

HAND DELIVERED

MAR 09 2009

**UTAH DIVISION OF
SOLID & HAZARDOUS WASTE
2009. 00892**

**Comstock/Mountain Lion Iron Mine
Cedar City, Utah**

**Application for Renewal of
Class IIIb Landfill Permit**

Prepared For:

Palladon Iron Corp.

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Prepared by:



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1a General Information

With this *Checklist for Class IIIb Landfill*, Palladon Iron Corporation (PIC) is submitting the enclosed application for the landfill permit for the landfill located at the iron mine site near Cedar City, Utah.

General description of the facility (R315-310-3(1)(b))

PIC owns and operates the Comstock/Mountain Lion Iron Mine located approximately 15 miles west of Cedar City, Utah. The property covers portions of two small mountains, Iron Mountain and Granite Mountain, and some of the intervening valley. This area, also known as the Iron Springs District, has numerous iron deposits along the flanks of these mountains and has been mined by various mining companies and corporations since 1851. The Comstock/Mountain Lion Iron Mine has not been operated since 1995 when it was under its previous ownership of Geneva Steel.

To accommodate the upcoming mining activity that will occur at the Comstock/Mountain Lion Iron Mine, it is proposed that a class IIIb landfill be constructed at the southwest edge of the mine, on the northeast edge of Iron Mountain. (Attachment A)

No unauthorized or unacceptable waste will be placed in the landfill. Within the plant and mine, the operators will be trained to know and understand the limitations on waste that can be deposited in the landfill and there will be staff assigned to monitor the acceptance of material for disposal. Onsite waste handling should consist of the waste being moved to the landfill cell by forklift, truck, or hand carried. Cover will be applied with a front loader generally consisting of shot waste material.

Legal description of the facility (R315-310-3(1)(c))

The legal description of the existing onsite landfill is:

Northeast Quarter/Quarter Section of the SW quarter section of section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian

Latitude: 37°37'45.5", Longitude: 113°20'27.5"

This landfill site is within previous disturbed patented and unpatented (Iron Age No. 1) land all owned by PIC. Land use in the surrounding area, aside from the existing mine, consists of undisturbed land in its natural state. Light grazing exists with vegetation consisting of a mixture of shrubs and grasses in the lower elevations and junipers in the higher elevations.

Proof of Ownership, Lease Agreement, or other Mechanism (R315-310-3(1)(c))

See Attachment E

Types of waste and area served by the facility (R315-310-3(1)(d))

The landfill will accept non-hazardous waste that is generated at the Comstock/Mountain Lion Iron Mine. The waste will consist of construction debris, wood, cement, sheet rock, steel and typical types of rubbish including paper, plastics and trace amounts of waste foods. Within the plant and mine, the operators will be trained to know and understand the limitations on waste that can be deposited in the landfill and the staff will be assigned to monitor the acceptance of material for disposal. No other wastes will be accepted therefore, this landfill will not be a commercial landfill and no other areas are served. The landfill will be strictly used by PIC and its contractors.

A five year average of waste placed in the landfill is approximately 35 loads per year at 15 tons each, or 525 tons per year. However, this number can vary significantly depending on the level of production at the facility. Waste rubbish is typically deposited in the landfill weekly.

Intended schedule of construction (R315-302-2(2)(a))

Construction of the new landfill at the Comstock/Mountain Lion Mine will commence as soon as possible and will end in time for mining to begin. The anticipated date to commence mining operations is August 1, 2008.

1b GENERAL INFORMATION – NEW CLASS III LANDFILLS

Documentation that the facility has met the historical survey requirement of R315-302-1(2)(f) (R315-305-4(1)(b) or R315-305-4(2)(a)(iv))

The area proposed for the landfill was mined as part of a previous operation ending in 1995 and is now currently a waste rock dump. Given the recent and extensive disturbance within the proposed landfill, it is highly unlikely that any cultural resource sites exist within this area. Because of these factors, it is PIC's assertion that a cultural resource inventory is not required for this project.

Name and address of all property owners with 1000 ft of the facility boundary (R315-310-3(2)(i))

The only property owner within 1000 feet of the proposed landfill cell is Palladon Iron Corporation, who owns the Comstock/Mountain Iron Mine. PIC's corporate office is located at 554 South 300 West, Salt Lake City, Utah.

Documentation that a notice of intent to apply for a permit has been sent to all property owners listed above (R315-310-3(2)(ii))

Since PIC is the only property owner within 1000 feet, they are the only entity who has received a notice of intent.

Name of the local government with jurisdiction over the facility site (R315-310-3(2)(iii))

Southwest Utah Public Health Department
260 East DL Sargent Dr.
Cedar City, UT 84720
435-586-2437

LOCATION STANDARDS FOR NEW CLASS IIIb LANDFILLS

Floodplains as specified in R315-302-1(2)(c)(ii) (R315-304-4(2)(a)(i))

Although there are a number of ephemeral washes throughout the area, the nearest surface water body is Quichapa Lake, located approximately 10 miles east-northeast of the project site and 5,450 feet above MSL. This lake is home to an extensive shoreline marsh system and is where areas of open water occur. No other rivers or water bodies are near the area which will be considered floodplains. The elevation of the landfill is approximately 6,370 feet above MSL, well out of reach of any floodplain.

Wetlands as specified in R35-302-1(2)(d) (R315-304-4(2)(a)(ii))

Naturally-occurring wetlands are not present on the project site. The project site has been significantly disturbed in the past from prior mining activity, and the remaining undisturbed land consists of arid pinyon-juniper woodland to the west, north, and south, and sagebrush steppe to the east. According to the United State Fish and Wildlife Service's National Wetlands Inventory (NWI) data, the nearest wetland area is a small riparian strip located approximately 6.5 miles east-northeast of the project site, associated with the Leach Canyon drainage. Quichapa Lake is located approximately 10 miles east-northeast of the project site, where an extensive shoreline marsh system and areas of open water occur. Neither location is anticipated to have any environmental effect as a result of the project.

A review of high-resolution aerial imagery indicates that some limited wetland development may have occurred near the margins of the open water within the pits at the Iron Mountain facility. The area, community structure, and habitat function of these wetlands are likely variable and directly dependant on water level fluctuations and water chemistry within the pit lakes. The geographic extent and regulatory status of these wetlands may be subject to federal jurisdiction under Section 404 of the Clean Water Act. The applicant will conduct all relevant state and federal water quality and wetlands/Waters of the United States coordination prior to surface-disturbing project activities.

The landfill is located so that the lowest level of waste is at least ten feet above the historical high level of ground water (R315-304-4(2)(a)(iii))

The landfill at the Comstock/Mountain Lion Iron mine will be constructed on at least 20 feet of waste rock above the natural top layer of earth. This waste rock cover, therefore,

supersedes any chance that the lowest level of waste is anywhere within ten feet of the historical high level of ground water.

PLAN OF OPERATION (R315-310-3(1)(e))

Description of onsite waste handling procedures (R315-302-2(2)(b), R315-310-3(1)(f))

The waste materials will be gathered onsite as debris is generated. The debris will be gathered bi-monthly and loaded with a front-end loader onto a haulage truck. The debris will then be taken to the dump location. The debris will be dumped in 3-5 ft lifts, followed by shallow 1 ft coverings of the debris with local waste rock from this area. The waste rock will be placed over the top of the debris to stabilize the surface. This will occur the same day the debris is dumped. The rock will help hold the debris in place and stabilize the surface for the next vertical lift.

Schedule for conducting inspections and monitoring (R315-302-2(2)(c), R315-302-2(5)(a), and R315-310-3(1)(g)):

Inspections of the landfill will be performed monthly during the years of construction of the Ore Processing plant, and any other project that would generate large amounts of waste. Once construction of the Processing plant or other project is complete, inspections of the landfill will be performed every other month. The monitoring identifies any problems or potential problems to human health or the environment. Inspections are designed to prevent malfunction or deterioration, operator errors, and discharge monitoring. A copy of the inspection log sheet is located in Attachment D, Section 2.

Contingency plans in the event of a fire or explosion (R315-302-2-(2)(d))

A contingency plan in the event of a fire would be to use the 15 lb type handheld annual type ABC fire extinguisher available on all mine heavy equipment and mine vehicles for our initial fire response. In the event the fire is larger than the initial fire response team can handle, the onsite water tanker truck would be dispatched using the mine radio system. The Iron County fire department will also be called immediately. The mine water truck will have 8,000 gallons of water with fire turret and multiple sprays that can dispatch 8,000 gallons in less than 20 minutes. In addition, a cleared fire break will be graded completely around the outer perimeter of the mine to assure that a very large fire or explosion will be contained.

A plan to control fugitive dust generated from roads, construction, general operation and covering the waste (R315-302-2(2)(g))

Fugitive dust will be controlled by the same 8,000 gallon water truck as climate and dust dictate. At closure, the dump will be capped with 6 inches of topsoil and reseeded with native plants, according to the Division of Oil Gas and Mining Reclamation Requirements.

Plan for litter control and collection (R315-302-2(2)(h))

All personnel at the facility will be trained to dispose of all litter in the appropriate containers onsite. These containers will accept only typical waste products such as paper, wood, metals and trace amounts of waste food products, where they will eventually be placed in the landfill. Wind-blown litter will be kept to a minimum by using covered containers, and covering the

landfill the same day debris is dumped (see above paragraph). Mine personnel will collect any litter that escapes the containers. A daily inspection of the containers will ensure that there is no wind-blown litter.

Procedures for excluding the receipt of Regulated hazardous or PCB containing waste (R315-302-2(2)(i))

Hazardous waste will be handled in accordance with all federal, state, and local laws and transported for disposal offsite to approved, permitted facilities. Employees will be trained to identify and classify waste according to its hazard class. An active hazardous waste management plan is in place. Any PCB containing wastes onsite will be disposed of offsite to approved, permitted facilities.

Procedures for controlling disease vectors (R315-302-2(2)(j))

The waste materials in the landfill are not attractive to disease vectors or support vector habitats; therefore no special method to control them is necessary. However, the cover of six inches is sufficient to control disease vectors.

A plan for alternative waste handling (R315-302-2(2)(k))

In the event the landfill is unable to accept waste, any non hazardous waste can be deposited into a large waste receptacle until the onsite landfill is either, able to accept the waste, or until another onsite location is determined.

A general training and safety plan for site operations (R315-302-2(2)(n))

Operators of equipment used in the operation of the landfill facility are trained specifically in each piece of equipment as required by Mine Safety and Health Administration regulations. All Palladon employees receive safety training as part of annual training required by MSHA including aspects pertaining to landfill operation. (Attachment C)

Any recycling programs at the facility (R315-303-4(6))

With the exception of scrap iron, the Comstock/Mountain Lion Iron Facility does not have any recycling programs onsite.

FACILITY TECHNICAL INFORMATION

MAPS

Topographic map drawn to the required scale with contours showing the boundaries of the landfill unit, ground water monitoring well locations, gas monitoring points, and the borrow and fill areas (R315-310-4(2)(a)(i))

Refer to Attachment A for the current topographical map.

Most recent U.S. Geological Survey topographic map, 7-1/2 minute series, showing the waste facility boundary; the property boundary; surface drainage channels; any existing utilities and structures within one-fourth mile of the site; and the direction of the prevailing winds (R315-310-4(2)(a)(ii))

Refer to Attachment A for the most recent U. S. Geological Survey map.

ENGINEERING REPORT – PLANS, SPECIFICATIONS, AND CALCULATIONS

Unit design to include cover design; fill methods; and elevation of final cover including plans and drawings signed and sealed by a professional engineer registered in the State of Utah, when required (R315-310-3(1)(b))

The waste contained in the landfill will be covered in place and leveled periodically. This practice will continue as long as the landfill is in use and at the time for closure. The final filled area will be covered with at least the minimum required cap consisting of two feet of soil including six inches of topsoil. The final cap will be contoured such that the grade is greater than 2 percent and less than 33 percent and will be revegetated with native vegetation or a suitable alternative approved by the Executive Secretary for other similar operations. Any deviation from this plan will be submitted in advance to the Executive Secretary and the Division of Solid and Hazardous Waste for consideration and approval.

Design and location of run-on and run-off control systems (R315-310-5(2)(b))

Runoff from the landfill is not expected to occur due to the design of the landfill. The landfill will be designed so that all run-on and run-off will be redirected with diversion ditches into sediment ponds, where the water will be evaporated. After closure, the absorption and evapotranspiration by the vegetation layer and the absence of any appreciable run-on will ensure the control of runoff. Once the vegetation layer growth is established, most storm events will not result in significant direct run-off from the landfill surface area. Nonetheless, significant percolation through the cover layer is unlikely, thus leachate or seepage from the heap is minimal.

The 25-year 24-hour storm event was determined using NOAA Point Precipitation Frequency Estimates calculated from the NOAA Precipitation Frequency Data Server (PFDS), accessed online at http://hdsc.nws.noaa.gov/hdsc/pfds/sa/ut_pfds.html. The program determined that the storm event would produce 2.61 inches of precipitation at latitude 37° 37' 45.5" and longitude -113° 20' 27.5" at an elevation of 6,217 feet.

Using GIS over a topographic base map, the watershed above the proposed landfill was estimated to have a surface area of 245,673 sq. meters, which is 2,644,402 sq. feet or 60.7 acres. The maximum distance from the top of the watershed to the lower edge of the landfill was determined to be approximately 2,719 ft (0.515 mile), also using GIS, with a change of elevation of 740 ft. The slope of the watershed was then calculated to be 0.272 ft/ft. The proposed landfill will have a design surface area of 169,211 sq feet or 3.88 acres.

The USDA NRCS hydrology model, TR-55, was used to calculate the maximum rate of runoff. Since the watershed above the proposed landfill is described as Pinyon-Juniper in fair condition, with no roads or impervious development, a curve number (CN) of 58 was used. The program was used to calculate a time of concentration (T_c) of 0.159 hr and a peak flow rate of 4.72 cfs at 12.07 hours, using the standard hydrograph and Type II rainfall distribution. The ditch carrying potential run-on around the landfill will be designed with a cross-sectional area and slope capable of managing this flow rate at a minimum. Runoff amount was calculated by TR-55 as 0.161 inches or 35,479 cubic ft (0.814 acre foot). Sediment ponds will be designed to hold this volume at a minimum.

CLOSURE REQUIREMENTS

Closure plan (R315-310-3(1)(h))

Palladon will, within 30 days after certification of closure, notify the Iron County Recorder to file proof of closure as outlined in R315-302-2(6).

Closure schedule (R315-310-4(2)(d)(i))

It is intended that the duration of landfill operations will be 20+ years from the time of construction.

Design of final cover (R315-310-4(2)(c)(iii))

When the operational life of the landfill facility has ended, final cover will be accomplished using fill from the adjacent borrow area. This final cover will be at least two feet deep and will be graded to match the surrounding topography. Seeding with species adapted to the environmental conditions will then be used to revegetate the area. The proposed seeding to be used is listed as follows:

Alfalfa (1 lb/ac)	Western wheatgrass (2 lb/ac)
Pubescent wheatgrass (2 lb/ac)	Indian ricegrass (1 lb/ac)
Russian wildrye (2 lb/ac)	Small burnet (1 lb/ac)
Antelope bitterbrush (1/ac)	Wyoming Big Sage (0.1 lb/ac)
Forage Kochia (0.4 lb/ac)	Palmer Penstemon (0.5 lb/ac)
Pacific aster (0.1 lb/ac)	

Capacity of site in volume and tonnage (R315-310-4(2)(d)(ii))

The volume of the landfill, as calculated by PIC personnel, totals 2.16×10^5 cubic yards. Waste starts out at the “curbside” with a highly heterogeneous density of 200–400 pounds per cubic yard. Using an average of 300 pounds per cubic yard (0.15 tons per cubic yard), the total tonnage of the landfill would calculate to 32,400 tons.

Final inspection by regulatory agencies (R315-310-4(2)(d)(iii))

Upon closure of the Iron Mountain landfill, a final inspection by the Division of Solid and Hazardous Waste will take place to approve the final cover and release the site for closure. The Division of Oil, Gas, and Mining (DOG M) will also perform a subsequent inspection in order to finalize the site for closure. This inspection will examine soil and slope stability, drainage, and vegetation success.

POST-CLOSURE CARE REQUIREMENTS

Post-closure care plan (R315-310-3(1)(h))

Palladon will provide post closure activities that will include, at a minimum, monitoring of land and water, for a period of 30 years, or as long as the Executive Secretary determines is necessary for the facility or unit to become stabilized and to protect human health and environment. The Post Closure Plan immediately follows this checklist.

Changes to record of title, land use, and zoning restrictions (R315-310-4(2)(e)(ii))

The title to the property on which the landfill sits is held by Palladon Iron Corporation. It is estimated that the Iron Mountain property contains 10-20 years of minable reserves. Therefore, operations at the Iron Mountain mining facility are projected well into the future and no near changes to title, land use, or zoning is expected.

Maintenance activities to maintain cover and run-on/run-off control systems (R315-310-4(2)(e)(iii))

Post-closure monitoring of the landfill site will be conducted periodically for several years following closure. The site will be monitored to insure slope and erosional stability. Run-on/run-off structures will also be inspected to ensure proper functioning and stability. As required by DOGM regulations regarding reclamation, inspection of vegetative success will be performed for at least 3 years following reclamation. After the third year, success of revegetation will be determined.

List the name, address, and telephone number of the person or office to contact about the facility during the post-closure care period (R315-310-4(2)(e)(vi))

Bruce Yeomans
Mine Manager, Palladon Iron Corporation
2708 S Comstock Road
Cedar City, Utah 84720
Fax: (435) 572-4836
Phone: (435) 572-4531

FINANCIAL ASSURANCE REQUIREMENTS

Identification of closure costs including cost calculations (R315-310-4(2)(d)(iv))

A mining reclamation bond of \$1.4 million held by DOGM currently exists for the Iron Mountain mine site, including the landfill facility.

Identification of post-closure costs including cost calculations (R315-310-4(2)(e)(iv))

A mining reclamation bond of \$1.4 million held by DOGM currently exists for the Iron Mountain mine site, including the landfill facility.

Identification of the financial assurance mechanism that meets the requirement of Rule 315-309 and the date the mechanism will become effective (R315-309-1(1))

A mining reclamation bond of \$1.4 million held by DOGM currently exists for the Iron Mountain mine site, including the landfill facility. Palladon proposes that this bond cover the financial assurance mechanism required under R315-309. This bond amount more than exceeds any closure or post-closure cost for the landfill facility. This bond was revised in 2008 and is valued at \$1.4 million.

**Closure and Post Closure Plan
for
Palladon Iron Corporation
Comstock/Mountain Iron Mine Landfill**

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List Of Attachments for Closure and Post-Closure Plans

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- Attachment #2 Landfill Closure Plan, Final Facility Topography

1.0 Introduction

Palladon Iron Corporation (PIC) is submitting the enclosed Closure and Post-Closure Plan in accordance with the State of Utah, Division of Solid and Hazardous Waste's (DSHW) R315-304-5 rules with this document.

1.1 Site Description and Background

PIC owns and operates the Comstock/Mountain Lion Iron Mine located approximately 15 miles west of Cedar City, Utah. The property covers portions of two small mountains, Iron Mountain and Granite Mountain, and some of the intervening valley. This area, also known as the Iron Springs District, has numerous iron deposits along the flanks of these mountains and has been mined by various mining companies and corporations since 1851. The Comstock/Mountain Lion Iron Mine has not been operated since 1995 when still under the previous ownership of Geneva Steel.

The Comstock/Mountain Lion Iron Mine landfill is an industrial solid waste landfill that meets the classification of a Class IIIb Landfill. It is guarded, fenced, gated at common access roads, and large berms are constructed on remote back roads and trails. The landfill is not accessible to the public. Only non-hazardous debris that is generated onsite will be accepted. The landfill is not located on public lands or near public drinking water supplies. The landfill is not located in a subsidence area, flood zone, near designated wetlands, or above an underground mine. There are no surface bodies of water, residential dwellings, or incompatible structures within ¼ mile of the landfill. The coordinates of the landfills are as follows:

NW ¼ NE/SW ¼ Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian
Latitude: 37°37'45.5", Longitude: 113°20'27.5"

2.0 Statement of Closure Plan

Palladon is required to submit Closure and Post-Closure Plans in a way that "minimizes the need for further maintenance and minimized the post-closure formation and releases of leachate and explosive gases to the air, groundwater or surface water to the extent necessary to protect the public health and welfare and prevent any nuisance." This document represents Palladon's compliance with R315-302-3 (2).

3.0 Closure Plan

3.1 Methods, Procedures, and Processes

All materials disposed of within the existing Class IIIb landfill has been and will continue to be within the acceptable waste constituents of an industrial non-hazardous landfill. The landfill will accept only non-hazardous waste that is generated at the Iron Mountain Mine site. The waste consists of construction debris, wood, cement, sheet rock, steel and typical

types of rubbish including paper, plastics and trace amounts of waste foods. No other wastes are accepted, therefore, this landfill is not a commercial landfill and no other areas are served.

3.1.1 Maintenance and Control

Access to the facility is restricted through mine security. Signs are posted indicating authorized personnel only are allowed on the access roads leading into the plant. Wind dispersal of landfill litter is minimized by the application of cover.

After cessation of operations at the mine, the landfill will be closed with an application of the intermediate cover and a complete inspection of the surface will be performed. Cleanup of the site will be performed concurrently. All remaining visible litter and debris in the immediate vicinity will be placed in the final lift of the landfill unit. At that time, the final cover will be applied. A thorough closure inspection shall consist of observations for erosion, sloping, drainage, surface leachate, and run-on. Areas requiring repairs/modifications will be documented on the Landfill Inspection Form (see Attachment D, Section #2). Necessary modifications will be made using appropriate materials and compacted, as required.

3.1.1.1 Escape of Air Pollutants/Gases

The contents of this industrial waste landfill have little or no amounts of putrescible materials and the decomposition of the organic wastes are minimal. The U.S. EPA reports that methane is generated from "municipal" solid waste only when the moisture content exceeds 40% (U.S. EPA, 1994). Due to the limited moisture at the site and the absence of putrescible wastes contained in the heap, methane gas generation is not anticipated. Vector, dust, and odors are effectively controlled so they are not a nuisance or hazard to health, safety or property. None of the waste is flammable, but combustible waste may exist; however, a fire or explosion in the landfill area is highly unlikely. The area is served by the local fire department, and equipment is located onsite to move soil for fire suppression, if necessary.

3.1.1.2 Control of Run-off

Runoff from the landfill is not expected to occur due to the design of the landfill. The landfill will be designed so that all run-on and run-off will be redirected with diversion ditches into sediment ponds, where the water will be evaporated. After closure, the absorption and evapotranspiration by the vegetation layer and the absence of any appreciable run-on will ensure the control of runoff. Once the vegetation layer growth is established, most storm events will not result in significant direct run-off from the landfill surface area. Nonetheless, significant percolation through the cover layer is unlikely, thus leachate or seepage from the heap is minimal.

