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AN ENVIRONMENTALLY SOUND OPPORTUNITY FOR FLORENCE AND ARIZONA

A Proven Process to Help Answer America's Demand for Copper while Providing Florence with Jobs and Revenue

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HDI CURIS

Curis Resources and Hunter Dickinson

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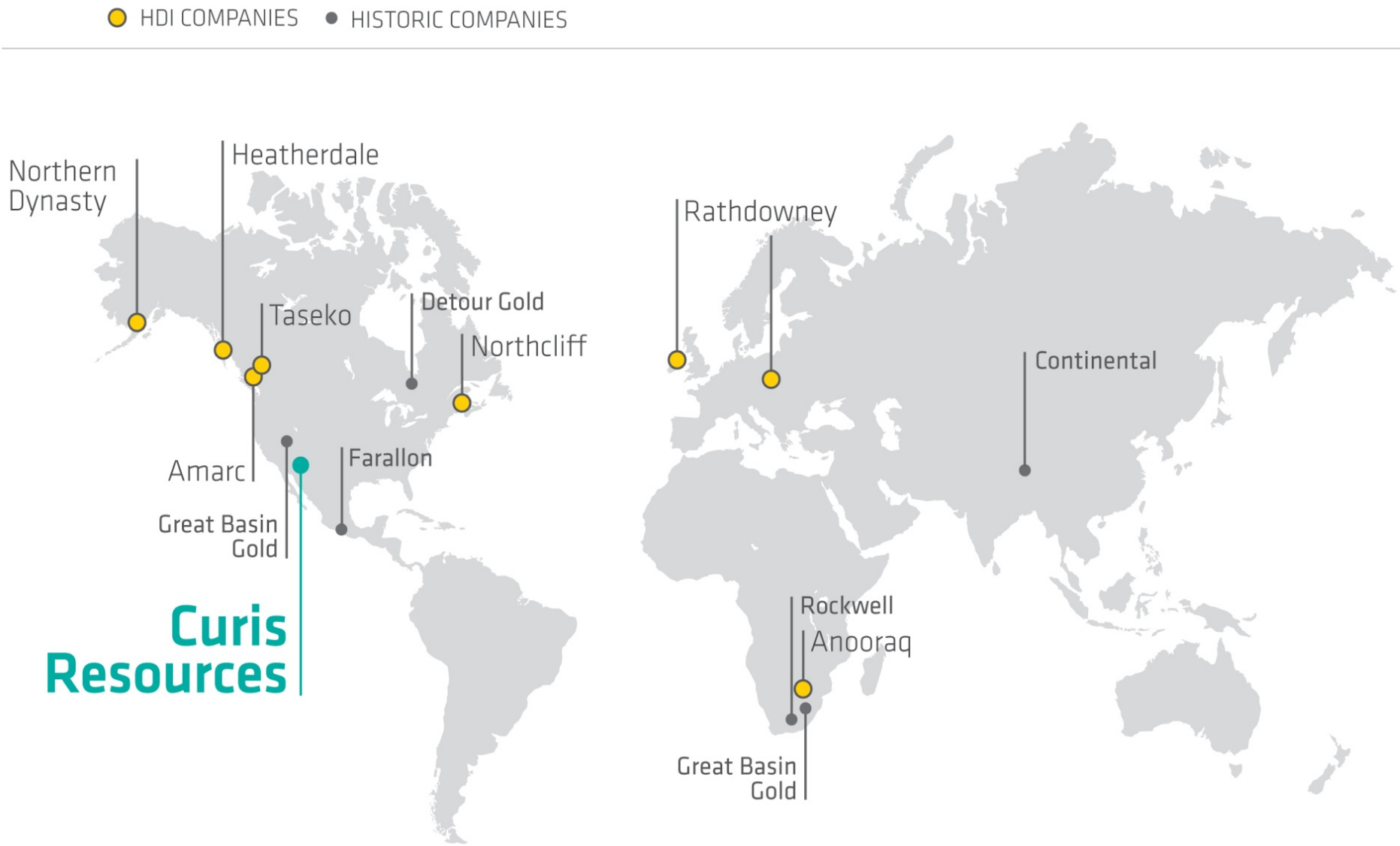
Global Experience and Reach



Florence Copper

- Advanced stage in-situ copper recovery (ISCR) development project with initial copper production target for mid 2012
- 429 million tonne, 2.84 billion pound Measured and Indicated copper oxide resource[1]
- Located 70 miles NW of Tucson and 65 miles SE of Phoenix, Arizona
- 100% owner of 1,342-acre private patented and lease (160 acres) land package
- Road, rail and power immediately adjacent to site
- Over $100 million spent on project by former owners Conoco, Magma and BHP
- BHP completed prefeasibility-level studies, a production test and secured full commercial operating permits in 1998

[1] For more details on the resource estimate, please see slide 12.

From New Products to Clean Energy, Copper is the Vital Ingredient

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WORLD COPPER CONSUMPTION

Today, nearly 40% of US copper demand must be met by foreign production

Producing Pure Copper Cathodes

In-situ recovery is an environmentally sound process of extracting minerals from deposits not amenable to conventional mining.

Method has been used extensively around the world for decades for recovering metals, potash, and salts, and for environmental remediation.

In-situ technology in Arizona has been used commercially to complement conventional mines (BHP, Freeport).

And…

It was used successfully in Florence in the late 1990's!

