” approach to powering the state. Denny Kingsley, director of RCT’s Surface Mining and Reclamation Division, was in attendance.

Going forward, the Governmental Affairs Committee will continue to monitor the direction of the Railroad Commission, the new Speaker of the House election, primary/general elections and any proposed bills from the 2018 interim charge hearings.
The TMRA Safety Committee worked in 2017 to identify and recognize the following TMRA Members and Support Members for their steadfast commitment to the safety of their workers and the communities in which they operate. Please join us in congratulating the following companies for their safety achievement.

The Texas Mining and Reclamation Association commends and recognizes the following for achieving Zero MSHA Non-Fatal Days Lost (NFDL) Injuries in 2016, with the listed hours worked:

<table>
<thead>
<tr>
<th>Controller</th>
<th>Mine Name</th>
<th>2016 Hours Worked with No Lost Time Injuries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caddo Creek Resources Company, LLC</td>
<td>Marshall Mine</td>
<td>54,494</td>
</tr>
<tr>
<td>Capitol Aggregates, Inc.</td>
<td>Medina River Plant</td>
<td>17,381</td>
</tr>
<tr>
<td></td>
<td>Poteet Sand &amp; Gravel</td>
<td>15,846</td>
</tr>
<tr>
<td></td>
<td>Austin River Plant</td>
<td>36,161</td>
</tr>
<tr>
<td></td>
<td>Gamboa Quarry</td>
<td>14,800</td>
</tr>
<tr>
<td></td>
<td>Solms Quarry</td>
<td>26,510</td>
</tr>
<tr>
<td>Kiewit Mining Group</td>
<td>Calvert Mine</td>
<td>237,702</td>
</tr>
<tr>
<td>Lhoist North America</td>
<td>Clifton Plant</td>
<td>146,441</td>
</tr>
<tr>
<td>Luminant</td>
<td>Beckville Mine</td>
<td>296,061</td>
</tr>
<tr>
<td></td>
<td>Big Brown Mine</td>
<td>227,951</td>
</tr>
<tr>
<td></td>
<td>Kosse Mine</td>
<td>55,127</td>
</tr>
<tr>
<td></td>
<td>Oak Hill Mine</td>
<td>355,011</td>
</tr>
<tr>
<td></td>
<td>Sulphur Springs Mine</td>
<td>36,516</td>
</tr>
<tr>
<td>North American Coal Corporation</td>
<td>Camino Real Mine</td>
<td>446,418</td>
</tr>
<tr>
<td>Trinity Materials Inc.</td>
<td>Plant #154</td>
<td>45,495</td>
</tr>
<tr>
<td></td>
<td>Rye Dredge &amp; Plant</td>
<td>21,658</td>
</tr>
<tr>
<td></td>
<td>Seagoville Plant #201</td>
<td>15,812</td>
</tr>
<tr>
<td></td>
<td>Wills Point II Plant #1655</td>
<td>35,964</td>
</tr>
<tr>
<td></td>
<td>ASA Plant 1588</td>
<td>49,408</td>
</tr>
<tr>
<td></td>
<td>Paradise Plant</td>
<td>56,472</td>
</tr>
<tr>
<td></td>
<td>Wills Point Plant</td>
<td>36,083</td>
</tr>
</tbody>
</table>

And, for achieving Zero OSHA Non-Fatal Occupational Injuries/Illnesses in 2016, TMRA recognizes: Uranium Energy Corp., with 60,000 hours worked.

Congratulations to all our members on achieving this Safety Milestone!
TMRA’s 2017 Annual Meeting was held at the Hyatt Regency Lost Pines Resort & Spa in Bastrop, TX from Oct. 29-31. Approximately 210 members and guests enjoyed the three-day meeting. Highlights included:

**Planning Committee**

By Committee Chairwoman  
Cathy Pierce, TMRA

Congratulations to the winners of our fishing tournament.  
Brad Griffin, 1st Place; Richard Wilson, 2nd Place; Brandon Tate, 3rd Place; Duane Sledge, Biggest Bass; and Richard Wilson, Smallest Bass

**Golf**

A total of 80 players joined in the tournament.  
Congratulations to first-place winners:  
Vern Lund, Todd Parks, Mark Verdova and Rick Ziegler

**Fun Night**

Outside on a beautiful October night in Texas – how much better can it get? TMRA honored its first Honorary Member Gene Jernigan, who has served so well as our Governmental Affairs Chairman. It was great to see him and his lovely wife, Margaret, enjoying Fun Night. TMRA presented awards to Texas Rep. Larry Gonzales (R-Round Rock) and Marc Maxwell, City Manager of Sulphur Springs. We also gave well-deserved recognition to TMRA Life Members Steve Smith and Dick White.
Planning Committee (cont'd)

New Members

A very big welcome to our new 2017 TMRA Members. We greatly appreciate your support and are very happy that you are part of our association. Please join us in welcoming them to our group. The ones highlighted in blue were at the TMRA Annual Meeting.

