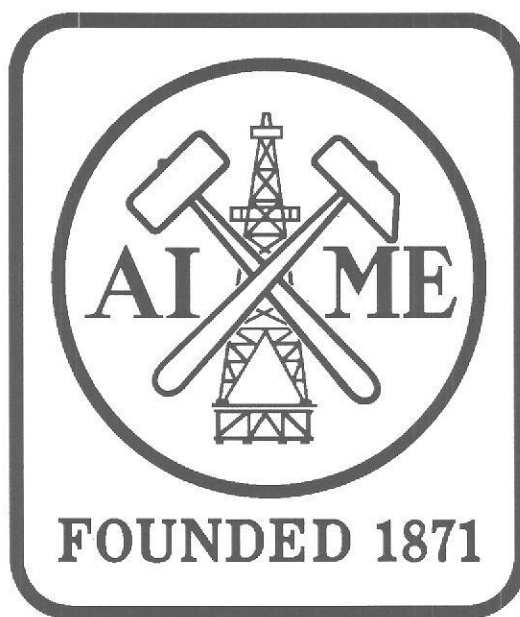
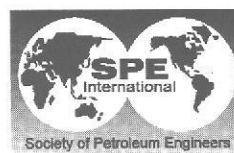
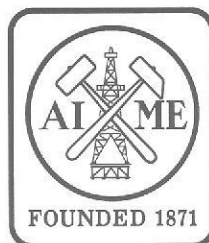


AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND PETROLEUM ENGINEERS, INC.

2000 ANNUAL REPORT



TMS
Minerals • Metals • Materials



AMERICAN INSTITUTE OF MINING, METALLURGICAL,
AND PETROLEUM ENGINEERS, INC.

2000 Annual Report

One hundred and twenty-ninth year

December 1, 1999 - November 30, 2000



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A Founder Society of the

United Engineering Foundation, Inc.

Established in 1904 for

American Society of Civil Engineers

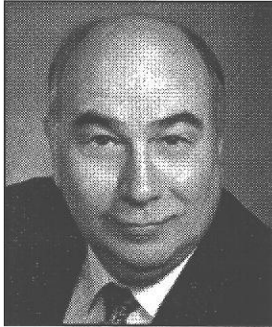
American Institute of Mining, Metallurgical, and Petroleum Engineers

American Society of Mechanical Engineers

Institute of Electrical and Electronics Engineers

American Institute of Chemical Engineers

Report of the 2000 President



Robert E. Murray, President – 2000
American Institute of Mining,
Metallurgical, and Petroleum Engineers

The year 2000 marked AIME's 129th anniversary; it was also a year marked by significant accomplishments. Most significant was the implementation of the new Long Range Plan, which was approved in 1999. We also took positive steps, using the new governance structures provided in the Long Range Plan, to search for and engage new investment advisors in the form of a Chief Investment Officer.

With the new AIME Executive Director in place at the start of 2000, the Institute was able to fill the two open staff positions with permanent employees. I know that I echo the sentiment of the entire Board of Trustees when I tell you that we are pleased, not only with these fine people themselves, but with their immediate contributions to AIME.

I am pleased to report to the AIME community on the significant progress made in these areas and on other pertinent developments.

2000 ANNUAL MEETING

AIME celebrated its 129th year with The Minerals, Metals & Materials Society (TMS) at their Annual Meeting at Opryland in Nashville, Tennessee, on March 13, 2000. The AIME and TMS banquets and awards ceremonies were combined into a single all-inclusive and impressive event.

An account of the 129th annual meeting and the awards ceremony may be found on page 8, followed by the names of the various award winners. I wish to thank both the TMS and AIME staffs for organizing this event and to express my appreciation to TMS leadership for creating such an inviting host environment.

The 2001 Annual Meeting will be in Denver, Colorado. On Monday, February 26, 2001, I will hand over the gavel to Grant P. Schneider of ISS.

GOVERNMENT AFFAIRS THROUGH AAES

AIME government affairs activities continued during 2000 through the American Association of Engineering Societies (AAES), located in Washington, DC. These efforts involved several volunteers, each representing a member society, and AIME and TMS staff serving on various AAES councils, commissions and task forces. The AAES Board of Governors continues its focus and limited resources on the engineers' public policy activity and a program of public awareness of engineers and engineering that fits with AIME's initiative to Enhance the Image of Engineers. AIME, the Member Societies and AIME, through its United Engineering Foundation activities have supported these efforts.

I applaud the AAES activities and was pleased to accept their request to be a member the AAES nominating committee for 2002. The AIME Executive Director remains on the AAES Executive Committee and continues as the chair of the By-Law committee. Our thanks to Paul Campbell, 1999 AIME President, who served on the AAES 2001 nominating committee. We will continue to maintain a close connection to this organization whose purpose is to serve us in the Nation's capitol.

OVERARCHING AND MEMBER-DIRECT PROGRAMS

Overarching and Member Direct programs were added to the AIME lexicon

in 1994. Overarching programs are defined as those that carry out the purposes of the Institute and may include participation by one or more of the member societies; member-direct programs are those carried out by the Member Societies. Approval of specific programs is limited to those that clearly carry out the purpose of AIME, as described in its bylaws (Article I, Section 2). The selection of specific projects and the balancing of programs is the responsibility of the Board of Trustees.

Since the inception of these programs, AIME has committed \$5,112,302, of which \$394,700 was for overarching programs, and the balance for member direct. Of the \$4,717,602 for member direct, SME received \$1,051,646, TMS \$910,443, ISS \$797,761 and SPE received \$1,957,752.

A new and very exciting overarching program, one that I am personally overseeing and which we call Outreach Initiative #1 or Career Development, is being assessed right now. Some of you may have participated in this initiative by filling in a questionnaire from The Gallup Organization; the introduction read: "For a successful career, your current management and the marketplace require that you are technically proficient and have also developed a business sense." In this regard, AIME and its Member Societies are interested in helping you achieve your full career and personal growth potential by pursuing the possibility of offering a series of short courses in the areas of **Leadership Growth, Financial Acumen, Business Operations, and Personal Enrichment**. Where applicable, the design of the courses will be industry specific. The results of this survey were very positive and when presented to the AIME Board of Trustees, it was determined to take the next step and work to develop the initial courses to be made available to the membership of the member societies. I see this initiative as AIME reaching out directly to each of you, the membership.



SALE OF THE UNITED ENGINEERING CENTER

The sale of the United Engineering Center, a building owned by the United Engineering Trustees, AIME, ASME (American Society of Mechanical Engineers), ASCE (American Society of Civil Engineers), AIChE (American Institute of Chemical Engineers), and IEEE (Institute of Electrical and Electronic Engineers), and AIME's move with the other four "Founder Societies" to a commercial building in New York City has been reported to you earlier. In anticipation of the sale, the AIME Board of Trustees voted that the four AIME Member Societies would share in the proceeds from the sale for projects and activities that uphold the mission of AIME which is "...[a corporation] organized and operated exclusively to advance, record and disseminate significant knowledge of engineering and the arts and sciences involved in the production and use of minerals, metals, energy sources and materials for the benefit of humankind, both directly as AIME and through the Member Societies." In September of 2000 the final distribution was made, and SME received a total of \$2,048,740.94 as its portion of the proceeds, TMS received \$1,555,678.44, ISS \$1,552,857.75 and SPE \$3,296,289.76. Additional reference is made to this distribution in the Financial Statements and Notes of the Auditors.

FINANCE

You are invited to review the audited financial statement for the AIME Corporation for fiscal year 2000 (ending November 30, 2000) starting on page 15 of this report. This is the second year the audit firm selected in 1999 audited the AIME Corporation and the combined savings plan for AIME and the member societies. We think you will find this financial report even easier to read than it was last year.