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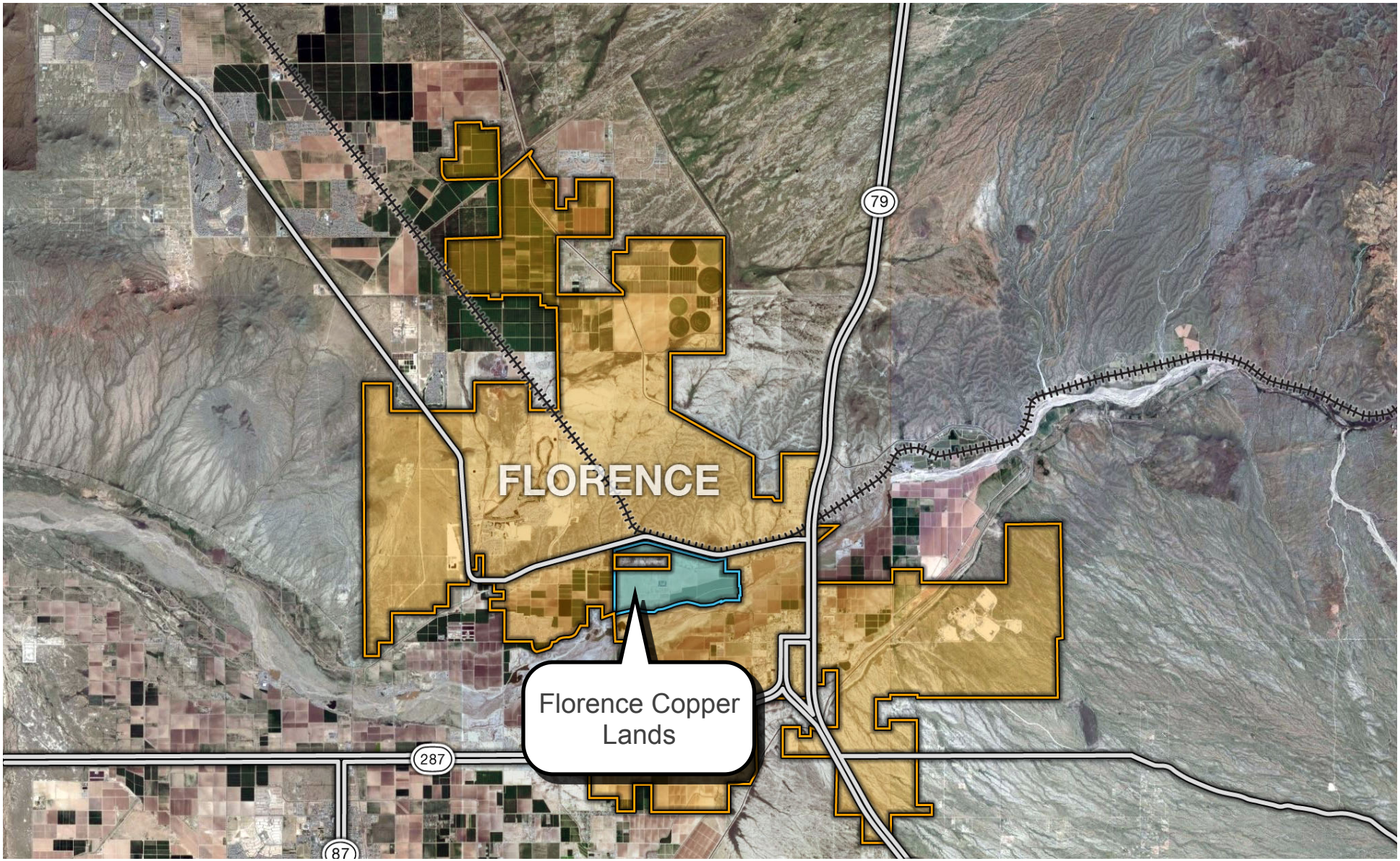
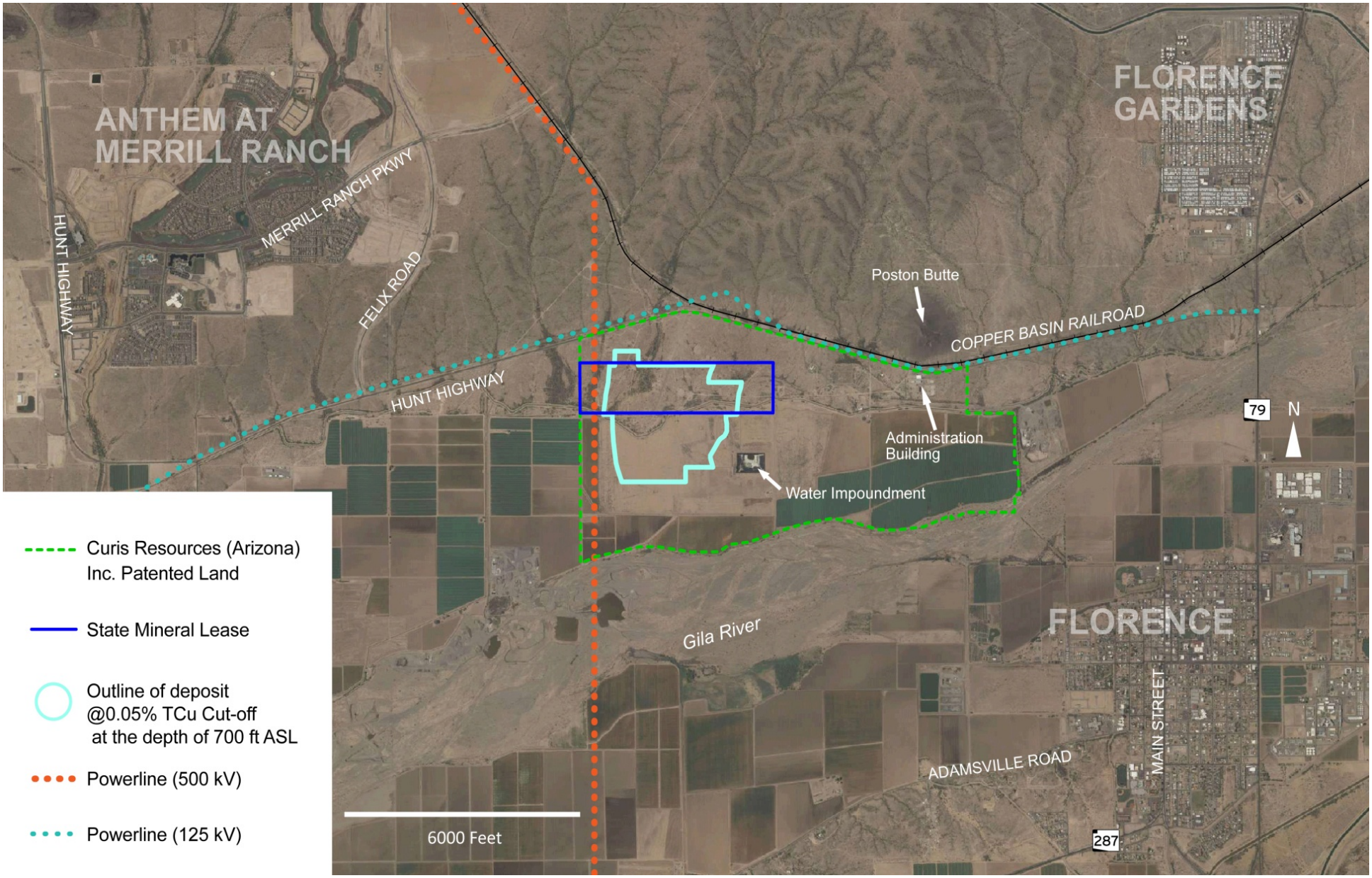
BENEFITS:

- Small environmental footprint
- Low profile and low impact form of copper recovery
- Multiple land uses during and post operations
- Low water and energy usage

