



March 15, 2011

Wisconsin Department of Natural Resources
Mining Coordinator – WA/5
101 South Webster Street
PO Box 7921
Madison, WI 53707-7921

Dear Director:

Re: Exploration License Application
Wisconsin Administrative Code NR 130.05

Gogebic Taconite, LLC submits to your agency an Exploration License Application. Included within this application are the following:

- A completed and signed copy of Form 2700-05.
- A License Fee of \$300.00
- A Surety Bond in the amount of \$5,000.00
- A Certificate of Insurance of no less than \$50,000.00
- A copy of the Applicant's current assets and liabilities.
- A copy of the Certification or Authority or Registration issued by the State of Wisconsin – Department of Financial Institutions.

Any questions should be directed to our Hurley office at (715) 561-2601. Our mailing address is:

Gogebic Taconite, LLC
402 Silver Street
Hurley, WI 54534

Sincerely,

A handwritten signature in blue ink that reads "William T. Williams".

William T. Williams
President

State of Wisconsin
Department of Natural Resources
Waste and Materials Management
PO Box 7921
Madison WI 53707-7921
dnr.wi.gov

Metallic Mineral Exploration License Application

Form 2700-005 (R 12/10)

- Original Application
 Renewal Application

For License Period Expiring June 30, 2011

Notice: Use of this form is required by the DNR pursuant to Chapter 293, Wis. Stats., and Chapter NR 130, Wis. Adm. Code. Personal information collected will be used for administrative purposes and may be provided to requesters to the extent required by Wisconsin's Open Records Law [ss. 19.31-19.39, Wis. Stats.].

Instructions: Please submit two completed copies of this application to the above address.

General Information

Applicant Name			Applicant is: (select one)	
Gogebic Taconite, LLC			<input type="radio"/> Applicant	<input type="radio"/> Partnership
Address			<input type="radio"/> Sole Proprietorship	<input type="radio"/> Corporation
402 Silver Street			<input checked="" type="radio"/> Other - Explain <u>Limited Liability Company</u>	
City	State	ZIP Code		
Hurley	WI	54534		

Is applicant a Division or Subsidiary of another corporation? Yes No

If yes, Parent Corporation Name

Address	City	State	ZIP Code

If applicant is a corporation, is it incorporated under Wisconsin law? Yes No

If applicant is incorporated outside Wisconsin, does it hold a valid certificate of authority to do business in Wisconsin issued by the Secretary of State? Yes No

Financial Responsibility

- Attach one copy each of the applicant's and parent company's (where applicable) most recent annual report and most recent Form 10-K as filed with the Securities and Exchange Commission. If these are not available, attach a report of the applicant's current assets and liabilities and other necessary data to establish that the applicant is competent to conduct exploration in a manner consistent with the requirements of Chapter 293, Wis. Stats.
- Attach a bond payable to the Department of Natural Resources in the amount of \$5,000 or another amount specified by the Department conditioned on faithful performance of the provisions of Chapter NR 130, Wis. Adm. Code and Chapter 293, Wis. Stats. The bond shall comply with all provisions enumerated in s. NR 130.05(2)(b), Wis. Adm. Code.
- Attach a certificate of insurance certifying that the applicant has in force a liability insurance policy issued by an insurance company authorized to do business in this state covering all exploration of the applicant in this state and affording personal injury and property damage protection in a total amount deemed adequate by the Department but not less than \$50,000.

Fee


Attached is a check or money order in the amount of: \$300 for original application \$150 for renewal application made payable to the Department of Natural Resources to cover the annual license fee.

Applicant's Statement

(Must be signed by the individual applicant; by all partners if a partnership; by a corporation officer if a corporation; or by a responsible official if other than the above.)

I/We hereby certify that the foregoing statements are true to the best of my/our knowledge and belief.

I/We hereby execute the foregoing application as officer(s) of the Gogebic Taconite, LLC
by its authority. Corporation Name

Signature of Applicant	Date Signed	Title
	03.15.11	President
Signature of Applicant	Date Signed	Title

ATTACHMENT A – NR 130.05

Requirements for an Application for an Exploration License

NR 130.05 Application for an Exploration License.

