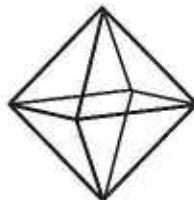


**Jonathan C. Cherry, P.E.**  
Manager Environment and Governmental Affairs  
Kennecott Eagle Minerals Company  
1004 Harbor Hill Drive  
Suite 103  
Marquette, Michigan 49855  
Phone: 906-225-5791  
Email: Cherryj@Kennecott.com



# **Kennecott**

## **Eagle Minerals**

February 23, 2006

Mr. Hal Fitch  
Chief, Geological and Land Management Division  
Michigan Department of Environmental Quality  
Constitution Hall  
525 W. Allegan Street  
P.O. Box 30256  
Lansing, Michigan 48909-7756

Mr. Joe Maki  
Office of Geological Survey  
Upper Peninsula District Office  
Michigan Department of Environmental Quality  
420 Fifth Street  
Gwinn, Michigan 49841

Re: **Kennecott Eagle Minerals Company**  
**Specification of Financial Assurance Instrument**

Dear Mr. Fitch and Mr. Maki:

In its Part 632 permit application, Kennecott Eagle Minerals Company (KEMC) provided the department with the calculations necessary to determine the appropriate level of financial assurance for the Eagle Project in accordance with Rule 425.301, and stated that KEMC will provide that assurance using a mechanism to be agreed upon by the Department and KEMC. I want to make certain that you know that KEMC intends to use an irrevocable letter of credit meeting the requirements of Rule 425.305 for the entire amount of the financial assurance required under Rule 301.

Please contact me at 906.225.5791 with any questions you might have regarding issuance of the letter of credit and financial assurance to be provided for the proposed mine.

Sincerely,

Jonathan C. Cherry, P.E.  
Manager Environmental & Government Affairs