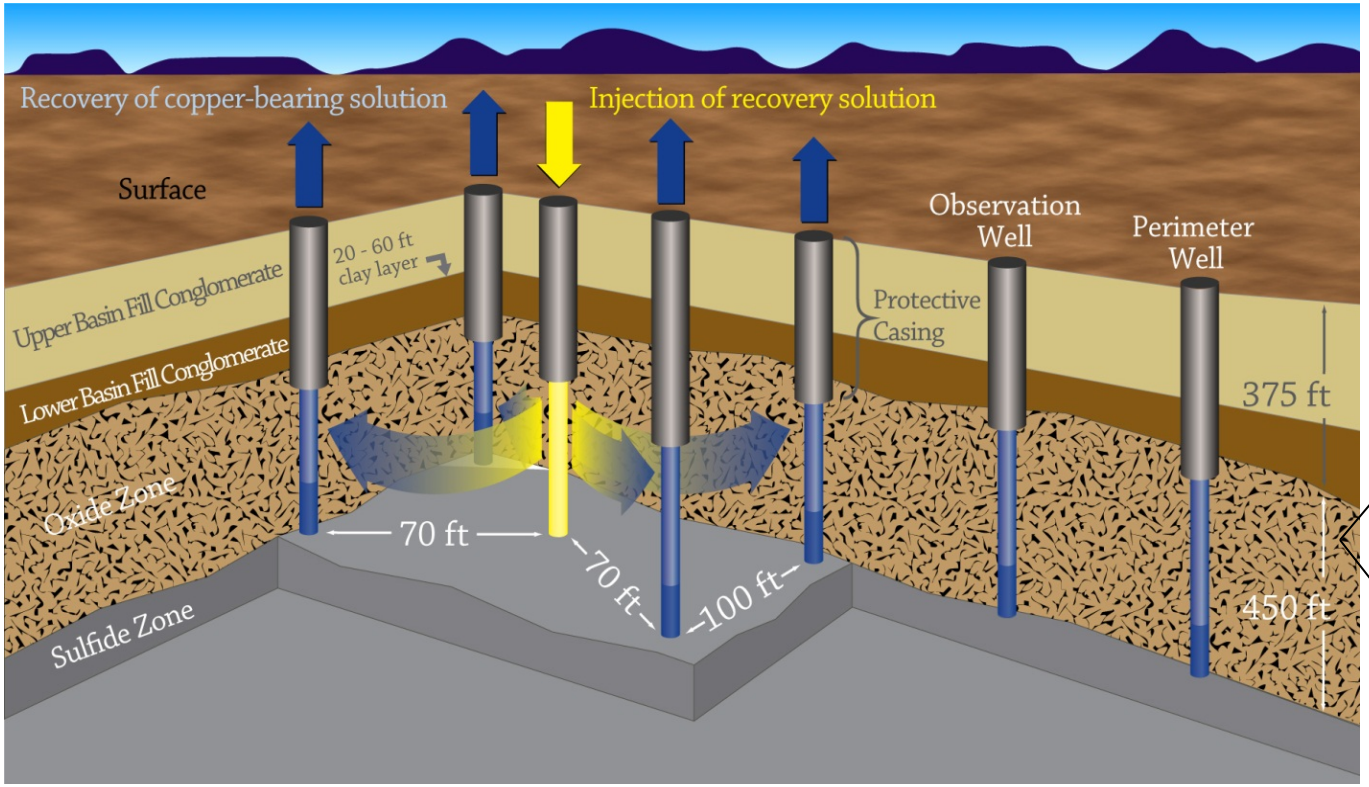
Producing Pure Copper Cathodes



Land Holdings and Regional Infrastructure



In-Situ Recovery Well Field Arrangement



Highly fractured oxide deposit with chrysocolla mineralization.

In-situ recovery is a safe, proven technology that has been in use in Arizona and in other parts of the world for more than 20 years.

Oxide layer is saturated allowing for efficient recovery of copper bearing solutions.

Low pH Solution Dissolves Copper

The solution used to dissolve the copper at Florence contains only 1/3 of 1% acid by volume and is similar in pH to a locally grown lime, sour lemon or household vinegar.

Using this dilute solution, copper is gently dissolved in the ISCR process over a period of several years.

To view specific information on Florence Copper and to see how in-situ recovery technology works, visit the following:
www.florencecopper.com

Protecting Groundwater Quality

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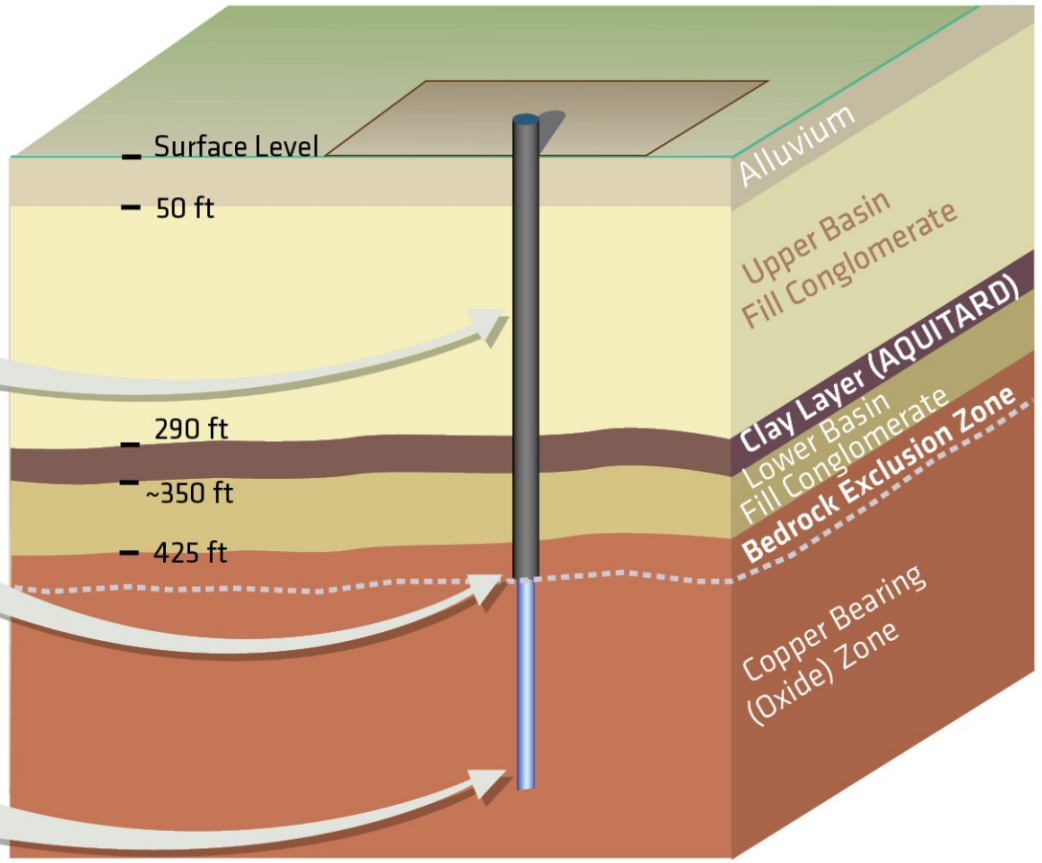
Operational wells are encased in a high-impact, corrosive resistant concrete EPA/ADEQ approved pipe.

