



THE MMSA GOLD MEDAL – Acceptance Speech

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Mining and Metallurgical Society of America

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I am thrilled to receive this award from MMSA.

I would like to thank everyone who has had a role in making the selection. I know that Paul Jones has put a lot of work into this, and I appreciate it. I also want to thank Betty Gibbs for all of the work she does for all of us.

I am proud to be a member of MMSA, and I must confess to a little bit of sentimentality at being added to the company of some of the finest people our industry has produced over the years. No one can come close to the achievement of the Hoover's in translating *De Re Metallica*. Their dinner at the Biltmore in New York City in 1914 must have been quite an affair. I think all of us stand in awe of Jackling, the "father of the porphyry coppers". I will say that I had the privilege of working directly with eight gold medalists, Plato Malozenoff, Ian MacGregor, Chuck Fogarty, Simon Strauss, Milt Ward, Len Harris, Glen Barton, and Tom O'Neil, mainly in connection with American Mining Congress (now NMA) activities. They have all been an inspiration to me.

Introduction

On these sorts of occasions one is challenged to be a little reflective about the people and events that have contributed to a career that others see fit to honor. My first thoughts have been of the many people who had a role in shaping my life in mining.

I would like to say a few words about some of these people. This is what my wife Judy calls my “lucky speech”. I call it my “it’s better to be lucky than smart” speech.

Career

I have had a lucky career. I was lucky to get a good education at the Colorado School of Mines and the University of Colorado. I was lucky to be sent by Climax to the Harvard Business School. And I was lucky to work with a lot of very fine people over a lifetime.

I had the good fortune to work with Harrison Cobb, and to be his friend. He was a successful operator of small uranium mines. Harrison had made some good money recovering gold bearing stope fill from mines in Boulder County. He also built a jig plant where he recovered ferberite from old tungsten mine dumps, also in Boulder County.

He was practical and very cost conscious. I remember well his gentle reprimand when I spent too much time cleaning an oil pan on a truck. He said “leasers must do just what is required, no more”. But I also remember fondly his encouragement of my dreams of adventure in the search for ore, and his accomplishments as a writer of mining history.

I was lucky to work for Climax Molybdenum and AMAX.

Climax people were wonderful to work with, and there could have been no better place to start a career. Technical and managerial work was of the highest quality. I arrived at Climax first in 1960, and then after law school in 1964, just when Climax was being expanded, Urad was being built, and Henderson was discovered and developed.

I was fortunate to work with people like Ed Eisenach, Bill Distler, Max Gelwix, Jack Laing, Jack Goth and Frank Coolbaugh. Climax worked with the very best vendors and contractors, and used top consultants, and they treated them fairly and with respect.

I was particularly fortunate to work for Jack Laing who was Climax’s general attorney. Jack was a tough minded trial attorney who had earlier been in private practice in Leadville. He had tried something like 21 murder cases, and was known for his good judgment. He turned out to be a great mentor and friend. I could not have found a better person to introduce me to the legal side of my career.

Building the Henderson Mine was a highlight of the early part of my career. I was given the responsibility for acquiring the land for the mine, and I was very pleased to be able to secure a patent for the mining claims that overlie the ore body. What a way to learn mining law.

Likewise, I benefitted from my years with AMAX, the parent company of Climax. My work on environmental affairs brought me into the senior management team very early in my career. My reporting line was to the executive office of the company, with direct responsibility to AMAX’s CEO, Ian MacGregor, the 1979 recipient of this Gold Medal. He gave strong backing to my

efforts to make AMAX a leader in environmental quality, and he was another wonderful mentor. His backing was crucial because a lot of the really hard-nosed operators of that era were not enamored with the new ideas of environmentalists and regulators.

My later work as AMAX's CEO for Australia provided me with the opportunity to get more involved with operations, marketing, political work at the international level, and finance. Again, I was privileged to work with all manner of top people, leaders in their fields all over the world.

