

Dave Hart

From: Tom Osteraas [tomosteraas@excelsiorenergy.com]
Sent: Monday, June 13, 2005 10:59 AM
To: Dave Hart
Subject: Lease/Option

Hi Dave --

Renee Sass asked me to touch base with you to confirm that I am working on a draft of a lease agreement with a purchase option built into it. I hope to have a draft that we can send to you by the middle of the week.

Thanks,
Tom

Thomas L. Osteraas
General Counsel
Excelsior Energy Inc.
Crescent Ridge Corporate Center
11100 Wayzata Boulevard, Suite 305
Minnetonka, MN 55305
Tel: 952.847.2366
Fax: 952.847.2373
Email: TomOsteraas@ExcelsiorEnergy.com
www.excelsiorenergy.com

Dave Hart

From: Thomas Micheletti [TomMicheletti@excelsiorenergy.com]
Sent: Thursday, November 10, 2005 9:39 AM
To: Brian Hiti
Cc: Mike Larson; Matt Sjoberg; Dave Hart; Sandy Layman; Dan Jordan
Subject: RE: PolyMet Release

Dear Brian:

Thanks much for the heads up. I know you had to move forward on this even though we have not settled with Cliffs on another site at Hoyt Lakes (which is likely to cost much more!). Nonetheless, we understand your need to move forward on this even in the absence of a final agreement between Excelsior and Cliffs---we are not about to stand in the way of progress, especially with our friends at the IRR.

Please pass along my thank you to the Commissioner for her expedited signing of the 'IEP' and Site Designation letter, and wish her a safe trip to China.

Congratulations to all on the moving Polymet forward. I like the idea of new Iron Range customers!

Tom

P.S. I spoke with Gunnar and Mike last week. I was told that the IRR was now in a position to move forward with us on the Motorplex agreement. It would be helpful if you could confirm this as it would be very good to have a Central Range Site in place (understanding that it is subject to the rights of the current Motorplex developers agreement if they meet their development obligations to IRR and others).

From: Brian Hiti [mailto:Brian.Hiti@ironrangeresources.org]
Sent: Thursday, November 10, 2005 8:58 AM
To: Julie Jorgensen; Thomas Micheletti
Cc: Mike Larson; Matt Sjoberg; Dave Hart; Sandy Layman; Brian Hiti; Dan Jordan
Subject: PolyMet Release

Tom & Julie,

I wanted to make you aware of this before it hits the wire. My understanding is that you are very close to agreement with Cliffs for land and infrastructure required to accommodate an East Range site. Please call if you have any questions. Thanks!

Brian

1/14/2005

Dave Hart

From: Brian Hiti
Sent: Thursday, November 17, 2005 7:51 AM
To: Mike Larson; Dave Hart
Cc: Matt Sjoberg; Dan Jordan; Brian Hiti; Sandy Layman
Subject: Excelsior Site Decision

Guys,

At last night's East Range Community Readiness Committee meeting in Aurora, Pat Micheletti of Excelsior (with assistance of Chuck Michaels of SEH) replied in response to a question regarding siting of Mesaba I and Mesaba II that ultimately the power plant site location(s) will be decided by an administrative law judge, after considering a variety of factors, including environmental compatibility. Michaels said that this is provided in Minnesota law (Minnesota Power Plant Siting Act). This is the first time I recall hearing this. Is this something of which you guys are aware? Representative Rukavina, the lone legislator at the meeting, said this was the first time he had ever heard this and asked me about it. Please advise. Thanks!