As a requirement of our EPA permits, wells extend 40 feet into the bedrock to ensure that injected solutions remain exclusively in the oxide zone.

ISCR injects and recovers solution from the copper bearing oxide zone bedrock.



40 ft

Bedrock Exclusion Zone acts as an additional layer of protection for overlying water resources.

Three Separate Decisions

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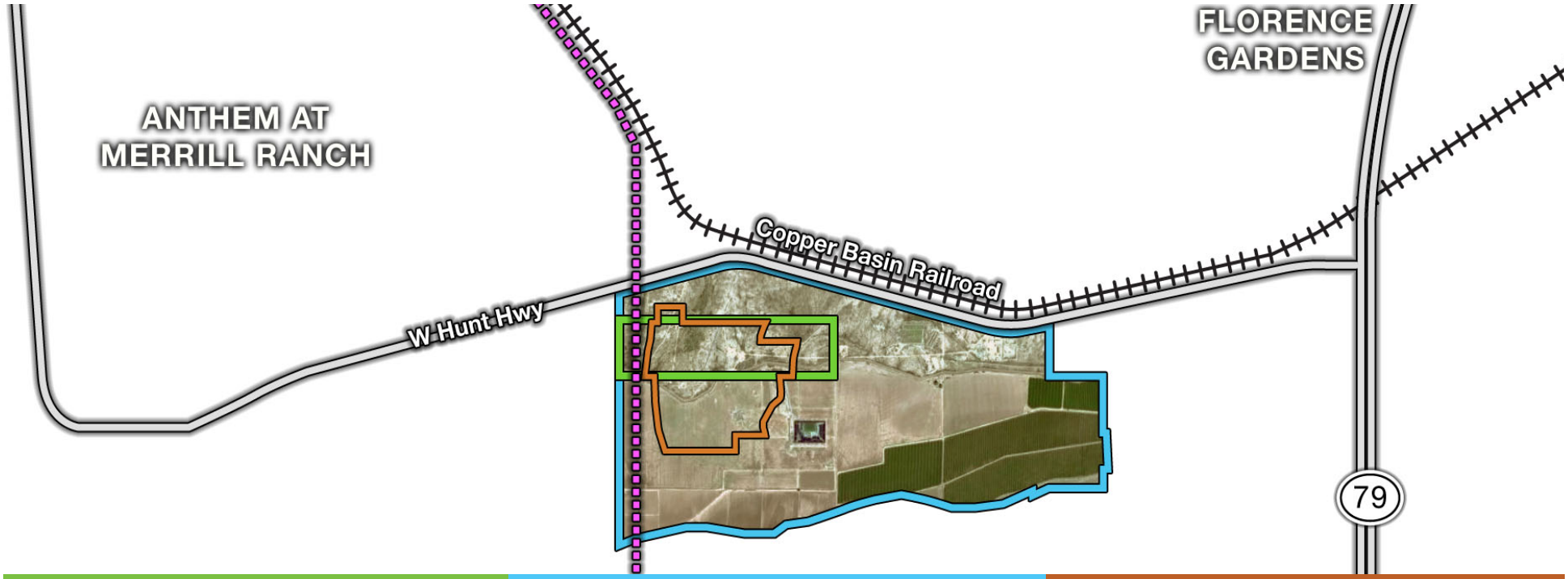

1. State Land Use Decision:

Confirm that this is an appropriate use of State land.

2. State and Federal Permitting Decision:

Confirm that the process is safe and protects local groundwater.

3. Florence Land Use Decision:

Confirm this an appropriate use of Florence land for the next 20 years, with the right mix of public benefits.

“First Life” Plan

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Potential Community Amenities

