

**Zales Shareholder Meeting Question**  
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**The National Center for Public Policy Research**  
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My name is Justin Danhof, and I am representing The National Center for Public Policy Research — an educational foundation located in Washington, D.C.

Mr. Killion, Zales is a signatory to the “Bristol Bay Protection Pledge,” which is sponsored by a fringe environmental group called Earthworks. By using bad science and scare tactics, Earthworks and its allies have coerced companies such as Zales to oppose a mine that does not exist.

As a signatory to this Pledge, you have stated your clear opposition to the Pebble Mine – a project in Bristol Bay, Alaska that has not been formally proposed and whose owners have yet to apply for a single state or federal permit.

In April 2010, our company publicly stated that not only would Zales boycott any metals or minerals that may eventually come from the region, but that we wanted to ban any large-scale metal mining in Bristol Bay – period. Our company’s executive vice president, Gil Hollander, said at the time: “We believe gold should be mined and refined in a manner that protects both the environment and its inhabitants.”

Well, if you or Mr. Hollander already know the harms that are going to befall the people of Bristol Bay or its environment should the Pebble Mine proceed – please, share them with us. For that matter, who is going to win the Super Bowl this year? What are the next winning Powerball numbers?

How can our company oppose a mine that hasn’t even been proposed? There is no mining plan to oppose.

Furthermore, how do you intend to ensure that Zales never uses gold from the Pebble Mine considering that gold is bought and sold on international markets and is often impossible to source? Isn’t it possible that the Pebble Mine will fall within Zales “Vendor Code of Conduct” meaning suppliers will be free to use the mine’s gold?

Estimates place the value of the mine at nearly \$400 billion. And according to news reports, “Pebble [Mine] could potentially triple U.S. reserves of copper, increase its gold reserves by 50 percent and make America the world’s largest holder of mineral molybdenum, an essential component of high-strength steel alloys,” and create 1,000 high-paying jobs in the impoverished region.

You have aligned Zales with fringe radical environmentalists and against native Alaskans, American jobs and American security. But it’s not too late.

I ask that you reconsider your decision, remove the Zales’ name from the Bristol Bay Protection Pledge, and stand up for the American people. Thank you for your time.

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