3.1.2 Final Facility Topography

The waste will be leveled to the extent practicable, covered with a minimum of two feet of soil and the cover contoured to match the surrounding topography. Seeding with species adapted to the environmental conditions will then be used to revegetate the area. The proposed seeding to be used is listed as follows:

Alfalfa (1 lb/ac)	Western wheatgrass (2 lb/ac)
Pubescent wheatgrass (2 lb/ac)	Indian ricegrass (1 lb/ac)
Russian wildrye (2 lb/ac)	Small burnet (1 lb/ac)
Antelope bitterbrush (1/ac)	Wyoming Big Sage (0.1 lb/ac)
Forage Kochia (0.4 lb/ac)	Palmer Penstemon (0.5 lb/ac)
Pacific aster (0.1 lb/ac)	

3.1.3 Drainage Plan

Drainage will consist of water being redirected by diversion ditches around the waste dump. This water is intended to accumulate in sediment ponds to eventually be evaporated.

3.1.4 Composition of Cover

The final cover system will be made of the intermediate compacted cover, compacted soil layer, and vegetation layer. The material used for final cover will be placed on the graded, compacted, intermediate cover layer (12 inches of intermediate cover). The soil layer material will be compacted and will be composed of clayey silt-sand mixture with a low permeability. The soil layer will be no less than 6 inches of compacted soil and will come from onsite sources. These two layers total 18 inches of compacted soil, which will serve to minimize infiltration. A vegetation layer of no less than 6 inches will then be applied. The vegetation layer will be of an organic composition that will support native or compatible plant life. The final cover depth will be no less than 24 inches.

3.1.4.1 Sloping

The final cap will be contoured such that the grade is greater than 2 percent and less than 33 percent and will be revegetated with native vegetation or a suitable alternative approved by the Executive Secretary for other similar operations. Any deviation from this plan will be submitted in advance to the Executive Secretary and the Division of Solid and Hazardous Waste for consideration and approval.

3.1.4.2 Landscaping

The waste will be leveled to the extent practicable, covered with a minimum of two feet of soil and the cover contoured as described above. No vegetation, other than local introduced and native grasses and woody species identified in this plan will be placed on the landfill.

3.1.4.3 Vegetation

See the DOGM NOI Reclamation Report

3.1.5 Description of Monitoring and Maintenance

Qualified personnel will be located near or around the landfill to supervise continued activities during closure. The closure of the landfill will be concurrent with the landfill's final development. Landfill operations will proceed in a manner that will minimize the working area of the landfill. Once the final intermediate cover is placed and graded, landfill inspections will commence. The Post-Closure Landfill Inspection Form (see Attachment # 1) will be used for the final closure inspection.

3.1.6 Contact Personnel

The following positions and personnel represent Palladon's contact list of responsible officials as they pertain to the Delta Mill Landfill operation, closure, and post-closure issues.

Landfill Owner: Palladon Iron Corporation
Operator: Palladon Iron Corporation
Address: 554 South 300 East, Suite 250
Salt Lake City, Utah 84111

Owner Contact Person: Donald G. Foot
Phone: (801) 521-5252

Operator Contact Person: Bruce Yeomans
Phone: (435) 572-4531

3.2 Maximum Portion of Operation

The working face has been limited to the smallest area practical in order to confine the amount of exposed waste without interfering with effective operation. The maximum working face (surface area) open at any one time has been approximately 1500 square feet, a total maximum height of 50 feet and horizontal spatial distance of approximately 30 feet.

3.3 Maximum Inventory and Estimated Life

Based on volume and tonnage calculations provided by Palladon Iron, the estimated life of the currently permitted landfill cells is approximately 20 years from the time of this submittal.

3.4 Schedule for Completion

Within 60 days of scheduled completion of the landfill, Palladon will notify the DSHW. Closure activities will commence within 30 days after receipt of the final volume of waste, and will be completed within 180 days of the start time. Palladon will notify the DSHW upon completion of closure to schedule the final inspection by regulatory agencies.

3.5 Notification and Review

Within 60 days of certification of closure of the mine landfill, Palladon will make the proper notification and submittals to the Iron County recorder and, upon doing so, file proof of title filing with the Executive Secretary. With respect to the requirement at R315-302-2(6)(b) for public access to records containing information about solid waste amounts, location, and periods of operation, Palladon files annual reports to the Division of Solid and Hazardous Waste, as required. These documents are public records and may be obtained by local zoning authorities from either the Division or Palladon, upon request.

3.6 Closure Activity Notification

Palladon will begin closure activities of the landfill in accordance with the approved Closure Plan no later than 30 days following the final receipt of waste at the landfill. Closure activities shall be completed within 180 days from their starting time, however, Palladon reserves the right for extensions of the deadline for beginning and concluding closure activity. The Executive Secretary will be given written justification for any extension requests. If necessary, fences will be erected to limit service and signs will be posted at conspicuous locations indicating closure activities have begun. Alternative disposal site locations will be indicated on the closure notice signs.

4.0 Post-Closure Plan

After the Closure Plan has been executed, completed, and certified, the following post-closure and end use plan will be implemented. Following closure of the landfill, Palladon will conduct the appropriate industrial landfill post-closure care.

4.1 Maintenance of Final Cover

Facility maintenance and monitoring of applicable gases, land, and water constituents will be conducted for a period of 30 years after closure. The landfill cover and surrounding areas will be inspected and repaired by Palladon or Palladon contractor on a quarterly basis for the first year, then semi-annually for 29 years thereafter. The Post-Closure Inspection Form is shown in Attachment #1.

4.1.1 Repairs

During landfill inspections, if any settlements, subsidence or erosion areas are found on the cover, they will be promptly backfilled with onsite compatible (similar permeability) soil. After final grading, the area will be re-vegetated with the prescribed native seed mix. If there are areas of inherent erosion it will be documented on the Landfill Inspection Form and addressed by re-grading and placement of appropriate cover material. To prevent integrity breaks in the cover due to mechanical agitation, notices will be posted and access will be limited to inspection, maintenance, and monitoring personnel. Repairs will be made promptly with the appropriate soil, rip rap, or other necessary materials that will be compatible to the immediate environmental factors that cause breaches in the cover integrity.

4.1.2 Prevention of Run-On and Run-Off

Run-on/run-off structures will be inspected to ensure proper functioning and stability. As required by DOGM regulations regarding reclamation, inspection of vegetative success will be performed for at least 3 years following reclamation. After the third year, success of revegetation will be determined.

4.2 Post-Closure Care Statement

Palladon will conduct post-closure monitoring and maintenance care as necessary for a period of 30 years from date of closure or as directed by the Executive Secretary. Reduction or extension of the 30 year monitoring and maintenance care period may be negotiated between the Executive Secretary and Palladon management.

4.3 Post-Closure Use Statement

Post-Closure use is anticipated to be very minimal. Post-Closure use will not increase the foreseeable threat to public health.

4.4 Post-Closure Certification

Palladon will submit written verification following the closure of a landfill unit and following the completion of post-closure care of a landfill unit. This verification will state the completed activities are in accordance with the requirements of R315-302-3(7)(b).

5.0 Submittal Statement

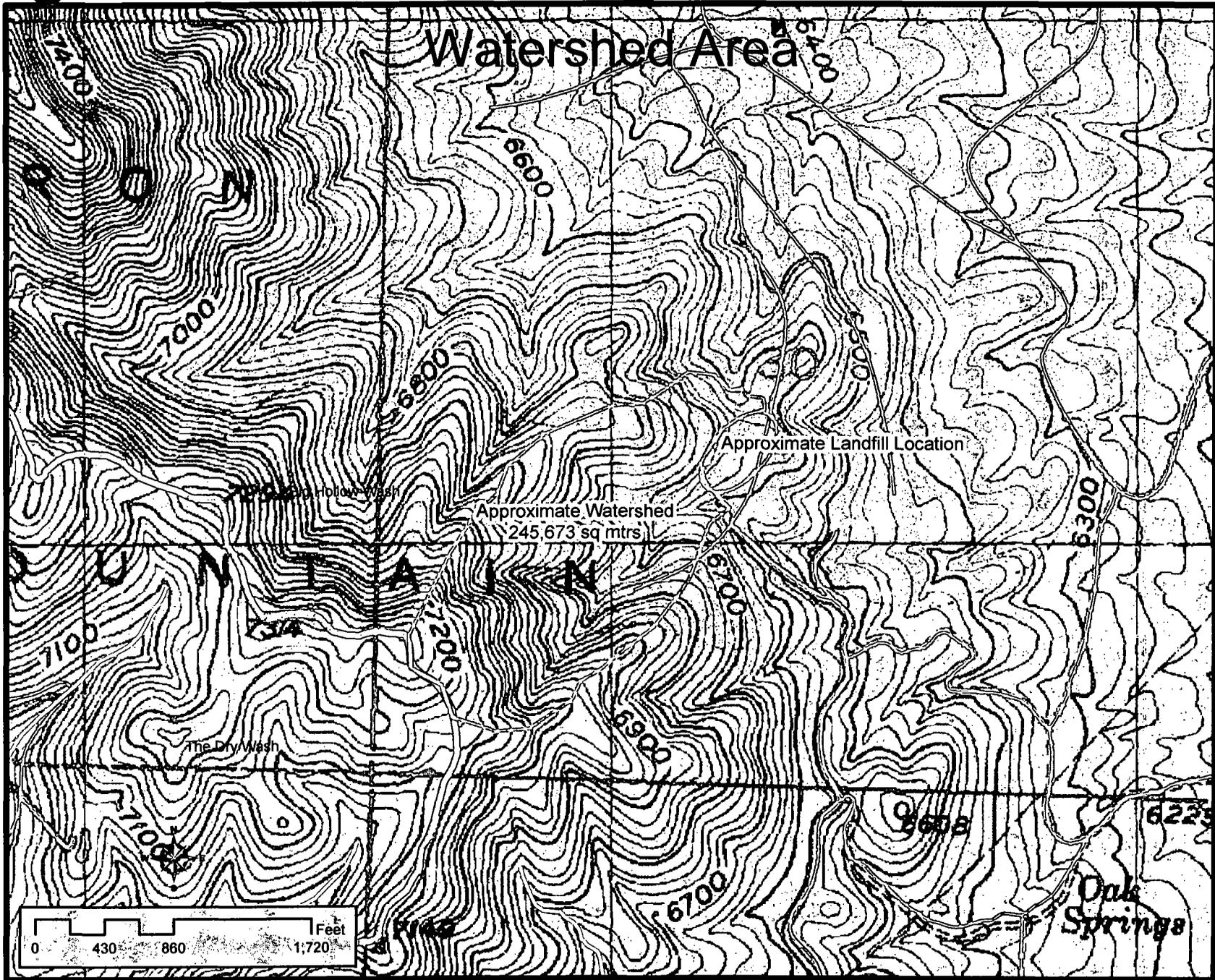
The Closure Plan, Post-Closure Plan, and other necessary documents were prepared and submitted to the Division of Solid and Hazardous Waste.

No subsequent modification to the Closure and post-Closure Plan will be made without the approval of Executive Secretary. Palladon reserves the right to petition to amend the Post-Closure Plan.

Palladon will keep a copy of the most recent approved Closure Plan and Post-Closure Plan at the Comstock/Mountain Lion Mine.

Attachment A

Topographic maps of Landfill
Landfill Watershed Map



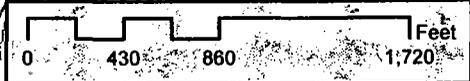
Watershed Area

Approximate Landfill Location

Approximate Watershed
(245,673 sq mtrs)

The Dry Wash

Oak Springs



Attachment B

Log sheets

Section #1 - Landfill Waste Log

Section #2 - Inspections

Attachment C

**General Site Safety
and Training Plan Addendum**

Palladon Iron – Constock/Mountain Lion Iron Mine

General Training and Site Safety Plan Addendum for Landfill Operations

This plan was developed for the safety of landfill operators and operations at the Comstock/Mountain Lion Iron Mine, in accordance with Utah Department of Environmental Quality Administrative Code R315-302-2(2)(n).

Training will include the following topics:

- 1.0 Applicability
- 2.0 Frequency
- 3.0 Information and Awareness
- 4.0 Equipment Operation
- 5.0 Emergency Procedures and Notification

1.0 Applicability

- A. All landfill operators must have received the general site safety training prior to receiving this training. (Note: During monthly safety meetings, waste identification and disposal methods are discussed).
- B. All landfill operators will receive this training in addition to the general site safety training.
- C. New or transferred employees who have landfill responsibilities will receive this training prior to working at the landfill.
- D. A new or transferred employee who has not received this training may work at the landfill under the direct supervision of a trained landfill operator under: a) temporary or emergency conditions, or b) up to a period of 90 days, starting with the day the new or transferred employee began working at the landfill.

2.0 Frequency

- A. All applicable employees will receive this training on an annual basis, or when significant changes occur at the landfill.

3.0 Information and Awareness

Training will include:

- A. A review of the landfill permit conditions.
- B. A list of acceptable and unacceptable waste for the landfill.
- C. Guidelines for maintaining the landfill, (fill, cover, inspections, etc.)
- D. Proper record keeping of wastes received.
- E. Unacceptable waste procedures (discussed in the monthly safety meetings).
- F. Alternative waste disposal in the event that the landfill is unavailable.

4.0 Equipment Operation

- A. The Safety Officer or their designee will determine that all landfill operators are trained in the proper operation of all landfill equipment.

5.0 Emergency Procedures and Notification

- A. All landfill operators will be trained on proper landfill emergency notification procedures. Emergency procedures and/or contact numbers will be made available to all landfill operators.

Attachment D

Post – Closure Inspection Form

Attachment E

Financial Assurance and Ownership Documentation

Financial Assurance Calculations and Documentation

Note (a)	The Brush Mine submitted a reclamation plan to DOGM containing a mulching, seeding, and fertilizing cost/ac of \$1300 in November 2006. The plan was subsequently approved.					
	Palladon's mine area is similar in revegetative potential to Brush's.					
	Cost escalation from 2006 to 2009. Means Cost Index 2006 = 87.1. Means Cost Index 2009 = 100.0.					
	Therefore, escalation factor is $100/87.1 = 1.1481$. Therefore, the 2009 cost = $1300 \times 1.1481 = \$1493$					

Note (b)	Cover Volumetrics					
	area(acres)	sq yds	depth (in)	depth (yd)	cu yds	
	final cover	3.9	18876	12	0.3333	6292
	top cover	3.9	18876	6	0.1667	3146
	erosion cover	3.9	18876	6	0.1667	3146

Note (c)	Total Linear Feet - Monitor Wells			
	Well diameter	no. wells	ave. depth(ft)	total feet
	2"	4	75	300
	4"			0
	6"			0
	Total Linear Feet - Wells			300

Note (d)	Remove Equipment					
	This component is Not Applicable to this site as all equipment is mobile					

Note (e)	Site Inspection and Record keeping						
	hrs/inspect	inspect/yr	# yrs inspect	total hours	\$/hr-labor	\$/hr- truck	\$/hr total
	12	2	30	720	66.35	10.65	77.00
	Labor rate for Outside foreman Means 2009 p. 645						
	Pickup truck rate - Means 2009 01 54 33 40 7200						

Note (f)	Ground Water Sample Collection						
	hrs/event	events/yr	no. years	total hours	\$/hr-labor	\$/hr- truck	\$/hr total
	12	2	5	120	66.35	10.65	77.00
	Labor rate for Outside foreman Means 2009 p. 645						
	Pickup truck rate - Means 2009 01 54 33 40 7200						

Note (g)	Ground Water Sample Analysis					
	#samp/event	events/yr	no. years	tot samples	\$/sample	
	7	2	5	70	1200	
	This is the current cost charged by Chemtech for Brush ground water sample analysis					

Note (h)	Ground Water Sample Analysis Review and Reporting					
	hrs/event	events/yr	no. years	total hours	\$/hr-labor	
	3	2	5	30	66.35	

Note (i)	Soil Replacement					
	Assume 25% of total acreage at a depth of 6" would have to be replaced					
	area (acres)	sq yds	% replaced	depth (in)	depth (yd)	cu yds
	3.9	18876	0.25	6	0.1667	787

Note (j)	Vegetation Reseeding					
	Assume 25% of total acreage would have to be reseeded					
			area (acres)	% reseeded	reseeded	acres
			3.9	0.25	0.975	

Financial Assurance Calculations and Documentation

COST ESTIMATE FOR POST-CLOSURE OF LANDFILL - PALLADON IRON MINE (2/24/09)

Note : Numbering format follows the DSHW "Preparation of Closure - Post Closure Cost Estimate Guidance"
 The numbered items in the guidance document not shown in this estimate denote they are not applicable.

	Item	Unit Measure	Cost/Unit	No. Units	Total Cost	Source	Note
1.0	Engineering Costs						
1.2	Site Inspection and Record keeping	hours	77.00	720	55440		see Note (e)
1.4.1a	Ground Water Sample Collection	hours	77.00	120	9240		see Note (f)
1.4.1b	Ground Water Sample Analysis	sample/ ea	1200	70	84000		see Note (g)
1.4.1c	Ground Water Sample Analysis Review&Reporting	hours	66.35	30	1991		see Note (h)
2.0	Maintenance Costs						
2.1.1	Soil Replacement	cu yd	3.65	787	2871	Means2009 - 31 23 16.50 2100	scraper costs
2.1.2	Vegetation Reseeding	acres	1493	0.975			see Notes (a) & (j)
3.0	Monitor Wells abandonment						
3.2	Final Plugging of Ground Water Monitor Wells	LF	8.40	300	\$ 2,520	Means2009 - 02 41 13.76 0900	see note (c) for total LF
	Subtotal				156061		
	10% Contingency				15606		
	Post-Closure Care Total				\$ 171,667		

TOTAL CLOSURE AND POST-CLOSURE COSTS				
Total Closure Costs				\$ 93,812
Total Post-Closure Costs				\$ 171,667
Total Cost				\$ 265,479

Financial Assurance Calculations and Documentation

COST ESTIMATE FOR CLOSURE OF LANDFILL - PALLADON IRON MINE (2/24/09)

Note : Numbering format follows the DSHW "Preparation of Closure - Post Closure Cost Estimate Guidance"
 The numbered items in the guidance document not shown in this estimate denote they are not applicable.

	Item	Unit Measure	Cost/Unit	No. Units	Total Cost	Source	Note
1.0	Engineering & Preliminary Site Work						
1.1	Topographic Survey	acre	525	3.9	\$ 2,048	Means2009 - 02 21 13.09 0020	
1.4	Development of Plans						see below Subtotal
1.5	Contract Administration						see below Subtotal
1.6	Administrative Costs for final cover certification & closure notice						see below Subtotal
1.7	Project Management						see below Subtotal
1.12	Remove Equipment				0		see note (d)
	Subtotal				\$ 2,048		
	10% Contingency				205		
	Engineering Subtotal				\$ 2,252		

	Item	Unit Measure	Cost/Unit	No. Units	Total Cost	Source	Note
2.0	Construction						
2.1	Final Cover System						
2.1.1a	Soil Placement	cu yd	1.19	6292	\$ 7,487	Means2009 - 31 23 16.46 5000	dozer costs-note (b)
2.1.1e	Soil Transportation	cu yd	3.65	6292	\$ 22,966	Means2009 - 31 23 16.50 2100	scraper costs-note (b)
2.2	Completion of Top Cover						
2.2.1	Infiltration Layer						
2.2.1a	Soil Placement	cu yd	1.19	3146	\$ 3,744	Means2009 - 31 23 16.46 5000	dozer costs-note (b)
2.2.1e	Soil Transportation	cu yd	3.65	3146	\$ 11,483	Means2009 - 31 23 16.50 2100	scraper costs-note (b)
2.3	Erosion Layer Placement						
2.3.2	Soil Placement	cu yd	1.19	3146	\$ 3,744	Means2009 - 31 23 16.46 5000	dozer costs-note (b)
2.3.5	Soil Transportation	cu yd	3.65	3146	\$ 11,483	Means2009 - 31 23 16.50 2100	scraper costs-note (b)
2.4	Revegetation						
2.4.1,2,3	Seeding, Fertilize, Mulch	acre	1493	3.9	\$ 5,823	Brush mine reclam costs	see note (a) calcs tab
	Subtotal				\$ 66,729		
	10% Contingency				6,673		
	Construction Subtotal				\$ 73,402		

3.0 Gas Collection System is not applicable for this site

	Item	Unit Measure	Cost/Unit	No. Units	Total Cost	Source	Note
4.0	Monitor Well Costs						
	Refer to Post Closure Costs for Well Abandonment costs						

CALCULATION OF TOTAL CLOSURE COSTS							
	Engineering Total				\$ 2,252		
	Construction Total				\$ 73,402		
	SUBTOTAL				\$ 75,654		
	Development of Plans	2.5% of Subtotal			1,891		
	Contract Administration	3.5% of Subtotal			2,648		
	Administrative Costs for final cover certification & closure notice	3.5% of Subtotal			2,648		
	Project Management	3.5% of Subtotal			2,648		
	Performance Bond	1.0% of Subtotal			757		
	Legal Fees	10% of Subtotal			7,565		
	GRAND TOTAL CLOSURE COSTS				\$ 93,812		

On Mon, Jun 2, 2009 at 2:18 PM, Alysen Pedersen <alydotped@gmail.com> wrote:

Matt,

The attached revised page 37 has the information in red that states: "Because the proposed landfill is located on top of the existing dump, it is included in the reclamation plan for that dump. "

This has been approved by DOGM, so the \$265,479.00 will be taken out of the bond amount that was allotted for the reclamation of the waste dump. This bond amount will increase next April, because it is currently based on the 2005 estimates.

The reclamation plan for the dump where the landfill sits is just as (if not more so) encompassing as the plan listed in the Landfill Permit Application.

I hope this helps clarify some things. If you need any more information, please let me know.

Thanks,
-Alysen

On Fri, May 22, 2009 at 9:53 AM, Alysen Pedersen <alydotped@gmail.com> wrote:

Hi Matt,

Attached is the pertinent information. The NOI dated August 2008 should have most of the information you need. The revised pages (26, 37, 41a) are changes made since August 2008. These have the correct language and bond amount.

I hope this helps.

-Alysen

Mining And Reclamation Program
Iron Mines Near Cedar City, UT
Palladon Iron Corp.
May, 2008

All references to Geneva Steel in the following Notice of Intent text, drawings, and appendices are to be read as "Palladon Iron Corp." as Palladon has assumed all mining and reclamation responsibility for this operation.

Inter. Wheatgrass	Agropyron Intermedium	2.0
Ladac Alfalfa	Medicago Sativa	2.0
Yellow Sweetclover	Melilotus Officinalis	1.5
Small Burnett	Sangvisorba Minor	2.0
Palmer Penstemon	Penstemon Palmeri	0.5
Rabbitbrush	Chrysothamnus Nauseous	0.5
Curleaf Mtn. Mahogany	Cercocarpus Ledifolius	1.0
Bitterbrush	Purshia Tridentata	1.0
Mountain sagebrush	Atemisia Tridentata Vaseyana	0.1
Forage kochia	Kochia Prostata	0.5
	Totals	16.6

* Plant names are the same as is written in original 1995 version:

When drill seeded, the broadcast rate will be reduced by 1/3.