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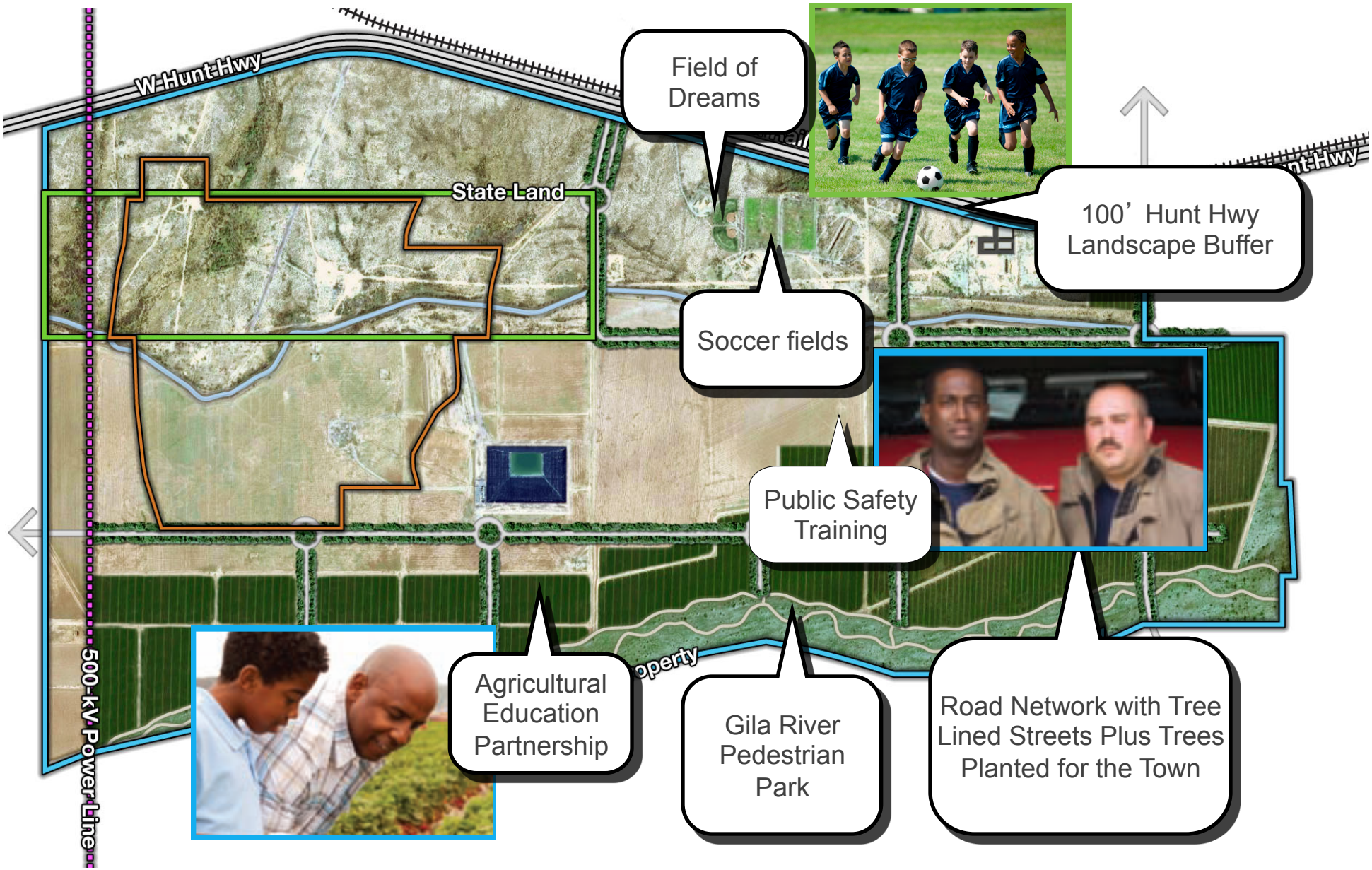
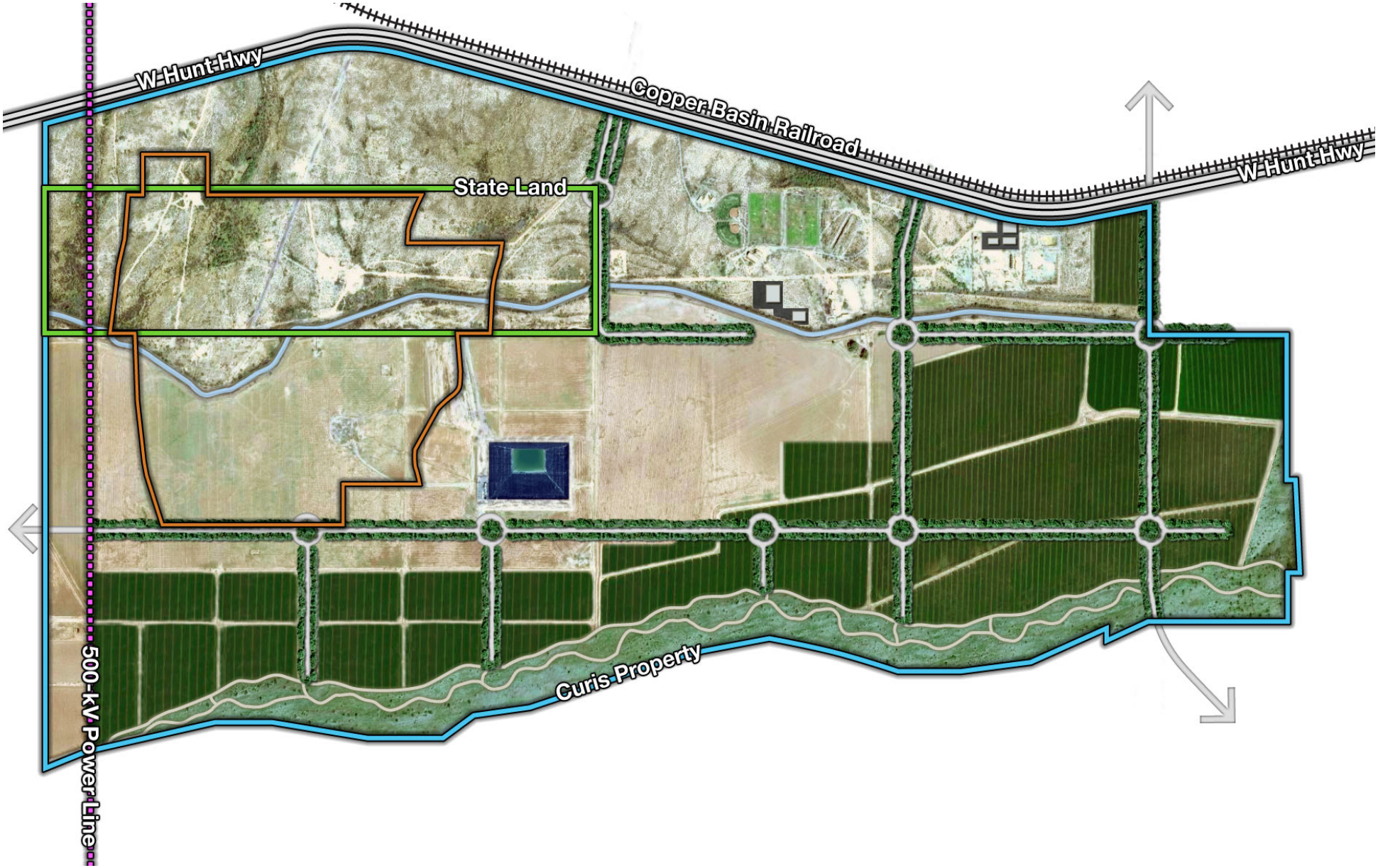


“Second Life” Plan



“Second Life” Plan

“Second Life” Plan

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Strengthening Florence and Arizona With Jobs and Economic Revenue

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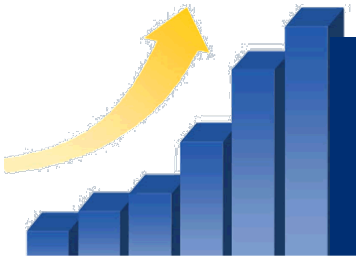

	State Land:	Florence Community:	Pinal County:	State of Arizona:
Total Annual Economic Activity (includes personal, business and government income.)	$10 + million	$16 million 240 jobs	$41 million 360 jobs	$168 million 1,070 jobs
Total Cumulative Economic Activity Over a 17-year life of project. (includes personal, business and government income.)	$100 + million	$264 million	$682 million	$2.9 billion

Source: Western Economic Analysis Center – WEAC
Note: Based on copper at $2.50 per pound.

