

2007 HIGHLIGHTS

- Successfully completed financing activities including completion of public equity offering in the second quarter with gross proceeds of \$34.2 million, and completion of a private placement transaction with Silver Wheaton Corp. in the fourth quarter, yielding gross proceeds to Mines Management of \$10 million.
- Commenced the advanced underground exploration and delineation drilling program at Montanore, including construction of site facilities, water treatment plant and dry storage facility in November 2007.
- Procured underground and surface equipment.
- Hired an additional 12 employees, including vice president/general manager, project engineer, senior site geologist and additional operations staff for the Montanore site.
- Submitted a preliminary draft EIS to permitting agencies in November, 2007; continued working closely with state and federal agencies to advance permitting process.