AIME assets decreased \$5.2 million from the end of fiscal year 1999 to \$12.2 million at the end of fiscal year 2000. However, the 1999 figure included \$2.8 million in undistributed funds from the proceeds from the sale of the UEC; in 2000 all of those funds were distributed to the member societies.

During 2000 AIME continued to look at the most cost effective and efficient ways to handle its financial functions. I am pleased to report the 2001 budget for outside financial services is one-half of the 1999 amount.

INTER-SOCIETY AFFAIRS

United Engineering Foundation (UEF). I am pleased to report that AIME continues its effective involvement in the governing of the UEF. As the terms of present trustees expire, effective with the 2000 UEF Board, AIME and the other Founder Societies will be represented by their executive directors; by 2002 both their presidents and executive directors will represent them. John Hammes, AIME Vice President-Finance, was the 2000 UEF President and has been reelected for 2001..

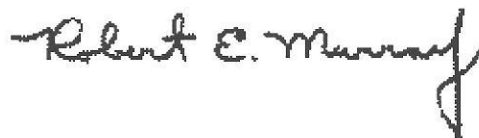
Founder Societies. I am pleased to report our continued effective interactions with the Founder Society officers and executive directors in matters of common interest. This interaction has provided the president-elect, the executive director and me with an important opportunity to become cognizant of the broad spectrum of issues affecting the engineering profession. One of the ways we worked together in 2000 was to approve a United Engineering Foundation grant to AAES for newspaper ads directed toward enhancing the public's awareness of engineers.

ABET. The Institute also retained its relationship with the Accreditation Board for Engineering and Technology (ABET), as an affiliate body, and is represented by its Executive Director who serves as an official observer at ABET board meetings. ABET is revising its own governance, and it is anticipated the affiliate bodies, which already "sit at the table," will soon have an official vote.

IN APPRECIATION

It has been an honor for me to serve as your AIME president, to have had the opportunity to associate with and be assisted by the many fine people who comprise the AIME family, and to have the privilege of representing AIME on many auspicious occasions. I reflect with great gratitude and affection on my visits to the local sections and on the opportunity to strengthen AIME's ties with its Member Societies and with the other Founder Societies.

I appreciate the cooperation of the Board of Trustees of AIME. I also extend my sincere appreciation to the Member Societies' boards of directors and executive directors, the staffs of AIME and the member societies, committee members and others for their dedicated support during the past year. During the past year I had the one opportunity to visit the new AIME headquarters in New York City, and I encourage all of you to stop by and "look us over." I also congratulate and pledge my full support to 2001 President Grant P. Schneider and the new Board of Trustees, all of whom are depicted on the following pages.



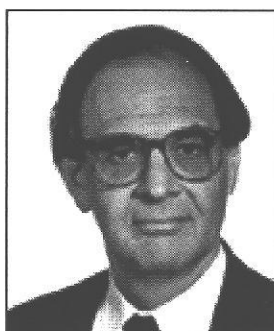
AIME



OFFICERS AND TRUSTEES 2001

OFFICERS

PRESIDENT AND TRUSTEE



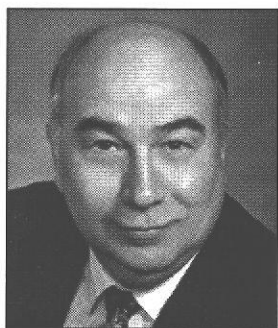
Grant P. Schneider is a general partner of Gurupu Warwick, Tokyo and The Warwick Associates, London. He joined the Steel Division of Ford Motor Company in 1960 and held various managerial positions. With the independent acquisition of the steelmaking facilities of Ford Motor Company in 1989, Mr. Schneider assumed commercial responsibilities until his retirement after 40 years of service. He holds a bachelor's of engineering from Georgia Institute of Technology, a master's in business administration from University of Detroit and has completed post-graduate work in metallurgy and finance at University of Michigan. Mr. Schneider is a past chairman of the Steelmaking Division and a past president of ISS, a life member of the Association of Iron and Steel Engineers and a member of the Propeller Club of the United States, Port of Detroit. He is a former vice-chairman of the Committee on Traffic for AISI and was that committee's representative on the joint conference for the Conrail acquisition in Washington, DC. He is the author of a number of technical papers and was the 1998 recipient of the ISS President's Citation. In 1999, he was elected to the status of Distinguished Member of ISS.

PRESIDENT-ELECT AND TRUSTEE



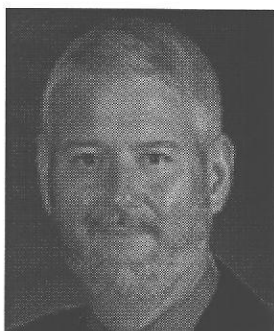
George H. Sawyer retired from Exxon International in 1993, where he was manager of Technology and Production Operations. His 40-year career was split 50-50 between US and international business. Mr. Sawyer graduated from the University of Texas in 1956, with a BS in petroleum engineering. He has been active in SPE during the entire span of his career. He was president of SPE in 1989 and has served on and chaired numerous committees at the society and regional levels. During the 1960s he worked with the SPE staff in planning and implementing the Offshore Technology Conference which was held in May of 1969. He has chaired the International E&P Forum based in London and served on numerous API committees. Mr. Sawyer served as a member of the AIME Board of Trustees from 1988-1990 and again in 1996-97. He remains active in SPE and in assisting several universities with MBA and engineering programs.

PAST PRESIDENT AND TRUSTEE



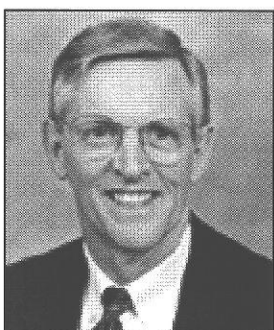
Robert E. Murray is the owner and "hands-on" operator of a number of private coal mining, sales, and transloading companies, which, together produce about 20 million tons of coal annually. These facilities comprise one of the largest groups of underground coal mining operations in the US, located in Illinois, Kentucky, Ohio, Pennsylvania, and Utah. Mr. Murray was formerly president and CEO of The North American Coal Corporation, which he served for 31 years, beginning his career while studying mining engineering at The Ohio State University. He served in about every management and supervisory position at North American, including section foreman, mine foreman, assistant superintendent, superintendent, assistant to the president, vice president-operations, executive vice president-operations, president and chief operating officer and CEO. During his over forty-year career, Mr. Murray has received numerous awards, including the Howard N. Eavenson and Distinguished Member Award from SME, of which he was president in 1989. He was Ohio's Coal Man of the Year this past year, and he is currently a member of the Board of Directors of the National Mining Association Center for Energy and Economic Development, several state coal associations, and serves, on the National Coal Council.

PRESIDENT-ELECT DESIGNATE AND TRUSTEE

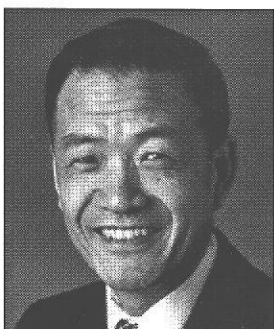


Robert H. Wagoner is distinguished professor of engineering at the Ohio State University. With principal appointment in the Department of Materials Science and Engineering, he is also professor of Mechanical Engineering, and director of the Center for Advanced Materials and Manufacturing of Automotive Components. Professor Wagoner is a member of the National Academy of Engineering and Fellow of ASM International. He received BS, MS, and PhD degrees from Ohio and is the author of over 200 technical articles, and several proceedings and books. His research has received national recognition, including the Robert Lansing Hardy Gold Medal, Rossiter W. Raymond Memorial Award (twice), Presidential Young Investigator Award, and Champion H. Mathewson Gold Medal. He has been President of TMS, 1997-98; President of the TMS Foundation, 1998-99; Trustee of AIME, 1997-99; Trustee of Orton Ceramic Foundation, 1992-96; and Director of the OSU Research Foundation, 1990-94.