After returning from Australia, I ended up at Arnold & Porter, one of the nation's top law firms. Despite the interesting work I was doing there, I found that, like an old underground miner used to complain, "I missed the smell of the upcast", and wanted to get back into mining more directly.

Again I had good luck, and was able to persuade my old Climax colleague Ed Peiker to partner up with me to form a new merchant bank to finance exploration and mining deals. Ed is a first rate engineer, and has the ability find and work with the very best consultants. Ed and I were also very lucky in putting together Royal Gold, and together with Roger Steininger, making the South Pipeline gold discovery in Nevada. Trust me, lucky is better than smart any day, and when the luck involves finding a gold mine, it all works out real well.

Ed has recently run into a rough patch with Alzheimers, but he is still very much in the thoughts and prayers of all of us at Royal Gold.

Royal Gold has now been my home for the past 25 years. I have had the support of a very competent board of directors and a great management team. The board has included my old AMAX colleagues Jack Goth and Pierre Gousseland. Another long-time Royal Gold director who has been with us since the very beginning is Jim Stuckert, an executive with the financial firm, Hillard, Lyons. I pleased that he was able join us tonight....that's the kind of support I've had all along. I have been particularly blessed that Tony Jensen succeeded me as CEO. I also had wonderful support from Royal Gold Vice President Karen Gross, who has been part of the Royal Gold team since the beginning.

Lastly, let me say that I was lucky to have a family that would put up with the demands of my career. Judy and I were married in 1960, just before we both started at Climax. We lived at the mine, and Judy taught in the Climax elementary school. She taught for 45 years and accepted my frequent absences with real tolerance. She raised our four sons, and was a good sport about moving half way around the world to Australia. Our sons seemed to survive the process. They have been a joy to us, and I am pleased that three of them could be here tonight. Stan, Whit, and Brad. Our fourth son Matt works for a United States Senator and had to be back in Washington today.

Looking back over the years, I now realize how important people are in our industry, and in our lives. I really have been lucky to know and work with so many fine professionals, and so many just good people.

Mining Organizations

Next I want to say a few words about mining's institutional framework.

Throughout my career I have spent a lot of time working with various mining organizations. I am not ordinarily much of a "joiner", but I have always thought that our organizations are important to the success of our industry. I have been drawn to the work, and have enjoyed the opportunity to work with people from other companies on common goals.

Several years ago, Paul Jones and I worked together to put together presentations about the history of MMSA for its Centennial in 2008. This gave us an opportunity to analyze these mining organizations on a deeper level. It seemed to us, a common thread running through the bios of early MMSA members was that many had been founders or early participants in the development of the institutions we now take for granted in mining.

These organizers of MMSA were the pioneers of the first federal and state geological surveys. Rossiter Raymond was active in establishing SME, and was also an early editor of the Engineering & Mining Journal. Walter Ingalls was one of the first to publish mineral statistics. Other members were involved in organizing stock exchanges and in perfecting the mining law. Many early members had received advanced degrees in mining and metallurgy from European schools like Freiberg, and were supporters of the first mining schools in the US.

Thanks to them, we now have smooth running technical, professional, cultural and trade organizations, outstanding mining schools, and investor protection arrangements like the JORC Code and the 43-101 process. MMSA has achieved many noteworthy goals, and it is up to us to keep providing leadership to these institutions.

The Future of our Calling

Wrapping up, I would like to say a few words about the future of our calling. I could not be more optimistic. I think we are just now starting to realize how big the coming boom in minerals is going to be.

If we are just to serve the demand of a growing world population we would have to replace depleted deposits and find and develop a lot of new mines. But if we add the increase in demand coming out of the nations that are growing, like China and India, we must recognize that the challenge of ore reserve replacement and new supply is enormous.

We will need to produce staggering quantities of all manner of minerals, and we must do it cleanly and safely.

All of this will place great demand on our mining schools, and on our vendors who are the primary developers of new mining equipment. And who better to do this than our future MMSA leaders.

What a wonderful time to be a new graduate of a school of mines!

I could go on and on! But, let me close by saying once again:

Thank you for this wonderful award.