

## TEMPORARY LAND ACCESS AUTHORIZATION

This Temporary Land Access Authorization (“Authorization”) is made as of the 9<sup>th</sup> day of June, 2020 (the “Effective Date”) by and between the State of Minnesota, Department of Natural Resources, 500 Lafayette Road, St. Paul, Minnesota 55155-4045 (hereinafter referred to as the “State”), and Twin Metals Minnesota, LLC, 380 Saint Peter Street, Suite 705, St. Paul, Minnesota 55102, a Minnesota limited liability company, (hereinafter referred to as “Twin Metals”);

WHEREAS, pursuant to Minnesota Statutes, sec. 84.027, subd. 2, the commissioner of natural resources has charge and control of all the public lands of the state under the commissioner’s jurisdiction and control and of the use, sale, leasing, or other disposition thereof;

WHEREAS, Twin Metals has proposed the use of certain State owned lands in Lake County for auxiliary mining purposes;

WHEREAS, the State has not authorized use of these lands for the proposed purpose and has determined that significant environmental data and other information is required to fully evaluate the proposed use;

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

1. The State in consideration of the terms, conditions, and agreements contained herein, and the payment of \$100.00 by Twin Metals, hereby authorizes Twin Metals, including its employees, agents, and contractors, the non-exclusive right to use for the activities described below in paragraph 2, the following described premises (hereinafter referred to as the “Premises”):

Southwest Quarter of the Southwest Quarter (SW1/4-SW1/4) in Section 15, and

All of Section 16,

in Township 61 North, Range 11 West, in Lake County, Minnesota, comprising of 680 acres, more or less.

2. Twin Metals is authorized to access the Premises for purposes of undertaking field work to conduct the following work on the Premises:
  - a. botanical surveys, including invasive species;
  - b. wetland delineation;
  - c. wildlife surveys, including threatened and endangered species;
  - d. aquatic surveys in Keeley Creek.

All activities shall be conducted using hand-held tools. Surface and creek bed disturbance while conducting these activities shall be none to minimal. Twin Metals is allowed to install trail cameras, drift fences, acoustic detectors, bait stations, and various types of traps on the Premises as part of its wildlife surveys. Prior to conducting any work, Twin Metals must contact the DNR’s Nongame Wildlife Program (Heidi Cyr, ph. 651-259-5107; e-mail: [heidi.cyr@state.mn.us](mailto:heidi.cyr@state.mn.us)) to obtain any and all permits required for the wildlife surveys. Twin Metals will be required to follow the protocols outlined in the Nongame Wildlife permit(s).

Twin Metals is responsible for avoiding the transfer or importation of invasive species on the Premises and for taking reasonable steps to control the potential spread of invasive species resulting from its activities on the Premises, including:

- e. Ensure all vehicles, equipment and trailers are free of caked mud, dirt clods, plants, plant parts, bark and debris before entering and leaving the Premises.
  - f. Clean all vehicles, equipment and trailers taken on and off site during the growing season with a power washer or air compressor on a daily basis. Washing may be done at an approved location on site or off site at an appropriate cleaning facility. Rinse water is not allowed to run into open bodies of water or native plant communities.
  - g. Follow other actions as directed by the State to minimize the introduction and spread of invasive species.
  - h. If invasive plants become an issue during operations (to be determined by the State), agree to stop operations and gate or otherwise close the site until the infestation can be controlled.
3. Twin Metals shall submit an Activity Plan to Joe Rokala, Northeast Regional Operations Supervisor, Division of Lands and Minerals, Department of Natural Resources, 1201 East Highway 2, Grand Rapids, Minnesota 55744, in writing at least seven days, but no more than thirty days, in advance of any of the activities described in paragraph 2 above. The Activity Plan should specify the following:
    - a. The type of activity to be performed and its location.
    - b. The number of personnel (both in-house and contracted) to be carrying out the activities, as well as the name(s) of any contractor companies performing the work.
    - c. The approximate beginning and ending dates of the proposed activities.
    - d. The types and sizes of vehicles and equipment to be used.
    - e. The location and method of access to the Premises.
  4. Twin Metals is not authorized to construct any roads, trails, or other improvements upon the Premises.
  5. The State shall have the right, at any time and in such manner as it sees fit, to be present during and to inspect any of the above-described activities. Twin Metals shall also inform the State when it has completed its activities and has left the Premises.
  6. All activities conducted under this Authorization shall be performed at Twin Metals' sole cost and expense.
  7. Upon completion of its field work at any site, Twin Metals will cause its supplies and equipment to be removed promptly and the existing lands, trails, and roads restored to a condition satisfactory to the State.
  8. In case any interest in the Premises covered by this Authorization is owned by anyone other than the State, Twin Metals is not authorized hereby to trespass upon such other interest. If it is necessary to make use of such other interest in connection with any activities hereunder, Twin Metals shall obtain all necessary legal rights or authorization before proceeding. Twin Metals shall be liable for all damages to any such other interest caused by its activities hereunder and the State shall not incur or be subject to any liability therefore.

9. This Authorization does not grant Twin Metals any prior or prescriptive rights to the Premises, nor is the State obligated to issue a surface lease or otherwise convey any interest to Twin Metals upon any of the Premises.
10. Twin Metals shall save and hold harmless the State from any and all liabilities arising out of its activities under this Authorization.
11. Twin Metals shall not cut, remove or damage any vegetation or merchantable timber without the consent of the State. Twin Metals shall pay to the State for any damages caused by Twin Metals' activities under this Authorization that are sustained by the State to its land, water, timber, minerals, structures, or other improvements.
12. This Authorization is nontransferable by Twin Metals.
13. This Authorization is subject to the following existing State leases on the Premises:
  - a. State Non-Ferrous Metallic Minerals Lease No. MM-9859 dated September 6, 2001 held by Encampment Minerals, Inc.; and
  - b. State Industrial Minerals Lease No. MLIN200002 dated August 1, 2015, and as amended, held by Kasota Stone Fabricators, Inc.

Twin Metals shall not unduly interfere with the exploration or mining operations conducted pursuant to the state leases listed above.

14. This Authorization to enter the Premises is non-exclusive. The State reserves the right to sell or exchange, or grant leases, permits or licenses to any portion of the Premises to any person or corporation under authority of Minnesota Statutes, Ch. 92, or other applicable laws, without let or hindrance from Twin Metals.
15. All activities undertaken pursuant to this Authorization are subject to and shall be conducted in accordance with all applicable federal, state, and local government statutes, orders, rules, and ordinances, and Twin Metals agrees to comply with all such statutes, orders, rules and ordinances.
16. This Authorization shall be in effect for two years from the Effective Date noted above.
17. Twin Metals shall submit to the State all sample data gathered as a result of this Authorization, including, but not limited to, all maps, survey data, laboratory test data, analytical test data and information, and all records. The copies of all data and maps must be submitted in a digital format compatible with systems used by the Minnesota Department of Natural Resources. Data shall be submitted to the State every six months while this Authorization is in effect, with final data submission to the State no later than ten (10) days after expiration of this Authorization. Twin Metals understands that these data, once submitted, are public information.

TWIN METALS MINNESOTA, LLC

By /s/ Julie Padilla

Title: Chief Regulatory Officer

Dated: 06/09/2020

STATE OF MINNESOTA  
DEPARTMENT OF NATURAL RESOURCES

By /s/ Joseph Henderson  
Joseph Henderson, Director  
Division of Lands and Minerals

Dated: 06/09/2020