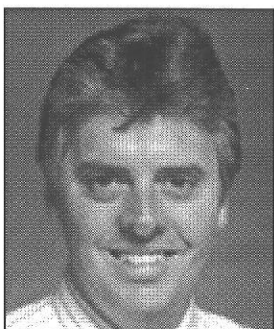
TRUSTEES



R. L. (Lyn) Arscott is Executive Director of the International Association of Oil & Gas Producers (OGP), which has offices in London and Brussels and represents the upstream oil and gas industry before international regulatory agencies. Prior assignments include senior executive consultant for Exploration and Production for Chevron Corporation, reporting to the chairman of the Board; and general manager of Health Environment and Safety for Chevron Corporation. He holds a BS and a PhD in Engineering from the University of Nottingham, England. During 1962-1964, he was a British Commonwealth scholar studying exploration geophysics in India. Between 1968 and 1998, he held numerous Exploration and Production management positions for Gulf Oil Co. and Chevron. He was the 1988 President of the International Society of Petroleum Engineers, which has a worldwide membership of 51,000, and is a past Chairman of the American Petroleum Institute's General Committee on Health and Environment. He is an Honorary Member of AIME and the SPE.

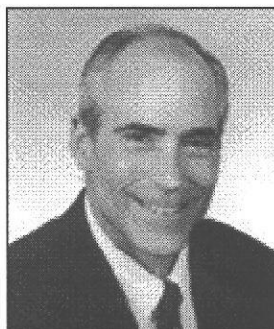


Y. Austin Chang is distinguished professor in the Department of Materials Science and Engineering at the University of Wisconsin at Madison. He received his BS and MS degrees in chemical engineering from UC-Berkeley and UW-Seattle, respectively, and his PhD in metallurgy from UC-Berkeley. Dr. Chang spent several years in industry prior to joining the faculty of the Materials Department of UW-Milwaukee in 1967. In 1980, he joined the faculty of the Department of Materials Science and Engineering at UW-Madison. He is a member of the National Academy of Engineering and has received numerous honors and awards. Those from TMS include the William-Hume Rothery Award in 1989, Fellow of TMS in 1989, the Educator Award in 1990, the Extraction and Processing Award in 1993, the Champion H. Mathewson Medal in 1996, and the John Bardeen Award in 2000. Dr. Chang is very active in the materials community and currently serves as TMS vice president. He is year 2000 president of TMS. Dr. Chang has authored or co-authored more than 350 publications and holds one patent.

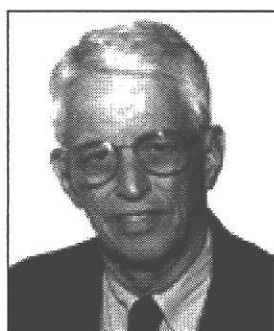


Alan W. Cramb is the Posco professor of Iron and Steelmaking and co-director of the Center for Iron and Steel Research in the Department of Materials Science and Engineering at Carnegie Mellon University. He received his PhD from the University of Pennsylvania in 1979 and was employed first by the Inland Steel Company from 1979-81, and then by Bethlehem Steel Company at the Homer Research Laboratories. At the end of 1986 he joined Carnegie Mellon as assistant professor and became professor in 1995. His research interests include physical chemistry of casting processes, solidification, clean steel manufacture, and processing of titanium alloys. He is the author of over 100 publications and 2 patents in the area of continuous casting. Professor Cramb was the recipient of the AISI Medal in 1985 and 1986, and the Robert Woolston Hunt Award of ISS in 1987. He was named Iron and Steel professor by ISS in 1992; received the Benjamin Richard Teare Award at CMU 1995 and has held the Posco Chair since 1997. He is an associate editor of Metallurgical Transaction and is the year 2000 ISS president.

Officers and Trustees



Wayne R. Hale is Corporate Vice President of Smelting, Refining & Power Generation at Kennecott Utah Copper in Magna, Utah. He is an active, long-term member of the Light Metals Division (LMD) and the Aluminum Committee of TMS. During his membership he has served as JOM advisor, chair of the Light Metals Division Aluminum Committee and the LMD, and editor of Light Metals 1996. He also served as the principal organizer for the TMS-sponsored 1997 industrial aluminum electrolysis course in Charleston, South Carolina and the 1999 course in Seattle, Washington.



James R. Jorden was a manager in Shell E&P Company's Training Organization when he retired in 1995. He received a BS degree with honors in petroleum engineering from the University of Tulsa in 1957 and joined Shell upon graduation. He held various positions at Corporate headquarters. Mr. Jorden was then named manager of petroleum engineering research at Shell Development Company. He subsequently was manager of technical training and leadership/management. Since retirement from Shell, he worked with Quicksilver Resources, Inc. Mr. Jorden joined SPE in 1956 and has held over 30 positions within the society, including SPE President in 1984 and SPE Foundation President in 1996 - 1997. He holds 2 patents, has written several articles in the petroleum engineering technology field, and is co-author of Well Logging I and Well Logging II of the SPE monograph series. In 1985, he was inducted into the University of Tulsa College of Engineering Hall of Fame. Mr. Jorden received SPE's Distinguished Service Award in 1988, the DeGolyer Distinguished Service Medal in 1991, and AIME/SPE Honorary Membership in 1995.



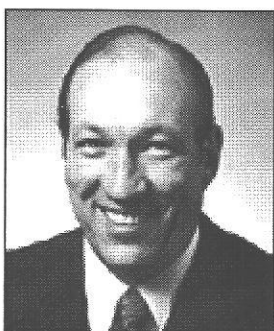
Ta M. Li is a well-known mining engineer/marketing executive with more than 32 years of experience in the minerals business including management and operations, marketing and sales, mineral economics and publishing. For the past 3 years, he has served as Denver marketing manager-mining for Washington Group International, Inc., a leading engineering, procurement and construction management company in North America. Mr. Li received his BS in mining engineering from Columbia University. During his career, he has been affiliated with Pincock, Allen & Holt, Behre Dolbear, Golder Associates and Kennecott. He also was president & CEO for Anglo-Andean Exploration, Inc., a Canadian junior responsible for exploration and development projects in Venezuela and Peru. Mr. Li was also editor-in-chief for SME's Mining Engineering magazine. He is very active in professional organizations having served as president and director for the Northwest Mining Association and Denver Gold Group. He was also chairman and director of the Colorado Mining Association.



Edward M. O'Donnell is senior research consultant for the US Steel Group in Gary, IN. He earned his bachelor's degree in commerce and engineering science from Drexel University, in 1970 and his MBA degree from Baldwin Wallace College, in 1985. Mr. O'Donnell started his career at the US Steel Duquesne (PA) Works in 1968. He worked at the plant until 1982, progressing through positions in blast furnace operations management to general foreman. He also was a process engineer in the Technical Services Division. From 1982 to 1987, he worked at the company's Lorain, OH, plant, where he held positions as assistant superintendent, BFs; area manager, steel producing; project manager, engineering; and area manager, BFs. In 1987, Mr. O'Donnell became area manager, operating practices, at the Gary Works. Mr. O'Donnell is past chairman of the Ironmaking Division of ISS and has served on the Program and Executive committees. He served as a director-at-large for ISS from 1996 to 1998 and served as a director from 1993 to 1995.