Operating Profile and Economics

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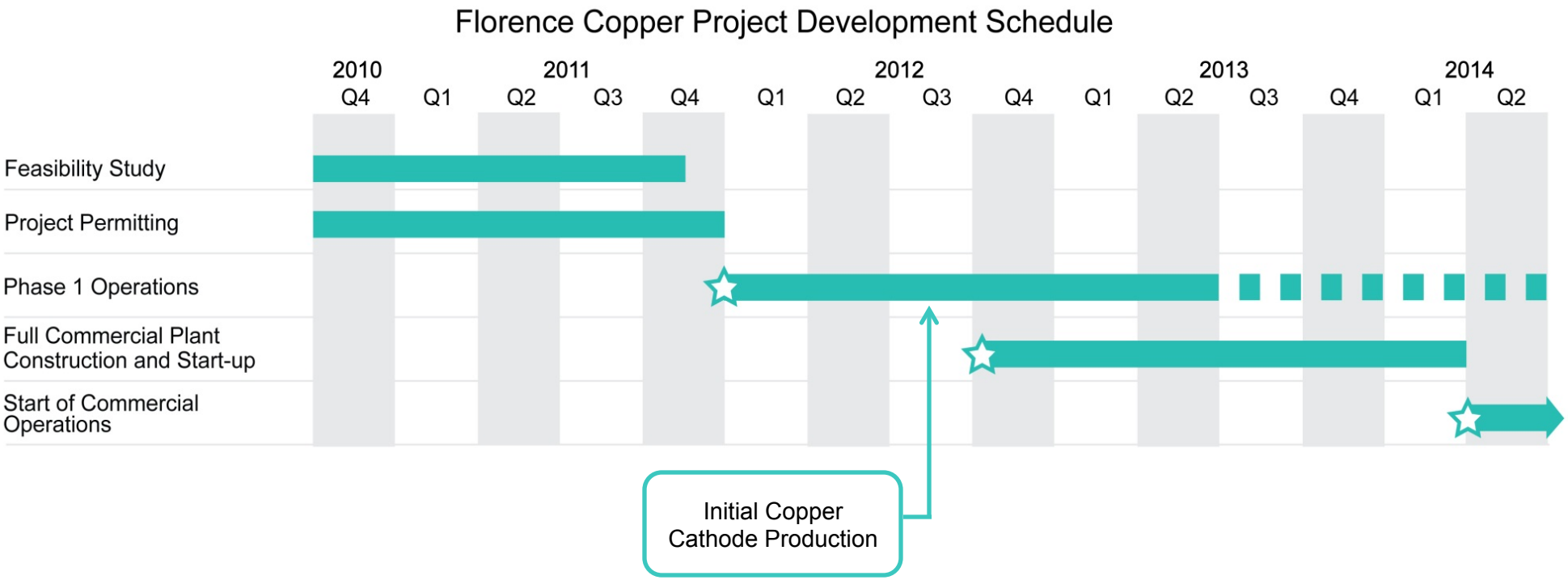
The following project economics are based on results from October, 2010 Preliminary Economic Assessment (PEA) completed by SRK Engineering of Tucson, Arizona.

Metric	Value (inclusive of all taxes and royalties)
Copper resource (Measured + Indicated) in pounds	2.84 billion
Years of operation	19 years
Average Annual Production (pounds)	76.5 million
Assumed Copper Recovery (percentage)	49%
Workforce in Full Operation	82 full time + 72 contract drillers
Estimated Initial Capital Costs (avg. 15% contingency)	$237.8 million
Direct Operating Cost	$0.68 per pound copper cathode recovered
Estimated after tax net present value (NPV) and Internal Rate of Return (IRR) at $3.00 Copper using 7.5% Discount Rate	$550 million and 39%
Estimated after tax net present value (NPV) and Internal Rate of Return (IRR) at $2.50 Copper using 7.5% Discount Rate	$360 million and 30%

Allan V. Moran, R.G., Corolla K. Hoag, R.G., T. McNulty, P.E., and R. White R.G., Principal Geologists with SRK and Qualified Persons as defined under National Instrument 43-101, supervised and are responsible for the Preliminary Economic Assessment for the Florence Project, Pinal County, Arizona, USA.

The PEA is preliminary in nature, and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, so there is no certainty that the PEA will be realized.