- a. A fee of \$300 for the exploration license.
A check in the amount of \$300 is enclosed.
- b. A bond payable to the department in the amount of \$5,000 conditioned on faithful performance of the provision of this code.
A Surety Bond in the amount of \$5,000 is enclosed.
- c. A Certificate of Insurance In force a liability insurance policy Personal injury and property damage protection in a total amount deemed adequate by the department but not less than \$50,000.
A Certificate of Insurance is enclosed.
- d. A report of the applicant's current assets and liabilities or other necessary data to establish that the applicant is competent to conduct exploration in this state.
A statement of Gogebic Taconite's Liabilities and Assets is enclosed.

KNOW ALL PERSONS BY THESE PRESENTS, that GOGEBIC TACONITE, LLC
(the Explorer)

of 402 SILVER STREET, HURLEY, WI 54534, as Principal, and
(Address)

U.S. SPECIALTY INSURANCE COMPANY, a surety company organized and
(Name of Surety Company)

existing under the laws of the State of TEXAS and duly authorized to do surety
business in the State of Wisconsin, as Surety, are held and firmly bound unto the State of Wisconsin Department of

Natural Resources, as Obligee, in the penal sum of FIVE THOUSAND AND NO/100**** dollars

(\$ 5,000.00) for payment of which the Principal and the Surety bind themselves, their heirs, executors,
administrators, successors and assigns jointly and severally.

WHEREAS, this bond is written to satisfy the requirements of section NR 130.05(2)(b), Wisconsin Administrative Code,
as amended, to ensure compliance with the metallic mineral exploration licensing requirements, and shall inure to the
benefit of the Obligee.

The insolvency or bankruptcy of the Principal shall not constitute a defense to the Surety with regard to any claim of
liability on the obligation of this bond.

The Surety hereby waives notification of any failure on the part of the Principal or any successor in interest to faithfully
comply with the requirements of s. 293 Stats. and Chapter NR 130, Wis. Adm. Code, and lack of notice from the Obligee
will not bar or limit recovery against the Surety.

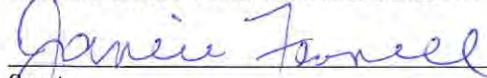
This bond is effective on the 1ST day of MARCH, 2011, and shall continue in force until
terminated as hereinafter provided. As long as any obligation of the Principal or any successor in interest for the metallic
mineral exploration license exists, this bond shall not be cancelled by the Surety unless a replacement bond acceptable to
the Obligee is provided to the Obligee. If the Surety proposes to cancel this bond, notice shall be provided to the Obligee
and the Principal in writing by registered or certified mail not less than 90 days prior to the proposed cancellation date.
Not less than 30 days prior to the expiration of the 90 day notice period, the Principal shall deliver to the Obligee a
replacement bond. In the absence of the delivery of a replacement bond, all exploration shall cease.

Signed, sealed and dated this 1ST day of MARCH, 2011.

GOGEBIC TACONITE, LLC


Principal

U.S. SPECIALTY INSURANCE COMPANY


Surety

JANICE FENNEL
Attorney in Fact

POWER OF ATTORNEY

(To be used with bonds issued on behalf of U.S. SPECIALTY INSURANCE COMPANY)

Know All Men by These Presents That, U.S. SPECIALTY INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Jeremy C. Rose, Richard C. Rose or Janice Fennell of Knoxville, Tennessee

its true and lawful Attorney(s) in fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed ****Seventy-Five Million**** Dollars (\$ ***75,000,000.00***) and to bind the Company thereby as

fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the U. S. Specialty Insurance Company:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted by unanimous written consent in lieu of meeting on July 7, 2003.)

In Witness Whereof, U. S. SPECIALTY INSURANCE COMPANY has caused these presents to be signed by its Vice President, and its corporate seal to be hereto affixed this 2nd day of January, 2008.