Brian

1/17/2005

Dave Hart

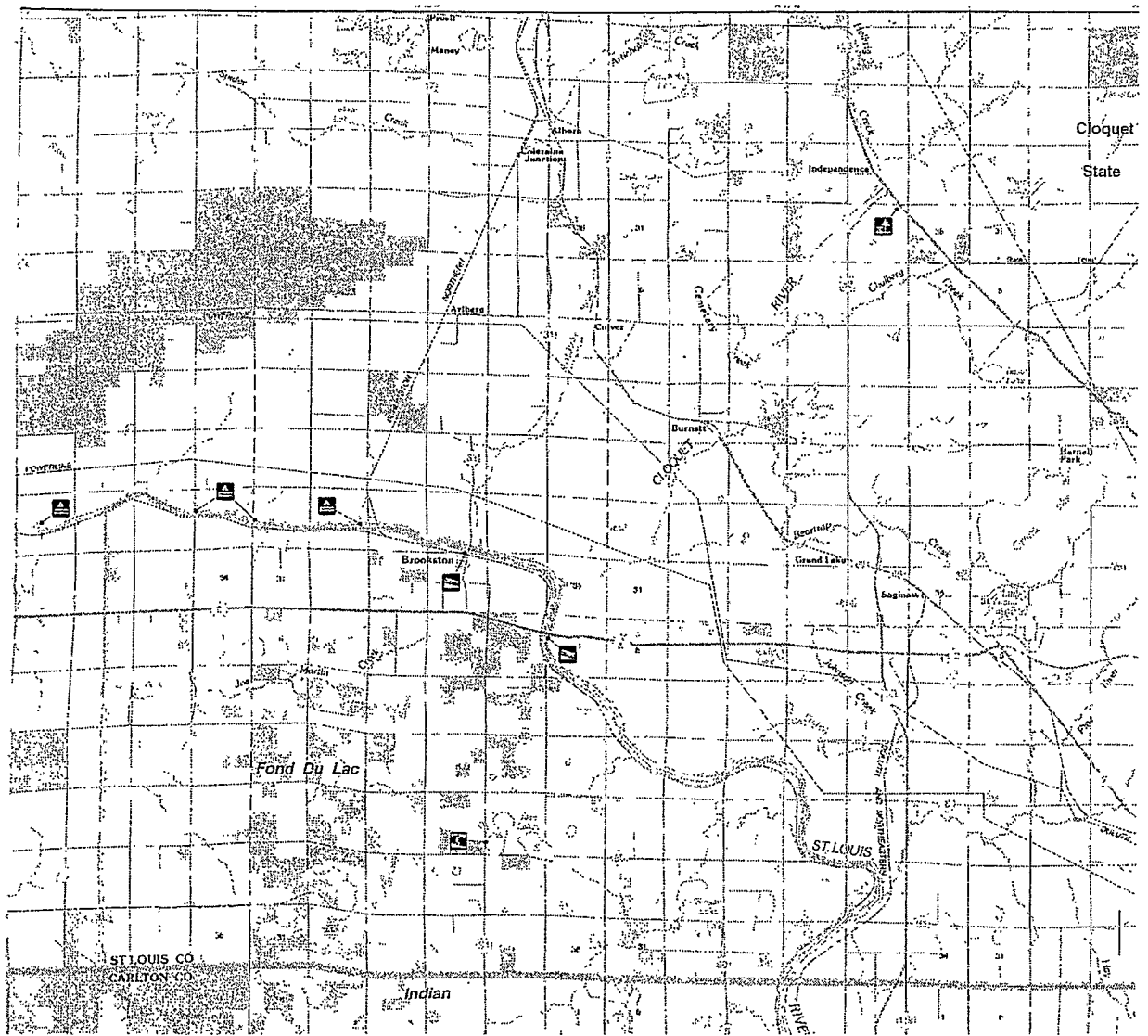
From: Gordon Gray [GordonG@excelsiorenergy.com]
Sent: Tuesday, February 06, 2007 10:31 AM
To: Mike Larson; Dave Hart
Subject: Maps near Brookston
Attachments: EE-1199_000.pdf; EE-1198_000.pdf; Site Selection Figure 19.pdf

