



STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES & ENVIRONMENT
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

REBECCA A. HUMPHRIES
DIRECTOR

March 22, 2010

Mr. Jon Cherry, P.E., General Manager
Kennecott Eagle Minerals Company
504 Spruce Street
Ishpeming, MI 49849

Dear Mr. Cherry:

SUBJECT: Metallic Mineral and Mining Operations Surface Use Lease L-9742

Thank you for your letter of March 22, 2010, regarding the status of Kennecott Eagle Minerals Company's (Kennecott) acquisition of the necessary permits to implement the subject Surface Use Lease, the Mining and Reclamation Plan, and the Part 632 Mining Permit for the Eagle Project mine.

Based on the certifications you provided, the Forest Management Division of the Department of Natural Resources and Environment acknowledges that Kennecott has met the requirements of Section 4.A.4. of the subject lease. As a result, Kennecott now may use the Premises in accordance with the terms and conditions contained in the subject lease.

If you have any questions regarding this matter, you may contact me by phone, or at Forest, Management Division, P.O. Box 30452, Lansing, Michigan, 48909-7952.

Sincerely

A handwritten signature in cursive script that reads "Lynne M. Boyd".

Lynne M. Boyd, Chief
Forest Management Division
517-373-1246

cc: Ms. Mindy Koch, Resource Management
Deputy Director, DNRE
Mr. Harold Fitch, DNRE
Mr. Thomas Wellman, DNRE