The operator will reserve the right to alter this seed mix depending on relative availability of the seed.

If such an eventuality arises, DOGM will be duly notified.

10.0 ENVIRONMENTAL IMPACT ASSESSMENTS FOR AREAS NOT PREVIOUSLY PERMITTED

Due to a Revision to this NOI in 2009, an additional 17.72 acres have been bonded as a location for lean ore stockpiles. The area chosen can be seen on the Drawing IM-0100-3f sheet 6 of 6. This area was chosen because it is pre-disturbed, with piles of lean ore already covering the area. Because of this, no further environmental impacts will be caused. The material that will be stockpiled is composed of the same material (iron ore) that is already permitted, so no variances to the reclamation plan are needed.

Due to a Revision to this NOI approved in 2008, the South Waste Dump will be extended by 60.4 acres into the S ½ SE ¼ Section 30 and the N ½ NE ¼ Section 31, T36S, R13W. Approximately 48 acres of this is on lands bonded in 2008, while 12.4 acres is expansion within previously bonded area. An additional 3.6 acres that was previously bonded but not disturbed will be used for topsoil storage. A total of 64 acres will be disturbed to develop the South Waste Dump extension. These lands are all shown on Figure IM-0100-3, IM-0100-3f, IM-0100-12, and IM-010013.

The estimated number of acres to be disturbed and reclaimed per year for this waste dump expansion beyond what was disturbed as of July 2005 is listed below, by year:

YEAR	DISTURBED ACRES	RECLAIMED ACRES
2008	10	0
2009	43	0
2010	11	0
2011	0	0
2012	0	0
TOTAL	64	0

Reclamation will not commence until after the dump is at its final configuration, which will not occur until after this five-year term is complete. Topsoil salvage and storage, and reclamation procedures for the South Waste Dump are described on pages 37 through 38 of this NOI. The post-mining topography for the waste dump is shown on Figure 0100-13, and cross-sections are shown on Figure 0101-9.

The following impacts of disturbance are expected (U.S. BLM, 1984).

- Impacts to soils and vegetation will be moderate as previously discussed. After reclamation, a cover of native shrubs and grasses will be established on the disturbed areas, recognizing that certain Pre-Act areas may require a variance due to lack of any vegetative or

Variances:

1. Some haul roads (Crystal Springs access road) will serve as livestock ranching and third party property access for post-mine use.
2. 70% revegetation standard may be waived on Pre-Act areas. Operator is required to established a minimum cover of beneficial vegetation, if possible. If operator has used practical methods which are those specified in the permit and minimal cover of beneficial vegetation is not met. This standard may be waived.
3. Highwall and natural drainage blocking variance.

12.2.4 S/021/010 [Excelsior/Chesapeake]

Permitted as 5 acres of disturbance. Now subject to R647-4-107, 110, and 111.

12.3 RECLAMATION PLAN FOR AREAS UNDER APPLICATION (Comstock Waste Dump Extension, Tip Top, Excelsior/Chesapeake Extension, Burke Pit Road)

Reclamation Plan:

The Comstock Dump Extension is identified on Drawing IM-0100-3, sheet 6 of 6, and IM-0100-3f, sheet 6 of 6. Because the proposed landfill is located on top of the existing dump, it is included in the reclamation plan for that dump. The reclamation plan is as follows:

The dump crest will be rounded during reclamation to blend with surrounding lands. Maximum slope angle of the dump face will be 35 degrees or flatter, which will allow for rounding of crest and toe. Using dozers, the top of the dump will be rounded to a broad, convex hillock. The main dump slope and toe of the dump will be concave in shape (see cross-sections in Figure 0101-9). The dump itself will have more shape variation than older dump areas on the property, and thus will look more natural and blend better with native surroundings, as shown on IM -0100-13.

As the dump is created, large rocks will be dumped in the minor ephemeral draw, located near the north end of the dump extension. This action, plus the natural coarseness and porosity of the remaining dump material to be placed on top of these rocks, will allow any water seepage in this draw to pass through the dump without creating stability problems.

Large rocks will also be used selectively on the dump top and slopes to provide islands of habitat, erosion control, and wind shelter for plants and animals.

- 1) Topsoil will be recovered where possible. The soil (Ironco-Quilt Complex, 25-60% slopes, 0-3" – extremely cobbly loam, 3-11" – very cobbly loam) is not conducive to collection and redistribution, but will be salvaged where possible to an average salvage depth of 6 inches across the 60.4 acre area to be disturbed. Topsoil will not be stripped from topsoil storage areas. An effort will be made to develop a suitable soil substitute to augment soil resources, using fines generated during mining mixed with 5 ton/acre foot (6 lb/cubic yard) of composted manure. Topsoil will be stored in two stockpile areas: one located near the base of the pre-1995 dump toe (Topsoil Stockpile 1), and one located on top of the 1995 dump

hazardous waste. Several facilities were demolished by Palladon in 2006 in anticipation of modernizing and re-opening the mine. A permanent Class IIIb landfill permit is in process as of June, 2008 for the burial of this construction debris and office waste, to be authorized by the Division of Solid and Hazardous Waste (DSHW). A copy of the approved permit will be located in Appendix F.

The waste will be buried near the back of disturbance, away from drainage paths and dump slopes, in the pre-1995 South Waste Dump (see Figure IM-0100-3 for landfill location).

12.4 TOXIC MATERIALS

Minor amounts of asbestos materials were identified in the debris pile created from demolition. These were removed prior to burial and removed to an appropriate hazardous waste facility. Oils and other wastes are kept in containers and returned to refineries or disposed of off-site. No hazardous wastes exist or are generated on the site, thus cleanup or closure is not expected.

Deleterious or acid forming materials are nonexistent on the property. Three materials at the mine site were sampled for maximum acid potential and neutralization potential: overburden waste, lean ore, and wet plant waste. These materials are representative of all onsite materials. Sample results are contained in Appendix D. These samples indicate that there is little potential for acid mine drainage from these materials. This is to be expected since the ore body does not contain sulfides, and iron mines have never been known to produce acid mine drainage. (USEPA, 1978)

13.0 SURETY ESTIMATE

Prior permitted areas and areas subject to this application are identified on Drawings IM-0100-3a, IM-0100-3, sheet 6 of 6 and IM-0100-3f, sheet 6 of 6. As was previously mentioned, the permitted areas are larger than the areas of current disturbance or areas which will be disturbed in the next five years. This is true simply because of the long term life of a base metal mine. The surety estimate was arrived at by determining total reclamation costs for currently disturbed areas subject to reclamation as well as total costs for those areas to be disturbed in the next five years. These areas are identified in Drawings IM-0100-3.

The current surety held by Palladon is \$1,299,100.00, as requested by DOGM in a memo dated February 1, 2005. This value has been increased due to various factors that are explained below. The calculations used to arrive at the revised bond amount are at the front of Appendix A.

A reclamation credit of \$52,510.00 has been taken for those old Geneva structures that are shown on the 1995 drawings that have been demolished as of 2006. This credit was figured by determining the percent increase in the bond between 1995 (when the last detailed bond analysis was done) and 2005 (when DOGM approved the transfer of the mine to Palladon). This was a 31 percent increase. Thus, buildings that were bonded at \$0.19 per cu. ft. in 1995 were assumed to be bonded at ($\$0.19/\text{cu. ft.} \times 31 \text{ percent} = \$0.25/\text{cu. ft.}$) in 2005 and 2006 when the buildings were demolished.

A reclamation cost increase of \$29,842.00 has been added to the reclamation liability for those structures that have been or will be constructed since 1995. This bond liability increase is based on \$0.31/cu ft, and is derived from RS Means data for 2008. The locations and sizes of the 17 structures that were demolished or constructed are shown on Drawing IM-Load out.

An additional **48.0 acres** will be disturbed by the extension to the south of the Comstock Waste Dump. The average cost per acre for reclamation liability is \$3,115.00. This figure, applied to the **48** new disturbance acres, increases the bond liability by **\$149,537.00**. The new area to be disturbed is identified in Drawings IM-0100-3, sheet 6 of 6 and IM-0100-3f, sheet 6 of 6.

An additional **17.72 acres** will be bonded to allow for the construction of a lean ore stockpile. The area is pre-disturbed, with existing piles of lean ore already covering the area. The average cost per acre for reclamation liability is \$3,115.00. This figure, applied to the 17.72 new disturbance acres, increases the bond liability by **\$55,197.80**. The new area to be disturbed is identified in Drawing IM-0100-3f, sheet 6 of 6.

The total bond liability for Palladon mine for the next 5-year term commencing in 2008 is **\$1,426,000.00, an increase of \$126,900.00** which also accounts for a credit for the previous demolition from the reclamation bond amount set by DOGM in 2005.

Calculations and descriptions of reclamation requirements are included in Appendix A. An updated reclamation liability summary sheet based on the 2005 correspondence from DOGM that covers the changes noted in the paragraph above is included at the beginning of that appendix. A summary of each of the disturbance areas and factors relevant to the reclamation status (pre-act disturbance, etc.) is found in Section 12.2. Backup information for purposes of volume calculations is also found in Drawings IM-0101-1 through IM-0101-8. Geneva understands that

FORM MR-TRL
(Revised September 2000)

For Division Use:
File No.: M/021/008
Effective Date: April 18 2005
DOG M Lead: DL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

RECEIVED

APR 18 2005

DIV OF OIL GAS & MINING

TRANSFER OF NOTICE OF INTENTION
LARGE MINING OPERATIONS

--ooOoo--

1. (a) Notice of Intention to be transferred (file number): M/021/008
- (b) Name of mining operation: Iron Mountain Mine
- (c) Location of mining operation (county): Iron
- (d) Name, telephone number and mailing address of the operator currently holding the notice of intention (transferor):
Geneva Steel Corporation
P.O. Box 2500
Provo, Utah 84063 (801) 227-9000
2. (a) Name, telephone number and mailing address of the operator acquiring the notice of intention (transferee):
Palladon Iron Corporation
2681 Parleys Way, Suite 204
Salt Lake City, Utah 84109 (801) 556-1015
- (b) Name, telephone number and address of the authorized representatives of the Transferee to whom any notices under the provisions of the Utah Mined Land Reclamation Act may be sent:
Donald G. Foot, Jr.
1213 Eagle Way
Fruit Heights, Utah 84037 (801) 552-0709
3. (a) The total number of disturbed acres permitted and bonded under the approved Large Mining Notice of Intention: 417 Acres

- (b) Complete Appendix "A" (attached), a legal description of the approved and bonded disturbed acreage (include: Township(s), Range(s), and section(s), to the 1/4, 1/4, 1/4 section, and the county).
 - (c) The actual number of acres disturbed by the mining operation through the date of this transfer: 417 Acres
 - (d) Attach a topographic map (labeled as Appendix "B") of suitable scale which clearly outlines the existing disturbed area boundaries through the date of this transfer (max. scale, 1 inch = 500 ft., 1 inch = 200 ft., or larger scale is preferred). Label disturbed areas as appropriate.
4. This application must be accompanied by a fully executed and signed Reclamation Contract (Form MR-RC) and an acceptable form of replacement reclamation surety.

Page 2 of 6
Revised January 2000
Form MR-TRL

Page 1 of 6
Revised January 2000
Form MR-TRL



STATE OF _____)
) ss.
COUNTY OF _____)

FINAL SWORN STATEMENT OF TRANSFEREE

I, George S. Young being first duly sworn under oath, depose and say that I am President (officer or agent) of Palladen Iron Corporation (Corporation/Company Name); and that I am duly authorized to execute and deliver the foregoing obligations; that I have read the application and fully understand the contents thereof; that all statements contained in the transfer application are true and correct to the best of my knowledge and belief. By execution of this statement, the Transferee agrees to be bound by the terms and conditions of Notice of Intention No. 11/021/008, the Utah Mined Land Reclamation Act, and the Rules and Regulations promulgated thereunder.

George S. Young
Signature
George S. Young
Name (type or print)
President
Title

Subscribed and sworn before me this 13th day of April, 2005

Barbara Twitchell
Notary Public
Residing at: Orem, Utah

My commission Expires:
July 15, 2007



Page 6 of 6
Revised January 2000
Form MR-TRL

Effective Date: April 18, 2005
NOI No.: 11/021/008

Page 1 of 6
Revised January 2000
Form MR-TRL

APPENDIX "A"

Palladin Iron Corporation
New Operator
M/021/008
Permit Number

Iron Mountain Mine
Mine Name
Iron County, Utah

The legal description of the lands to be disturbed is (Township, Range and section(s) to the 1/4, 1/4, 1/4 section):

The legal description of lands to be disturbed is:

Iron Mountain
NE 1/4 Sec. 2, T37S, R14W

Blackhawk Pines Area
E1/2 SE 1/4 Sec. 34, SW 1/4
Sec. 35, T36S, R14W
NW1/4 Sec. 2, T37S, R14W

Mountain Lion
S1/2 Sec. 19, NW 1/4 Sec. 30
T36S, R13W

Burke Pit
SE 1/4 NE 1/4 Sec. 34, SW 1/4 NW 1/4
Sec. 35, T36S, R14W

Chesapak & Excellsior
W1/2 SE 1/4, S 1/2 S 1/2 NE 1/4 Sec. 25,
T36S, R14W

Tip Top
E1/2 NW 1/4 Sec. 28, T36S, R14W

UII Comstock Plant Area
W1/2 Sec. 29, E1/2 Sec. 30,
T36S, R13W

Comstock Area
Portions of Sec. 30, T36S, R13S

RELEASE

Please be advised that Palladon Iron Corporation ("Palladon") has provided the State of Utah, Division of Oil, Gas and Mining and the U.S.D.I.- Bureau of Land Management ("Obligees") with the New Bond as described in the Bonding and Security Agreement dated April 13, 2005, between, inter alia, Palladon and Travelers Casualty and Surety Company of America (Bond Number 104511468), in replacement of The Mined Land Reclamation Act Surety Bond Number 103540271 (the "Bond") issued on behalf of Geneva Steel Company as principal. Such alternate financial assurance has been accepted by Obligees as sufficient financial assurance in compliance with the Utah Mined Land Reclamation Act and the Reclamation Contract governing the obligation of Palladon to reclaim the Iron Mountain Mine Permit number M/021/008.

Therefore, Obligees do hereby fully, finally and unconditionally release and forever discharge St. Paul Fire and Marine Insurance Company, Travelers Casualty and Surety Company of America and each of their affiliates and subsidiaries (collectively, "St. Paul Travelers") from any and all past, present and future liability by reason of or in connection with the issuance of the Bond (Bond Number 103540271) issued on behalf of the principal Geneva Steel Company. Each of the undersigned individuals signing on behalf of either Obligee further represents and warrants that he or she has the authority to execute this Release on behalf of the Obligee and to bind the Obligee hereunder. In addition, in the event there is any inconsistency between the terms of this Release and any and all other documents, the Obligees hereby agree that the terms of this Release shall control.

DATED this 18th day of April, 2005 to be effective upon the effective date of the alternate financial assurance given by Palladon and accepted by Obligees.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS & MINING

By: _____
Print Name: _____
Its: _____

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

By: James F. Walker
Print Name: James F. Walker
Its: Chief, Division of Geologic Resources

ATTACHMENT B

FORM MR-6
Joint Agency Surety Form
(November 1, 2004)

Bond Number 104511468
Permit Number M/021/008
Mine Name Iron Mountain
Other Agency File Number _____
Effective Date April 18, 2005

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

THE MINED LAND RECLAMATION ACT

SURETY BOND

The undersigned Palladon Iron Corporation, as Principal, and Travelers Casualty and Surety Company of America, as Surety, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of Utah, Division of Oil, Gas and Mining (Division) and the U.S.D.I.- Bureau of Land Management, in the penal sum of One Million Two Hundred Ninety Nine Thousand One Hundred and no/100 --- dollars (\$1,299,100.00).

Principal has estimated in the Mining and Reclamation Plan or Notice approved or accepted by the Division of Oil, Gas and Mining on the 26th day of April, 1995, that 417.05 acres of land will be disturbed by mining operation in the State of Utah.

A description of the disturbed land is attached as "Attachment A" to the Reclamation Contract, of which this document is an integral part.

The condition of this obligation is that if the Division determines that Principal has satisfactorily reclaimed the disturbed lands in accordance with the approved / accepted Mining and Reclamation Plan or Notice and has faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the disturbed lands, and if the lands are reclaimed in accordance with such Plan, Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond.

In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Palladon Iron Corporation

Principal (Permittee)

George S. Young President

By (Name and Title typed):

[Signature]

Signature

4-18-05

Date

Surety Company

Travelers Casualty and Surety Company of America

Surety Company Name

1100 East 6600 South, #500

Street Address

S. Murry Mullenax

Surety Company Officer

Salt Lake City, UT 84121

City, State, Zip

Attorney-in-Fact

Title/Position

801-269-5657

Phone Number

[Signature]

Signature

4-18-05

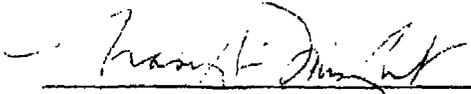
Date

Page 3
MR-6 Joint Agency Surety Bond
Attachment B
(revised November 1, 2004)

Bond Number 104511468
Permit Number M/021/008
Mine Name Iron Mountain
Other Agency File Number _____
Effective Date April 18, 2005

SO AGREED this 18th day of April, 20 05.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:



Mary Ann Wright, Acting Director
Utah State Division of Oil, Gas and Mining

*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.



IMPORTANT DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (the "Act"). The Act establishes a short-term program under which the Federal Government will share in the payment of covered losses caused by certain acts of international terrorism. We are providing you with this notice to inform you of the key features of the Act, and to let you know what effect, if any, the Act will have on your premium.

Under the Act, insurers are required to provide coverage for certain losses caused by international acts of terrorism as defined in the Act. The Act further provides that the Federal Government will pay a share of such losses. Specifically, the Federal Government will pay 90% of the amount of covered losses caused by certain acts of terrorism which is in excess of an insurer's statutorily established deductible for that year. The Act also caps the amount of terrorism-related losses for which the Federal Government or an insurer can be responsible at \$100,000,000,000.00, provided that the insurer has met its deductible.

Please note that passage of the Act does not result in any change in coverage under the attached policy or bond (or the policy or bond being quoted). Please also note that no separate additional premium charge has been made for the terrorism coverage required by the Act. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium, and is no more than one percent of your premium.

ILT-1018 (9/04)

IN WITNESS WHEREOF, TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY have caused this instrument to be signed by their Senior Vice President and their corporate seals to be hereto affixed this 5th day of April, 2004.

STATE OF CONNECTICUT

) SS. Hartford

COUNTY OF HARTFORD

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY



By *George W. Thompson*
George W. Thompson
Senior Vice President

On this 5th day of April, 2004 before me personally came GEORGE W. THOMPSON to me known, who, being by me duly sworn, did depose and say: that he/she is Senior Vice President of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, the corporations described in and which executed the above instrument; that he/she knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; and that he/she executed the said instrument on behalf of the corporations by authority of his/her office under the Standing Resolutions thereof.



Marie C. Tetreault
My commission expires June 30, 2005 Notary Public
Marie C. Tetreault

CERTIFICATE

I, the undersigned, Assistant Secretary of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, stock corporations of the State of Connecticut, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Boards of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this 18th day of April, 2005.



By *Kori M. Johanson*
Kori M. Johanson
Assistant Secretary, Bond

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
Hartford, Connecticut 06183-9062

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: **Leonard D. Nielsen, S. Murry Mullenax, Brett Palmer, Sylvia A. Carroll,** of Salt Lake City, Utah, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