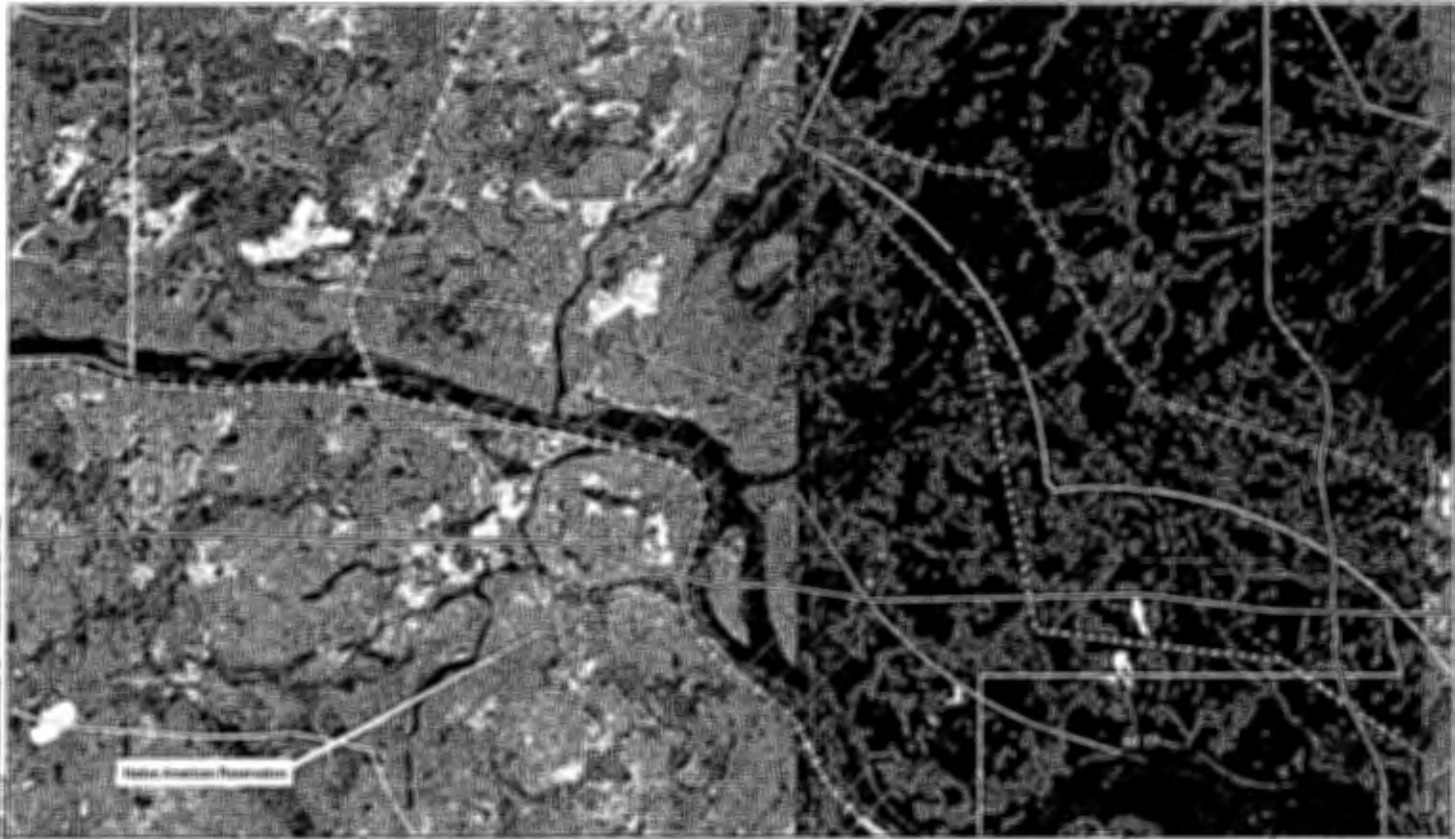
Here's the list of the maps that I have attached:

- (1) PRIM recreational map of the region.
- (2) Latest plat map, see pg.2
- (3) GIS map of the area

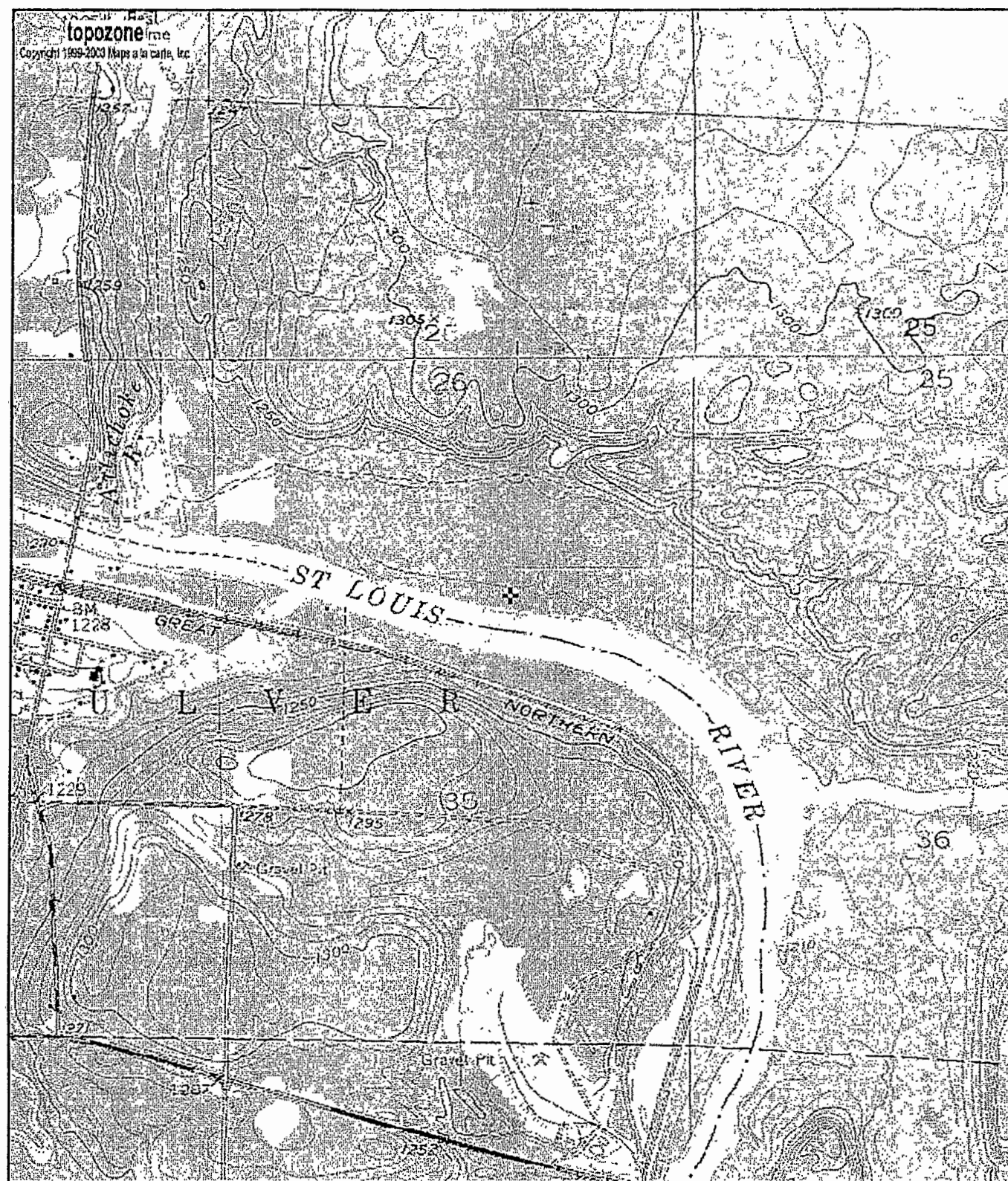
We don't have the contour maps for this area, but it might be pretty helpful to take a look at them to see the plateau that is surrounded by the St. Louis River, the Cloquet River, and the Artichoke River. That can be viewed at <http://www.topozone.com/map.asp?lon=-92.6036&lat=46.8678>. It is surprising to me that this land is tax forfeit; it would seem like prime real estate for cabins or houses overlooking the confluence of 3 rivers.