Project Schedule



Peer Group Competitiveness – Low Cost of Production

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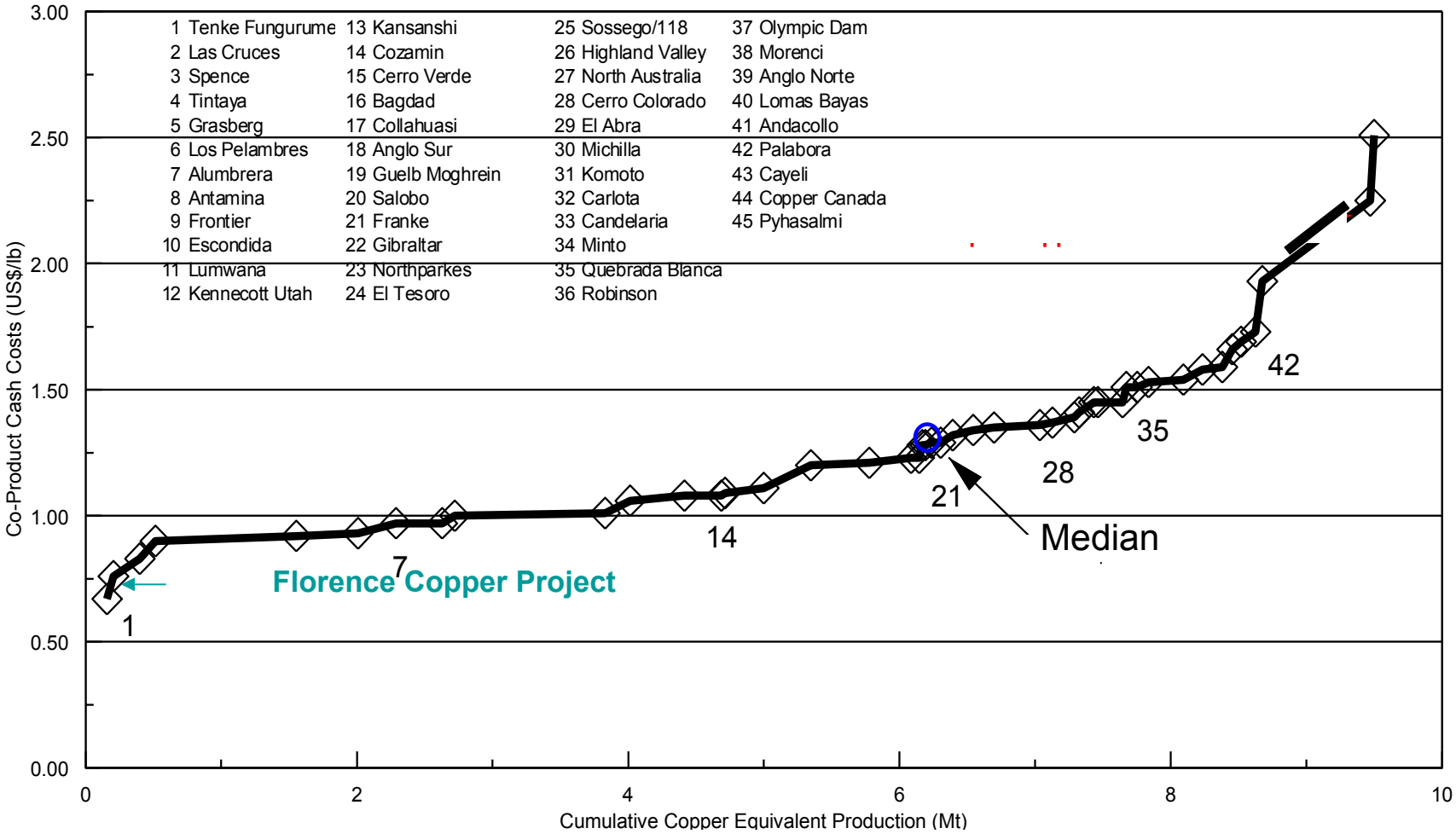
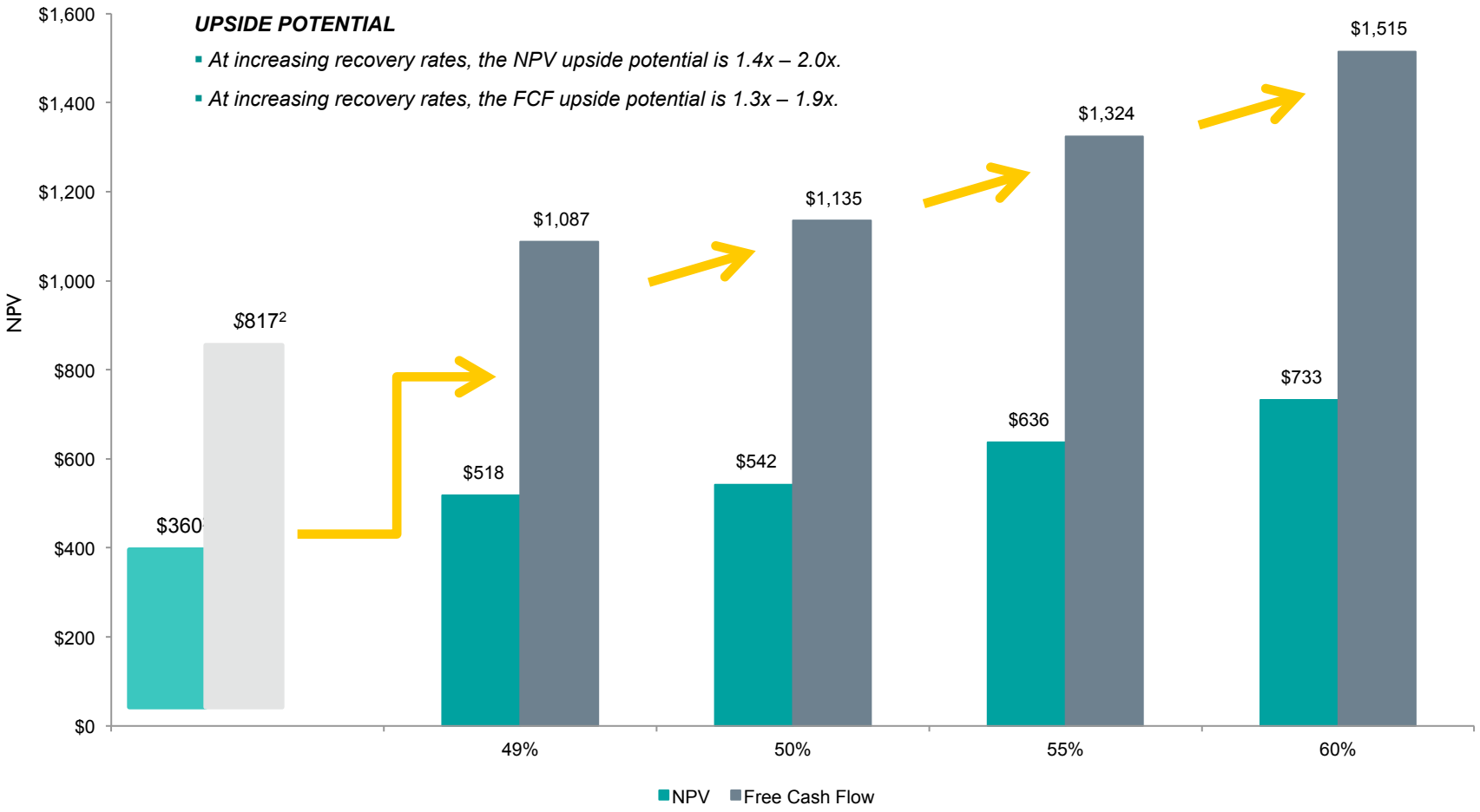
One of the world's lowest cost producers of copper



Updated engineering and economic assessment studies show that the Florence Copper Project has the potential to produce pure cathode copper at a cash cost of $0.68 cents per pound. This is at the bottom of lowest quartile in global operating costs.

Project Sensitivities – Recovery Rate

Increasing recovery rates have a positive impact on NPV and Free Cash Flow[1]



[1] Notes:

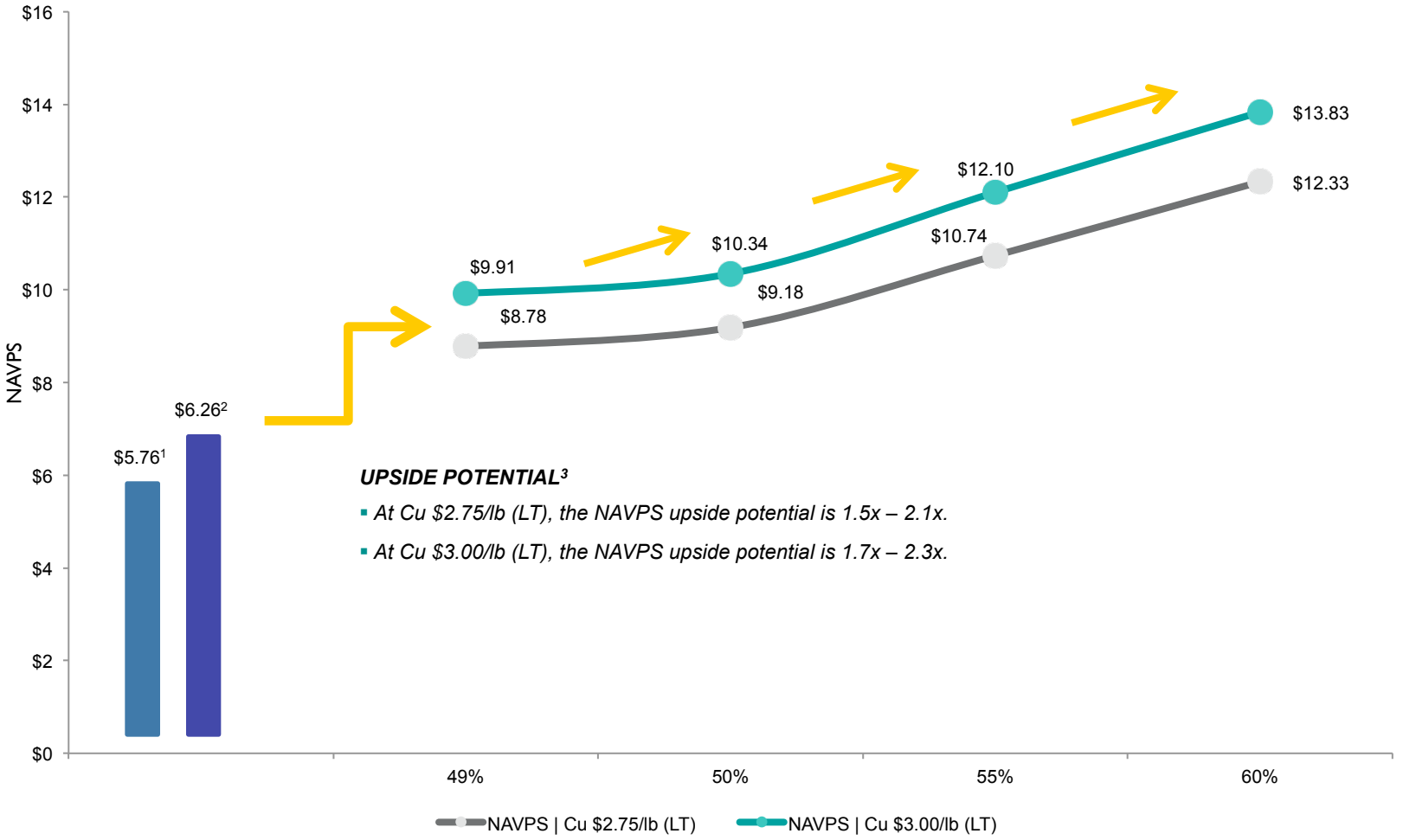
- Figures denoted in US$ (M) and rounded.
- The minimum recovery case contains an overall copper recovery (x-axis) of 49% which was the same used in the October 2010 PEA.
- Methodology: Scenarios were run at copper recovery rates of 50%, 55% and 60% (rounded figures).
- The values presented are inclusive of all taxes and royalties, and employ a 7.5% discount rate.
- IRR increases with the recovery rates – 49% recovery | 42% IRR, 50% recovery | 43% IRR, 55% recovery | 47% IRR, 60% recovery | 51% IRR (rounded figures)