Corporate Seal

U.S. SPECIALTY INSURANCE COMPANY
By

Adam S. Pessin

Adam S. Pessin, Vice President

State of California
County of Los Angeles ss:

On this 2nd day of January, 2008, before me, Deborah Reese, a notary public, personally appeared Adam S. Pessin, Vice President of U.S. Specialty Insurance Company, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. I witness my hand and official seal.

Signature *Deborah Reese* (Seal)



I, Jeannie Kim, Assistant Secretary of U. S. SPECIALTY INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Los Angeles, California this 1st day of MARCH, 2011.

Corporate Seal



Jeannie Kim

Jeannie Kim, Assistant Secretary

Bond No. 1000828416

Agency No. 16425

To inquire about this bond, please write to us at surety-bond-inquiry@hcc.com

Balance Sheet
As of 12/31/2010

Gogebic Taconite LLC (GTL)

Assets

Local Imprest Fund

1000-000-00	Cash-Huntington Banks	\$ 17,460.42	
	Total Local Imprest Fund:		\$ 17,460.42

Other Prepaid Expenses

1545-000-00	Lease Payments	<u>\$ 200,000.00</u>	
	Total Other Prepaid Expenses:		\$ 200,000.00

Machinery/Equip/Buildings

2000-000-00	Machinery & Equipmen	<u>\$ 5,665.65</u>	
	Total Machinery/Equip/Buildings:		\$ 5,665.65

Accumulated Depreciation

2050-000-00	Accumulated Deprecia	<u>\$-392.93</u>	
	Total Accumulated Depreciation:		<u>\$-392.93</u>

Total Assets:	<u><u>\$ 222,733.14</u></u>
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Liabilities

3000-000-00	Vouchers Payable	<u>\$ 213,205.37</u>	
	Total Liabilities:		\$ 213,205.37

Equity

Member Equity

4500-000-00	Member Equity	<u>\$ 765,000.00</u>	
	Total Member Equity:		\$ 765,000.00

Retained Earnings

4530-000-00	Retained Earnings-Current Year	\$-755,472.23	
4530-000-00	Retained Earnings	<u>\$ 0.00</u>	
	Total Retained Earnings:		\$-755,472.23

Total Equity:	<u>\$ 9,527.77</u>
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Total Liabilities & Equity:	<u><u>\$ 222,733.14</u></u>
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United States of America

State of Wisconsin

DEPARTMENT OF FINANCIAL INSTITUTIONS



CERTIFICATE OF AUTHORITY or REGISTRATION

Issued to

GOGEBIC TACONITE, LLC

an organization formed under the laws of **Delaware**,

authorizing the organization to transact business in this state, effective **January 21, 2011**,

as a

- Foreign limited liability partnership, under sec. 178.45, Wis. Stats.
- Foreign limited partnership, under sec. 179.82, Wis. Stats
- Foreign corporation, under sec. 180.1503, 180.1504, 181.1503 or 181.1504, Wis. Stats.
- Foreign limited liability company, under sec. 183.1004 or 183.1006, Wis. Stats.

Date of Issue: **January 24, 2011.**



A handwritten signature in black ink, appearing to read "Ray Allen".

RAY ALLEN, Deputy Secretary
Department of Financial Institutions

See reverse for more information

CONTINUING REQUIREMENTS

Maintain a Registered Agent and Office in Wisconsin

Each foreign organization licensed or registered to transact business in Wisconsin must continuously maintain a registered agent and office in Wisconsin. If such agent is a natural person, the agent must be a resident of Wisconsin. Or, the agent may be some other domestic or licensed foreign organization qualified to act under the appropriate statutes. The organization may not name itself as its own registered agent.

File an Annual Report

Each foreign corporation and limited liability company licensed to transact business in Wisconsin is obliged to file an annual report. Report forms are distributed during January to the organization's registered agent and office in Wisconsin, and are due March 31. The initial annual report is due March 31st the year after the entity becomes licensed. Failure to file the report sets grounds for revocation of the organization's authority to transact business in Wisconsin. There is no annual report filing requirement for foreign limited partnerships or foreign limited liability partnerships.