4/18/05

APPENDIX
ATTACHMENT B

TO
Transfer of Notice of Intention
Large Mine Operations

POST-ACT DISTURBANCE

PRE-ACT DISTURBANCE

NOTE: All other disturbances (Roads, Properties, etc.) are Pre-act disturbances

PROPERTY

BURKE PIT

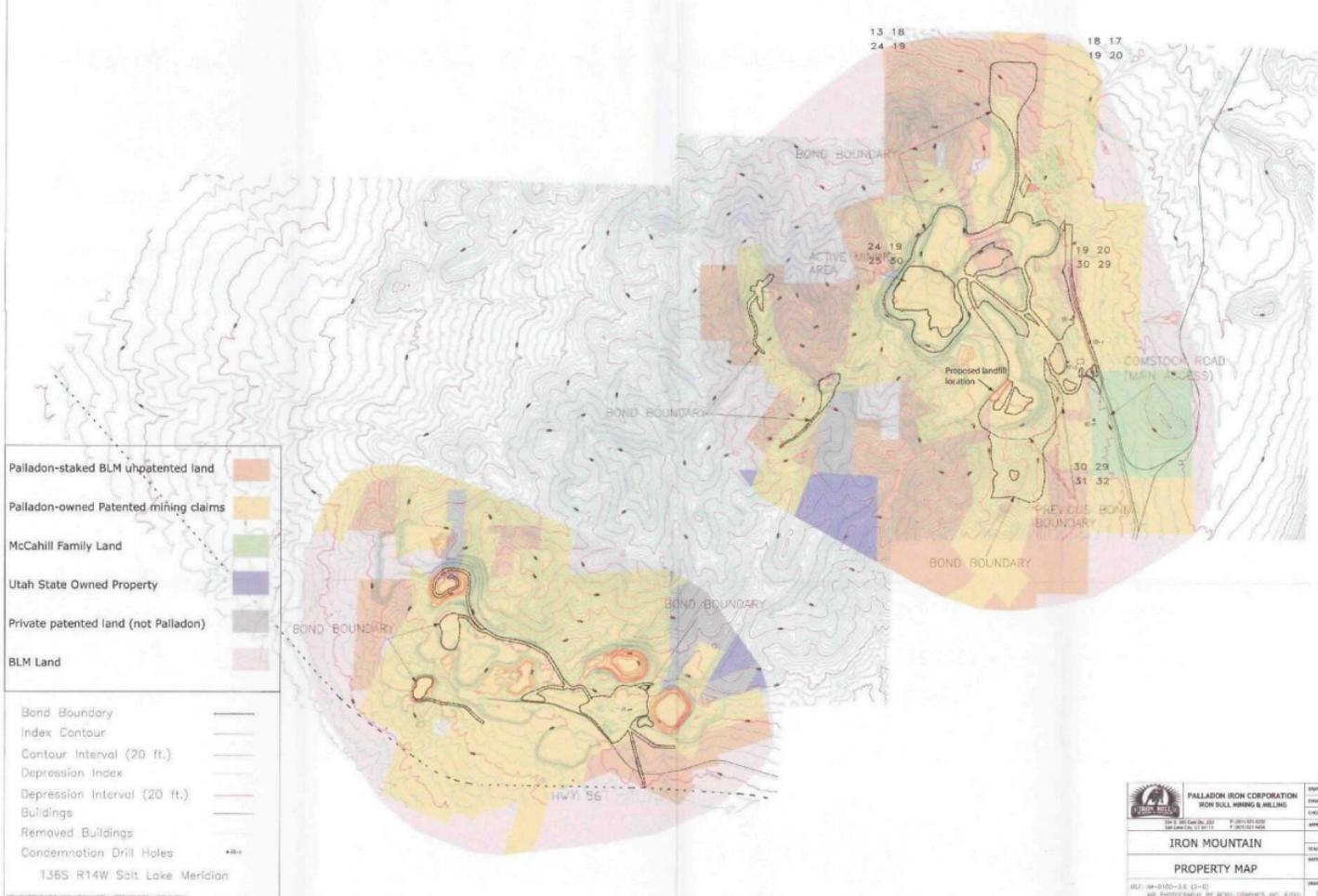
PRE-ACT

DUNCAN

BLACK PIT

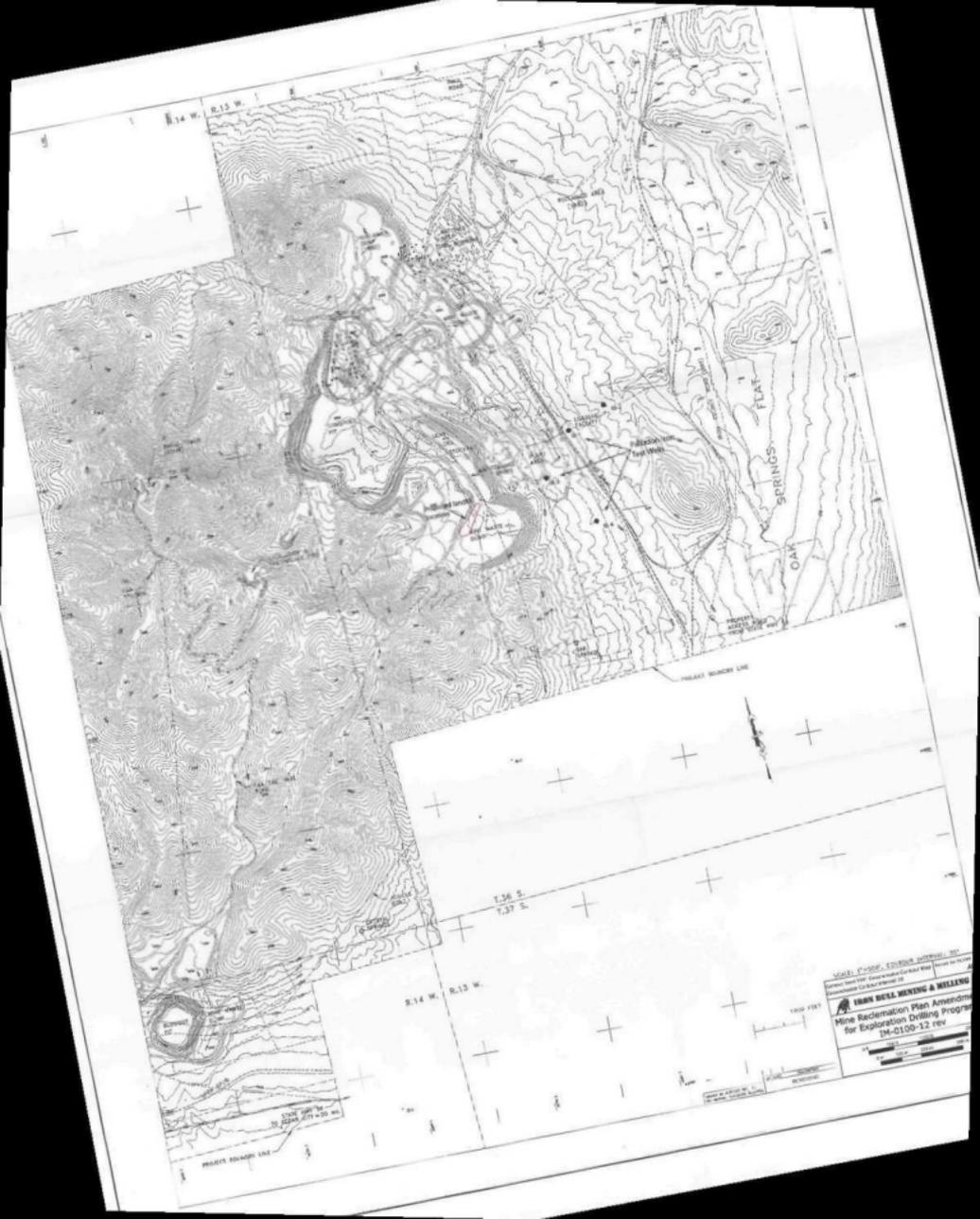
PRE-ACT

DUNCAN / Blowout



Palladon-staked BLM unpatented land	
Palladon-owned Patented mining claims	
McCahill Family Land	
Utah State Owned Property	
Private patented land (not Palladon)	
BLM Land	
Bond Boundary	
Index Contour	
Contour Interval (20 ft.)	
Depression Index	
Depression Interval (20 ft.)	
Buildings	
Removed Buildings	
Concentration Drill Holes	
136S R14W Salt Lake Meridian	

	PALLADON IRON CORPORATION	DRAWN BY: AEP / 7/08
	IRON MOUNTAIN	INDEXED: AEP
		DRAWN BY: GGH
		CHECKED BY: GGH
IRON MOUNTAIN		SCALE: 1" = 1000'
PROPERTY MAP		DATE OF MAP: July 14, 2008
REF: 04-002-55 (1-4)	DATE OF PHOTOGRAPH BY: AERO GRAPHICS INC. 6/20	DATE: 0



R.14 W. R.13 W.

R.14 W. R.13 W.

T.36 S.
T.37 S.

OAK SPRINGS FLAT

PRAIRIE NUMBER LINE

PRAIRIE NUMBER LINE

SCALE: 1"=500'. EDITION: 08/2008. 100'

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TOWN BELL MINING & MILLING

Mine Reclamation Plan Amendment
for Exploration Drilling Program
198-0100-12 rev

198-0100-12 rev

ASSET PURCHASE AGREEMENT

**PALLADON/WUCC
AND
IRON ORE MINE LLC**

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "Agreement") is made and entered into as of the 13th day of December, 2004 (the "Effective Date") by and between IRON ORE MINES LLC, a Delaware limited liability company, as debtor and debtor in possession ("Seller"), and WESTERN UTAH COPPER COMPANY, a Utah corporation, and PALLADON VENTURES LTD., a British Columbia corporation (together, "Buyer").

RECITALS

- A. Seller owns certain real and personal property located in Iron County, Utah.
- B. Seller desires to sell all such property and assign certain rights in connection therewith, and Buyer desires to purchase all such property and rights.
- C. Seller is the debtor, and the debtor in possession, in a pending bankruptcy proceeding, and approval of this Agreement by order of the Bankruptcy Court as provided in Section 10.1 of this Agreement is a condition precedent to the obligations of the parties herein and the sale and purchase of the property.

AGREEMENT

In consideration of the mutual promises and benefits contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. Debtor in Possession. Seller is the debtor, and the debtor in possession, in a bankruptcy proceeding pending in the United States Bankruptcy Court for the District of Utah (*In re Iron Ore Mines LLC*, Case No. 02-35389) (the "Bankruptcy Proceeding"). This Agreement is subject to the prior approval of the Bankruptcy Court as set forth in Section 10.

2. Purchase and Sale of Property

2.1 Purchase and Sale of Property. Subject to the terms and conditions of this Agreement, Seller agrees to sell and Buyer agrees to purchase all of Seller's right, title and interest in and to the following assets and properties (such assets and properties are collectively referred to hereinafter as the "Acquired Assets"):

2.1.1 The real property located in Iron County, Utah and more particularly described on Schedule 2.1.1 attached hereto (the "Real Property"); provided, however, Buyer acknowledges that all or a portion of the Real Property is presently leased for agricultural purposes, and Buyer will assume such leases and accept title to the Real Property subject to such leases. The parties understand and agree that Buyer shall have and be entitled to any and all income of whatsoever nature derived from the agricultural leases, and from the rest of the Acquired Assets, from and after the Final Closing Date (as defined in Section 12.3 below).

2.1.2 The water rights identified on Schedule 2.1.2 attached hereto (the "Water Rights"); provided however, Buyer acknowledges that some of the Water Rights are presently leased for agricultural purposes, and Buyer will assume such leases and accept title to the Water Rights subject to such leases.

2.1.3 The patented and unpatented mining claims and other lands that are described in Schedule 2.1.3 attached hereto (the "Mining Claims");

2.1.4 Seller's operating rights under large mine permit No. M/021/008 for the Iron Mountain Mine property in Iron County Utah (the "Mine Permit"), as currently approved by the Utah Division of Oil, Gas and Mining ("DOGOM"), to the extent transferable and subject to DOGOM approval;

2.1.5 To the extent transferable, the leases, licenses, permits and approvals listed on Schedule 2.1.5 attached hereto;

2.1.6 The fixtures, machinery, equipment, and other items of personal property identified on Schedule 2.1.6 attached hereto;

2.1.7 Those assets specifically listed in Schedule 2.1.7 attached hereto, including in particular the existing originals and copies of all maps, reports, files and other data and information of whatsoever nature (including file cases and drawers, etc.), regardless of where held, concerning or relating, directly or primarily to the Acquired Assets; provided, however, that Seller and its agents shall have the right for a period of ten years after the Final Closing Date to review and copy, at Seller's expense, said documents and data in the event Seller elects or needs to do so in Seller's discretion, and Buyer agrees to cooperate with and facilitate any such action by Seller; and

2.1.8 Any other real property, personal property, water and other rights, agreements, permits, approvals and assets owned, held or hereafter acquired by Seller relating to Seller's mining and agricultural operations and properties in Iron County, Utah, including any discovered after the Effective Date or after the Final Closing (as defined in Section 12.3 below).

3. Excluded Assets. Notwithstanding anything contained in Section 2 to the contrary, Seller is not selling, and Buyer is not purchasing, any assets of Seller not specifically identified in Section 2, including without limitation the following assets owned by Seller, all of which shall be retained by Seller:

3.1 Seller's business, financial, accounting and operational records, files and drawings, except those items identified in Section 2.1.7 and/or Schedule 2.1.7;

3.2 all documents or data reasonably necessary for Seller to meet its legal obligations or prove compliance therewith;

3.3 any cash, cash equivalents, petty cash, deposit accounts, checks received by Seller upon which collection has not been made, accounts, notes and contracts receivable, and long- and short-term securities owned by Seller as of the Closing Date (as defined in Section 11.1 below);

3.4 the rights that accrue to Seller under this Agreement;

3.5 claims, rights and interests in and to any refunds for state or local franchise, income or other taxes or fees of any nature whatsoever relating to taxes and fees; and claims against any person or entity;

3.6 All other tangible and intangible assets or portions thereof related to Seller not expressly listed in Section 2;

3.7 claims, rights and interests related in any way to any real or personal property not included in the Acquired Assets; and

3.8 insurance policies and proceeds thereof

Handwritten: \$10,000,000 Ten

4. Purchase Price. The purchase price for the Acquired Assets shall be ~~Eight Million Three Hundred Thousand Dollars (\$8,300,000)~~ *Ten* Million Dollars (\$10,000,000) (the "Purchase Price"). The Purchase Price shall be payable in wire-transferred funds, same day availability, as follows:

(a) Fifty Thousand Dollars (\$50,000) shall be delivered to Seller as earnest money (the "Earnest Money") concurrently with the signing of this Agreement by both parties, which Earnest Money shall be fully earned by Seller and non-refundable to Buyer, subject only to Sections 8 and 16 herein, but applicable (without interest) to the Purchase Price at the Closing (as defined in Section 11 below).

(b) Buyer shall be allowed a credit in the amount of One Million Three Hundred Thousand Dollars (\$1,300,000) without interest (the "Reclamation Credit") at the Closing for the assumption of Seller's reclamation obligations as provided herein, and

(c) the balance of the Purchase Price shall be delivered in escrow to First American Title Insurance Agency, Inc. in Salt Lake City, Utah or such other title company as may be mutually acceptable to Seller and Buyer (the "Title Company") at the Closing, to be held by the Title Company pending the Final Closing.

5. Assumed Liabilities. As further consideration for consummation of the transactions contemplated hereby (the "Transactions"), Buyer, without further action by any party, will assume as of the Closing Date and agrees thereafter to pay when due and indemnify, defend and hold harmless Seller and its parent and affiliates, and their respective directors, officers, employees, agents, creditors, members, shareholders, representatives, successors and assigns, individually and collectively (together, the "Seller Indemnified Parties"), from and against any and all obligations and liabilities of any kind relating to the Acquired Assets (the "Assumed Liabilities"), including without limitation all reclamation obligations with

respect to the Mining Claims, all of Seller's obligations under the Mine Permit and that certain Reclamation Contract with DOGM dated May 20, 1998, File No. M/021/008 (the "Reclamation Contract"), all costs of complying with the Reclamation Contract, any assessments, charges or demands that DOGM or the United States Bureau of Land Management may make in connection with maintaining or reclaiming the Mining Claims (including any reclamation requirements, bonding requirements, bond fees, and costs for any upward adjustment of bonding requirements or additional bonding that may be required), and all maintenance fees and filings required in connection with unpatented mining claims included within the Mining Claims. Buyer's obligations under this Section 5 shall survive the Final Closing and the Transactions and shall continue thereafter perpetually. It is understood and agreed, however, that Buyer, in order to protect and limit itself from the risk of future, third-party liability, may and in fact intends to take title at Closing to the Acquired Assets in the name of a subsidiary or controlled corporation or other legal entity. Such action shall not eliminate or diminish Buyer's Assumed Liabilities hereunder.

6. Allocation of Purchase Price. Buyer and Seller agree that the amount of the present value of the Purchase Price and the Assumed Liabilities that are liabilities for federal income tax purposes, determined taking into account Section 483 of the Internal Revenue Code of 1986, as amended, shall be allocated for federal income tax purposes among the Acquired Assets in accordance with Schedule G attached hereto. Subject to the requirements of applicable law, such allocation shall be binding upon the parties for the purposes of filing any return, report or schedule regarding taxes.

7. Due Diligence; Contingency Period. Buyer, at its own expense, shall perform whatever level of due diligence Buyer deems appropriate. Buyer shall have 30 days after the Effective Date in which to perform such due diligence (the "Contingency Period"). Buyer may enter upon Seller's property at reasonable times and at Buyer's sole risk and expense during the Contingency Period to examine the Acquired Assets and to conduct a Phase I environmental study on the Real Property and the Mining Claims; provided that (i) Buyer shall not unreasonably interfere with the use of any of the Acquired Assets or other improvements or fixtures on the property, (ii) Buyer shall promptly repair and restore any damage done to the Acquired Assets or adjacent property in connection with such testing, (iii) Buyer shall comply with all applicable laws, regulations and ordinances in performing such testing, and (iv) Seller shall have the right to approve of the identity, qualification and scope of work of any environmental inspector or engineer. Buyer shall promptly provide Seller with copies of any and all surveys, appraisals, engineering, laboratory and environmental reports, and other studies produced in connection with Buyer's due diligence. Buyer shall indemnify, defend and hold harmless each of the Seller Indemnified Parties from and against any injury or damage arising from Buyer's activities under this Section. Buyer's obligations under this Section shall survive any termination of this Agreement. If, as a result of Buyer's due diligence, Buyer decides not to purchase the Acquired Assets, then Buyer shall immediately so notify Seller in writing but in no event later than the expiration of the Contingency Period. If Buyer timely notifies Seller in writing of its decision for whatever reason not to purchase the Acquired Assets, this Agreement shall be terminated, Buyer shall not be obligated to purchase the Acquired Assets, Seller shall retain the Earnest Money, and neither party shall have any further rights or obligations but under other than those obligations which are intended to survive termination. If Buyer fails to timely

notify Seller in writing of its decision not to purchase the Acquired Assets, Buyer shall be obligated to proceed with the Closing and to consummate the purchase of the Acquired Assets in accordance with the other provisions of this Agreement.

8. **Title Commitment.** Within 15 days after the Effective Date, Seller will deliver to Buyer a preliminary title report prepared by the Title Company showing the condition of title to the Real Property (but not the Water Rights or the Mining Claims) (the "Title Report"). Buyer shall thereafter have the remainder of the Contingency Period to review the Title Report and to notify Seller in writing if Buyer disapproves of any exceptions shown in the Title Report. Those exceptions to which Buyer does not object or to which Buyer has agreed in this Agreement are referred to herein as the "Permitted Exceptions." If Buyer disapproves of any exceptions, Seller may, within ten days after receiving notice of Buyer's disapproval, either (i) remove the objectionable exception(s) or (ii) advise Buyer that it will not cure the objectionable exception(s). If Seller does neither (i) nor (ii) within such ten-day period, or if Seller provides the notice permitted by (ii), then Buyer as its exclusive remedy may terminate this Agreement by written notice to Seller given within five days following the end of the ten-day period, in which event this Agreement shall terminate, Buyer shall not be obligated to purchase the Acquired Assets, Seller shall return the Earnest Money to Buyer (without interest), and neither party shall have any further rights or obligations hereunder other than those obligations which are intended to survive termination. If Buyer does not timely elect to terminate this Agreement in accordance with this Section within five days following the end of the ten-day period, then Buyer shall be irrevocably deemed to have accepted all exceptions in the Title Report as Permitted Exceptions, and this Agreement shall remain in full force and effect. Except for the provisions of Section 16 below, a timely election by Buyer to terminate this Agreement solely because of title to the Real Property as provided in this Section 8 is the only basis in this Agreement under which Buyer may obtain a refund of the Earnest Money. Any title report covering the Water Rights and/or the Mining claims shall be obtained by Buyer as part of Buyer's due diligence at Buyer's sole expense during the Contingency Period.

9. **Iron Ore Mine Files.** As an accommodation to Buyer only, Seller shall use commercially reasonable efforts to make available for Buyer's review, within ten days after the Effective Date, all of Seller's known files that are readily available to Seller's existing personnel without unreasonable effort pertaining to the title to and the condition of the Acquired Assets (the "Seller Files"); provided, however, that Seller makes no representations or warranties with respect to the accuracy or completeness of such files and shall have no obligation to organize, assemble or otherwise attempt to locate such files. All information provided by Seller (other than information that is available to the public generally through other sources) shall be maintained and protected by Buyer in confidence through and after the Closing, until the Final Closing. Buyer shall not disclose such information to any third party except on a confidential basis to Buyer's advisors who have signed a confidentiality agreement with Seller and who are actively involved in assisting Buyer to evaluate and purchase the Acquired Assets or as required by law. If this Agreement terminates for any reason other than the transfer of the Acquired Assets to Buyer, then Buyer shall return to Seller all copies of any documents provided by Seller with respect to the Acquired Assets (including any summaries or notes with respect to such documents). Buyer's obligation to not disclose the information provided by Seller shall survive such termination. Buyer acknowledges that Seller has numerous buildings and document storage

areas in various locations and limited manpower to locate such Seller Files. Seller shall have no liability to Buyer under any theory whatsoever in the event Seller fails to make available for review any of the Seller Files, nor shall Seller have any liability to Buyer under any theory whatsoever on account of the accuracy, content or completeness of the Seller Files. The confidentiality and non-disclosure provisions of this Section 9 shall terminate at the Final Closing (but not before) and thereafter shall be of no further force or effect.

10. Conditions to Closing. Seller's obligation to sell the Acquired Assets, and Buyer's obligation to purchase the Acquired Assets, is contingent on the satisfaction or waiver (to the extent the condition is legally waivable) by Buyer and Seller of each of the following conditions prior to the date indicated below:

10.1 Bankruptcy Court Approval. Prior to the Closing Date, Seller shall have obtained a final, non-appealable Order of the Bankruptcy Court (the "Order") approving this Agreement pursuant to Section 363 of the Bankruptcy Code (the "Bankruptcy Court Approval"). Seller shall apply for the Order as soon as reasonably practicable following the Effective Date, and Buyer shall cooperate with Seller in obtaining the Order. The parties agree that the Bankruptcy Court hearing on the motion for approval of the sale of the Acquired Assets to Buyer shall (subject to the Court's concurrence) be held in January 2005, on a date no later than seven days after the end of the Contingency Period.

11. Closing

11.1 Closing Date. The consummation of the purchase of the Acquired Assets (the "Closing") shall occur at the offices of the Title Company on a date mutually agreed to by the parties as soon as reasonably practicable following Bankruptcy Court Approval and the end of the Contingency Period (the date on which the Closing occurs being the "Closing Date"), but in no event later than the last to occur of (a) 20 days after Bankruptcy Court Approval, or (b) January 31, 2005 (the "Closing Deadline"); provided however, that the Closing may occur at such other time and place as the parties may mutually agree in writing, and the Closing Deadline may be extended by Buyer pursuant to Section 11.2 hereof.

11.2 Extension of Closing Deadline. In the event Buyer has not received the approval of DOGM to the transfer of the Mine Permit and to the assumption by Buyer of all of Seller's obligations under the Reclamation Contract by the Closing Deadline, Buyer may extend the Closing Deadline once by delivering to Seller on or before the original Closing Deadline (a) a written notice of extension identifying the last date to which the Closing Deadline will be extended, which date shall in no event be later than the last to occur of (i) March 31, 2005 or (ii) 60 days following the original Closing Deadline, and (b) payment of the sum of Five Hundred Dollars (\$500) multiplied by the number of days included in the extension notice (the "Extension Payment"), which Extension Payment must be at least \$15,000 even if the number of days is less than 30. The Extension Payment shall be deemed to be fully earned by Seller and non-refundable to Buyer, and shall not be applied to the Purchase Price at Closing.

11.3 Closing Deliveries. At the Closing:

11.3.1 Seller will execute, acknowledge and deliver to the Title Company in escrow (a) a special warranty deed for the Real Property substantively in the form of Exhibit 11.3.1(a) attached hereto (the "Real Property Deed"), (b) a quitclaim deed for the Water Rights substantively in the form of Exhibit 11.3.1(b) attached hereto (the "Water Rights Deed"), (c) a quitclaim deed for the Mining Claims substantively in the form of Exhibit 11.3.1(c) attached hereto (the "Mining Claim Deed") (the Real Property Deed, the Water Rights Deed and the Mining Claim Deed are referred to herein as the "Deeds"), (d) a bill of sale covering the items included in the Acquired Assets other than the Real Property, the Water Rights and the Mining Claims substantively in the form attached hereto as Exhibit 11.3.1(d) (the "Bill of Sale"), and (e) such other documents as are (i) necessary to complete the transfer of the Acquired Assets to Buyer, (ii) otherwise necessary to complete the Transactions, and (iii) reasonably requested by Buyer.

11.3.2 Seller and Buyer shall execute, acknowledge and deliver to Seller a Transfer of Notice of Intention, Large Mining Operations, using the DOGM form attached hereto as Exhibit 11.3.2 (the "Mine Permit Assignment").

11.3.3 Buyer shall execute, acknowledge and deliver to Seller a Reclamation Contract, using the DOGM form attached hereto as Exhibit 11.3.3 ("Buyer's Reclamation Contract").