Donald E. Ranta is a managing director and founding partner of Union Hill, a company established to invest in global mining opportunities. Previously, he was vice president of worldwide exploration for Echo Bay Mines, manager of North American exploration with Phelps Dodge Mining Co., and also served with Amax Exploration, Climax Molybdenum Co., Gulf Mineral Resources, and Kennecott Copper Corp. Dr. Ranta received a PhD in geological engineering from the Colorado School of Mines, an MS from the Mackay School of Mines and a BS from the University of Minnesota. He is the 2000 president of SME. Dr. Ranta was the 1994 recipient of the SME President's Citation, the 1991 AIME Henry Krumb Lecturer and received the SME Distinguished Service Award in 1991. He was coordinator of the Project and Mining Geology section of the SME Mining Engineering Handbook, 2nd edition, which focused on project evaluation and development. He is also a member of the Society of Economic Geologists, Canadian Institute of Mining, Metallurgy and Petroleum, and the Denver Region Exploration Geologists' Society.



Leonard G. Nelson, Jr., Vice President-Finance, recently retired from LTV Steel Company. He joined Republic Steel in 1959 as a technical trainee. In 1984, with the merger of Jones and Laughlin and Republic Steel, he was named general superintendent, Cleveland Works and was responsible for the plant's primary operations. Mr. Nelson has had more than forty years experience in open hearth, BOF, primary operations and melt, cast and rolling operations. He earned his BS in biology and chemistry from Muskingum College and is a graduate of Republic Steel's Management Program at the University of Michigan. Mr. Nelson is a lifetime member and Distinguished Member of ISS; he was president of the Society in 1988; and was an AIME Board Member in 1989. He is also a member of the Association of Iron and Steel Engineers. Since 1996 he has been president of the ISS Foundation and was an ad hoc member of the Advanced Technology Committee, Human Resource Group. He was the 1997 AIME president.



Nellie E. Guernsey, AIME Executive Director and Secretary, had been a vice president of Mineral Systems International in Stamford, CT and a principal of Guernsey Management Services. Her prior experience includes Kennecott Copper Corporation where she specialized in economic and financial evaluations of mineral properties; at Exxon Corporation she was a non-ferrous commodity analyst. She has a BS in earth sciences and an MBA plus graduate studies in mining engineering at the Henry Krumb School of Mines. Ms. Guernsey has been a member of SME for more than 25 years and is a past chair of the Minerals Resources Management Committee; she is also active in the local SME section as well as in APCOM.

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e-mail: dadamson@spe.org
internet: <http://www.spe.org>
Dan K. Adamson, Executive Director

***Report of the 129th Annual Meeting
NASHVILLE, TN — MARCH 2000***

AIME celebrated its 129th Annual Meeting in Nashville, Tennessee, March 10-13, 2000, in conjunction with the Annual Meeting of The Minerals, Metals Materials Society, (TMS). The Opryland Hotel was the headquarters hotel for both AIME and TMS. The Opryland Convention Center was the location of the All-Institute keynote session and the TMS technical sessions.

Annual Meeting activities designed to appeal to all attendees commenced with the Keynote Session on Monday, March 13 at 11:30 a.m. Daniel Burrus of Burrus Research Associates, Inc., presentation was to provide valuable insight into how best to capitalize on present and future opportunities, while artfully minimizing problems along the way. Key information to take with you and use included;

- Switching from a short-range mindset to a long-range R&D focus.
- Belt-tightening, downsizing, and the growing threat to global science.
- Materials technology's role in miniaturization and the environment.
- An entrepreneurial look at leveraging time with technology: Doing More With Less.

- The actionable value of sharing knowledge and wisdom
- The visible future: How you can thrive in the New Millennium.

The 129th AIME Annual Banquet and Awards Ceremony was held on Monday evening, at the Opryland Hotel. 1999 President Paul G. Campbell served as master of ceremonies for the awards program during which the major AIME awards were presented and Honorary Memberships were conferred. The winners of honors and awards and the honorary members are listed on the following pages. Following the ceremony, Mr. Robert E. Murray was installed as 2000 AIME President

The 130th AIME Annual Meeting will be held in Denver, Colorado, February 24-26, 2001, in conjunction with the Annual Meeting of the Society for Mining, Metallurgy, and Exploration (SME). The AIME Annual Banquet and Awards Ceremony will be held on Monday evening, February 26, in the Imperial Ballroom of the Hyatt Regency Hotel.



AIME Past Presidents' Luncheon - March 13, 2000

Front row: Donald W. Gentry, Nelson "Ben" Severinghaus, Jr., and Paul G. Campbell, Jr.
Back row: Arlen L. Edgar, M. Scott Kraemer, Roy H. Koerner, George H. Sawyer, Alan Lawley, Grant P. Schneider, Leonard G. Nelson, Robert E. Murray, and Donald G. Russell

Recipients of Honors and Awards Presented by AIME in 2000

1999 HONORARY MEMBERS

Donald W. Gentry		SME
<i>"For his outstanding professional contributions to mining engineering, engineering education, and for his leadership in industry and mineral societies."</i>		
John L. Gidley		SPE
<i>"For visionary contributions in the field of oil and gas well completion technology, especially in the area of well stimulation; and for commitment to advancing standards of professionalism in engineering."</i>		
Dennis E. Gregg		SPE
<i>"In recognition of career-long contributions to petroleum engineering and the petroleum engineering profession; and for tireless efforts to advance the mission and vision of the Society as a worldwide organization."</i>		
Kenneth A. Brunk	JAMES DOUGLAS GOLD MEDAL	Consultant
<i>"For his numerous, valued contributions and leadership in the field of metallurgy for difficult gold ores, through technology development and in practical plant operations."</i>		
Ethem T. Turkdogan	BENJAMIN F. FAIRLESS AWARD	TMS
<i>"In recognition of over 40 years of contributions to the physical chemistry and kinetics of steelmaking which have provided a basic foundation for modern steelmaking technology."</i>		
John F. Burst	HAL WILLIAMS HARDINGE AWARD	SME
<i>"For outstanding achievement in industrial minerals research, technology, education, and resource development, and in recognition of exceptional service to SME and other professional organizations."</i>		
Jean-Laurent Mallet	ANTHONY F. LUCAS GOLD MEDAL	SPE
<i>"In recognition of his significant achievements in the field of 3D visualization and modeling as applied to the oil and gas industry."</i>		
J. David Lowell	ROBERT EARL MCCONNELL AWARD	SME
<i>"For his discovery and participation in many world class mineral deposits including Kalamazoo, Escondida and Pierina."</i>		
Robert L. Frantz	ERSKINE RAMSAY MEDAL	SME
<i>"For his outstanding leadership and distinguished achievements as an engineer, consultant, executive and educator in the integration of advances in science, engineering, technology and human resource management for the betterment of coal mining."</i>		

Honors and Awards

Donald G. Russell **CHARLES F. RAND MEMORIAL GOLD MEDAL** SPE

"For outstanding leadership at both Sonat Exploration Company and Shell Oil in the development and application of new technologies in oil and gas exploration."

S. Komar Kawatra **ROBERT H. RICHARDS AWARD** SME

"For outstanding contributions to the mineral industry through prolific innovative research in diverse areas ranging from comminution, concentration, instrumentation to waste treatment, resource recovery, and utilization."

Robert N. Hickman **WILLIAM LAWRENCE SAUNDERS GOLD MEDAL** SPE

"In recognition of his stellar career in the mining business and his leading role in the development and commissioning of two of the world's most successful new mines: the Escondida copper mine in Chile and the Etaki diamond mine in Canada."

William P. Barker **AIME DISTINGUISHED SERVICE AWARD** ISS

"In recognition of years of exemplary and dedicated service to AIME as Chairman of the Overarching Committee and his significant contribution to the advancement of electronic communication and publication within the four Member Societies."

Jonggeun Choe **ROSSITER W. RAYMOND MEMORIAL AWARD** SPE

*TITLE OF PAPER:
"Analysis of Riserless Drilling in Well-Control Hydraulics."*

Kenneth N. Han **MINERAL INDUSTRY EDUCATION AWARD** SME

"In recognition of a man revered by his students as an exceptional teacher and scholar, and revered by his peers for significant research contributions in precious and base metal hydrometallurgy."