File for an Amended Certificate of Authority

Promptly file for an amended certificate of authority or registration to reflect a change in the name of the entity or other changes to information set forth in the original application.

For additional information and blank forms, contact

Department of Financial Institutions
Division of Corporate & Consumer Services
P O Box 7846
Madison, Wisconsin 53707-7846

Phone (608) 261-7577
Website: www.wdfi.org

Sec. 183.1004
& 183.1006
Wis. Stats.

RECEIVED
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN
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State of Wisconsin
DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Corporate & Consumer Services



FOREIGN LIMITED LIABILITY COMPANY - CERTIFICATE OF
REGISTRATION APPLICATION

Indicate (X) below if the application is for a (A) ORIGINAL or (B) for an AMENDED certificate.

1. <input checked="" type="checkbox"/> ORIGINAL certificate of registration <i>Name of limited liability company</i> A GOGEBIC TACONITE, LLC	STATE OF WISCONSIN FILED JAN 24 2011 DEPARTMENT OF FINANCIAL INSTITUTIONS	2. State or Country of Organization DE
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OR

1. <input type="checkbox"/> AMENDED certificate of registration (if changed, enter the new name or new state or country of organization. Also, enter the old name in section A above, and complete all other items, <u>except item 8.</u> <i>Name of limited liability company</i> B	2. State or Country of Organization
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If the company's name does not satisfy sec. 183.0103(1) and (2), Wis. Stats., provide the fictitious name under which it proposes to register and transact business in Wisconsin. (See Instructions)

C

3. Name of Registered Agent in Wisconsin CSC-Lawyers Incorporating Service Company

4. Street Address of Registered Office in Wisconsin 8040 Excelsior Drive, Suite 400		
City Madison	State WI	Zip Code 53717

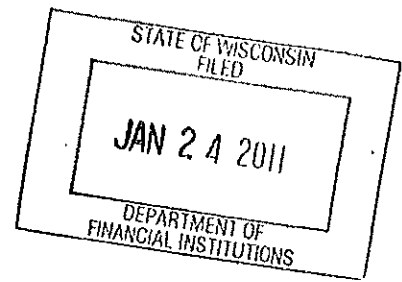
5. Address of Office (Complete address, including street & number, city, state and ZIP code, of the office the company is required by law to maintain in its state of organization. If no such office is required, provide the address of the company's principal office.)			
Address 3801 PGA Boulevard, Suite 903		PO Box	
City Palm Beach Gardens	State/Province FL	Country USA	Zip/Postal Code 33410

6. Date of Organization: June 15, 2010

DFI/CORP/521 (09/05)

WI - DFI CORP
FILE ID #

6045393



7. Management of the foreign limited liability company is vested in:

- a manager or managers its members

8. Has the company transacted business in Wisconsin without holding a certificate of registration?

- No Yes If yes, state the period _____ and complete the supplement below. (see instructions)

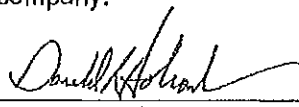
SUPPLEMENT	
Basic registration fee	\$ 100.00
PLUS annual report fee for each year (each calendar year X fee) 1995 through 2001, \$50 each year; 2002 thru _____ \$80 each year	\$ _____
Subtotal	\$ _____
Calculate and ADD a 50% penalty to the subtotal, or \$5,000, whichever is less	\$ _____
TOTAL FILING FEE (post to Item 9)	\$ _____

9. Remit the one appropriate **FILING FEE**, payable to Department of Financial Institutions:

ORIGINAL Certificate \$ 100.00	OR	ORIGINAL Certificate, from Supplemental above \$ _____	OR	AMENDED Certificate \$ 40.00
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10. I certify that the applicant is a foreign limited liability company.

Executed on January 20, 2011
(Date)


(Signature)

Title: Member OR Manager
(Select and mark (X) the appropriate title)

Donald R. Holcomb, Vice President of
(Printed name)
Cline Resource and Development Company,
Sole Member of Gogebic Taconite, LLC