11.3.4 Buyer shall pay to the Title Company in escrow the balance of the Purchase Price (after credit for the Earnest Money and the Reclamation Credit) by wire transferred funds, same day availability. Any interest earned on such funds shall be paid to Seller and shall not be credited toward the Purchase Price.

11.3.5 All property taxes, fees and assessments on the Acquired Assets payable on or after the Final Closing Date shall be the obligation of and paid by Buyer.

11.3.6 Each party shall execute and deliver such additional affidavits of non-foreign status, closing statements, assignments, assumptions and other customary and usual closing documents as may be reasonably required to consummate the Transactions contemplated hereby.

12. Obligations and Conditions On or After Closing. The following obligations and conditions shall apply on or after the Closing:

12.1 Within five days after the Closing, Buyer shall deliver to DOGM a reclamation surety or other bond in a form and amount (including inflation adjustments) acceptable to DOGM, with Buyer named as principal and without any obligation of Seller specified therein (the "Replacement Bond"), to fully replace and release Seller's existing reclamation surety bond which is in the amount of \$1,073,000.00 ("Seller's Bond"). Any refunds, rebates or compensation of any kind associated with the Seller's Bond shall go exclusively to Seller. If the Replacement Bond is not so delivered to DOGM within said five-day period, Seller may terminate this Agreement by written notice to Buyer, Seller shall not be obligated to sell the Acquired Assets to Buyer, Seller shall retain the Earnest Money, and neither

party shall have any further rights or obligations hereunder other than those obligations which are intended to survive termination. In such instance of termination by Seller, if Buyer has delivered the balance of the Purchase Price (not including the Earnest Money or the Reclamation Credit), or any part thereof, to the Title Company to be held in escrow pursuant to Section 11.3.4 above, then Buyer shall be entitled to the immediate return of said money (without interest) from the Title Company.

12.2 Within five days after Buyer delivers the Replacement Bond to DOGM, Seller shall deliver to DOGM the executed Mine Permit Assignment and Buyer's Reclamation Contract.

12.3 Within five days after Seller receives from DOGM a written release of Seller and Geneva Steel LLC from all obligations under the Reclamation Contract, Seller shall direct the Title Company to deliver the Purchase Price funds held in escrow to Seller and to deliver the Deeds and the Bill of Sale held in escrow to Buyer. The delivery of such funds and documents by the Title Company shall be known as the "Final Closing" and the date on which the Final Closing is completed shall be known as the "Final Closing Date."

12.4 Buyer shall be responsible for recording the Deeds and for the cost thereof.

12.5 Each party shall pay one-half of the Title Company's closing and escrow fees.

12.6 Any title insurance that Buyer may wish to purchase on the Real Property, Mining Claims and/or Water Rights shall be arranged and paid for by Buyer.

12.7 If the Final Closing has not occurred within nine months after the Effective Date, then either party may terminate this Agreement by written notice to the other party, in which case Buyer shall not be obligated to purchase the Acquired Assets, Seller shall not be obligated to sell the Acquired Assets, Seller shall retain the Earnest Money, Buyer shall be entitled to the immediate return (without interest) of the balance of the Purchase Price (not including the Earnest Money or the Reclamation Credit), or any part thereof, which theretofore Buyer may have delivered to the Title Company to be held in escrow pursuant to Section 11.3.4 above, and neither party shall have any further rights or obligations hereunder other than those obligations which are intended to survive termination.

12.8 Upon the Final Closing, Buyer shall be deemed to have released and waived any and all claims (administrative or otherwise) it may have against the Seller, Indemnified Parties, including but not limited to any claims that are or could be filed in connection with the Bankruptcy Proceeding.

12.9 Other than the Bankruptcy Court Approval and DOGM approval of the Mine Permit Assignment, Buyer shall be solely responsible for obtaining, at its sole expense, any and all necessary governmental approvals for the transfer of the Acquired Assets and obtaining

all required approvals, permits and consents from all utilities and governmental entities with jurisdiction for the Transactions and Buyer's intended use of the Acquired Assets.

13. Condition and Use of Acquired Assets. Seller will retain all risk of loss for the Acquired Assets until the Final Closing. At the conclusion of the Final Closing, possession and risk of loss shall pass to Buyer. EXCEPT AS EXPRESSLY SET FORTH IN SECTION 14 HEREOF AND, WITH RESPECT TO THE REAL PROPERTY ONLY, AS SET FORTH IN THE REAL PROPERTY DEED, THE PURCHASE AND SALE OF THE ACQUIRED ASSETS IS "AS-IS" AND "WHERE-IS" WITH ALL FAULTS IN ALL RESPECTS; NEITHER SELLER NOR ANY OF ITS MEMBERS, OFFICERS, EMPLOYEES, AGENTS, ATTORNEYS, REPRESENTATIVES OR AFFILIATES HAS MADE OR MAKES ANY WARRANTY OR REPRESENTATION WHATSOEVER REGARDING THE ACQUIRED ASSETS, OR ANY OTHER MATTER IN ANY WAY RELATED TO THE ACQUIRED ASSETS, INCLUDING, BUT NOT LIMITED TO, TITLE TO THE ACQUIRED ASSETS, USE, VALUE, OPERABILITY, ENVIRONMENTAL CONDITION, RECLAMATION OBLIGATIONS, VIABILITY, USABILITY, UTILITIES, ZONING, ACCESS, WETLANDS, TRANSFERABILITY, OR ANY OTHER MATTER RELATED TO THE ACQUIRED ASSETS, OR ANY IMPROVEMENT OR PROPERTY UPON WHICH THE ACQUIRED ASSETS ARE LOCATED, OR WHICH WILL BE USED IN CONNECTION THEREWITH. IT IS THE EXPLICIT INTENT OF EACH PARTY HERETO THAT SELLER IS MAKING NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, BEYOND THOSE EXPRESSLY GIVEN IN THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR OTHER REPRESENTATION AS TO THE CONDITION, SAFETY, SUITABILITY OR UTILITY OF THE ACQUIRED ASSETS OR ANY WARRANTY OR OTHER REPRESENTATION AS TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OR PURPOSE WITH RESPECT TO THE SAME. SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES ARISING OUT OF ANY DEFECT OR DEFICIENCY IN THE ACQUIRED ASSETS. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE TRANSACTIONS OR THE ACQUIRED ASSETS, ALL CLAIMS FOR WHICH ARE HEREBY WAIVED. BUYER HEREBY ACKNOWLEDGES AND AGREES THAT PRIOR TO THE FINAL CLOSING, SELLER MAY USE THE ACQUIRED ASSETS IN A MANNER CONSISTENT WITH HISTORICAL PRACTICES.

14. Representations and Warranties of Seller. Seller represents and warrants to Buyer that as of the date hereof and as of the Final Closing Date, but subject to obtaining the Bankruptcy Court Approval:

14.1 Seller is not a "foreign person" as that term is defined in Internal Revenue Code § 1445.

14.2 Seller has all power and authority necessary to enter into this Agreement and to consummate the Transactions.

14.3 This Agreement has been duly authorized by all required actions by or on behalf of Seller.

14.4 Except as expressly provided herein, no consent or approval of any third party is required to authorize Seller to enter into this Agreement or to consummate the Transactions.

14.5 The person or persons signing this Agreement on behalf of Seller have been duly authorized to do so by all requisite actions by or on behalf of Seller.

15. Representations and Warranties of Buyer. Buyer represents and warrants to Seller that, as of the date hereof and as of the Final Closing Date:

15.1 Buyer Western Utah Copper Company is a corporation duly organized and existing under the laws of the State of Utah, and Buyer Palladium Ventures Ltd. is a corporation duly organized and existing under the laws of British Columbia, Canada.

15.2 Buyer has all power and authority necessary to enter into this Agreement and to consummate the Transactions.

15.3 This Agreement has been duly authorized by all required actions by or on behalf of Buyer.

15.4 Except as expressly provided herein, no consent or approval of any third party is required to authorize Buyer to enter into this Agreement or to consummate the Transactions.

15.5 The person or persons signing this Agreement on behalf of Buyer have been duly authorized to do so by all requisite actions by or on behalf of Buyer.

15.6 Buyer is of sufficient sophistication and financial ability to evaluate the merits of the purchase of the Acquired Assets and to fulfill its obligations hereunder. Except for the representations and warranties provided in Section 14, Buyer is not relying upon, and hereby specifically waives any claim of liability based on, any statement, representation, warranty, promise, covenant, or undertaking by Seller or any other person representing or purporting to represent Seller in connection with the Acquired Assets.

16. Other Offers. Buyer acknowledges and agrees that the sale of the Acquired Assets pursuant to this Agreement is subject to higher and better offers. Until Bankruptcy Court Approval is obtained, Seller shall have the right to enter into one or more agreements, also subject to Bankruptcy Court approval, with other potential buyers who submit offers which, in Seller's sole and absolute discretion, are higher and better than the offer set forth herein. If multiple offers are received, Seller will determine which of the offers should be submitted for Bankruptcy Court approval and will give notice to Buyer of an additional opportunity (which may include one or more bidding opportunities or auctions using such procedures as Seller

determines to be appropriate) to submit a higher and better offer prior to the receipt of Bankruptcy Court Approval. If Buyer does not submit the highest and best offer, as determined by Seller in its sole discretion, upon notice by Seller to Buyer this Agreement shall automatically terminate and thereafter this Agreement shall be null and void and neither Seller nor Buyer shall have any further rights or obligations hereunder except those that are intended to survive such termination. Buyer shall incur no damages, whether direct, consequential or incidental, from the termination of this Agreement as a result of a higher and better offer, but in the event of such termination Seller shall refund Buyer's Earnest Money (without interest). Buyer acknowledges that, except for the provisions of Section 8 above, termination of the Agreement pursuant to this Section 16 is the only basis in this Agreement under which Buyer may obtain a refund of the Earnest Money.

17. Indemnification. To the fullest extent permitted by law, Buyer shall, and does hereby agree to, indemnify, defend and hold harmless the Seller Indemnified Parties from and against any and all claims, demands, suits, proceedings, attachments, levies, damages, losses, liabilities, liens, fines, penalties, claims for indemnification or contribution, and any other matter whatsoever, and all costs and expenses incurred in connection therewith, including attorneys' fees (collectively, the "Claims"), for (a) injuries to or death of any third party or any employee or agent of Buyer or Seller acting directly or indirectly out of or in any way relating to the ownership or use of the Acquired Assets by Buyer or any of its directors, officers, agents, employees, accountants, contractors, suppliers, materialmen or vendors, successors or assigns (the "Buyer Parties"), (b) damage to or loss of property arising directly or indirectly out of or in any way relating to the ownership or use of the Acquired Assets by the Buyer Parties, and (c) any act or omission of the Buyer Parties arising out of their use or possession of the Acquired Assets before and after the Final Closing, including but not limited to the environmental condition of the Acquired Assets from events occurring before or after the Final Closing. The indemnity set forth above shall not be limited in any way by any limitation on the amount or type of proceeds, damages, compensation or benefits payable under insurance policies, workers compensation acts, disability benefit or other employee benefit acts. Buyer shall defend all Claims and pay all costs and expenses incidental thereto, but any of the Seller Indemnified Parties shall have the right, at their option, to participate in their own defense through separate counsel without relieving Buyer of any obligation hereunder.

18. Assignment, Binding Effect. Buyer may elect to take title to the Acquired Assets at Closing in the name of Buyer's subsidiary or affiliated corporation or other legal entity. Excepting the foregoing, Buyer may not assign its interest or any part thereof in this Agreement to any other party without Seller's prior written consent, which consent shall not be unreasonably withheld, but any assignment (whether to said subsidiary or affiliate or pursuant to Seller's written consent) shall not diminish or reduce Buyer's obligations and liability under this Agreement. Subject to the preceding sentence, this Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

19. Broker Commissions. Seller and Buyer each agree to indemnify, defend and hold harmless the other from and against all claims, liabilities and expenses, including attorneys' fees, arising from any brokerage commissions or finder's fees payable as a result of such party's actions.

20. Attorneys' Fees. If an action is instituted to enforce any term of this Agreement, the prevailing party shall recover from the losing party its reasonable attorneys' fees and costs as set by the trial court and, in the event of appeal, as set by the appellate court or the trial court on remand.

21. Governing Law; Construction. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah, without regard to rules pertaining to conflicts of laws. The parties, on behalf of themselves and their successors, hereby agree and consent to the exclusive jurisdiction and venue of the state and federal courts of Utah. This Agreement has been carefully reviewed by both parties and their counsel, and shall be construed as though both parties drafted it.

22. No Waiver. No election or waiver of any right or remedy by either party on any occasion shall constitute an election or waiver of the same or any other right or remedy on any other occasion.

23. Notice. All notices, demands and requests which may be or are required to be given by either party to the other shall be in writing and shall be personally served on the designated party, delivered by express courier, sent by delivered telegram, telex or facsimile transmission (if sent by facsimile transmission a duplicate copy shall be sent by first class mail), United States certified or registered mail, postage prepaid, addressed to the parties as follows unless a party hereto designates otherwise in writing:

If to Seller:

Iron Ore Mines LLC
Attention: Ken C. Johnson
10 South Geneva Road
Vineyard, Utah 84058
Fax: (801) 227-9141

with a required copy to:

Paul Waddoups Brown Groc and Loveless
Attention: Daniel A. Jensen
185 South State Street, Suite 1300
Salt Lake City, Utah 84111
Fax: (801) 532-7750

If to Buyer:

Western Utah Copper Company
Attention: Mark D. Denton, President
P.O. Box 492
Milfred, Utah 84751
Fax: (435) 387-5088

and

Palladon Ventures Ltd.
Attention: George S. Young, President
370 Interlakes Blvd., Suite 400
Broomfield, Colorado 80021
Fax: (303) 327-1526

with a required copy to:

William B. Wray
P.O. Box 958
Millard, Utah 84751
Fax: (435) 387-5558

Any notice given in the form set forth herein shall be deemed given and received as follows: if delivered, when delivered; if sent by delivered telegram, telex or facsimile transmission on the next business day following the sending thereof; and if sent by mail on the fifth business day following the mailing thereof.

24. Other Property. Seller agrees that, in the event it is discovered by Buyer or Seller, either before or within three years after the Final Closing, that title, right or interest in or to any property which if it were owned or held by Seller should pass to Buyer pursuant to the terms of this Agreement (the "Other Property") is held or owned by Geneva Steel LLC ("Geneva") or any affiliated entity of Seller or Geneva, then Seller at its expense shall use commercially reasonable efforts to cause said other entity promptly after such discovery to convey, assign or otherwise transfer to Buyer without further consideration and without any warranties whatsoever said Other Property. At the election of Seller, said transfer may be directly to Buyer from said other entity, or from said other entity to Seller, and thence to Buyer. Nothing in this Section or in this Agreement shall be construed as imposing any obligation whatsoever on Seller to make any effort to discover any Other Property, and in no event shall Buyer be obligated to pay any consideration to said other entity in order to effect the transfer of any Other Property.

25. Entire Agreement. This Agreement sets forth the entire understanding of the parties with respect to the Acquired Assets. This Agreement supersedes and terminates any and all prior negotiations, discussions, agreements and understandings between the parties or their predecessors in interest, including without limitation that certain Term Sheet dated June 15, 2004. This Agreement may not be modified or amended except by a written agreement executed by both parties.

26. Further Assurances. The parties shall perform those acts and/or sign all documents required by this Agreement or which may be reasonably necessary to effectuate the terms and intent of this Agreement.

27. Multiple Counterparts. This Agreement may be executed in multiple counterparts, which taken together shall constitute one and the same document.

28. Facsimile Signatures. For purposes of executing this Agreement, a party's facsimile signature shall be deemed to be the equivalent of an original signature.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized agents effective as of the Effective Date.

{signature page follows}

SELLER:

IRON ORES MINES LLC

By: _____

Name: _____

Title: _____

BUYER:

WESTERN UTAH COPPER COMPANY

By: _____

Name: _____

Title: _____

PALLADON VENTURES LTD.

By: _____

Name: _____

Title: _____

12/13/04 MON 09:45 FAX 601 227 0141

GENEVA EXECUTIVE OFFICE

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12/10/2004 10:40 FAX

VOC

0001

SELLER:

IRON ORE MINES LLC

By: _____

Name: _____

Title: _____

BUYER:

WESTERN UTAH COPPER COMPANY

By: Mark D. Dotson William B. Lamy

Name: Mark D. Dotson William B. Lamy

Title: President 12-10-04 Vice President for Special Projects

PALLADON VENTURES LTD.

By: George S. Young George S. Young

Name: George S. Young

Title: President 12-10-04

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Schedule 2.1.1

Real Property

That certain parcel of land in Iron County, State of Utah, located in Section 4, Township 36 South, Range 15 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at a point on the south boundary of said Section 4, from which the southeast corner of said Section 4 bears N. 89° 26' 49" E. 1,828.60 feet, said point being at the intersection of an existing fence along the easterly boundary of Iron Ore Mines LLC's property; thence along said southerly boundary of Section 4, S. 89° 26' 49" W. 1,379.90 feet; thence N. 00° 03' 09" W. 1,514.33 feet; thence S. 89° 26' 30" W. 1,211.91 feet; thence N. 00° 05' 28" E. 2,428.24 feet; thence S. 89° 52' 54" E. 2,604.43 feet; thence S. 00° 23' 16" W. 3,912.42 feet to the point of beginning.

Three certain parcels of land in Iron County, State of Utah, located in Section 4, Township 36 South, Range 15 West, and Section 33, Township 35 South, Range 15 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the northeast corner of said Section 4; thence S. 00° 12' 02" E. 1,694.59 feet along the east boundary line of said Section 4; thence N. 89° 50' 22" W. 1,774.22 feet; thence N. 00° 20' 00" E. 1,688.51 feet to a point on the north boundary line of said Section 4; thence N. 89° 57' 48" E. along said boundary line 1,758.46 feet to the point of beginning.

Also beginning at a point on the north boundary line of said Section 4, from which the northeast corner of said Section 4 bears N. 89° 57' 48" E. 1,808.46 feet; thence S. 00° 20' 00" W. 1,663.58 feet; thence N. 89° 52' 54" W. 2,340.90 feet; thence N. 00° 01' 45" E. 1,655.84 feet, to a point on the north boundary line of said Section 4; thence N. 89° 57' 48" E. along said boundary line 2,649.72 feet to the point of beginning.

Also beginning at a point from which the southeast corner of said Section 33 bears N. 89° 57' 48" E. 150.00 feet (which beginning point is also the northeast corner of said Section 4); thence S. 89° 57' 48" W. along the south boundary line of said Section 33 1,758.46 feet; thence N. 00° 20' 00" E. 794.65 feet; thence N. 89° 58' 09" E. 1,750.03 feet; thence S. 00° 16' 28" E. 794.46 feet to the point of beginning.

Schedule 2.1.2

Water Rights

Water right numbers 71-155, 71-584, 71-801, 71-1181, 71-1197, 71-1205, 71-1234, 71-1279, 71-2402, 71-2403 and 71-2835 (as well as any other water rights owned, held or hereafter acquired by Seller relating to Seller's mining and agricultural operations and properties in Iron County, Utah, including any discovered after the Effective Date or after the Final Closing), together with any and all change applications and nonuse applications relating thereto, including without limitation approved change application 616450 and approved nonuse application 1688, all as more particularly described in the official records of the Utah Division of Water Rights.

Schedule 2.1.3

Mining Claims

Those patented mining claims, unpatented mining claims, and other lands, located in Iron County, Utah, described on the following 18 pages, together with any other real property owned, held or hereafter acquired by Seller relating to Seller's mining and agricultural operations and properties in Iron County, Utah, including any discovered after the Effective Date or after the Final Closing.

PARCEL 1

The Pinto Mine, Pinto No. 1 Mine, Pinto No. 2, Pinto No. 3, Pinto No. 4, Pinto No. 5, Pinto No. 6 and Black Hawk Mine Lode Mining Claims designated by the Surveyor General as Lot No. 4299 embracing a portion of Section 35 and 36, Township 36 South and of Section 2, Township 37 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, in the County of Iron, State of Utah. (For exact descriptions, see Patent recorded in Book 1, at Page 480)

PARCEL 2

The Black Hawk Fraction Lode Mining Claim designated as Survey No. 7144, embracing a portion of Section 35, Township 36 South and Section 2, Township 37 South, all in Range 14 West of the Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 1 of Patents, at Page 96)

PARCEL 3

The Home Stake Mine, Blue Jay Mine, Yellow Jacket Mine and Silver Mine, consolidated, Lode Mining Claims designated by the Surveyor General as Lot No. 4977, embracing a portion of Sections 19 and 30, Township 36 South, Range 13 West, Salt Lake Meridian, in the Pinto Iron Mining District, in the County of Iron, State of Utah. (For exact description, see Patent recorded in Book A of Patents, at Page 56)

PARCEL 4

The Bobolink, Rains, Rains No. 1, Rains No. 2, Rains No. 3, Rains No. 4, Cracker Jack, Bulwer Mine, Lost Mine and Ross Lode Mining Claims, designated by the Surveyor General as Survey No. 6777, embracing a portion of Section 25, Township 35 South, Range 13 West and Sections 17, 29 and 30, Township 35 South, Range 12 West of the Salt Lake Meridian, in the Iron Springs Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 3, at Page 211)

PARCEL 5

The Burke No. 2 Lode Mining Claim designated by the Surveyor General as Lot No. 57, embracing a portion of Section 25, in Township 36 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, in Iron County, Utah. (For exact description, see Patent recorded in Book 1, at Page 529)

PARCEL 6

The Burke No. 3 Lode Mining Claim designated by the Surveyor General as Lot No. 58, embracing a portion of Sections 34 and 35 in Township 36 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, in Iron County, Utah. (For exact description, see Patent recorded in Book 1, at Page 525)

PARCEL 7

The Burke No. 5 Lode Mining Claim designated by the Surveyor General as Lot No. 59 and being a portion of Section 35, Township 36 South and of Section 2, in Township 37 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District in Iron County, Utah. (For exact description, see Patent recorded in Book 1, at Page 535)

PARCEL 8

The Cook Fraction Lode Mining Claim, designated as Survey No. 7342, embracing a portion of Section 2, Township 37 South, Range 14 West of the Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book D of Patents, at Page 91)

PARCEL 9

An undivided 17.5% interest in and to the following:

The Cincinnati No. 4 Lode Mining Claim as designated by the Surveyor General as Survey No. 5040, embracing a portion of Sections 27, 28, 33 and 34, Township 36 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 3, at Page 286)

PARCEL 10

The Oregon and Dempsey Fraction Lode Mining Claims designated by the Surveyor General as Survey No. 6815, embracing a portion of Section 29, Township 35 South, Range 12 West of the Salt Lake Meridian, in the Iron Springs Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 3, at Page 220)

PARCEL 11

The Franco Lode Mining Claim, designated by the Surveyor General as Survey No. 6726, embracing a portion of Section 29, Township 35 South, Range 12 West of the Salt Lake Meridian, in the Iron Springs Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 3, at Page 176)

PARCEL 12

An undivided 9% interest in and to the following:

The Friendship Tip Lode Mining Claim, designated by the Surveyor General as Lot No. 5038, embracing a portion of Section 27, Township 36 North, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, in the County of Iron, State of Utah. NOTE: Patent recites Utah County. (For exact description, see Patent recorded in Book 3, at Page 289)

PARCEL 13

The Gem No. 2 Lode Mining Claim, designated as Survey No. 7224, embracing a portion of Sections 35 and 36, Township 35 South and Section 2, Township 36 South, all in Range 15 West of the Salt Lake Meridian, in the Iron Springs Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 4, at Page 13)

PARCEL 14

An undivided 50% interest in and to the following:

The Iron Hill No. 1 Lode Mining Claim designated as Survey No. 7215, embracing a portion of Section 31, Township 36 South, Range 13 West of the Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 4, at Page 49)

PARCEL 15

The Iron Sandstone Mine, Iron Sandstone No. 1 and Iron Sandstone Fraction Lode Mining Claims, designated as Survey No. 7225, embracing a portion of Sections 27 and 36, Township 36 South, Range 14 West of the Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 4, at Page 68)

PARCEL 16

The Iron Wedge Lode Claim designated by the Surveyor General as Survey No. 6088, embracing a portion of Section 30, Township 35 South, Range 12 West of the Salt Lake Meridian, in the Iron Springs Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 3, at Page 33)

PARCEL 17

An undivided 50% interest in and to the following:

The Lime Cap #1, Lime Cap #2, Lime Cap #3, Lime Cap #4 and Lime Cap Fractional Lode Mining Claims, designated as Survey Nos. 7213 and 7216, embracing a portion of Sections 34 and 35, Township 36 South and Section 3, Township 37 South, all in Range 14 West of the Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 4, at Page 26)

PARCEL 18

The Little Mormon Lode Mining Claim, designated by the Surveyor General as Lot No. 52, embracing a portion of Section 29, Township 35 South, Range 12 West, Salt Lake Meridian, in the Iron Springs Mining District in Iron County, Utah. (For exact description, see Patent recorded in Book 1, at Page 551)

PARCEL 19

The Long Wedge Lode Mining Claim, designated as Survey No. 7218, embracing a portion of Section 33, Township 36 South, Range 14 West of the Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 4, at Page 203)

PARCEL 20

The M.S. & L. #1, M.S. & L. #2 and M.S. & L. #3 Lode Mining Claims, designated as Survey #7219, embracing a portion of Sections 34 and 35, Township 36 South, Range 14 West of the Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 4, at Page 65)

PARCEL 21

The Napoleon Fraction Lode Mining Claims, designated as Survey No. 7143, embracing a portion of Section 2, Township 37 South, Range 14 West of the Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book D of Patents, at Page 58)

PARCEL 22

The Pinto No. 7, Pinto No. 8, Pinto No. 9, Pinto No. 10, Pinto No. 11, Pinto No. 12, Pinto No. 13, Pinto No. 14, Pinto No. 15, Pinto No. 16, Pinto No. 17, Pinto No. 18, Pinto No. 19, Pinto No. 20, Pinto No. 21 and Pinto No. 22, Lode Mining Claims, designated by the Surveyor General as Lot Nos. 4336, 4342, 4369 and 4399, embracing a portion of Sections 2 and 3, Township 37 South end of Section 35, Township 36 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, County of Iron, Utah. (For exact description, see Patent recorded in Book 1, at Page 462)

PARCEL 23

The Pinto No. 25 Lode Mining Claim, designated as Survey No. 7200, embracing a portion of Section 35, Township 36 South, Range 14 West of the Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book D of Patents, at page 206)

PARCEL 24

The Pioche Lode Mining Claims, designated by the Surveyor General as Lot No. 51, embracing a portion of Sections 29 and 30, Township 35 South, Range 12 West, Salt Lake Meridian, in the Iron Springs Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 1, at Page 548)

PARCEL 25

The Reins Fraction Lode Mining Claim, designated as Survey No. 6837, embracing a portion of Sections 25 and 30, Township 35 South, Range 12 West of the Salt Lake Meridian, in the Iron Springs Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 3, at Page 239)

PARCEL 26

The Rex No. 9 Lode Mining Claim, designated as Survey No. 7339, embracing a portion of Section 27, Township 36 South, Range 14 West of the Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 218, at Page 403)

PARCEL 27

The Rodger #1, Rodger #2 and Rodger #3 Lode Mining Claims, designated as Survey No. 7220, embracing a portion of Sections 26 and 35, Township 36 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 4, at Page 84)

PARCEL 28

The Sunbeam No. 7 Lode Mining Claim designated as Survey No. 7205, embracing a portion of Section 35, Township 36 South, Range 14 West of the Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 4, at Page 232)

PARCEL 29

The Sunbeam #8 Lode Mining Claim, known and designated in the Bureau of Land Management, United States Department of the Interior, as Patent No. 1123150, situated in the Pinto Iron Mining District, Iron County, Utah, as described therein.

PARCEL 30

The Veracitas Lode Mining Claim designated by the Surveyor General as Lot No. 50, embracing a portion of Section 30, Township 35 South, Range 12 West, Salt Lake Meridian, in the Iron Springs Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 1, at page 554)

PARCEL 31

An undivided 17.5% interest in and to the following:

The Viola No. 2 Lode Mining Claim, designated by the Surveyor General as Lot No. 5039, embracing a portion of Section 26 and 27, Township 36 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent recorded in Book 3, at Page 285)

PARCEL 32

The Sparta, Cyclone, Hurricane and Crystal Lode Mining Claims designated by the Surveyor General as Lot Nos. 4310, 4344 and 4351, embracing a portion of Section 31, Township 36 South, Range 13 West, and of Section 36, Township 36 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, in the County of Iron, State of Utah. (For exact description, see Patent recorded in Book A of Patents, at Page 496)

PARCEL 33

The Deer Lode Mining Claim designated by the Surveyor General as Lot No. 4296, embracing a portion of Section 30, Township 36 South, Range 13 West, Salt Lake Meridian, in the Pinto Iron Mining District, in the County of Iron, State of Utah. (For exact description, see Patent recorded in Book A of Patents, at Page 517)

PARCEL 34

The Decker No. 1 Lode Mining Claim designated by the Surveyor General as Lot No. 4346, embracing a portion of Section 25, Township 36 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, in the County of Iron, State of Utah. (For exact description, see Patent recorded in Book A of Patents, at Page 512)

PARCEL 35

The Dulrah, Dulrah No. 1, Dulrah No. 2, Dulrah No. 3 and Dulrah No. 6 Lode Mining Claims designated by the Surveyor General as Lot Nos. 4267, 4335 and 4366, embracing a portion of Sections 25 and 36 in Township 36

South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, in the County of Iron, State of Utah. (For exact description, see Patent recorded in Book A of Patents, at Page 512)

PARCEL 36

The Larch and Highest Lode Mining Claims designated by the Surveyor General as Lot Nos. 4311 and 4343, embracing a portion of Sections 24 and 25 in Township 36 South, Range 14 West, Salt Lake Meridian in the Pinto Iron Mining District in the County of Iron, State of Utah. (For exact description, see Patent recorded in Book A of Patents, at Page 507)

PARCEL 37

The Mountain Lion No. 1, Mountain Lion No. 2, Mountain Lion No. 3, Mountain Lion No. 4 and Enterprise Lode Mining Claims designated by the Surveyor General as Lot Nos. 4266, 4312 and 4429, embracing a portion of Sections 19 and 30, Township 36 South, Range 13 West and of Section 24, Township 36 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, in the County of Iron, State of Utah. (For exact description, see Patent in Book A of Patents, at Page 510)

PARCEL 38

The Red Cloud Lode Mining Claim, designated by the Surveyor General as Lot No. 60, embracing a portion of Section 25, Township 36 South, and of Section 2, Township 37 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District, Iron County, Utah. (For exact description, see Patent in Book 1, at Page 531)

PARCEL 39

The Miller Mine, Rex No. 1, Rex No. 2, Rex No. 3, Rex No. 4, Rex No. 5, Rex No. 6, Rex No. 7, and Rex No. 8 Lode Mining Claims as designated by the Surveyor General as Lot Nos. 4309, 4345, 4370 and 4402, embracing a portion of Sections 26, 27, 34 and 35, in Township 36 South, Range 14 West, Salt Lake Meridian, in the Pinto Iron Mining District in the County of Iron, State of Utah. (For exact description, see Patent in Book A of Patents, at Page 488)

PARCEL 40

The Specified Trout Lode Mining Claim designated by the Surveyor General as Lot No. 4986, embracing a portion of Section 19, Township 36 South, Range 13 West, Salt Lake Meridian, in the Pinto Iron Mining District, in the County of Iron, State of Utah. (For exact description, see Patent in Book A of Patents, at Page 54)

PARCEL 41

The Iron Springs Flaces Mining Claim situated in the Iron Springs Mining District, Iron County, Utah, described as the Northeast quarter of the Northeast quarter, the North half of the South half of the Northeast quarter, and the Lots 8 and 9 of Section 29, Township 35 South, Range 12 West, Salt Lake Meridian.

LESS AND EXCEPTING a strip of land 150 feet wide conveyed by Columbia Steel Corporation to Los Angeles and Salt Lake Railroad Company by Deed dated June 26, 1926. (See Deed recorded in Book 3 of Deeds, at Page 254) Affects one or more of the following Parcels 4, 10, 11, 16, 25 and 41.

PARCEL 42

The N.J., McCall No. 3, Monday No. 1 and Monday No. 2 Placer Mining Claims situate in the Pinto Iron Mining District, Iron County, Utah, and described as follows:

the N.J. Claim comprising the North half of the Northeast quarter of the Southwest quarter, the North half of the Northwest quarter of the Southeast quarter, the West half of the Northeast quarter and the Lot numbered 1 of Section 26, Township 36 South, Range 14 West, Salt Lake Meridian;

the McCabill No. 3 Claim comprising the Northwest quarter of said Section 26;

the Monday No. 3 claim comprising the Northeast quarter of Section 27 of said Township and Range;

and the Monday No. 2 Claim comprising the North half of the Northwest quarter, the Southeast quarter of the Northwest quarter, and East half of the Southwest quarter of the Northwest quarter of said Section 27.

PARCEL 43

All undivided 2/3 interest in and to the following:

The South one half of the Nestor Placer Mining Claim situate in the Iron Springs Mining District, Iron County, Utah, comprising the Southwest quarter of Section 20, Township 35 South, Range 12 West, Salt Lake Meridian.

PARCEL 44

Lots 5, 6, 7, 8 and 9 of Section 35, Township 36 South, Range 14 West, Salt Lake Meridian, Iron County, Utah.

PARCEL 45

Lots 13, 14, 15, 16 and 17 of Section 35, Township 36 South, Range 14 West, Salt Lake Meridian, Iron County, Utah.

PARCEL 46

The Northeast quarter of Section 11, Township 36 South, Range 13 West, Salt Lake Meridian, Iron County, Utah.

PARCEL 47

The North half of the Northwest quarter of Section 22, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 48

Top Top, patented Lode Mining Claim, Lot No. 56, situated in Section 25, Township 36 South, Range 14 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For exact description, see Patent examined February 15, 1905 as Entry No. 10657 in Book 1 of Mining Deeds at page 544 of the official records of the Iron County Recorder, Utah.)

PARCEL 49

Black Iron No. 1, patented Lode Mining Claim, and Black Iron No. 2, patented Lode Mining Claim, Survey No. 7249, situated in Section 29 and Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For exact description, see Patent (and attachments thereto) recorded January 3, 1957 as Entry No. 11064; in Book D of Patents at Page 342 of the official records of the Iron County Recorder, Utah.)

PARCEL 50

Independence Iron No. 2, patented Placer Mining Claim, situated in Section 19, Lots 6 and 7, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For exact description, see Patent recorded April 6, 1968 as Entry No. 283121 in Book 377 at Page 949 of the official records of the Iron County Recorder, Utah.)

PARCEL 51

U.C. Placer No. 13 and U.C. Placer No. 14, patented Placer Mining Claims, situated in Lot 12, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (See Patent recorded January 16, 1909 as Entry No. 151412 in Book 142 at Page 543 of the official records of the Iron County Recorder, Utah.)

PARCEL 52

U.C. Placer No. 12, patented Placer Mining Claim, situated in Lot 8, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah, encompassing and excluding all that portion of ground embraced in mining claims designated as Mineral Survey Nos. 5041, 5059 and 7249. (See Patent recorded November 16, 1972 as Entry No. 165745 in Book 178 at Page 189 of the official records of the Iron County Recorder, Utah.)

PARCEL 53

A 16.66666% interest in Independence Iron No. 1, patented Placer Mining Claim, embracing the following described property situated in Iron County, State of Utah: The East 1/2 of the Northeast 1/4 of Section 19, Township 36 South, Range 13 West, Salt Lake Base and Meridian. (See Patent recorded April 12, 1976 as Entry No. 164137 in Book 216 at Page 461 of the official records of the Iron County Recorder, Utah.)

PARCEL 54

Brown, patented Lode Mining Claim, Survey No. 3424, comprising a portion of Lot No. 5041, situated in Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For an exact description, see Patent recorded January 22, 1906 as Entry No. 11281 in Book A of Patents at Page 553 of the official records of the Iron County Recorder, Utah.)

PARCEL 55

Black Magnetic, patented Lode Mining Claim, Survey No. 54, situated in Section 30, Township 36 south, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For exact description, see Patent recorded June 7, 1906 as Entry No. 314245 in Book 380 at Page 553-557 of the official records of the Iron County Recorder, Utah.)

PARCEL 56

Last Chance, patented Lode Mining Claim, Survey No. 5563, comprising a portion of Lot 4978, situated in Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For exact description, see Patent recorded January 22, 1906 as Entry No. 11196 in Book A of Patents at Page 537 of the official records of the Iron County Recorder, Utah.)

PARCEL 57

Sections 19, 20, 29 and 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Iron County, Utah.

~~PARCEL 58~~

~~That certain parcel of land in Iron County, State of Utah, located in Section 4, Township 36 South, Range 15 West, Salt Lake Base and Meridian, more particularly described as follows: Beginning at a point on the South boundary of Section 4, Township 36 South, Range 15 West, SLB&M from which the Southeast corner of Section 4 bears N. 89° 26' 49" E. 1,328.60 feet, said point being at the intersection of an existing fence along the easterly boundary of Geneva Steel's property, running thence along said southerly boundary of Section 4, S. 89° 26' 49" W. 1,370.90 feet; Thence N. 88° 03' 09" W. 1,514.33 feet; Thence S. 89° 26' 30" W. 1,211.91 feet; Thence N. 00° 03' 28" E. 2,428.44 feet; Thence S. 89° 52' 54" E. 2,104.43 feet; Thence S. 00° 21' 16" W. 1,912.43 feet to the point and place of beginning and containing 191.8 acres, more or less.~~

PARCEL 59

Those certain parcels of land in Iron County, State of Utah, located in Section 4, Township 36 South, Range 15 West, and Section 23, Township 35 South, Range 15 West, Salt Lake Base and Meridian, more particularly described as follows: Beginning at the northeast corner of Section 4, T. 36 S., R. 15 W., SLB&M; Thence S. 00° 12' 02" E. 1,694.59 feet along the East boundary line of Section 4; Thence N. 89° 50' 22" W. 1,774.22 feet; Thence N. 00° 20' 00" E. 1,688.51 feet to a point on the North boundary line of Section 4; Thence N. 89° 57' 48" E. along said boundary line 1,758.46 feet to the point and place of beginning and containing 69.6 acres more or less.

PARCEL 60

Also beginning at a point on the North boundary line of Section 4, T. 36 S., R. 15 W., SLB&M, from which the Northeast corner of Section 4 bears N. 89° 57' 48" E. 1,808.46 feet; Thence S. 00° 20' 00" W. 1,663.58 feet; Thence N. 89° 52' 34" W. 2,840.90 feet; Thence N. 00° 01' 45" E. 1,655.84 feet, to a point on the North boundary line of Section 4; Thence N. 89° 57' 48" E. along said boundary line 2,849.72 feet to the point and place of beginning and containing 106.4 acres more or less.

~~PARCEL 61~~

~~Also beginning at a point from which the Southeast corner of Section 33, T. 35 S., R. 12 W., S.L.B.M., is about
N⁸⁷ 57' 48" E. 850.10 feet. Said point is also the Northeast corner of Section 4, T. 36 S., R. 12 W., S.L.B.M.:
Thence S. 89° 57' 48" W. along the South boundary line of Section 33 1,758.46 feet; Thence N. 00° 20' 00" E.
794.66 feet; Thence N. 89° 58' 49" E. 1,750.03 feet; Thence S. 00° 16' 28" E. 794.46 feet to the point and place
of beginning and containing 37.2 acres more or less, less total of 209.0 acres more or less.~~

PARCEL 62

APRIL LODE, Iron Springs District, Survey No. 5088: Southwest quarter, Section 29, Township 35 South,
Range 12 West, Salt Lake Base and Meridian.

PARCEL 63

CENTURY NO. 1 LODE, Iron Springs District, Survey No. 5088: Southeast quarter, Section 29, Township 35
South, Range 12 West, Salt Lake Base and Meridian.

PARCEL 64

MENDELL LODE, Iron Springs District, Survey No. 5088: Southwest quarter, Section 29, Township 35 South,
Range 12 West, Salt Lake Base and Meridian.

PARCEL 65

MERRIMAC, Iron Springs District, Survey No. 5088: Northwest quarter, Section 29, Township 35 South,
Range 12 West, Salt Lake Base and Meridian.

PARCEL 66

ROOSEVELT, Iron Springs District, Survey No. 5088: Southeast quarter, Section 29, Township 35 South,
Range 12 West, Salt Lake Base and Meridian.

PARCEL 67

W. S. SCHLEY, Iron Springs District, Survey No. 5088: Southeast quarter, Section 29, Township 35 South,
Range 12 West, Salt Lake Base and Meridian.

PARCEL 68

BLACK DWARF LODE, Pinto District, Survey No. 4701: Northwest quarter, Section 30, Township 36 South,
Range 13 West, Salt Lake Base and Meridian.

PARCEL 69

COPPER FRACTION LODE, Pinto District, Survey No. 4701: Northwest quarter, Section 30, Township 36
South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 70

PRIME LODGE, Pima District, Survey No. 4701: Southeast quarter, Section 25, Township 36 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 71

STRIP LODGE, Pima District, Survey No. 4701: Northwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 72

WELLINGTON LODGE, Pima District, Survey No. 4701: Northwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 73

BLACK MAGNETIC LODGE, Pima District, Lot No. 34: Northeast quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 74

BLACK PRINCE LODGE, Pima District, Survey No. 5053: Southeast quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 75

DEFENDER LODGE, Pima District, Survey No. 5053: Southeast quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 76

HORSE TRAIL, Pima District, Survey No. 5053: Southwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 77

NEGRO LODGE, Pima District, Survey No. 5053: Southeast quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 78

OAK SPRING LODGE, Pima District, Survey No. 5053: Northeast quarter, Section 2, Township 35 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 79

PINE NUT LODGE, Pima District, Survey No. 5053: Southeast quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 80

BLOWOUT LODE, Pinto District, Lot No. 44: Northwest quarter, Section 1, Township 37 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 81

BLUE BIRD LODE, Pinto District, Survey No. 4996: Northeast quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 82

BOSTON LODE, Pinto District, Survey No. 4435: Northwest quarter, Section 1, Township 37 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 83

BROWN LODE, Pinto District, Survey No. 5041: Northeast quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 84

BURTON LODE, Pinto District, Survey No. 5041: Northeast quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 85

WIGHTMAN LODE, Pinto District, Survey No. 5041: Northeast quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 86

BUCKEYE LODE, Pinto District, Survey No. 4403: Northwest quarter, Section 2, Township 37 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 87

COLUMBIA LODE, Pinto District, Survey No. 6711: Northeast quarter, Section 3, Township 37 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 88

OSMSTOCK LODE, Pinto District, Survey No. 4434: Northwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 89

EMMA LODGE, Pinto District, Survey No. 4434: Northwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 90

SUNBRAM LODGE, Pinto District, Survey No. 4434: Northwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 91

DARKEY LODGE, Pinto District, Survey No. 4699: Northwest quarter, Section 31, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 92

DESERT MOUND LODGE, Iron Springs District, Lot No. 58: Northeast quarter, Section 2, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 93

DICKMAN LODGE, Pinto District, Survey No. 5003: Northwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 94

EALY LODGE, Pinto District, Survey No. 5003: Southwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 95

IRON WEDGE LODGE, Pinto District, Survey No. 5003: Southwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 96

LORCHET LODGE, Pinto District, Survey No. 5003: Southwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 97

DUNCAN NO. 1 LODGE, Pinto District, Lot No. 37: Northeast quarter, Section 3, Township 37 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 98

EMMA NO. 1 LODGE, Pinto District, Survey No. 4907: Northeast quarter, Section 25, Township 36 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 99

IRON DIKE, Pima District, Survey No. 4698: Northwest quarter, Section 1, Township 37 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 100

LAST CHANCE, Pima District, Survey No. 4678: Northeast quarter, Section 36, Township 36 South, Range 11 West, Salt Lake Base and Meridian.

PARCEL 101

LAST CHANCE NO. 2 LODE, Pima District, Survey No. 4700: Northwest quarter, Section 1, Township 37 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 102

LITTLE CHIEF LODE, Pima District, Survey No. 4696: Southwest quarter, Section 35, Township 36 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 103

MAGPIE LODE, Pima District, Survey No. 4979: Northeast quarter, Section 3, Township 37 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 104

MIDNIGHT SERENADE LODE, Iron Springs District, Survey No. 4989: Southwest quarter, Section 25, Township 35 South, Range 12 West, Salt Lake Base and Meridian.

PARCEL 105

NAPOLBON LODE, Pima District, Survey No. 4712: Northeast quarter, Section 2, Township 37 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 106

TREASURE BOX LODE, Pima District, Survey No. 4713: Northeast quarter, Section 2, Township 37 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 107

PIRATE PRINCE LODE, Pima District, Survey No. 4742: Northeast quarter, Section 3, Township 37 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 108

POT METAL LODE, Pinto District, Lot No. 49: Northeast quarter, Section 31, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 109

QUEEN OF THE WEST NO. 2 LODE, Pinto District, Survey No. 4730: Southwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 110

REPORTER LODE, Pinto District, Survey No. 4699: Southwest quarter, Section 36, Township 36 South, Range 14 West, Salt Lake Base and Meridian.

PARCEL 111

TARANILLA LODE, Iron Springs District, Survey No. 4908: Northwest quarter, Sections 1 and 2, Township 36 South, Range 15 West, Salt Lake Base and Meridian.