DeVerle P. Harris **MINERAL ECONOMICS AWARD** UNIVERSITY OF ARIZONA

"In recognition of his efforts to develop practical methods of mineral exploration and evaluation using scarce data and mathematical analysis to determine the probable quantity and value of mineral wealth in relatively unexplored areas of the globe."

Margaret Hensley Dunn **AIME ENVIRONMENTAL CONSERVATION
DISTINGUISHED SERVICE AWARD** SME

"For her extraordinary leadership, vision and efforts in the field of acid mine drainage research, abatement, education, implementation and stream restoration."

AIME Past Presidents

Active List

Lloyd E. Elkins	1962	Harold W. Paxton	1982	Milton E. Wadsworth	1991
Walter R. Hibbard, Jr.	1967	Edward E. Runyan	1983	Roshan B. Bhappu	1992
Wayne E. Glenn	1974	Nelson Severinghaus, Jr.	1984	G. Hugh Walker	1993
Julius J. Harwood	1976	Norman T. Mills	1985	Noel D. Rietman	1994
H. Arthur Nedom	1977	Arlen L. Edgar	1986	Frank V. Nolfi, Jr.	1995
Wayne L. Dowdey	1978	Alan Lawley	1987	Donald W. Gentry	1996
William H. Wise	1979	Thomas V. Falkie	1988	Leonard G. Nelson	1997
M. Scott Kraemer	1980	Howard N. Hubbard, Jr.	1989	Roy H. Koerner	1998
Robert H. Merrill	1981	Donald G. Russell	1990	Paul G. Campbell, Jr.	1998

AIME Honorary Members

Honorary Membership is awarded in appreciation of outstanding service to the Institute or in recognition of distinguished scientific or engineering achievement in fields embracing, broadly speaking, the activities of AIME and its Member Societies.

Active List with Year of Election.

Frank F. Aplan	1991	Wayne E. Glenn	1979	Earl R. Parker	1982
Nathaniel Arbiter	1975	Dennis E. Gregg	1999	Albert J. Phillips	1972
R. Lyn Arscott	1997	William A. Griffith	1986	William N. Poundstone	1982
Khalid Aziz	1995	H. J. Gruy	1987	Michael Prats	1989
Edmund C. Babson	1985	Michel T. Halbouty	1972	Nathan E. Promisel	1974
Charles L. Bare	1992	John K. Hammes	1997	Joseph G. Richardson	1987
William E. Brigham	1993	John P. Hammond	1988	Noel D. Rietman	1998
Kermit E. Brown	1989	Julius J. Harwood	1980	Kenneth W. Robbins	1988
John C. Calhoun, Jr.	1975	Claude R. Hocott	1974	Edward E. Runyan	1987
John M. Campbell, Sr.	1993	Howard N. Hubbard	1991	Donald G. Russell	1986
Ben H. Caudle	1986	William Hurst	1989	Harrison H. Schmitt	1972
Morris Cohen	1980	F. Kenneth Iverson	1995	Nelson Severinghaus, Jr.	1987
Lawrence B. Curtis	1986	James R. Jorden	1994	Arlie Skov	1997
Donald A. Dahlstrom	1985	Basil P. Kantzer	1990	T. Don Stacy	1990
Wayne L. Dowdey	1983	Marvin L. Katz	1992	Marshall B. Standing	1990
Robert C. Earlougher	1984	Hossein Kazemi	1994	Michael Tenenbaum	1979
Robert C. Earlougher, Jr.	1996	G. William Kneppshield	1989	Robert L. Whiting	1987
Arlen L. Edgar	1988	M. Scott Kraemer	1983	William H. Wise	1984
Lloyd E. Elkins	1969	Charles S. Matthews	1992	M. R. J. Wyllie	1991
Thomas V. Falkie	1995	Alexander McLean	1991	David A. Zegeer	1987
Morris E. Fine	1995	Robert H. Merrill	1984		
Douglas W. Fuerstenau	1988	Norman T. Mills	1987		
Orville D. Gaither	1993	Necmettin Mungan	1996		
Donald W. Gentry	1999	H. Arthur Nedom	1981		
John L. Gidley	1999	Melvin E. Nickel	1978		

Legion of Honor Fifty-Year Members—Class of 1950

202 Society Members added

Society for Mining, Metallurgy and Exploration – 62 members

David H. Ackerman	Donald A. Dahlstrom	James H. Johnsen	Anthony Payne
William T. Ahlborg	Franz R. Dykstra	Walter B. Johnson	John A. Reeves
Dean E. Albon	James E. Elkin	Allen D. Kennedy	John Robertson, Jr.
Kenneth E. Anderson	George E. Erdman	Lindsay M. Kinney	Stanley G. Salamy
Emmett B. Ball, Jr.	Hugh W. Evans	Edward P. Kyburz	Howard G. Schoenike
James R. Barkley	Peter E. Galli	John W. Lampert	William H. Seamon
Laurence H. Beal	Keith H. Gerlach	Richard J.J. Lampson	William M. Shepard
William F. Betzler	James O. Greenslade	John B. Long	Walter J. Smit
Maurice H. Brady	George B. Griswald	Charles K. McArthur	Richard W. Storey
Robert J. Brison	Stuart I. Harris	Robert M. Miller	Eric A. Swanson
Severn P. Brown	Ellis C. Helge	Charles R. Mitchell	Frank E. Thurston
Furman H. Burge, Jr.	Ed T. Hewitt	Allen G. Mowry	S. Vernon Wines
August V. Castelli	Stanley C. Holmes	Robert D. Nininger	Russell L. Wood
Maywood W. Chesson	William E. Horst	Emmett K. Olson, Jr.	Richard V. Wyman
Thomas F. Clemens	Robert M. House	E. Minor Pace	
John A. Cronin	David McRae Irwin	Ben H. Parker, Jr.	

The Minerals, Metals & Materials Society – 24 members

Donald E. Beitsch	Edward W. Kaminski, Jr.	Alan R. Pels	Morris A. Steinberg
Marion S. Bell	Richard H. Lloyd	Robert D. Reiswig	David A. Thomas
Irving B. Cadoff	Russell C. Nelson	Stuart T. Ross	David Turnbull
Bruce C. Clark	Michael V. Nevitt	Jack A. Sartell	Richard L. Wachtell
Hans Conrad	John H. Olson	Emanuel Silkiss	Herbert D. Wedge
Normand I. Hyman	Robert N. Paul	Max J. Spendlove	Frank Wills

Iron & Steel Society – 10 members

Ernest J. Andberg	Fernando V. Gonzalez	Joseph K. Stone	Janusz Wscieklica
D.D. Barbor	Gerry R. Heffernan	J.B. Templeton	
Richard D. Burlingame	R.S. Miltenberger	William G. Wilson	