Gordon Gray
Environmental Engineer
Excelsior Energy Inc.
11100 Wayzata Blvd. Ste. 305
Minnetonka, MN 55305
Phone: 952.847.2379
Cell: 734.625.7608





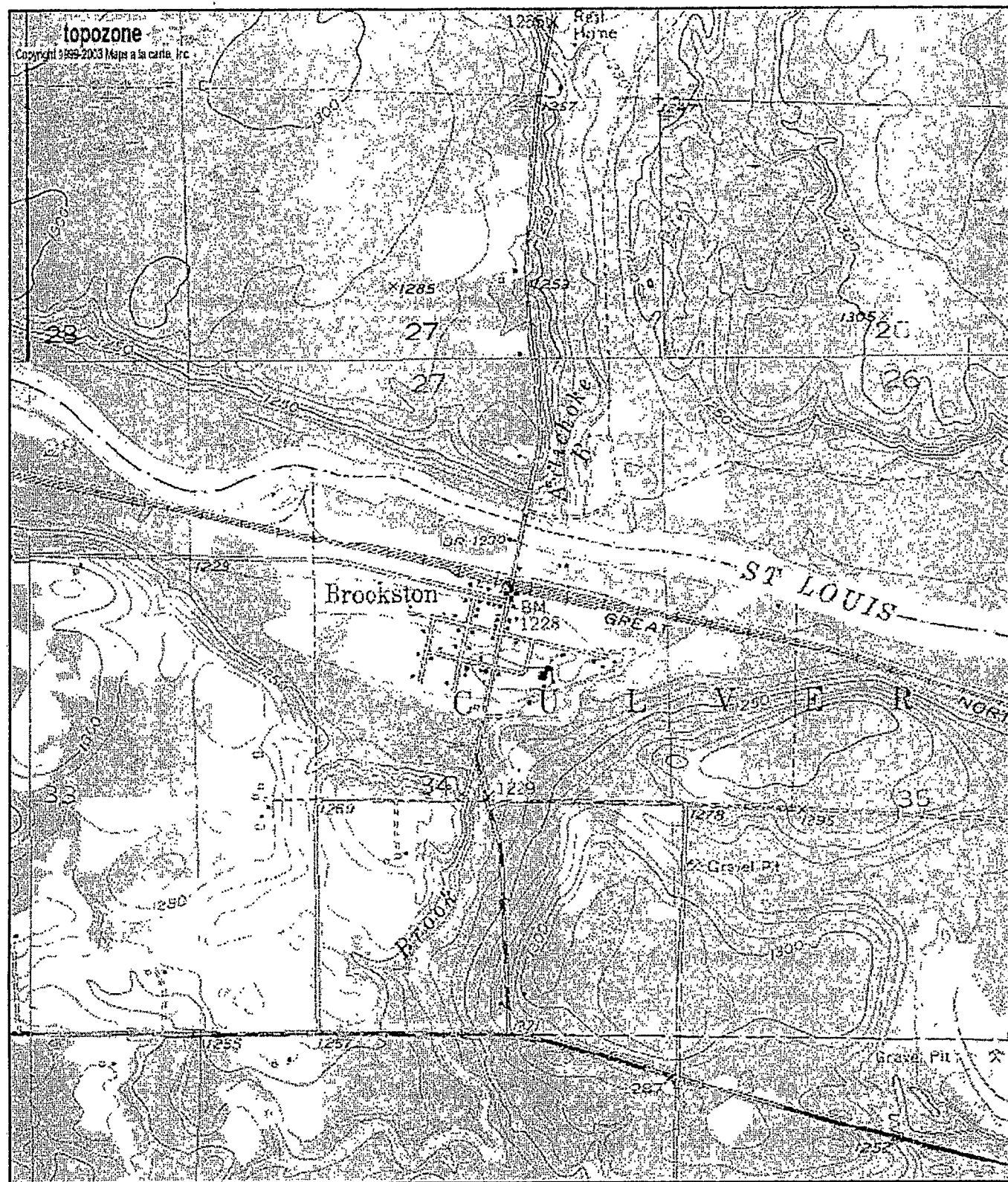
Boulder Energy Inc. Boulder Energy Project 10/1/00	Granite Dam Field Note January 2007	<table border="1"> <tr> <th>Legend</th> <th>Symbol</th> <th>Value</th> <th>Symbol</th> <th>Value</th> </tr> <tr> <td>• Circle</td> <td>1000' Radius</td> <td>1000' Radius</td> <td>• Circle</td> <td>1000' Radius</td> </tr> <tr> <td>--- Highway</td> <td>1000' Radius</td> <td>1000' Radius</td> <td>--- Highway</td> <td>1000' Radius</td> </tr> <tr> <td>--- River</td> <td>1000' Radius</td> <td>1000' Radius</td> <td>--- River</td> <td>1000' Radius</td> </tr> <tr> <td>TTTSS</td> <td>1000' Radius</td> <td>1000' Radius</td> <td>TTTSS</td> <td>1000' Radius</td> </tr> </table>	Legend	Symbol	Value	Symbol	Value	• Circle	1000' Radius	1000' Radius	• Circle	1000' Radius	--- Highway	1000' Radius	1000' Radius	--- Highway	1000' Radius	--- River	1000' Radius	1000' Radius	--- River	1000' Radius	TTTSS	1000' Radius	1000' Radius	TTTSS	1000' Radius	Figure 10 TTTSS Site Location	
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UTM 15 531736E 5190331N (NAD27)
USGS Brookston (MN) Quadrangle
Projection is UTM Zone 15 NAD83 Datum