3D-P
Air & Sea International, Inc.
Company Wrench Ltd.
Ecosystem Investment Partners
FlowTech Fueling, LLC
MAIN Geo-Construction Sources LLC
MG Machinery

Mine Service, Inc.
North American Mining
NorthArm Advisory Services LLC
Pickett Industries
Secopsa USA
Superior Cooling Services, Inc.
Texas Rubber Supply

General Meeting

In addition to our annual Governmental update presentations by Mike Nasi and Ty Embrey, the membership heard from Bill Joseph, Office of Surface Mining, and RCT Commissioner Wayne Christian. Francye Hutchins and Cheryl Ann Allison gave a very informative update on the TMRA Teacher Workshops.

From top left to right each row: Mike Nasi, Jackson Walker, and Cathy Pierce, TMRA, raffle off prizes; Nellie Frisbee, North American Coal - CRF, becomes new TMRA Chairwoman and Brett Wilson, Luminant, becomes Immediate Past Chairman; lunch break at the General Meeting; Francye Hutchins, TMRA; Ty Embrey, Lloyd Gosselink; RCT Commissioner Wayne Christian; Mike Nasi; Nellie Frisbee presents outgoing Chairman’s Plaque to Brett Wilson; Bill Joseph, OSM, speaks to the General Meeting; TMRA Life Member Dick White; and Cheryl Ann Allison, Region 8, ESC Secondary Science Specialist.
Planning Committee (cont’d)

Support Member Breakout Session

If you weren’t there on Tuesday afternoon, you missed an informal breakout session between TMRA Support Members and Owner/Operators. We tried it for the first time and it worked! There was a lot of valuable networking between these two groups and we’ve heard very positive things about the session, so much so that we are planning to do it again at next year’s meeting.
Planning Committee (cont’d)

Live and Silent Auctions

Once again, TMRA Members came through in a BIG way. In fact, we raised the most money ever for our public outreach and education programs, including the very popular and well-respected TMRA Teacher Workshops. With the generosity of TMRA Owner/Operators and Support Members, we raised $300,165 through various raffles, the silent auction and the live auction. A great big thank you to all those who helped us reach this goal, which will allow us to continue the valuable programs that benefit the Texas mining industry.

If you would like to sponsor a teacher, you can do so at anytime by clicking this link. Please mark your calendars for the 2018 Annual Meeting, which will be held from Oct. 28-30 at the Hyatt Regency Lost Pines Resort & Spa in Bastrop.
Exhibitors

Our exhibitors displayed a wide variety of the services they provide to our TMRA Owner/Operators, providing a valuable service at the TMRA Annual Meeting. A big thank you for their thoroughness and professionalism, as well as some amazing novelty items!

Advanced Analytical Labs LLC
All State Fire Equipment of Texas Inc.
Blanton & Associates, Inc.
Certified Laboratories
Company Wrench Ltd
Energy Laboratories, Inc.
Engineering Resources LLC
Klein Products Inc.
Mine Service
Niece Equipment

Pastor Behling & Wheeler LLC
Pickett Industries
ROMCO Equipment Co.
Russell & Sons
Sun Coast Resources, Inc.
Taylor Mine Services
Tex-Con Oil Co.
The Hilliard Corporation
Wireco WorldGroup

From top left to right and clockwise: John Holst, Energy Laboratories, Inc.; James Boone, ROMCO Equipment Co.; Reed Thomas and Tina Thomas, Pickett Industries; and Ken Damon, ASFE.
Today’s mine leaders will pass on their legacy to a new generation that will face the same challenges and enjoy the same job satisfaction that they have. But how do they ensure that an upcoming group of mining professionals will develop within the ranks to lead this dynamic industry? We explore some of the programs and attitudes at Texas mines that foster mentoring.

*Tentative list*