

"In a legislative season that has produced few victories for the environment, the sudden death of a destructive mining provision that could have opened up millions of acres of public land to commercial exploitation is cause for celebration." *The New York Times*, 12/15/05

"Our 11,000 member stores, spread throughout the United States, firmly believe that mining reforms should include strict environmental regulations that adequately protect our nation's watersheds, forests and wildlife," said Matthew Runci, president of the association, in a letter on Monday to Dennis Hastert, the Republican House speaker. *Financial Times*, 11/17/05

"Last year the mine watchdog group Earthworks began a "No Dirty Gold" campaign, marching protesters in front of fashionable Fifth Avenue storefronts, trying to change gold mining by lobbying gold consumers. 'They just said to ask where the gold was coming from and whether it caused social or environmental damage,' said Michael E. Conroy, senior lecturer and research scholar at the Yale University School of Forestry and Environmental Studies. 'The repercussions in the mining media were huge - some said it was all lies, but retailers began to realize what their vulnerability was.'" *The New York Times*, 10/24/2005

"A growing alliance of conservationists and local communities affected by mining operations is pushing governments, corporations and consumers to consider the real cost of gold." *The Independent, London, UK*, 10/26/05

"Conservation and watchdog groups are borrowing a page from the mining industry's playbook by staking claims on 1,000 acres of land throughout the West to protect it from development." *Bonner County Bee*, 10/8/05

"Environmentalists have launched a new offensive against an oil-drilling technique known as hydraulic fracturing that could throw up a roadblock to the new energy bill Congress is considering, much as the dispute over the issue of liability for the gasoline additive MTBE contributed to the bill's breakdown during the last session." *Washington Times*, 4/16/05

"Newmont Mining Corp.'s opponents used to taunt executives from the sidewalk at the company's annual meetings. Now they meet with the CEO in the company's high-rise headquarters." *Denver Post*, 4/27/05

"Neighbors of noisy oil and gas facilities will get some relief under new rules adopted Tuesday by a state commission. It was a victory for La Plata County commissioners and a bigger win for two local activist groups, who successfully argued for stricter standards than the gas industry wanted." *Durango Herald*, 12/7/05

"Other campaigns, including No Dirty Gold, which fights against the awful open pits and cyanide deposits left in the wake of gold mines, rightfully gives EARTHWORKS the higher ground required to remind politicians and their corporate cohorts to tread more lightly." *Flaunt Magazine*, May/June 2005

EARTHWORKS in the News

FOUNDATIONS

Baltimore Community Foundation

Ballantine Foundation

Brainerd Foundation

Bullitt Foundation

Colymbus Foundation

Eco Trust

Educational Foundation of America

Fanwood Foundation

Gilman & Marge Ordway Trust

Global Green Grants

Goldman Fund

Harder Foundation

Hewlett Foundation (RMEC)

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Liz Claiborne/Art Ortenberg

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Norcross Wildlife Foundation

Norman Foundation

Overbrook Foundation

Patagonia

Princeton Fund

Scherman Foundation

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2005

ANNUAL REPORT

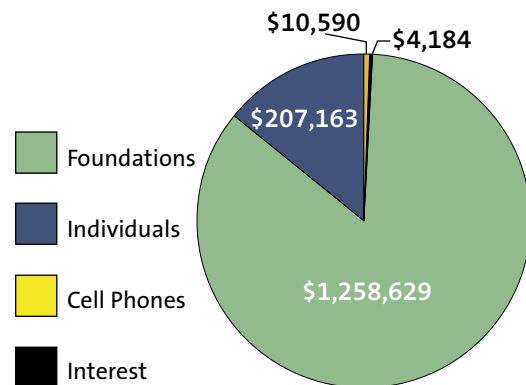


EARTHWORKS

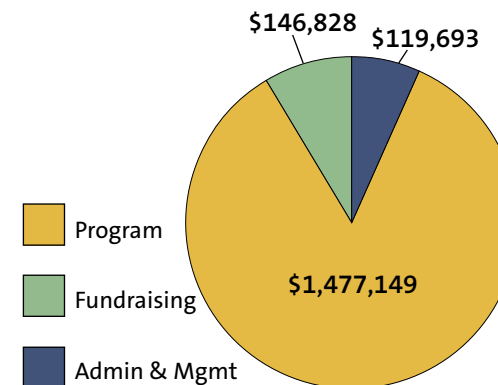
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Income FY2005



Expenses FY2005



Copies of audited financial statements available by request.

EARTHWORKS is committed to catalyzing a change in how society, governments and corporations meet their material needs. We begin our work where raw materials leave the earth—where we mine, drill and dig—and we work to promote stewardship throughout the life-cycle of minerals, materials and products.

EARTHWORKS was founded in 1988 as the Mineral Policy Center (MPC)—an environmental organization that focused on mining and oil and gas issues in the U.S. With leadership from founders Phil Hocker, Stuart L. Udall and Mike McCloskey, MPC made an immediate mark as the go-to organization in the U.S. for communities, the media and elected officials.

Almost twenty years later, the world has changed and MPC has evolved into EARTHWORKS, but our founder’s vision remains at the core of our work.

2005 was a year of achievement.

Our work, and the work of our partner organizations around the world sparked a four-part, front-page New York Times series on the impacts of modern gold mining. We announced in a full-page New York Times Ad that eight retail jewelers have pledged to source from mines that meet our “Golden Rules” for responsible sourcing. Since that announcement others have joined. We launched a new cell phone recycling campaign—providing consumers with an easy way to make a difference for the earth. Since the launch we’ve been joined by PTAs, church groups, businesses and community groups.

