



January 16, 2014

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

Subject: Gogebic Taconite, LLC - Exploration License # 41002

Dear Mr. Myers:

Gogebic Taconite, LLC submitted an application for an exploration license on January 2, 2014. 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 fifteen (15) 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 \$80,000.
5. A certificate of liability insurance.
6. Information related to the financial assets and liabilities of Gogebic Taconite, LLC.

The Department has completed its review of the application information submitted. This letter along with the attached license form constitute Exploration License # 41002 issued to Gogebic Taconite, LLC related to exploration activity described in the application submitted on January 2, 2014.

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 January 2, 2014. Exploration is limited to construction of fifteen (15) drillholes designated as 566-1, 566-2, 584-2, 594-2, 608-1, 646-1, 646-2, 646-2V, 655-1, 655-3V, 655-3, 666-1, 674-1, 674-2V and 686-2. 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 routes as proposed in the exploration plan and may not deviate from the location specified in the exploration plan by more than 50 feet without prior approval from the Department.
3. Temporary abandonment of exploration drillholes shall be completed in compliance with the methods specified in s. 295.44(5)(a), Stats.
4. 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, we request that Gogebic Taconite, LLC 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.

5. Abandonment reports and drilling fees shall be submitted as required under ss. 295.44(9) and (10), Stats.
6. The Notice of Intent to Drill required under s. 295.44(8), Stats., shall be provided to Larry Lynch, Bureau of Waste & Materials Management, Wisconsin Department of Natural Resources, Box 7921, Madison, WI 53707.
7. Documentation of disposal of any drill cuttings and solids at a licensed solid waste facility, as proposed in the exploration plan, shall be provided to the Department. We request that documentation be submitted 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.
8. Temporary erosion and sedimentation control measures shall be in place as necessary along the existing access roads prior to conducting significant exploration activity and shall remain in place until the drilling sites are stabilized in accordance with the reclamation plan.
9. Proposed drilling sites located along Access Roads #2 and 4 shall be constructed during the winter, when the access roads are sufficiently frozen to accommodate access by any equipment used to transport the drilling rig and other equipment needed during the drilling process.
10. Placement of temporary timber mats and construction of rock cobble roads shall not occur within delineated wetlands.
11. Construction of rock cobble roads may require separate regulatory action. If such construction is deemed necessary, contact the Department prior to construction to determine whether additional approvals are required.
12. Boundaries of delineated wetlands as described in the license application shall be clearly marked on the site prior to initiation of exploration activities.
13. For those sites constructed during frozen conditions, temporary vegetation shall be established as soon as practical after the start of the growing season.
14. Only drilling additives and abandonment materials which have been approved by the Department of Natural Resources Bureau of Drinking Water & Groundwater may be used for exploration drilling and permanent abandonment of exploration drillholes.

This Exploration License is effective from the date of issuance through June 30, 2014. If the Exploration License is not renewed as of July 1, 2014 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, PRES  
GOGEBIC TACONITE LLC  
402 SILVER STREET  
HURLEY, WI 54534

LICENSE NO: 41002  
TYPE OF FACILITY: Ferrous Mineral Exploration  
EFFECTIVE DATE: January 16, 2014  
DATE OF EXPIRATION: June 30, 2014

LICENSEE: GOGEBIC TACONITE LLC

NAME OF OPERATION: GOGEBIC TACONITE LLC

LOCATION OF OPERATION: 402 SILVER STREET  
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.