[2] Base case scenario at Cu $2.50/b per the October 2010 PEA.

All other scenarios at Cu $2.75 per the October 2010 PEA.

Project Sensitivities – Net Asset Value / Share

Potential upside in NAVPS based on long-term copper prices



UPSIDE POTENTIAL[3]

- *At Cu $2.75/lb (LT), the NAVPS upside potential is 1.5x – 2.1x.*
- *At Cu $3.00/lb (LT), the NAVPS upside potential is 1.7x – 2.3x.*

Notes:

- [1] NAVPS based on Analyst Report from Salman Partners (April 2011).
- [2] NAVPS based on Analyst Report from Wellington West (March 2011).
- [3] Multiples calculated based on average NAVPS provided by the Analyst Reports (Salman Partners and Wellington West).
- Methodology: Scenarios were run at copper recovery rates of 50%, 55% and 60% (rounded figures) at $2.75/lb and $3.00/lb long-term copper prices based on October 2010 PEA.
- Figures denoted in US$ and rounded.

Curis: Currently at the Production Revaluation Stage of Development

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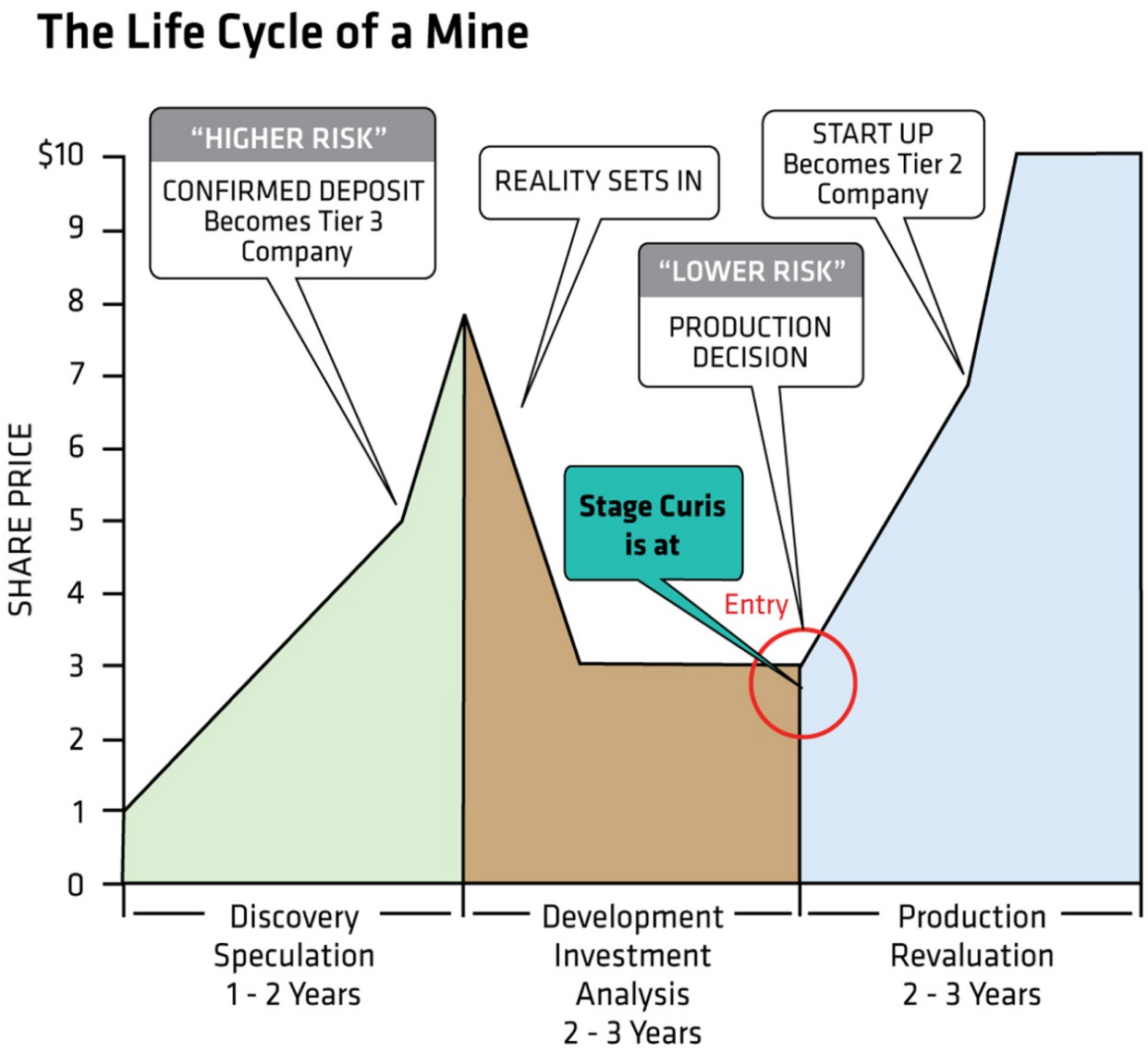

Source: U.S. Global Research

WE WANT TO HEAR FROM YOU

Please contact us with your questions, ideas, and feedback.

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