The year ended on a positive note when EARTHWORKS catalyzed one of the biggest conservation wins in our history by stopping the proposed sell-off of hundreds of millions of acres of public lands. We were joined by hunters and anglers, county commissioners, and even 11,000 retail jewelers who called for protection of our public lands and reforms to our outdated mining laws.

We merged with the Oil and Gas Accountability Project, and our new campaign to get toxics out of the fluids used in hydraulic fracturing garnered national media coverage. And these are just the highlights.

Thanks to all of our supporters. These successes belong to all of us.

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2005 Accomplishments

Protecting Endangered Species

EARTHWORKS won an important legal victory in March when a federal district court ruled in favor of protecting grizzly bear and bull trout wilderness habitat from the proposed Rock Creek Mine.

Fracking Exposed

The Oil and Gas Accountability Project (OGAP) published a groundbreaking report in April on hydraulic fracturing - a complex and unregulated technique used to extract oil and gas that has polluted drinking water across the West. The report exposed the EPA’s reticence to regulate this practice, despite overwhelming evidence of its dangers.

Corporate Accountability

In April, EARTHWORKS helped bring activists from around the world to Denver, Colorado to pressure Newmont Mining Company in their own backyard. Coinciding with the company’s Annual General Meeting, the activists shared their experiences and the negative impacts of mining operations in their communities with the media and Newmont executives and shareholders.

Citizen’s Mining Company – Staking a Claim to America’s Treasured Places

In October, EARTHWORKS grabbed the headlines by launching *Mine All Mine*: The Citizen’s Mining Company (CMC). Unlike other mining companies, we used the infamous 1872 Mining Law to protect treasured public lands by staking 1,000 acres of valid mining claims in threatened regions of Montana, Colorado, Arizona, Nevada, Idaho and New Mexico.

Jewelers Commit to Golden Rules—Responsibly Sourced Gold

Over 30,000 concerned consumers have signed the “No Dirty Gold Pledge.” In the face of mounting pressure from consumers, eight leading jewelry companies (Zales, Signet, Tiffany & Co., Helzberg Diamonds, Fortunoff, Cartier, Piaget, Van Cleef & Arpels) committed to moving towards responsible sourcing of gold and other minerals by signing the campaign’s “Golden Rules” in 2005.

New York Times Mining Exposé

Beginning in October, EARTHWORKS helped to make irresponsible gold mining and its effects on communities and the environment front page news to millions of readers. The New York Times four-part, front page “Cost of Gold” series and a companion PBS documentary uncovered the true cost of irresponsible gold mining and its impact on land, water and people.

EARTHWORKS Protects Public Lands—Blocks Corporate Land Grab

In October, EARTHWORKS launched a campaign against provisions tucked away in an obscure budget bill that would have sparked a massive corporate land grab and privatization of public lands in the West—up to 170 million acres were at stake. EARTHWORKS co-led a diverse coalition that included ranchers, hunters, anglers and 11,000 jewelry retailers to defeat the provision and keep our public lands public!

Coloradans staked legal mining claims in a one mile wide strip of the Arapaho National Forest to protect the Mt. Evans Wilderness and the Bear Creek watershed from mineral development.



Our Campaigns & Programs

EARTHWORKS is the leading NGO working on resource extraction issues (i.e. mining, drilling and digging). Our programs seek solutions at all phases of the life cycle of materials taken from the earth—whether near the mine site, at the point of consumer purchase, or when the product becomes obsolete.

No Dirty Gold

An international campaign that seeks to reform irresponsible mining practices by educating consumers, emphasizing community control over natural resources and ultimately changing the way that gold is produced—so that jewelers can provide consumers with products that protect the environment and human rights as well as signifying love, romance, commitment and friendship.

Recycle My Cell Phone

A grassroots campaign that promotes responsible cell phone recycling and product stewardship and seeks to educate consumers about the impacts of their cell phone and electronics purchases, beginning with the extraction of raw materials through the end of product life.

“Keep Public Lands Public”

Westerners for Responsible Mining – An alliance of western and non-western residents, organizations and businesses including ranchers, hunters and anglers, conservationists and jewelry retailers who have come together to protect public lands and keep them in public hands.

The Oil and Gas Accountability Project (OGAP)

Works with tribal, urban and rural communities to protect their homes, health and the environment from the impacts of oil and gas development; and seeks to promote solutions and best practices.

Public Health & Safety

EARTHWORKS’ programs work to combat the serious consequences that irresponsible mining, digging and drilling have on human health. Through research, outreach and promoting best practices, we provide information and tools to communities and decision-makers working on issues such as clean drinking water and mercury pollution, and seek to enact policies and practices that protect health and safety.

EARTHWORKS Solutions Incubator

EARTHWORKS works to incubate and develop working solutions to environmental problems including research tools such as the “Framework for Responsible Mining” and markets solutions such as “Recycle My Cell Phone.”

Community Circuit Rider Program

Provides hands-on support to impacted communities worldwide. EARTHWORKS has established a strong community base for our program activities through our 15 year-old Circuit Rider program in the western U.S., and through collaboration with a number of communities around the world.

EARTHWORKER E-Activists & Public Outreach

EARTHWORKERS are a growing global network of individuals who take action on important local, national and international issues. Our public outreach program provides regular newsletters and updates, helps promote EARTHWORKS at events and responds directly to information inquiries from our members and others.

About the Cover: More than 2,000 acres of land in and around the pristine Yosemite National Park were protected when EARTHWORKS blocked congressional provisions that would have privatized millions of acres of public land across the West.