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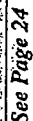
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Brookston, USGS Brookston (MN) Quadrangle
Projection is UTM Zone 15 NAD83 Datum

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See Page 33

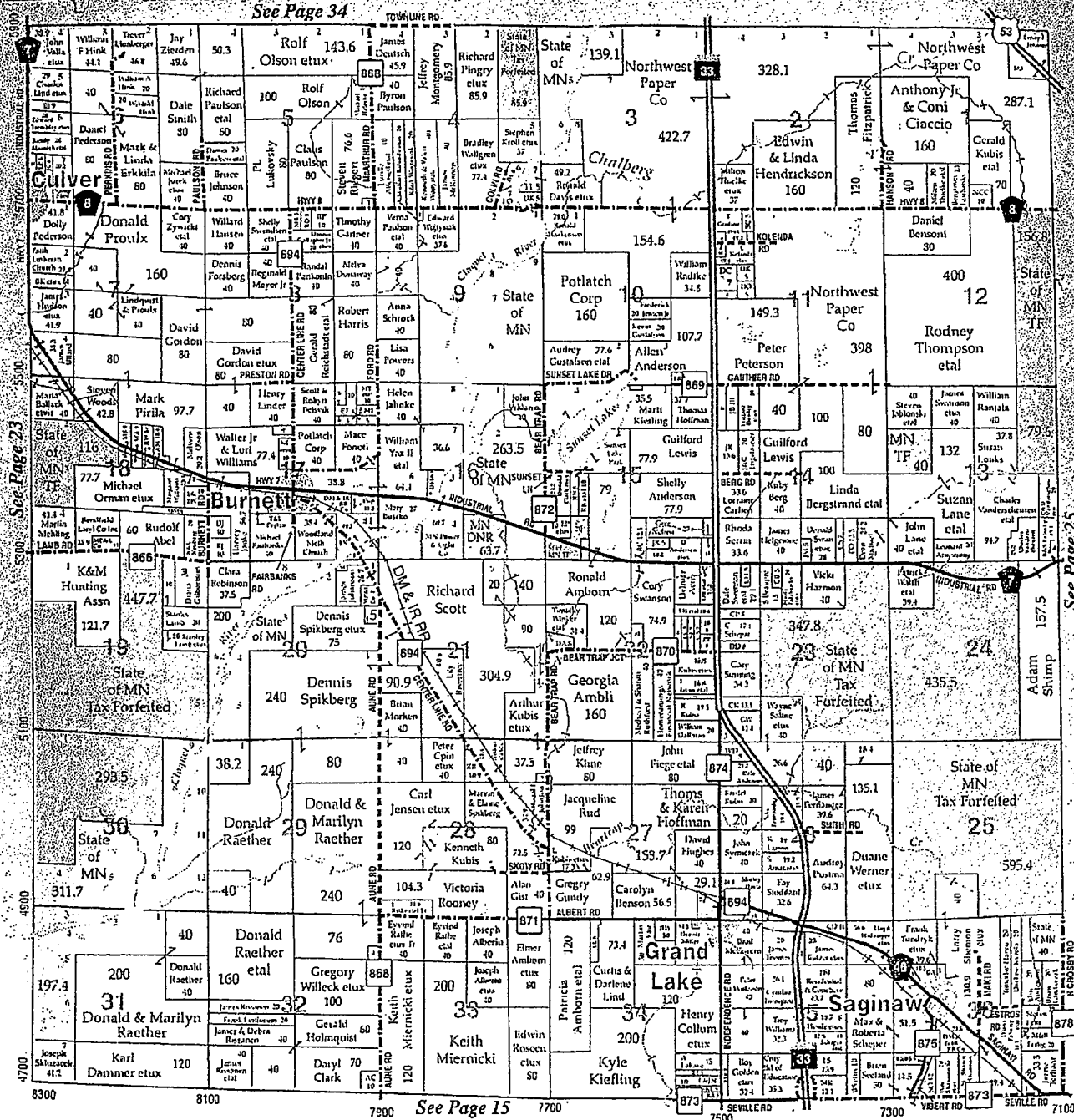


See Page 14



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See Page 34



Autumn Adventure

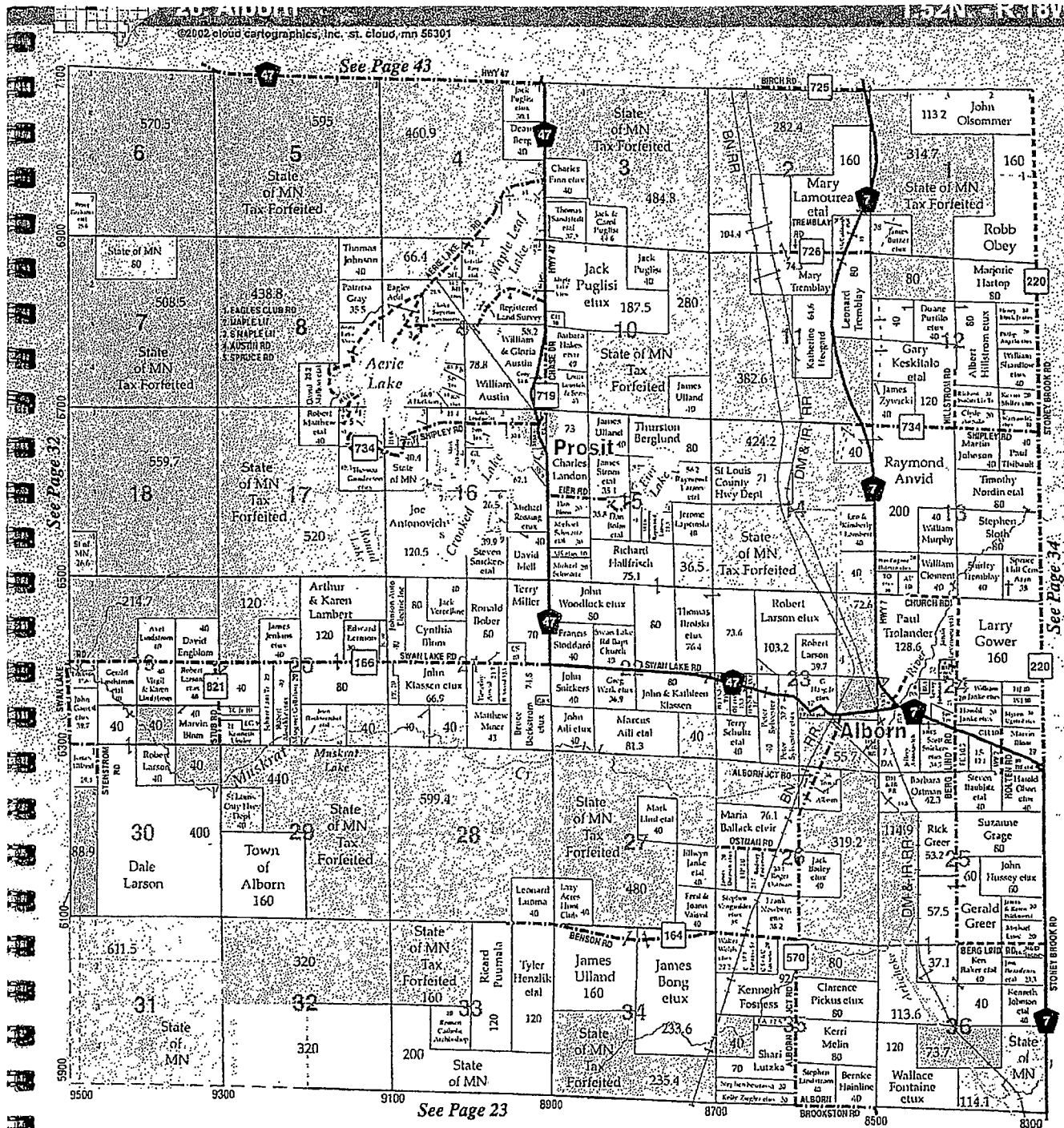
Wherever you're coming from, the colors alone are worth the trip. Autumn in northeastern Minnesota is simply stunning. You'll see fall colors in shades of red, orange and yellow that you won't be able to describe—so be sure to bring a camera!