Society of Petroleum Engineers – 106 members

Glen Barb	Eugene Glass	John Lung	Shofner Smith
Roy Bauer, Jr.	George Gower	T. Molloy	Sol Smith
Willard Bauman	Doyle Graves	O. McDowell	Robert Sneed
Marion Bearly	Robert Gray	V. McGhee	Fred Springer
J. Berg	Russell Green, Jr.	James McMahon	Harrison Staub
E. Bilderback	Dennis Gregg	Paul Meadows	H.O. Strickler
Guy Brainard, Jr.	R. Haddox	Jean Meyers	J. Talbot
Tyler Brinker	Alvin E. Hall	Douglas Middleton	S. Taliaferro
Bob Brown	Henry Harding, Jr.	B. Millikin, Jr.	Earl Thurman, Jr.
Birto Brumby	Bill Harmon	Fred Mulker	John Tower
Bruce Calder	William Harris	William Nation	Charles Tucker
Tom Calhoun II	James O. Haynes	Lester L. Neblett, Jr.	O. Van Meter, Jr.
Paul Clevenger	Harry Horton	Charles Neff	H. Vaughan
Frank Cole	Enrique Huerta	M. Nobles	Jerry Vaughan
Francis Collins	Thomas Huzzey	Craig Norton	J. Watson, Jr.
R. Courtright	B. Iverson	Marion Olive	Millard Westfall
J. Cretsinger	Richard Johnson	Charles Olson	Foster White
A. Derrick, Jr.	F. Jones	W. Paulsell	Weldon Williams
B. Dunlap, Jr.	John Justen	John Pederson	Clair Wilson
William Elliot	W. Kieschnick	Charles Pollock	Wallace Wilson
William Elson, Jr.	Max Knotts	Joseph Richardson	W. Winsauer
Kenneth Evans	E. Krider	Robert Ridley	K. Wiseman
J. Fly	Gordon Lancaster	J. Rike	Charles C. Wright
Carl Forgeron	Edmond Langhettee, Jr.	James Rockhold	Roy H. Yamamoto
Charles Geffs	Warren Latimer	George Shaw	Marvin Zeid
Arthur Gentry	James Leisk	Keith Sheppard	
Sam A. George	George Locker	A. Silberberg	



The Women's Auxiliary
to the
American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc.
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Report of the WAAIME



Gloria Maturo, President
2000 WAAIME

On behalf of WAAIME, I would like to thank AIME for the opportunity to present our Annual Report. WAAIME is in a period of great development even though we are concerned about the present state of mining in the United States. Corporations are ending their activities in some areas. Consequently, we have noticed a decrease in the interest of young students embracing careers in the earth sciences. Nevertheless, in spite of all these momentary difficulties, WAAIME is always a positive group of nice volunteer ladies.

When I became WAAIME President in May 2000, I asked for unity. I promised I would do my best to open new Sections to increase our membership and work hard to help qualified students get an education, using our Scholarship Loan Fund (SLF) Program. I am happy to report the difficult time is over; the membership is very pleased with our current peaceful coexistence and spirit of cooperation. As the WAAIME President, I made two trips to Chile and opened a new Section, WAAIME Chile-Santiago. In the United States I have also visited Elko and Battle Mountain, Nevada. At the present we are organizing another new Section, WAAIME Nevada-Elko. In both cities, I had the assistance of SME members and their wives as well as old friends, American engineers who worked in mining camps in the Andes. We hope to share our educational programs with these new Sections where earth science students need WAAIME's support. I have also visited the Sections of Utah-Northern, Arizona-Tucson/San Manuel, Peru-Lima and Colorado-Denver. I would like to thank the Section Chairmen and membership for their encouraging support.

Our Student Loan Fund Program, considered a vital part of the life of each Section, awarded scholarship/loans to 85 students for the 2000-2001 academic year. \$318,100 was awarded in the U.S. plus \$10,000 each to our two Sections in Mexico for a total of \$338,100. Due to the different start date of the academic year, the Board decided that applications from the Peru-Lima and Chile-Santiago Sections for SLF awards, would be approved at the February Board meeting and applications from United States and Mexico would be approved at the May Board meeting. I want to thank Mrs. Ludy Watson, Student Loan Fund (SLF) National Chairman and her Committee for their hard work in this very important Program.

WAAIME feels the need to emphasize early education in the earth sciences and with the generous support of the AIME we are on the Internet. Our Education For Tomorrow (EFT) Committee has concluded the Essay Contest "Minerals and Me - What is the Connection?" It is really a pleasure to see the large number of students who are interested in this contest. At the end of January



Pronounced way' me

2001, we had 320 entries. Mrs. Ann Bays, EFT/Library Chairman has sent the essay information to all School Superintendents in the United States, for dispersal to every school in their State. Mrs. Bays has also ordered minerals stickers and WAAIME bookmarks; these are being distributed to Sections doing EFT/Library projects. The National Board of Directors approved an EFT budget of \$12,450 and a Library budget of \$4,350, a total of \$16,800. The EFT Program will also promote the "The Teacher's Continuing Education Program," a summer program offered by the Colorado School of Mines. The Board approved a budget of \$6,000 for this Program.



We also want to thank the AIME Member Societies for their cooperation with our "Membership Growth Task." Our past president, Mrs. Jean Davin, contacted TMS and ISS and they have offered to help us in this assignment, promoting WAAIME with publicity in their newsletters and magazines. We are working on the design of brochures that are more attractive and new "Application Forms." I also congratulate and recognize Mrs. Pat McWhorter, Newsletter Chairman and her Committee for their efforts in producing an interesting and very informative newsletter that will also help to encourage women of the AIME Member Societies to join WAAIME.

This year the Board approved a Chest budget of \$5,000 and we hope to help students with several grants. Thirteen students have requested assistance from Chest. The Chest fund is designated for students for unexpected emergencies or a school-related need. Mrs. Rosemary Farmer, Chest Chairman and her Committee are studying the requests.

I very much appreciate the significant progress made by our Board Members in their different duties. We have our Standing Rules Chairman, Mrs. Jo Leonard, By-laws Chairman Mrs. Beatriz Picasso, and the Review of Goals and Purposes Committee chaired by Mrs. Leta Kruger, doing a laborious job of up-dating WAAIME procedures and statements for Board review. They will fulfill this hard task thinking to the future and what is best for WAAIME. We are working as a real team because our Board of Directors is composed of people with management capabilities.

It has been an honor for me to serve as the WAAIME President, to have had the opportunity to meet many fine people on my visits to local Sections as well as our Sections abroad, Mexico, Chile and Peru. I also extend my sincere appreciation to the Board of Directors and Committee members for sharing their valuable time and expertise with us.

Gloria Maturo



GOLDSTEIN GOLUB KESSLER LLP

Certified Public Accountants and Consultants



INDEPENDENT AUDITOR'S REPORT

Board of Trustees
American Institute of Mining, Metallurgical, and
Petroleum Engineers, Inc.

We have audited the accompanying statements of financial position of American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc. ("AIME") as of November 30, 1999 and 2000, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of AIME's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AIME, as of November 30, 1999 and 2000, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

GOLDSTEIN GOLUB KESSLER LLP

December 28, 2000

Financial Statements

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND PETROLEUM ENGINEERS, INC.

Statement of Financial Position

YEAR ENDED NOVEMBER 30,	1999	2000
ASSETS		
Cash and Cash Equivalents	\$ 491,413	\$ 139,937
Accounts Receivable from Member Societies	14,482	2,762
Accrued Interest and Dividends Receivable	61,737	146
Prepaid Expenses and Other Assets	130,748	155,348
Loans Receivable from SME Foundation	40,000	35,000
Investments—at fair value	16,566,707	11,734,157
Property and Equipment, net	137,152	136,609
Total Assets	\$17,442,239	\$12,203,959
LIABILITIES AND NET ASSETS		
Accounts Payable and Accrued Expenses	\$ 93,247	\$ 84,239
Amounts Payable to Member Societies	3,231,474	312,341
Amounts Payable—programs	43,659	43,659
Total Liabilities	3,368,380	440,239
Commitments		
Net Assets:		
Unrestricted:		
Undesignated	300,000	300,000
Designated for long-term investment	10,744,241	8,682,050
	11,044,241	8,982,050
Temporarily restricted	2,620,927	2,348,168
Permanently restricted	408,691	433,502
Total net assets	14,073,859	11,763,720
Total Liabilities and Net Assets	\$17,442,239	\$12,203,959

Financial Statements

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND PETROLEUM ENGINEERS, INC.

