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May 21, 2013

Dean Gettinger, Field Manager (Acting)
Milwaukee Field Office
Bureau of Land Management
United States Department of the Interior
626 E. Wisconsin Ave., Suite 200
Milwaukee, WI 53202-4617

Dear Dean:

We thank you for your attention to Twin Metals Minnesota's ("Twin Metals") proposals and activities over the last few months. We seek to assist the Bureau of Land Management ("BLM") with obtaining the resources necessary to timely process all of the current Twin Metals proposals and future Twin Metals proposals.

To that end, we present information informing the development of a master cost recovery agreement between BLM and Twin Metals that would provide BLM the resources it needs to hire additional employees or contractors. In developing the information provided and attached herein, we reviewed the template master cost recovery agreement, attached as Attachment A.

Based on that template master cost recovery agreement, we provide the following:

1. A map of the geographic area we propose be addressed by the master cost recovery agreement between BLM and Twin Metals. Specifically, Attachment B depicts Twin Metals' current leases, MNES 1352 and 1353, and Twin Metals' current prospecting permits, MNES 50652 and MNES 50846, subject to Twin Metals' pending preference right lease application. Twin Metals will require additional approvals related to the lands subject to these leases and prospecting permits in advance of and as part of any mine plan of operations for the development of the strategic critical minerals that Twin Metals proposes to develop. Twin Metals proposes that the master cost recovery agreement between Twin Metals and BLM cover all such approvals related to those leases and prospecting permits. Twin Metals notes that as part of certain approvals related to those leases and prospecting permits, BLM may evaluate and analyze impacts to lands and resources outside of the area subject to the leases and prospecting permits. The master cost recovery agreement would cover any such analyses and evaluations. Twin Metals and BLM would reserve the right to expand the geographic area covered by the master cost recovery agreement upon mutual written agreement.

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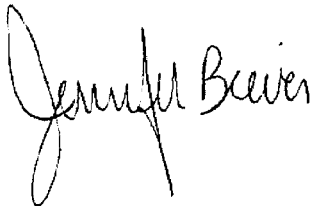
2. Twin Metals has attached a draft preliminary work plan, Attachment C, which describes the proposals that as an initial matter we propose be covered by the master cost recovery agreement. The draft preliminary work plan describes Twin Metals' understanding of the tasks that BLM may undergo to process and grant each approval. Twin Metals further provides an estimated timetable for completing the processing of each of the proposals. Twin Metals understands that BLM will undertake its own assessment of the tasks and hours involved, but Twin Metals provides some of this information in an effort to initiate the completion of a master cost recovery agreement in a timely manner.

Twin Metals requests that the master cost recovery agreement apply to future proposals and applications in the same geographic area, and Twin Metals may further request revisions to the master cost recovery agreement to expand the geographic area, as noted above. Finally, Twin Metals anticipates that several revisions will need to be made to the template attached hereto or any template used by BLM to properly reflect the myriad of proposals and applications that will be covered by the master cost recovery agreement and address the specific needs of BLM and Twin Metals.

Twin Metals looks forward to working with you to finalize a master cost recovery agreement as expeditiously as possible. Twin Metals has numerous proposals and activities – all of which are critical paths to the design and completion of any mineral development by Twin Metals. Twin Metals strongly believes that development of the master cost recovery agreement at the earliest time will ensure that BLM has the necessary resources to timely process all of Twin Metals' proposals.

We greatly appreciate this opportunity to provide you this information and look forward to talking further to discuss next steps for completing a master cost recovery agreement.

Sincerely,



Jennifer Bieber

cc: Dr. John Lyon, State Director, Eastern States Office, BLM
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