Our scenery is great for a drive, but for a truly spectacular experience try a chairlift ride or an aerial tour in a small plane, guided by

an experienced area pilot. Lakes glisten like jewels nestled in a tie-dyed fabric of russet, gold and fiery orange. Interwoven in this dazzling mix are sturdy stands of pine, their evergreen needles marbled into autumn's pattern.

While soaking up all this natural beauty, you'll want to enjoy unhurried

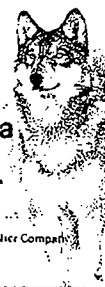
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some complete with beds,
keep you warm and toasty.

Northeastern Minnesota
vacation information:
www.wildnorth.org or
800-664-WILD

Trail Lodging of Northeastern Minnesota's Wild North and V.A. Fisher Company
Photos courtesy of Minnesota Office of Tourism



Dave Hart

From: Robert Evans [BobEvans@excelsiorenenergy.com]
Sent: Wednesday, February 07, 2007 9:21 AM
To: Dave Hart; Mike Larson
Subject: Brookston Pix
Attachments: Site Selection Figure 19.pdf

Dave/Mike,

Thanks so much for getting us the pictures of the Brookston site yesterday. They really helped us establish our response to why this site is not a low-wetland impact project. In short, we stated that we would not be able – because of aesthetic considerations – to perch a power station on the edge of the cliff in the pictures (i.e., it would be required to be positioned away from the cliff to obscure its view). If that is the case, we wind up impacting significant wetland areas to the north. We would not have been able to feel confident in this response had we not had access to the pictures. As it was, Gordy put the statement in a graphic that was sent to the Army Corps of Engineers last night. I have attached the graphic for your interest and to commemorate your efforts.

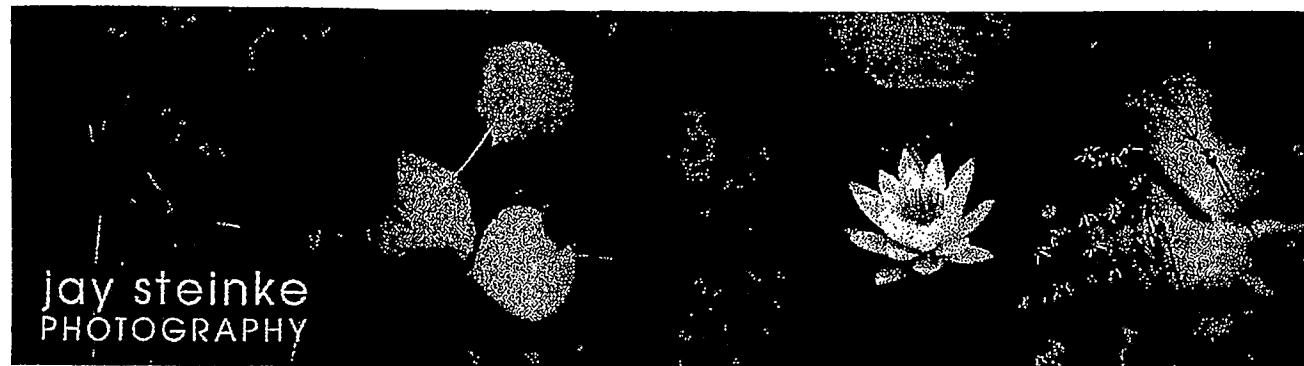
Thanks again for your “real time” help.

