



Kennecott Eagle Minerals
Jonathan C. Cherry, P.E.
General Manager
504 Spruce Street
Ishpeming, Michigan 49849
(906) 486-1257

March 22, 2010

Ms. Lynne Boyd
State of Michigan
Department of Natural Resources and Environment
Chief Forest Management Division
Post Office Box 30452
Lansing, Michigan 48909-7952

Subject: **Permit Certification**
 Metallic Mineral Mining Operation Surface Use Lease No. L-9742

Dear Ms. Boyd:

Paragraph 4 of the Metallic Mineral Mining Operations Surface Use Lease No. L-9742 (“Lease”) governs Kennecott’s “Use of Premises.” In accordance with Paragraph 4.A.4 of the Lease, Kennecott Eagle Minerals Company (“Kennecott”) certifies with this letter that it has acquired all permits necessary to implement the Lease, the Mining and Reclamation Plan, and its Part 632 Permit on the Premises. These permits are identified in the Mining and Reclamation Plan (Exhibit F to the Lease). Specifically, Kennecott has acquired the following permits:

- A Michigan Air Use Permit under Part 55 of NREPA.
- A Groundwater Discharge Permit under Part 31 of NREPA allowing surface infiltration of treated water.
- NPDES Notices of Coverage for Storm Water Management during surface construction activities and during active mine operations.
- A Type II Non-Transient, Non-Community Water Supply Permit from the Marquette County Health Department.
- A Commercial Septic System Permit from the Marquette County Health Department.
- A Mineral Extraction Permit from Michigamme Township.

In addition to these state and local permits, Kennecott is authorized by rule to build and operate a large capacity septic system as a Class V UIC well.

Ms. Lynne Boyd
Michigan Department of Natural Resources and Environment
March 22, 2010
Page 2

With respect to the pending EPA application for an individual UIC permit to operate the treated water infiltration system ("TWIS") on the Premises, Kennecott has recently modified (and MDNRE has approved) the basis of design for the TWIS . Kennecott has determined that the redesigned TWIS does not qualify as a subsurface fluid distribution system and therefore does not implicate UIC requirements. This obviates the need for the UIC permit. Accordingly, with the above-described permits and authorizations issued, Kennecott is now in a position to move ahead with Lease implementation.

If you should have any further questions, or require additional information, please contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jon Cherry".

Jonathan C. Cherry
General Manager

Cc: Tom Wellman, DNRE
Milt Gere, DNRE
Mindy Koch, DNRE
Hal Fitch, MDNRE
Joe Maki, MDNRE