PARCEL 112

WENGE LODE, Pinto District, Survey No. 4712: Southeast quarter, Section 31, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 113

WELLINGTON NO. 1 LODE, Pinto District, Survey No. 4906: Northwest quarter, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 114

GRAND IRON #1 LODE, Pinto Iron District, Patent Survey No. 7240, comprising a part of Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 115

IRON BELL #1 LODE, Pinto Iron District, Patent Survey No. 7241, comprising a part of Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

Claim Name	BLM Serial No	Recording Date (Book/Page)	Claim Type
Stanley Fraction	UMC 37748	L/323	Lode
Blowout Lode No. 2	UMC 37749	L/476	Lode
Blowout Lode No. 3	UMC 37750	L/476	Lode
Iron Age #1	UMC 37751	L/622	Lode
Chesapeake No. 3	UMC 37752	MLoc/174	Lode
Napoleon No. 2	UMC 37753	MLoc/174	Lode
Napoleon No. 3	UMC 37754	MLoc/175	Lode
Queen of the West No. 3	UMC 37756	MLoc/172	Lode
Iron Duke No. 2	UMC 37757	MLoc/176	Lode
Jeep Fraction	UMC 58362	243/187	Lode
Jeep No. 2	UMC 58363	243/183	Lode
Jeep No. 3	UMC 58364	243/184	Lode
Jeep No. 4	UMC 58365	243/185	Lode
Jeep No. 5	UMC 58366	243/186	Lode
Jeep No. 6	UMC 58367	243/268	Lode
Jeep No. 7	UMC 58368	243/269	Lode
S.U.O.P. Placer # 1	UMC 78466	216/158	Placer
S.U.O.P. Placer #2	UMC 78467	216/159	Placer
S.U.O.P. # 3	UMC 78468	216/160	Placer
S.U.O.P. Placer # 4	UMC 78469	216/161	Placer
S.U.O.P. Placer # 5	UMC 78470	216/162	Placer
S.U.O.P. Placer # 24	UMC 78471	217/512	Placer
S.U.O.P. Placer # 25	UMC 78472	217/513	Placer
S.U.O.P. # 25 Placer	UMC 78473	217/514	Placer
S.U.O.P. Placer # 27	UMC 78474	217/515	Placer
S.U.O.P. Placer #28	UMC 78475	217/516	Placer
S.U.O.P. Placer # 28	UMC 78476	217/517	Placer
S.U.O.P. Placer # 30	UMC 78477	217/518	Placer

Claim Name	U.M.C. Serial No.	Recording Date (Book/Page)	Claim Type
S.U.O.P. Placer # 31	UMC 78478	217/519	Placer
S.U.O.P. Placer # 32	UMC 78479	217/520	Placer
S.U.O.P. Placer # 33	UMC 78480	217/521	Placer
S.U.O.P. Placer # 34	UMC 78481	217/522	Placer
S.U.O.P. Placer # 35	UMC 78482	217/523	Placer
Jeep	UMC 78483	M/319	Lode
Jeep No. 1	UMC 78484	M/319	Lode
Mazy Jean	UMC 78485	G/396	Placer
Joyce	UMC 78486	G/382	Placer
Raven	UMC 78487	217/48	Lode
Raven Fraction	UMC 78488	218/224	Lode
Black Iron No. 3 (66.66% interest)	UMC 78898	L/276	Lode
Black Iron No. 4 (66.66% interest)	UMC 78899	L/276	Lode
Black Iron No. 6 (83.34% interest)	UMC 78900	M/47	Lode
Black Iron No. 7 (83.34% interest)	UMC 78901	M/47	Lode
Black Iron Fraction No. 5	UMC 78902	M/48	Lode
Tiger No. 1	UMC 78916	M/196	Lode
Tiger No. 2	UMC 78917	M/196	Lode
Tiger No. 3	UMC 78918	M/197	Lode
S.U.O.P. Placer # 36	UMC 117039	953/988	Placer
S.U.O.P. Placer # 37	UMC 117040	953/988	Placer
S.U.O.P. Placer # 38	UMC 117041	953/990	Placer
S.U.O.P. Placer # 39	UMC 117042	953/992	Placer
S.U.O.P. Placer # 40	UMC 117043	953/994	Placer
S.U.O.P. Placer # 41	UMC 117044	953/996	Placer
S.U.O.P. Placer # 42	UMC 117045	953/998	Placer

Claim Name	ECM Serial No.	Recording Data (Book/Page)	Claim Type
S.U.O.P. Placer # 43	UMC 117046	953/1000	Placer
S.U.O.P. Placer # 44	UMC 117047	218/233	Placer
S.U.O.P. Placer # 45	UMC 117048	953/1002	Placer
S.U.O.P. Placer # 46	UMC 117049	953/1004	Placer
S.U.O.P. Placer # 47	UMC 117050	218/236	Placer
S.U.O.P. Placer # 48	UMC 117051	218/237	Placer
S.U.O.P. Placer # 49	UMC 117052	953/1006	Placer
S.U.O.P. Placer # 50	UMC 117053	953/1008	Placer
S.U.O.P. No. 19	UMC 144324	217/45	Placer
S.U.O.P. No. 20	UMC 144325	217/46	Placer
S.U.O.P. No. 21	UMC 144326	217/47	Placer
S.U.O.P. Placer No. 22	UMC 144327	217/286	Placer
S.U.O.P. Placer No. 23	UMC 144328	217/299	Placer
S.U.O.P. Placer #56	UMC 144329	218/284	Placer
S.U.O.P. Placer # 57	UMC 144330	218/285	Placer
S.U.O.P. Placer # 58	UMC 144331	218/286	Placer
S.U.O.P. Placer # 59	UMC 144332	218/287	Placer
S.U.O.P. Placer 60	UMC 144333	218/288	Placer
S.U.O.P. Placer # 61	UMC 144334	218/240	Placer
S.U.O.P. Placer #64	UMC 144335	218/803	Placer
S.U.O.P. Placer #11	UMC 323620	393/417	Placer
S.U.O.P. Placer #12	UMC 323621	393/418	Placer
S.U.O.P. Placer #13	UMC 323622	393/419	Placer
S.U.O.P. Placer #14	UMC 323623	393/420	Placer
S.U.O.P. Placer #16	UMC 323624	393/421	Placer
S.U.O.P. Placer #17	UMC 323625	393/422	Placer
S.U.O.P. Placer #18	UMC 323626	393/423	Placer

FORM MR-TRL
(Revised September 2000)

For Division Use:
File No.: M/021/008
Effective Date: April 18 2005
DOGMI Lead: DJ

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

RECEIVED

APR 18 2005

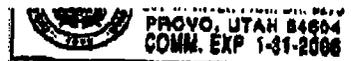
DIV OF OIL GAS & MINING

TRANSFER OF NOTICE OF INTENTION
LARGE MINING OPERATIONS

--ooOoo--

1. (a) Notice of Intention to be transferred (file number): M/021/008
- (b) Name of mining operation: Iron Mountain Mine
- (c) Location of mining operation (county): Iron
- (d) Name, telephone number and mailing address of the operator currently holding the notice of intention (transferor):
Geneva Steel Corporation
P.O. Box 2500
Provo, Utah 84063 (801) 227-9000
2. (a) Name, telephone number and mailing address of the operator acquiring the notice of intention (transferee):
Palladon Iron Corporation
2681 Parleys Way, Suite 204
Salt Lake City, Utah 84109 (801) 556-1015
- (b) Name, telephone number and address of the authorized representatives of the transferee to whom any notices under the provisions of the Utah Mined Land Reclamation Act may be sent:
Donald G. Foot, Jr.
1213 Eagle Way
Fruit Heights, Utah 84037 (801) 552-0709
3. (a) The total number of disturbed acres permitted and bonded under the approved Large Mining Notice of Intention: 417 Acres

- (b) Complete Appendix "A" (attached), a legal description of the approved and bonded disturbed acreage (include: Township(s), Range(s), and section(s), to the 1/4, 1/4, 1/4 section, and the county).
 - (c) The actual number of acres disturbed by the mining operation through the date of this transfer: 417 Acres
 - (d) Attach a topographic map (labeled as Appendix "B") of suitable scale which clearly outlines the existing disturbed area boundaries through the date of this transfer (max. scale, 1 inch = 500 ft., 1 inch = 200 ft., or larger scale is preferred). Label disturbed areas as appropriate.
4. This application must be accompanied by a fully executed and signed Reclamation Contract (Form MR-RC) and an acceptable form of replacement reclamation surety.



STATE OF _____)
) ss.
COUNTY OF _____)

FINAL SWORN STATEMENT OF TRANSFEREE

I, George S. Young being first duly sworn under oath, depose and say that I am President (officer or agent) of Palladen Iron Corporation (Corporation/Company Name); and that I am duly authorized to execute and deliver the foregoing obligations; that I have read the application and fully understand the contents thereof; that all statements contained in the transfer application are true and correct to the best of my knowledge and belief. By execution of this statement, the Transferee agrees to be bound by the terms and conditions of Notice of Intention No. 11/021/081, the Utah Mined Land Reclamation Act, and the Rules and Regulations promulgated thereunder.

George S. Young
Signature
George S. Young
Name (type or print)
President
Title

Subscribed and sworn before me this 13th day of April, 2005

Barbara Twitchell
Notary Public
Residing at: Orem, Utah

My commission Expires:
July 15, 2007



Effective Date: April 18, 2005
NOI No.: 11/021/081

APPENDIX "A"

<u>Palladon Iron Corporation</u>	<u>Iron Mountain Mine</u>
New Operator	Mine Name
<u>M/021/008</u>	<u>Iron</u> County, Utah
Permit Number	

The legal description of the lands to be disturbed is (Township, Range and section(s) to the 1/4, 1/4, 1/4 section):

The legal description of lands to be disturbed is:

Iron Mountain
NE 1/4 Sec. 2, T37S, R14W

Blackhawk Fines Area
E1/2 SE 1/4 Sec. 34, SW 1/4
Sec. 35, T36S, R14W
NW1/4 Sec. 2, T37S, R14W

Mountain Lion
S1/2 Sec. 19, NW 1/4 Sec. 30
T36S, R13W

Burke Pit
SE 1/4 NE 1/4 Sec. 34, SW 1/4 NW 1/4
Sec. 35, T36S, R14W

Chesapeak & Excelsior
W1/2 SE 1/4, S 1/2 S 1/2 NE 1/4 Sec. 25,
T36S, R14W

Tip Top
E1/2 NW 1/4 Sec. 25, T36S, R14W

UII Comstock Plant Area
W1/2 Sec. 29, E1/2 Sec. 30,
T36S, R13W

Comstock Area
Portions of Sec. 30, T36S, R13S

RELEASE

Please be advised that Palladon Iron Corporation ("Palladon") has provided the State of Utah, Division of Oil, Gas and Mining and the U.S.D.I.- Bureau of Land Management ("Obligees") with the New Bond as described in the Bonding and Security Agreement dated April 13, 2005, between, inter alia, Palladon and Travelers Casualty and Surety Company of America (Bond Number 104511468), in replacement of The Mined Land Reclamation Act Surety Bond Number 103540271 (the "Bond") issued on behalf of Geneva Steel Company as principal. Such alternate financial assurance has been accepted by Obligees as sufficient financial assurance in compliance with the Utah Mined Land Reclamation Act and the Reclamation Contract governing the obligation of Palladon to reclaim the Iron Mountain Mine Permit number M/021/008.

Therefore, Obligees do hereby fully, finally and unconditionally release and forever discharge St. Paul Fire and Marine Insurance Company, Travelers Casualty and Surety Company of America and each of their affiliates and subsidiaries (collectively, "St. Paul Travelers") from any and all past, present and future liability by reason of or in connection with the issuance of the Bond (Bond Number 103540271) issued on behalf of the principal Geneva Steel Company. Each of the undersigned individuals signing on behalf of either Obligee further represents and warrants that he or she has the authority to execute this Release on behalf of the Obligee and to bind the Obligee hereunder. In addition, in the event there is any inconsistency between the terms of this Release and any and all other documents, the Obligees hereby agree that the terms of this Release shall control.

DATED this 19th day of April, 2005 to be effective upon the effective date of the alternate financial assurance given by Palladon and accepted by Obligees.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS & MINING

By: [Signature]
Print Name: [Name]
Its: [Title]

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

By: [Signature]
Print Name: James F. Walker
Its: Chief, Bureau of Land Management

Attachment F

Application Form and Checklist



Utah Class III Landfill Permit Application Form

**Utah Division of Solid and Hazardous Waste
Solid Waste Management Program**

Mailing Address
P.O. Box 144880
Salt Lake City, Utah 84114-4880

Office Location
288 North 1460 West
Salt Lake City, Utah 84116

Phone (801) 538-6170
Fax (801) 538-6715
www.deq.utah.gov

APPLICATION FOR A PERMIT TO OPERATE A CLASS III LANDFILL

Please read the instructions that are found in the document, INSTRUCTIONS FOR APPLICATION FOR A PERMIT TO OPERATE A CLASS III LANDFILL. This application form shall be used for all Class III solid waste disposal facility permits and modifications. Part I, GENERAL INFORMATION, must accompany a permit application. Part II, APPLICATION CHECKLIST, is provided to assist applicants and, if included with the application, will assist review. Part II is provided to assist in preparation and review of a permit application, it is not rule. The text of the rule governs all permit application contents and should be consulted when questions arise.

Please note the version date of this form found on the lower right of the page; if you have received this form more than six months after this date it is recommended you contact our office at (801) 538-6170 to determine if this form is still current. When completed, please return this form and support documents, forms, drawings, and maps to:

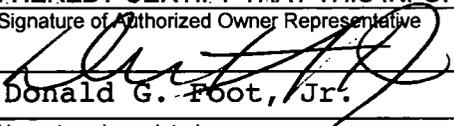
Dennis R. Downs, Director
Division of Solid and Hazardous Waste
Utah Department of Environmental Quality
PO Box 144880
Salt Lake City, Utah 84114-4880

(Note: When the application is determined to be complete, submittal of two copies of the complete application will be required.)

Utah Class III Landfill Permit Application Form

I. General Information APPLICANT: PLEASE COMPLETE ALL SECTIONS.					
I. Landfill Type	<input type="checkbox"/> Class IIIa <input checked="" type="checkbox"/> Class IIIb	II. Application Type	<input checked="" type="checkbox"/> New Application <input type="checkbox"/> Renewal Application	<input type="checkbox"/> Facility Expansion	<input type="checkbox"/> Modification
For Renewal Applications, Facility Expansion Applications and Modifications Enter Current Permit Number _____					
III. Facility Name and Location					
Legal Name of Facility Comstock/Mountain Lion Iron Mine					
Site Address (street or directions to site) 15 mi West of Cedar City on HWY 56, then 1.5 mi North on Comstock Road, then 4,000 feet NW on Mine Property				County Iron County	
City Cedar City		State UT	Zip Code 84720	Telephone (435)463-4723	
Township 36S	Range 13W	Section(s) 30	Quarter/Quarter Section NE/SW	Quarter Section NW	
Main Gate Latitude N degrees 37 minutes 37 seconds 45.5		Longitude W degrees 113 minutes 20 seconds 27.5			
IV. Facility Owner(s) Information					
Legal Name of Facility Owner Palladon Iron Corporation					
Address (mailing) 554 South 300 East					
City Salt Lake City		State UT	Zip Code 84111	Telephone (801)521-5252	
V. Facility Operator(s) Information					
Legal Name of Facility Operator Palladon Iron Corporation					
Address (mailing) 554 South 300 East					
City Salt Lake City		State UT	Zip Code 84111	Telephone (801)521-5252	
VI. Property Owner(s) Information					
Legal Name of Property Owner Palladon Iron Corporation					
Address (mailing) 554 South 300 East					
City Salt Lake City		State UT	Zip Code 84111	Telephone (801)521-5252	
VII. Contact Information					
Owner Contact Donald G. Foot, Jr.			Title President and Chief Executive Officer		
Address (mailing) 554 South 300 East					
City Salt Lake City		State UT	Zip Code 84111	Telephone (801)521-5252	
Email Address			Alternative Telephone (cell or other)		
Operator Contact Bruce Yeomans			Title Mine Manager		
Address (mailing) 2708 S Comstock Road					
City Cedar City		State UT	Zip Code 84720	Telephone (435)572-4531	
Email Address			Alternative Telephone (cell or other)		
Property Owner Contact Donald G. Foot, Jr.			Title President and Chief Executive Officer		
Address (mailing) 554 South 300 East					
City Salt Lake City		State UT	Zip Code 84111	Telephone (801)521-5252	
Email Address			Alternative Telephone (cell or other)		

Utah Class III Landfill Permit Application Form

VII. Waste Types (check all that apply)		IX. Facility Area																						
<input checked="" type="checkbox"/> All types of non-hazardous industrial waste generated by the facility OR the following specific waste types <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Waste Type</td> <td style="width: 33%;">Combined Disposal Unit</td> <td style="width: 33%;">Monofill Unit</td> </tr> <tr> <td><input type="checkbox"/> Construction & Demolition</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Industrial</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Incinerator Ash</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Animals</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Asbestos</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>		Waste Type	Combined Disposal Unit	Monofill Unit	<input type="checkbox"/> Construction & Demolition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Industrial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Incinerator Ash	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Animals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Asbestos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>	Facility Area..... <u>465</u> acres Disposal Area..... <u>3.88</u> acres Design Capacity Years..... <u>20</u> Cubic Yards..... <u>632,000</u> Tons..... <u>94,800</u>	
Waste Type	Combined Disposal Unit	Monofill Unit																						
<input type="checkbox"/> Construction & Demolition	<input type="checkbox"/>	<input type="checkbox"/>																						
<input type="checkbox"/> Industrial	<input type="checkbox"/>	<input type="checkbox"/>																						
<input type="checkbox"/> Incinerator Ash	<input type="checkbox"/>	<input type="checkbox"/>																						
<input type="checkbox"/> Animals	<input type="checkbox"/>	<input type="checkbox"/>																						
<input type="checkbox"/> Asbestos	<input type="checkbox"/>	<input type="checkbox"/>																						
<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>																						
Note: All waste types must be generated by the industry which owns the facility																								
X. Fee and Application Documents																								
Indicate Documents Attached To This Application <input type="checkbox"/> Application Fee: Amount \$																								
<input checked="" type="checkbox"/> Facility Map or Maps	<input checked="" type="checkbox"/> Facility Legal Description	<input checked="" type="checkbox"/> Plan of Operation	<input checked="" type="checkbox"/> Waste Description																					
<input type="checkbox"/> Ground Water Report	<input checked="" type="checkbox"/> Closure Design	<input checked="" type="checkbox"/> Cost Estimates	<input checked="" type="checkbox"/> Financial Assurance																					
I HEREBY CERTIFY THAT THIS INFORMATION AND ALL ATTACHED PAGES ARE CORRECT AND COMPLETE																								
Signature of Authorized Owner Representative  _____ Donald G. Foot, Jr.		Title President and CEO																						
Name typed or printed _____		Date <u>3/19/06</u>																						
Signature of Authorized Land Owner Representative (if applicable) _____ _____		Address 554 South 300 East, Salt Lake City, UT 84111																						
Name typed or printed _____		Title _____																						
Signature of Authorized Operator Representative (if applicable)  _____ Bruce Yeomans		Date <u>3/6/2009</u>																						
Name typed or printed _____		Address 2708 S Comstock Road, Cedar City, UT 84720																						

Utah Class III Landfill Permit Application Checklist

Important Note: The following checklist is for the permit application and addresses only the requirements of the Division of Solid and Hazardous Waste. Other federal, state, or local agencies may have requirements that the facility must meet. The applicant is responsible to be informed of, and meet, any applicable requirements. Examples of these requirements may include obtaining a conditional use permit, a business license, or a storm water permit. The applicant is reminded that obtaining a permit under the *Solid Waste Permitting and Management Rules* does not exempt the facility from these other requirements.

An application for a permit to construct and operate a landfill is documentation that the landfill will be located, designed, constructed, operated, and closed in compliance with the requirements of Rules R315-304 of the *Utah Solid Waste Permitting and Management Rules* and the *Utah Solid and Hazardous Waste Act* (UCA 19-6-101 through 123). The application should be written to be understandable by regulatory agencies, landfill operators, and the general public. The application should also be written so that the landfill operator, after reading it, will be able to operate the landfill according to the requirements with a minimum of additional training.

Copies of the *Solid Waste Permitting and Management Rules*, the *Utah Solid and Hazardous Waste Act*, along with many other useful guidance documents can be obtained by contacting the Division of Solid and Hazardous Waste at 801-538-6170. Most of these documents are available on the Division's web page at www.hazardouswaste.utah.gov. Guidance documents can be found at the solid waste section portion of the web page.

When the application is determined to be complete, the original complete application and one copy of the complete application are required along with an electronic copy.