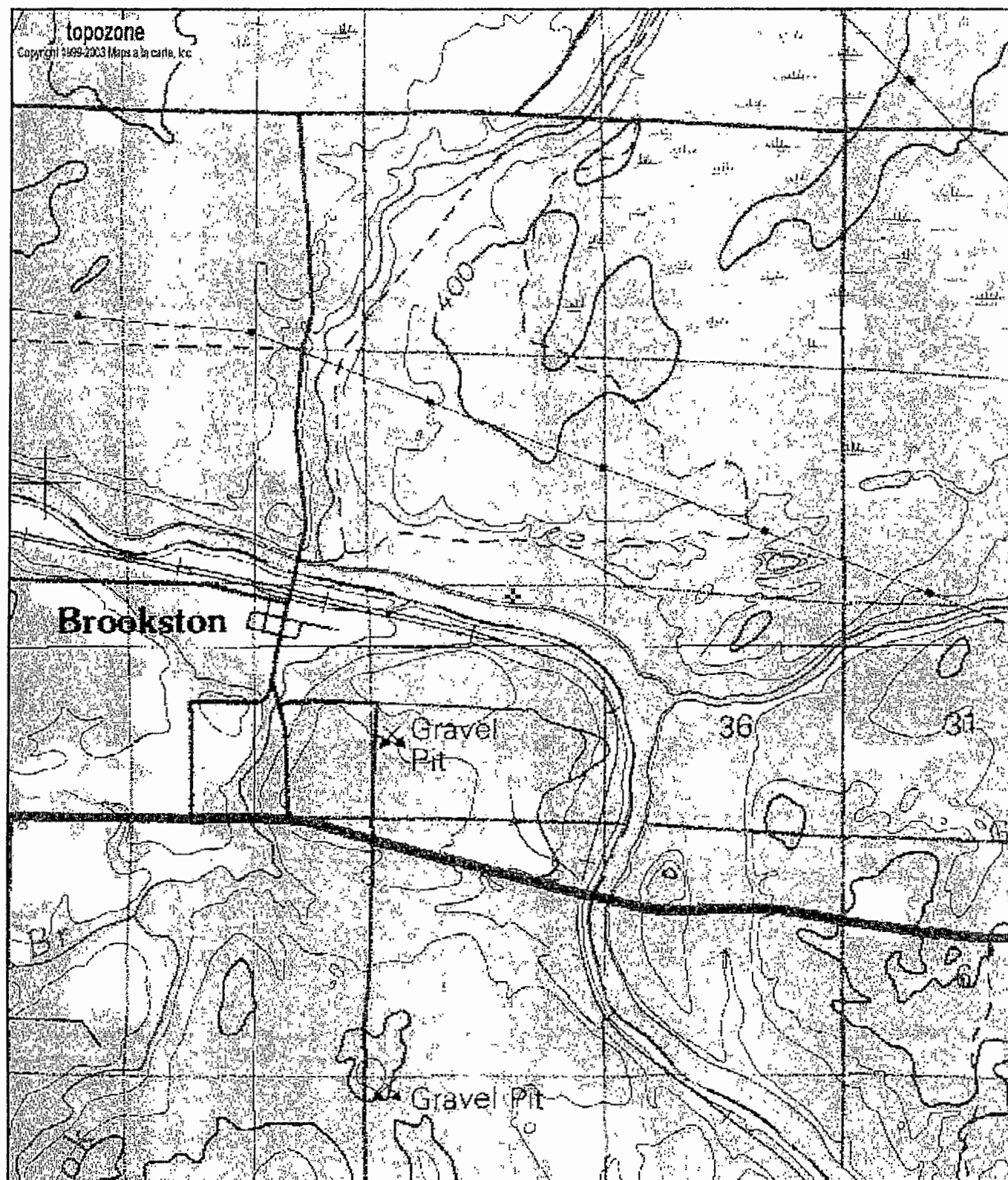
Bob

2/8/2007



<p>Excelsior Energy Inc.</p> <hr/> <p>Mesaba Energy Project</p> <p><small>Energy, Mineral, and Economic Development for Minnesota</small></p>	<p><i>Taconite Tax Relief Area</i></p> <hr/> <p><i>January 2007</i></p>	<p>Legend</p> <table border="0"> <tr> <td>• Cities</td> <td>-+ BNSF Rail</td> <td>= HVTL_230</td> </tr> <tr> <td>= Highways</td> <td>+ DMR Rail</td> <td>= HVTL_115</td> </tr> <tr> <td>— Rivers</td> <td>+ DWP Rail</td> <td>= HVTL_345</td> </tr> <tr> <td>TTRA</td> <td></td> <td>= HVTL_500</td> </tr> </table>	• Cities	-+ BNSF Rail	= HVTL_230	= Highways	+ DMR Rail	= HVTL_115	— Rivers	+ DWP Rail	= HVTL_345	TTRA		= HVTL_500
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