



May 30, 2013

Timothy J. Myers, Engineer
Gogebic Taconite, LLC
402 Silver Street
Hurley WI 54534

Subject: Gogebic Taconite, LLC - Exploration License # 41001

Dear Mr. Myers:

Gogebic Taconite, LLC submitted an application for an exploration license on May 16, 2013. The application was submitted in accordance with s. 295.44(2), Stats., and included the following elements:

1. An exploration plan addressing the provisions specified in ss. 295.44(2)(a)1. to 11., Stats. The plan describes exploration activities related to drilling of eight (8) drillholes.
2. A reclamation plan addressing the provisions specified in ss. 295.44(2)(b)1. to 5., Stats.
3. An exploration license fee in the amount of \$300.00.
4. A surety bond in conformance with the requirements of ss. 295.44(3)(a) & (d), Stats., in the amount of \$41,500.
5. A certificate of liability insurance.
6. Information related to the financial assets and liabilities of Gogebic Taconite, LLC.

By letter dated May 24, 2013, the Department requested clarifying information in order to facilitate completion of the Department's review of the application. Gogebic Taconite, LLC submitted supplemental information related to the application in the form of a letter dated May 29, 2013 to Mr. Larry Lynch of the Department of Natural Resources. The Department considers the May 29, 2013 letter to be part of the application for an exploration license, modifying, in part, the exploration plan submitted on May 16, 2013.

The Department has completed its review of the application information submitted. This letter along with the attached license form constitute Exploration License # 41001 issued to Gogebic Taconite, LLC related to exploration activity described in the application submitted on May 16, 2013, as modified by letter dated May 29, 2013.

Exploration conducted under the authority of the exploration license is subject to the following conditions:

1. All exploration activities shall be conducted in compliance with the requirements of s. 295.44, Stats.
2. All exploration activities shall be conducted in substantial compliance with the exploration plan submitted May 16, 2013, as modified by the letter dated May 29, 2013.
3. Exploration is limited to construction of eight (8) drillholes designated as 608-2, 646-3, 674-2, 706-1, 706-2, 726-1, 148R and 746-1. The locations of the drilling sites shall be consistent with the locations specified in the exploration plan. Actual drilling site locations shall be within the existing corridors of the pre-existing access roads and railroad grade as proposed in the exploration plan and may not

deviate from the location specified in the exploration plan by more than 40 feet without prior approval from the Department.

4. Temporary abandonment of exploration drillholes shall be completed in compliance with the methods specified in s. 295.44(5)(a), Stats.
5. Permanent abandonment of exploration drillholes shall be completed in compliance with the methods specified in s. 295.44(5)(b) to (e), Stats. To the extent feasible, Gogebic Taconite, LLC shall give the department at least 24 hours advance notice of its intent to permanently abandon a drillhole. This notice may be oral, written or in electronic format and shall be sent to appropriate DNR staff.
6. Abandonment reports and drilling fees shall be submitted as required under ss. 295.44(9) and (10), Stats.
7. The Notice of Intent to Drill required under s. 295.44(8), Stats., shall be provided to Larry Lynch, Bureau of Drinking Water & Groundwater – DG/5, Wisconsin Department of Natural Resources, Box 7921, Madison, WI 53707.
8. Documentation of disposal of the drill cuttings and solids at a licensed solid waste facility, as proposed in the exploration plan, shall be provided to the Department within 30 days of removal of the cuttings from the site. Documentation shall include the results of any laboratory testing of the solids required by the facility as a condition of acceptance.
9. Temporary erosion and sedimentation control measures shall be in place as necessary along the existing access roads prior to conducting significant exploration activity. Temporary erosion and sedimentation control measures shall remain in place until the drilling sites are stabilized in accordance with the reclamation plan.
10. Use of the preexisting southernmost access road to cross the drainageway flowing through the existing culvert should be minimized. Placement of timber mats to cross the drainage using the southern access road as proposed will require additional regulatory review and may require separate regulatory action. To the extent practical, access from the west to drilling sites 726-1, 148R and 746-1 shall be via the segment of the preexisting access road with the existing culvert.

This Exploration License is effective from the date of issuance through June 30, 2013. If the Exploration License is not renewed as of July 1, 2013 in accordance with s. 295.44(6), Stats., all exploration conducted under the authority of this license shall cease.

Please contact Larry Lynch if you have any questions concerning issuance of this Exploration License.

If you believe that you have a right to challenge this decision, you should know that the Wisconsin statutes and administrative rules establish time periods within which requests to review Department decisions must be filed. For judicial review of a decision pursuant to sections 227.52 and 227.53, Wis. Stats., you have 30 days after the decision is mailed, or otherwise served by the Department, to file your petition with the appropriate circuit court and serve the petition on the Department. Such a petition for judicial review must name the Department of Natural Resources as the respondent.

Sincerely,



Ann M. Coakley, Director
Bureau of Waste and Materials Management

cc: State Geologist (w/application)



**STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES
FERROUS MINERAL EXPLORATION LICENSE**

AUTHORIZED CONTACT:

WILLIAM T WILLIAMS
GOGEBIC TACONITE LLC
402 SILVER STREET
HURLEY, WI 54534

LICENSE NO: 41001
TYPE OF FACILITY: Ferrous Mineral Exploration
EFFECTIVE DATE: May 30, 2013
DATE OF EXPIRATION: June 30, 2013

LICENSEE: GOGEBIC TACONITE LLC

NAME OF LICENSEE: GOGEBIC TACONITE LLC

LOCATION OF LICENSEE:
402 SILVER STREET HURLEY
IRON COUNTY, STATE OF WISCONSIN

This license authorizes the licensee to conduct ferrous mineral exploration in the State of Wisconsin during the term hereof except as modified by the Department. This license is subject to and conditioned upon compliance with the provisions of Chapter 295, Wisconsin Statutes.

This license may be renewed by submission to the Department the information required in s.295.44, Wisconsin Statutes, prior to the date of expiration.