Statement of Activities

YEAR ENDED NOVEMBER 30,	1999	2000
Unrestricted:		
Revenue and gains (losses):		
Investment income (loss)	\$ 914,058	\$ (450,256)
Offshore Technology Conference fees	86,923	90,555
Dues and assessments from member societies	16,000	16,000
Copyright and other revenue	28,634	51,655
Net assets released from restrictions	39,441	100,922
Total revenue and gains (losses)	1,085,056	(191,124)
Expenses:		
Programs:		
Special projects and grants	1,299,080	864,909
Federation support	215,550	216,012
Medals and awards	190,756	207,539
Meetings	121,633	145,193
Books and publications, net	32,277	73,392
	1,859,296	1,507,045
Supporting services—management and general	337,393	364,022
Total expenses	2,196,689	1,871,067
Change in unrestricted net assets	(1,111,633)	(2,062,191)
Temporarily restricted:		
Investment income (loss)	173,150	(171,837)
Net assets released from restrictions	(39,441)	(100,922)
Change in temporarily restricted net assets	133,709	(272,759)
Permanently restricted—grant received		24,811
Change in net assets	(977,924)	(2,310,139)
Net assets at beginning of year	15,051,783	14,073,859
Net assets at end of year	\$14,073,859	\$11,763,720

Financial Statements

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND PETROLEUM ENGINEERS, INC.

Statement of Cash Flows

YEAR ENDED NOVEMBER 30,	1999	2000
Cash flows from operating activities:		
Change in net assets	\$ (977,924)	\$ (2,310,139)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	22,274	27,887
Net realized and unrealized appreciation on investments	(404,721)	1,062,583
Changes in operating assets and liabilities:		
Decrease (increase) in accounts receivable from member societies	(5,100)	11,720
Decrease in accrued interest and dividends receivable	7,514	61,591
(Increase) decrease in prepaid expenses and other assets	107,911	(24,600)
(Decrease) increase in accounts payable and accrued expenses	19,957	(9,008)
Decrease in amounts payable to member societies	(2,855,023)	(2,919,133)
Net cash used in operating activities	(4,085,112)	(4,099,099)
Cash flows from investing activities:		
Proceeds from sales of investments	21,553,312	47,824,935
Purchases of investments	(17,567,453)	(44,054,968)
Repayment of loans receivable from member societies	42,430	5,000
Purchase of property and equipment	(29,932)	(27,344)
Net cash provided by investing activities	3,998,357	3,747,623
Net decrease in cash and cash equivalents	(86,755)	(351,476)
Cash and cash equivalents at beginning of year	578,168	491,413
Cash and cash equivalents at end of year	\$ 491,413	\$ 139,937

Notes to Financial Statements

1. Organization and Summary of Significant Accounting Policies:

Organized in 1871, the American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc. ("AIME") is a membership organization formed to advance, record and disseminate significant knowledge of engineering and the arts and sciences involved in the production and use of minerals, metals, energy sources and materials for the benefit of humankind through its programs and member societies. AIME is a not-for-profit organization exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Code.

AIME's four member societies are the Society for Mining, Metallurgy, and Exploration ("SME"), The Minerals, Metals & Materials Society ("TMS"), the Iron & Steel Society ("ISS") and the Society of Petroleum Engineers ("SPE"). AIME provides funding for overarching programs (programs conducted by two or more member societies that carry out AIME's purpose) and funding for member-direct programs of the member societies based on their project requirements. The financial statements do not include the accounts of the four member societies.

AIME was one of three societies that founded United Engineering Trustees ("UET"), an organization officially created by an act of the New York State Legislature in 1904 to advance the engineering arts and sciences in all their branches and to maintain a free public engineering library. In

Notes to Financial Statements

addition to AIME, the American Society of Mechanical Engineers ("ASME") and the Institute of Electrical and Electronics Engineers ("IEEE"); the American Society of Civil Engineers ("ASCE") and the American Institute of Chemical Engineers ("AIChE") were later added as Founder Societies. The UET owned the United Engineering Center ("UEC"), a building located on East 47th Street in New York City, provided occupancy to AIME, maintained a free public library and maintained an engineering foundation fund. Acting upon approval of the New York State Courts, the library was transferred to the Linda Hall Library (University of Missouri at Kansas City) and the UEC was sold (see Note 5). AIME is now co-located in a midtown Manhattan office building with the other Founder Societies. UET was governed by a board of trustees comprised of three representatives from each of the Founder Societies.

AIME reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets contain donor-imposed restrictions that stipulate the resources be maintained permanently, but permit AIME to use the income from the resources for either specified or unspecified purposes.

AIME considers all highly liquid investments purchased with maturities of three months or less when purchased to be cash equivalents.

Investments are valued at fair value, which is the prevailing market value with the resulting change in unrealized gains or losses included in the statement of activities.

Depreciation of furniture and equipment is being provided for by the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is provided for by the straight-line method over the term of the lease.

Grants for member-direct programs of the member societies are accrued when approved by the board.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Certain 1999 amounts have been reclassified, where appropriate, to conform to the 2000 presentation.

2. Loans Receivable From Member Societies:

During 1992, the SME Foundation (the "Foundation") obtained a noninterest-bearing \$50,000 loan from AIME's endowment funds. The Foundation began repaying the loan with payments of \$5,000 in 1998 and 1999 and the SME executive committee recommended payments of \$10,000 per year over the four following years. However, the SME Foundation took a more conservative approach and did not commit to increased installments. At November 30, 1999 and 2000, the balance of the loan was \$40,000 and \$35,000, respectively.

3. Investments:

Investments, at fair value, consist of the following:

November 30,	1999		2000	
	Cost	Market Value	Cost	Market Value
U.S. Treasury securities	\$ 1,334,814	\$ 1,309,141		
U.S. government agencies securities	327,880	326,736		
Corporate bond investments	2,559,154	2,481,241	\$ 3,680,604	\$ 3,668,072
PIMCO low-duration (short-term debt) mutual fund	3,244,502	3,046,348		
Equity security investments	9,076,776	9,403,241	9,068,467	8,066,085
Total	\$16,543,126	\$16,566,707	\$12,749,071	\$11,734,157

Notes to Financial Statements

Investment income and its classification in the statement of activities for fiscal 1999 was as follows:

	Unrestricted	Temporarily Restricted	Total
Dividends and interest	\$ 683,735	\$ 81,689	\$ 765,424
Realized gains	656,672	144,709	801,381
Unrealized losses	(359,229)	(37,431)	(396,660)
Investment advisory fees	(67,120)	(15,817)	(82,937)
Total return on investments	\$ 914,058	\$173,150	\$1,087,208

Investment income (loss) and its classification in the statement of activities for fiscal 2000 is as follows:

	Unrestricted	Temporarily Restricted	Total
Dividends and interest	\$ 423,378	\$ 79,510	\$ 502,888
Realized gains	71,137	18,043	89,180
Unrealized losses	(896,501)	(255,262)	(1,151,763)
Investment advisory fees	(48,270)	(14,128)	(62,398)
Total return on investments	\$ (450,256)	\$ (171,837)	\$ (622,093)

4. Property and Equipment:

Property and equipment, at cost, consists of the following:

November 30,	1999	2000	Estimated. Useful Life
Furniture and equipment	\$ 28,255	\$ 44,902	5 to 7 years
Leasehold improvements	141,564	148,670	Term of lease
	169,819	193,572	
Less accumulated depreciation and amortization	(32,667)	(56,963)	
	\$137,152	\$136,609	

5. Transactions with United Engineering Trustees, Inc. ("UET"):

In fiscal year 1997, the UET entered into an agreement to sell the UEC for \$53,500,000. Pursuant to the agreement, which was approved by the Attorney General of the State of New York in September 1997, the sale proceeds were to be disbursed to the UET Founder Societies.

In October 1998, UET sold the UEC. From the sale proceeds, UET repaid the \$265,000 advance to AIME and contributed \$8,298,851 to AIME. The proceeds were placed in a separate mutual fund account and AIME's board of trustees approved a plan to distribute the \$8,298,851 and accumulated investment income. The plan of distribution provides for the following:

A) \$150,000 was retained by AIME for its new AIME headquarters at Three Park Avenue, New York, NY; and

Notes to Financial Statements

B)The remainder, plus investment income, was disbursed over three years to the four member societies for them to help carry out the mission of AIME as follows:

	October 1998	October 1999	September 2000
SME - (30%)	\$ 839,379	\$ 593,883	\$ 625,479
TMS - (20%)	559,586	485,677	512,416
ISS - (20%)	559,586	481,777	511,495
SPE - (30%)	839,379	1,194,663	1,262,248
	\$2,797,930	\$2,756,000	\$2,911,638

6. Commitments:

AIME leases its office space under a noncancelable operating lease from IEEE expiring in December 2005. The lease is subject to escalations for AIME's pro rata share of increases in real estate taxes and porter's wages.

Minimum future obligations under the lease, exclusive of required payments for increases in real estate taxes and porter's wages, are as follows:

Year ending November 30,	
2001	\$ 66,462
2002	66,462
2003	66,462
2004	69,231
2005	69,231
Thereafter	5,769
	\$343,617

Rent expense under the lease, inclusive of escalations, charged to operations amounted to \$60,216 and \$76,547 for the years ended November 30, 1999 and 2000, respectively.

7. Retirement Income Plans:

The AIME Retirement Income Plan, a defined benefit retirement income plan, covers substantially all full-time employees. Eligible employees receive a noncontributory benefit based on the amount of compensation and the years of benefit service.

The Retirement Income Committee has contracted with Connecticut General Life Insurance Company ("CIGNA"), through a Group Annuity Contract, to maintain the assets of the plan and pay pension benefits to the annuitants. The plan participates in various investment accounts of CIGNA. Plan assets are invested in growth common stocks and fixed income securities.

The funding policy of AIME is to contribute such amounts as are necessary on an actuarial basis to meet the minimum Employee Retirement Income Security Act requirements to fund the benefits expected to be paid to annuitants or their beneficiaries.

The following tables set forth AIME's share of the plan's funded status and the amounts recognized in AIME's balance sheet:

November 30,	1999	2000
Change in benefit obligation:		
Benefit obligation at beginning of year	\$754,707	\$725,581
Service cost	12,284	6,675
Interest cost	47,928	49,710
Benefits paid	(89,338)	(89,267)
Change in actuarial assumptions		(18,153)
Benefit obligation at end of year	725,581	674,546

Notes to Financial Statements

Change in plan assets:

Fair value of plan assets at beginning of year	723,619	757,500
Actual returns of plan assets	58,743	61,940
Employer contributions	20,500	30,000
Benefits paid	(89,338)	(89,267)
Fair value of plan assets at end of year	713,524	760,173
Funded status	(12,057)	85,627
Unrecognized net actuarial loss	115,570	53,441
Unrecognized prior service cost	15,701	7,841
Prepaid retirement income plan cost included in prepaid expenses	\$119,214	\$146,909

Components of net periodic pension cost include the following:

Service cost	\$ 12,284	\$ 6,675
Interest cost	47,928	49,710
Expected return on plan assets	(58,743)	(61,940)
Amortization of unrecognized prior-service cost	7,860	7,860
Amortization of net loss	4,407	
Net retirement income plan cost	\$ 13,736	\$ 2,305

The preretirement interest rate for funding and rate of increase in future compensation levels used in determining the actuarial present value of the projected benefit obligation was 6.5%.

For fiscal years 1999 and 2000, the projected benefit obligation was determined at a weighted-average discount rate of 6.75% and 7.5%, respectively, and an assumed rate of increase in future compensation of 5.5%. The expected long-term rate of return on plan assets was 8.5% for each of the fiscal years ended 1999 and 2000.

AIME also participates in a contributory multiple employer defined contribution employee savings plan covering all full-time employees of AIME and its four member societies. AIME contributed approximately \$9,000 and \$10,000 to this plan in fiscal years 1999 and 2000, respectively.

8. Amounts Payable to Member Societies:

Amounts payable to member societies consist of the following:

November 30,	1999	2000
Member-direct program grants:		
SME	\$ 98,207	\$ 73,000
TMS	60,791	55,832
ISS	67,128	51,464
SPE	224,000	132,045
Amount payable to member societies from the sale of UEC (see Note 5)	2,781,348	
	\$3,231,474	\$312,341

Amounts payable to AIME programs consist of \$43,659 for Overarching programs for 1999 and 2000.

Notes to Financial Statements

9. Restricted Net Assets:

November 30,	1999	2000
Temporarily restricted net assets are restricted to the following purposes:		
Medals and awards	\$ 919,101	\$ 841,582
Books and publications	865,527	757,102
Scholarships	836,299	749,484
	<u>\$2,620,927</u>	<u>\$2,348,168</u>

Permanently restricted net assets are restricted to:

Investment in perpetuity, the income from which is expendable to support:

Scholarships	\$ 176,363	\$ 176,363
Books and publications	146,000	146,000
Medals and awards	75,862	100,673
Unrestricted purposes	10,466	10,466
	<u>\$ 408,691</u>	<u>\$ 433,502</u>

10. Net Assets Released From Restrictions:

Net assets were released from donor restrictions due to the passage of time or by incurring expenses satisfying the restricted purposes specified by the donor as follows:

Year ending November 30,	1999	2000
Medals, awards and scholarships	\$39,441	\$100,922

Notes to Financial Statements

11. Functional Classification of Expenses:

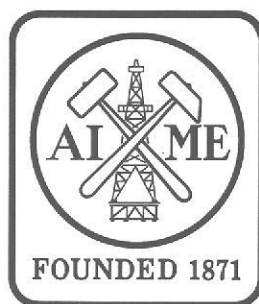
Fiscal year 2000 expenses have been classified as program and supporting services as follows:

	Program Services				Supporting Services				
	Special Projects and Grants	Federation Support	Medals and Awards	Meetings	Books and Publications	Total	Management and General	2000 Total	1999 Total ⁽¹⁾
Grants to member societies (includes PIMCO/Merrill Activity)	\$151,866					\$ 151,866		\$ 151,866	\$ 167,956
Member-direct program grants	634,196					634,196		634,196	910,536
ABET 2000									14,245
Payroll and employee benefits	15,793	\$ 70,192	\$ 29,831	\$ 42,115	\$17,548	175,479	\$143,574	319,053	147,581
Audit, legal and other professional services	7,118	31,638	13,446	18,983	7,909	79,094	73,010	152,104	235,270
Medals, awards and scholarships			148,932			148,932		148,932	135,324
Federation support		77,742				77,742		77,742	84,829
Rent and related expenses	3,582	15,922	6,767	9,553	3,980	39,804	36,743	76,547	60,216
Overarching programs	48,750					48,750		48,750	177,813
AIME Board activities				43,087		43,087	43,087	86,174	63,054
Supplies, postage, maintenance and repairs	1,470	6,531	2,776	3,919	1,633	16,329	15,072	31,401	30,020
Publication expenses					38,676	38,676		38,676	146
Meetings	399			19,144	399	19,942	19,160	39,102	23,841
Insurance	580	2,580	1,096	1,548	645	6,449	6,197	12,646	17,988
Free books					1,319	1,319		1,319	461
Depreciation and amortization		6,275	2,510	3,765		12,550	15,337	27,887	22,274
Other	1,155	5,132	2,181	3,079	1,283	12,830	11,842	24,672	105,135
Total	\$864,909	\$216,012	\$207,539	\$145,193	\$73,392	\$1,507,045	\$364,022	\$1,871,067	\$2,196,689

(1) The summarized financial information for the year ended November 30, 1999 should be read in conjunction with the 1999 financial statements

AMERICAN INSTITUTE OF MINING, METALLURGICAL,
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