Part II Application Checklist

I. Facility General Information	
Description of Item	Location In Document
Ia. General Information For - All Facilities	
Completed Part I General information	Page 3
General description of the facility (R315-310-3(1)(b))	Page 3
Legal description of property (R315-310-3(1)(c))	Page 3
Proof of ownership, lease agreement, or other mechanism (R315-310-3(1)(c))	Page 3
A demonstration that the landfill is not a commercial facility	Page 4
Waste type and anticipated daily volume (R315-310-3(1)(d))	Page 4
Intended schedule of construction (R315-302-2(2)(a))	Page 4
Ib. General Information - New Or Laterally Expanding Class III Landfills	
Documentation that the facility has meet the historical survey requirement of R315-302-1(2)(f) (R315-305-4(1)(b) or R315-305-4(2)(a)(iv))	Page 4
Name and address of all property owners within 1000 feet of the facility boundary (R315-310-3(2)(i))	Page 4
Documentation that a notice of intent to apply for a permit has been sent to all property owners listed above (R315-310-3(2)(ii))	Page 4
Name of the local government with jurisdiction over the facility site (R315-310-3(2)(iii))	Page 5

Utah Class III Landfill Permit Application Checklist

i. Facility General Information	
Description of Item	Location In Document
jc. Location Standards - New Class IIIa Landfills (R315-304-4(1))	
Geology	
Geologic maps showing significant geologic features, faults, and unstable areas	
Maps showing site soils	
Surface water	
Magnitude of 24 hour 25 year and 100 year storm events	
Average annual rainfall	
Maximum elevation of flood waters proximate to the facility	
Maximum elevation of flood water from 100 year flood for waters proximate to the facility	
Wetlands	
Ground water	
Historic Preservation Survey	
jd. Additional Location Standards - New Class IIIa Landfills Not On Waste Generation Site	
Land use compatibility (R315-304-4(1)(a))	
Maps showing the existing land use, topography, residences, parks, monuments, recreation areas or wilderness areas within 1000 feet of the site boundary	
Certifications that no ecologically or scientifically significant areas or endangered species are present in site area	
List of airports within five miles of facility and distance to each	
je. Location Standards - New Class IIIb Landfills	
Floodplains as specified in R315-302-1(2)(c)(ii) (R315-304-4(2)(a)(i))	Page 5
Wetlands as specified in R315-302-1(2)(d) (R315-304-4(2)(a)(ii))	Page 5
The landfill is located so that the lowest level of waste is at least ten feet above the historical high level of ground water (R315-304-4(2)(a)(iii))	Page 5
Historical Preservation Survey (R315-304-4(2)(a)(iv))	Page 4
jf. Plan of Operations - All Class III Landfills (R315-310-3(1)(e) and R315-302-2(2))	
Description of on-site waste handling procedures and an example of the form that will be used to record the weights or volumes of waste received (R315-302-2(2)(b) And R315-310-3(1)(f))	Page 6
Schedule for conducting inspections and monitoring, and examples of the forms that will be used to record the results of the inspections and monitoring (R315-302-2(2)(c), R315-302-2(5)(a), and R315-310-3(1)(g))	Page 6

Utah Class III Landfill Permit Application Checklist

I. Facility General Information	
Description of Item	Location In Document
Contingency plans in the event of a fire or explosion (R315-302-2(2)(d))	Page 6
Plan to control fugitive dust generated from roads, construction, general operations, and covering the waste (R315-302-2(2)(g))	Page 6
Plan for letter control and collection (R315-302-2(2)(h))	Page 6
Procedures for excluding the receipt of prohibited hazardous or PCB containing wastes (R315-302-2(2)(j))	Page 7
Procedures for controlling disease vectors (R315-302-2(2)(k))	Page 7
A plan for alternative waste handling (R315-302-2(2)(l))	Page 7
A general training and safety plan for site operations (R315-302-2(2)(o))	Page 7
Any recycling programs planned at the facility (R315-303-4(6))	Page 7
Any other site specific information pertaining to the plan of operation required by the Executive Secretary (R315-302-2(2)(p))	
Ig. Ground Water Monitoring - Class IIIa landfills	
Ground Water Monitoring Plan (R315-304-5(4)(a))	
II Facility Technical Information	
IIa - Maps - All Class III Landfills	
Topographic map drawn to the required scale with contours showing the boundaries of the landfill unit, ground water monitoring well locations, gas monitoring points, and the borrow and fill areas (R315-310-4(2)(a)(i))	Page 7
Most recent U.S. Geological Survey topographic map, 7-1/2 minute series, showing the waste facility boundary; the property boundary; surface drainage channels; any existing utilities and structures within one-fourth mile of the site; and the direction of the prevailing winds (R315-310-4(2)(a)(ii))	Page 8
IIb. Geohydrological Assessment - Class IIIa Landfills (R315-310-4(2)(b))	
Local and regional geology and hydrology including faults, unstable slopes and subsidence areas on site (R315-310-4(2)(b)(i))	
Evaluation of bedrock and soil types and properties including permeability rates (R315-310-4(2)(b)(ii))	
Depth to ground water (R315-310-4(2)(b)(iii))	
Quantity, location, and construction of any private or public wells on-site or within 2,000 feet of the facility boundary (R315-310-4(2)(b)(v))	
Tabulation of all water rights for ground water and surface water on-site and within 2,000 feet of the facility boundary (R315-310-4(2)(b)(vi))	

Utah Class III Landfill Permit Application Checklist

I. Facility General Information	
Description of Item	Location In Document
Identification and description of all surface waters on-site and within one mile of the facility boundary (R315-310-4(2)(b)(vii))	
For an existing facility, identification of impacts upon the ground water and surface water from leachate discharges (R315-310-4(2)(b)(viii))	
Calculation of site water balance (R315-310-4(2)(b)(ix))	
IIc. Engineering Report - Plans, Specifications, And Calculations - All Class III Landfills	
Unit design to include cover design; fill methods; and elevation of final cover including plans and drawings signed and sealed by a professional engineer registered in the State of Utah, when required (R315-310-3(1)(b))	Page 8
Design and location of run-on and run-off control systems (R315-310-5(2)(b))	Page 8
IIId. Engineering Report - Plans, Specifications, And Calculations - Class IIIa Landfills	
Engineering reports required to meet the location standards of R315-304-4 including documentation of any demonstration or exemption made for any location standard (R315-310-4(2)(c)(i))	
Anticipated facility life and the basis for calculating the facility's life (R315-310-4(2)(c)(ii))	
Equipment requirements and availability (R315-310-4(2)(c)(iii))	
Identification of borrow sources for daily and final cover and for soil liners (R315-310-4(2)(c)(iv))	
Run-off treatment and disposal and documentation to show that any treatment system is being or has been reviewed by the Division of Water Quality (R315-310-4(2)(c)(v) and R315-310-3(1)(i))	
IIe. Closure Requirements - All Class III Landfills	
Closure plan (R315-310-3(1)(h))	Page 9
Closure schedule (R315-310-4(2)(d)(i))	Page 9
Design of final cover (R315-310-4(2)(c)(iii))	Page 10
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Utah Class III Landfill Permit Application Checklist

f. Facility General Information	
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List the name, address, and telephone number of the person or office to contact about the facility during the post-closure care period (R315-310-4(2)(e)(vi))	Page 11
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Identification of the financial assurance mechanism that meets the requirements of Rule R315-309 and the date that the mechanism will become effective (R315-309-1(1) and R315-310-3(1)(j))	Page 11

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- B Log sheets
 - Section 1 – Landfill Daily Use
 - Section 2 – Monitoring and Inspections
- C General Site Safety and Training Plan Landfill Addendum
- D Post Closure Inspection Form
- E Financial Assurance and Ownership Documentation
- F Application Form and Checklist

1a General Information

With this *Checklist for Class IIIb Landfill*, Palladon Iron Corporation (PIC) is submitting the enclosed application for the landfill permit for the landfill located at the iron mine site near Cedar City, Utah.

General description of the facility (R315-310-3(1)(b))

PIC owns and operates the Comstock/Mountain Lion Iron Mine located approximately 15 miles west of Cedar City, Utah. The property covers portions of two small mountains, Iron Mountain and Granite Mountain, and some of the intervening valley. This area, also known as the Iron Springs District, has numerous iron deposits along the flanks of these mountains and has been mined by various mining companies and corporations since 1851. The Comstock/Mountain Lion Iron Mine has not been operated since 1995 when it was under its previous ownership of Geneva Steel.

To accommodate the upcoming mining activity that will occur at the Comstock/Mountain Lion Iron Mine, it is proposed that a class IIIb landfill be constructed at the southwest edge of the mine, on the northeast edge of Iron Mountain. (Attachment A) ←

No unauthorized or unacceptable waste will be placed in the landfill. Within the plant and mine, the operators will be trained to know and understand the limitations on waste that can be deposited in the landfill and there will be staff assigned to monitor the acceptance of material for disposal. Onsite waste handling should consist of the waste being moved to the landfill cell by forklift, truck, or hand carried. Cover will be applied with a front loader generally consisting of shot waste material.

Legal description of the facility (R315-310-3(1)(c))

The legal description of the existing onsite landfill is:

Northeast Quarter/Quarter Section of the SW quarter section of section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian

Latitude: 37°37'45.5", Longitude: 113°20'27.5"

This landfill site is within previous disturbed patented and unpatented (Iron Age No. 1) land all owned by PIC. Land use in the surrounding area, aside from the existing mine, consists of undisturbed land in its natural state. Light grazing exists with vegetation consisting of a mixture of shrubs and grasses in the lower elevations and junipers in the higher elevations.

Proof of Ownership, Lease Agreement, or other Mechanism (R315-310-3(1)(c))

See Attachment F

Types of waste and area served by the facility (R315-310-3(1)(d))

The landfill will accept non-hazardous waste that is generated at the Comstock/Mountain Lion Iron Mine. The waste will consist of construction debris, wood, cement, sheet rock, steel and typical types of rubbish including paper, plastics and trace amounts of waste foods. Within the plant and mine, the operators will be trained to know and understand the limitations on waste that can be deposited in the landfill and the staff will be assigned to monitor the acceptance of material for disposal. No other wastes will be accepted therefore, this landfill will not be a commercial landfill and no other areas are served. The landfill will be strictly used by PIC and its contractors.

Only on-site generated waste from 82 in 4.

A five year average of waste placed in the landfill is approximately 35 loads per year at 15 tons each, or 525 tons per year. However, this number can vary significantly depending on the level of production at the facility. Waste rubbish is typically deposited in the landfill weekly.

Intended schedule of construction (R315-302-2(2)(a))

Construction of the new landfill at the Comstock/Mountain Lion Mine will commence as soon as possible and will end in time for mining to begin. The anticipated date to commence mining operations is August 1, 2008.

1b GENERAL INFORMATION – NEW CLASS III LANDFILLS

Documentation that the facility has met the historical survey requirement of R315-302-1(2)(f) (R315-305-4(1)(b) or R315-305-4(2)(a)(iv))

The area proposed for the landfill was mined as part of a previous operation ending in 1995 and is now currently a waste rock dump. Given the recent and extensive disturbance within the proposed landfill, it is highly unlikely that any cultural resource sites exist within this area. Because of these factors, it is PIC's assertion that a cultural resource inventory is not required for this project.

Name and address of all property owners with 1000 ft of the facility boundary (R315-310-3(2)(i))

The only property owner within 1000 feet of the proposed landfill cell is Palladon Iron Corporation, who owns the Comstock/Mountain Iron Mine. PIC's corporate office is located at 554 South 300 West, Salt Lake City, Utah.

BLM?

Documentation that a notice of intent to apply for a permit has been sent to all property owners listed above (R315-310-3(2)(ii))

Since PIC is the only property owner within 1000 feet, they are the only entity who has received a notice of intent.

Name of the local government with jurisdiction over the facility site (R315-310-3(2)(iii))

Southwest Utah Public Health Department
260 East DL Sargent Dr.
Cedar City, UT 84720
435-586-2437

LOCATION STANDARDS FOR NEW CLASS IIIb LANDFILLS

Floodplains as specified in R315-302-1(2)(c)(ii) (R315-304-4(2)(a)(i))

The nearest surface water body is Quichapa Lake, located approximately 10 miles east-northeast of the project site and 5,450 feet above MSL. This lake is home to an extensive shoreline marsh system and is where areas of open water occur. No other rivers or water bodies are near the area which will be considered floodplains. The elevation of the landfill is approximately 6,370 feet above MSL, well out of reach of any floodplain.

Wetlands as specified in R35-302-1(2)(d) (R315-304-4(2)(a)(ii))

Naturally-occurring wetlands are not present on the project site. The project site has been significantly disturbed in the past from prior mining activity, and the remaining undisturbed land consists of arid pinyon-juniper woodland to the west, north, and south, and sagebrush steppe to the east. According to the United State Fish and Wildlife Service's National Wetlands Inventory (NWI) data, the nearest wetland area is a small riparian strip located approximately 6.5 miles east-northeast of the project site, associated with the Leach Canyon drainage. Quichapa Lake is located approximately 10 miles east-northeast of the project site, where an extensive shoreline marsh system and areas of open water occur. Neither location is anticipated to have any environmental effect as a result of the project.

A review of high-resolution aerial imagery indicates that some limited wetland development may have occurred near the margins of the open water within the pits at the Iron Mountain facility. The area, community structure, and habitat function of these wetlands are likely variable and directly dependant on water level fluctuations and water chemistry (particularly, acidity) within the pit lakes. The geographic extent and regulatory status of these wetlands may be subject to federal jurisdiction under Section 404 of the Clean Water Act. The applicant will conduct all relevant state and federal water quality and wetlands/Waters of the United States coordination prior to surface-disturbing project activities.

The landfill is located so that the lowest level of waste is at least ten feet above the historical high level of ground water (R315-304-4(2)(a)(iii))

The landfill at the Comstock/Mountain Lion Iron mine will be constructed on at least 20 feet of waste rock above the natural top layer of earth. This waste rock cover, therefore, supersedes any chance that the lowest level of waste is anywhere within ten feet of the historical high level of ground water.

PLAN OF OPERATION (R315-310-3(1)(e))

*Where is the waste coming from?
On-site or off-site?*

Description of onsite waste handling procedures (R315-302-2(2)(b), R315-310-3(1)(f))

The waste materials will be gathered onsite as construction and operating debris is generated. The debris will be gathered approximately weekly and loaded with a front-end loader onto a haulage truck. The debris will then be taken to the dump location. The debris will be dumped in 3-5 ft lifts, followed by shallow 1 ft coverings of the debris with local waste rock from this area. The waste rock will be placed over the top of the debris to stabilize the surface. This will help hold the debris in place and stabilize the surface for the next vertical lift. After construction ends and during the remainder of the mine life, debris will be collected and dumped monthly.

Schedule for conducting inspections and monitoring (R315-302-2(2)(c), R315-302-2(5)(a), and R315-310-3(1)(g)):

Inspections will be performed weekly during the years of construction of the Mill and any other project. This will change to monthly inspections after construction is complete, and mining continues. The monitoring identifies any problems or potential problems to human health or the environment. Inspections are designed to prevent malfunction or deterioration, operator errors, and discharge monitoring. A copy of the inspection log sheet is located in Attachment D, Section 2.

you mean landfill?

Contingency plans in the event of a fire or explosion (R315-302-2(2)(d))

A contingency plan in the event of a fire would be to use the 15 lb type handheld annual type ABC fire extinguisher available on all mine heavy equipment and mine vehicles for our initial fire response. In the event the fire is larger than the initial fire response team can handle, the onsite water tanker truck would be dispatched using the mine radio system. The Iron County fire department will also be called immediately. The mine water truck will have 8,000 gallons of water with fire turret and multiple sprays that can dispatch 8,000 gallons in less than 20 minutes. In addition, a cleared fire break will be graded completely around the outer perimeter of the mine to assure that a very large fire or explosion will be contained.

A plan to control fugitive dust generated from roads, construction, general operation and covering the waste (R315-302-2(2)(g))

Fugitive dust will be controlled by the same 8,000 gallon water truck as climate and dust dictate. At closure, the dump will be capped with 6 inches of topsoil and reseeded with native plants, according to the Division of Oil Gas and Mining Reclamation Requirements.

OK?

Plan for litter control and collection (R315-302-2(2)(h))

All personnel at the facility will be trained to dispose of all litter in the appropriate containers onsite. These containers will accept only typical waste products such as paper, wood, metals

and trace amounts of waste food products, where they will eventually be placed in the landfill.

Procedures for excluding the receipt of Regulated hazardous or PCB containing waste (R315-302-2(2)(i))

Hazardous waste will be handled in accordance with all federal, state, and local laws and transported for disposal offsite to approved, permitted facilities. Employees will be trained to identify and classify waste according to its hazard class. An active hazardous waste management plan is in place. Any PCB containing wastes onsite will be disposed of offsite to approved, permitted facilities.

Procedures for controlling disease vectors (R315-302-2(2)(j))

The waste materials in the landfill are not attractive to disease vectors or support vector habitats; therefore no special method to control them is necessary. However, the cover of six inches is sufficient to control disease vectors. Although future mill wastewater will be pumped into the tailings pond, the area where the landfill is located is protected from this water, and no water is pumped into the landfill section.

A plan for alternative waste handling (R315-302-2(2)(k))

In the event the landfill is unable to accept waste, any non hazardous waste can be deposited into a large waste receptacle until the onsite landfill is either, able to accept the waste, or until another onsite location is determined.

A general training and safety plan for site operations (R315-302-2(2)(n))

Operators of equipment used in the operation of the landfill facility are trained specifically in each piece of equipment as required by Mine Safety and Health Administration regulations. All Palladon employees receive safety training as part of annual training required by MSHA including aspects pertaining to landfill operation. (Attachment C)

Any recycling programs at the facility (R315-303-4(6))

With the exception of scrap iron, the Comstock/Mountain Lion Iron Facility does not have any recycling programs onsite.

FACILITY TECHNICAL INFORMATION

MAPS

Topographic map drawn to the required scale with contours showing the boundaries of the landfill unit, ground water monitoring well locations, gas monitoring points, and the borrow and fill areas (R315-310-4(2)(a)(i))

Refer to Attachment A for the current topographical map.

Handwritten signature

Most recent U.S. Geological Survey topographic map, 7-1/2 minute series, showing the waste facility boundary; the property boundary; surface drainage channels; any existing utilities and structures within one-fourth mile of the site; and the direction of the prevailing winds (R315-310-4(2)(a)(ii))

Refer to Attachment A for the most recent U. S. Geological Survey map.

MISSING

ENGINEERING REPORT – PLANS, SPECIFICATIONS, AND CALCULATIONS

Unit design to include cover design; fill methods; and elevation of final cover including plans and drawings signed and sealed by a professional engineer registered in the State of Utah, when required (R315-310-3(1)(b))

The waste contained in the landfill will be covered in place and leveled periodically. This practice will continue as long as the landfill is in use and at the time for closure. The final filled area will be covered with at least the minimum required cap consisting of two feet of soil including six inches of topsoil. The final cap will be contoured such that the grade is greater than 2 percent and less than 33 percent and will be revegetated with native vegetation or a suitable alternative approved by the Executive Secretary for other similar operations. Any deviation from this plan will be submitted in advance to the Executive Secretary and the Division of Solid and Hazardous Waste for consideration and approval.

Design and location of run-on and run-off control systems (R315-310-5(2)(b))

Runoff from the landfill is not expected to occur due to the design of the landfill. The landfill will be designed so that all run-on and run-off will be redirected with diversion ditches into sediment ponds, where the water will be evaporated. After closure, the absorption and evapotranspiration by the vegetation layer and the absence of any appreciable run-on will ensure the control of runoff. Once the vegetation layer growth is established, most storm events will not result in significant direct run-off from the landfill surface area. Nonetheless, significant percolation through the cover layer is unlikely, thus leachate or seepage from the heap is minimal.

CLOSURE REQUIREMENTS

Closure plan (R315-310-3(1)(h))

Palladon will, within 30 days after certification of closure, notify the Iron County Recorder to file proof of closure as outlined in R315-302-2(6). The Closure Plan immediately follows this checklist.

Closure schedule (R315-310-4(2)(d)(i))

It is intended that the duration of landfill operations will be 20+ years from the time of construction.

Design of final cover (R315-310-4(2)(c)(iii))

When the operational life of the landfill facility has ended, final cover will be accomplished using fill from the adjacent borrow area. This final cover will be at least two feet deep and will be graded to match the surrounding topography. Seeding with species adapted to the environmental conditions will then be used to revegetate the area. The proposed seeding to be used is listed as follows:

Alfalfa (1 lb/ac)	Western wheatgrass (2 lb/ac)
Pubescent wheatgrass (2 lb/ac)	Indian ricegrass (1 lb/ac)
Russian wildrye (2 lb/ac)	Small burnet (1 lb/ac)
Antelope bitterbrush (1/ac)	Wyoming Big Sage (0.1 lb/ac)
Forage Kochia (0.4 lb/ac)	Palmer Penstemon (0.5 lb/ac)
Pacific aster (0.1 lb/ac)	

Capacity of site in volume and tonnage (R315-310-4(2)(d)(ii))

The volume of the landfill, as calculated by PIC personnel, totals 2.16×10^5 cubic yards. Waste starts out at the “curbside” with a highly heterogeneous density of 200–400 pounds per cubic yard. Using an average of 300 pounds per cubic yard (0.15 tons per cubic yard), the total tonnage of the landfill would calculate to 32,400 tons.

Final inspection by regulatory agencies (R315-310-4(2)(d)(iii))

Upon closure of the Iron Mountain landfill, a final inspection by the Division of Solid and Hazardous Waste will take place to approve the final cover and release the site for closure. The Division of Oil, Gas, and Mining (DOG M) will also perform a subsequent inspection in order to finalize the site for closure. This inspection will examine soil and slope stability, drainage, and vegetation success.

POST-CLOSURE CARE REQUIREMENTS

Post-closure care plan (R315-310-3(1)(h))

Palladon will provide post closure activities that will include, at a minimum, monitoring of land and water, for a period of 30 years, or as long as the Executive Secretary determines is necessary for the facility or unit to become stabilized and to protect human health and environment. The Post Closure Plan immediately follows this checklist.

Changes to record of title, land use, and zoning restrictions (R315-310-4(2)(e)(ii))

The title to the property on which the landfill sits is held by Palladon Iron Corporation. It is estimated that the Iron Mountain property contains 10-20 years of minable reserves. Therefore, operations at the Iron Mountain mining facility are projected well into the future and no near changes to title, land use, or zoning is expected.

Maintenance activities to maintain cover and run-on/run-off control systems (R315-310-4(2)(e)(iii))

Post-closure monitoring of the landfill site will be conducted periodically for several years following closure. The site will be monitored to insure slope and erosional stability. Run-on/run-off structures will also be inspected to ensure proper functioning and stability. As required by DOGM regulations regarding reclamation, inspection of vegetative success will be performed for at least 3 years following reclamation. After the third year, success of revegetation will be determined.

List the name, address, and telephone number of the person or office to contact about the facility during the post-closure care period (R315-310-4(2)(e)(vi))

Greg G. Hawkins
Director of Operations, Palladon Iron Corporation
554 South 300 East, Ste. 250
Salt Lake City, Utah, 84111
Fax: (801) 521-5454
Phone: (801) 521-5252

FINANCIAL ASSURANCE REQUIREMENTS

Identification of closure costs including cost calculations (R315-310-4(2)(d)(iv))

A mining reclamation bond of \$1.3 million held by DOGM currently exists for the Iron Mountain mine site, including the landfill facility. This bond amount more than exceeds any closure or post-closure costs for the landfill facility.

Identification of post-closure costs including cost calculations (R315-310-4(2)(e)(iv))

A mining reclamation bond of \$1.3 million held by DOGM currently exists for the Iron Mountain mine site, including the landfill facility. This bond amount more than exceeds any closure or post-closure cost for the landfill facility.

Identification of the financial assurance mechanism that meets the requirement of Rule 315-309 and the date the mechanism will become effective (R315-309-1(1))

A mining reclamation bond of \$1.3 million held by DOGM currently exists for the Iron Mountain mine site, including the landfill facility. Palladon proposes that this bond cover the financial assurance mechanism required under R315-309. This bond amount more than exceeds any closure or post-closure cost for the landfill facility. This bond is in the process of being revised this year (2008) and is projected to value at \$1.4 million.

**Closure and Post Closure Plan
for
Palladon Iron Corporation
Comstock/Mountain Iron Mine Landfill**

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List Of Attachments for Closure and Post-Closure Plans

- Attachment #1 Post-Closure Inspection Form
- Attachment #2 Landfill Closure Plan, Final Facility Topography

1.0 Introduction

Palladon Iron Corporation (PIC) is submitting the enclosed Closure and Post-Closure Plan in accordance with the State of Utah, Division of Solid and Hazardous Waste's (DSHW) R315-304-5 rules with this document.

1.1 Site Description and Background

PIC owns and operates the Comstock/Mountain Lion Iron Mine located approximately 15 miles west of Cedar City, Utah. The property covers portions of two small mountains, Iron Mountain and Granite Mountain, and some of the intervening valley. This area, also known as the Iron Springs District, has numerous iron deposits along the flanks of these mountains and has been mined by various mining companies and corporations since 1851. The Comstock/Mountain Lion Iron Mine has not been operated since 1995 when still under the previous ownership of Geneva Steel.

The Comstock/Mountain Lion Iron Mine landfill is an industrial solid waste landfill that meets the classification of a Class IIIb Landfill. It is guarded, fenced, gated at common access roads, and large berms are constructed on remote back roads and trails. The landfill is not accessible to the public. Only non-hazardous debris that is generated onsite will be accepted. The landfill is not located on public lands or near public drinking water supplies. The landfill is not located in a subsidence area, flood zone, near designated wetlands, or above an underground mine. There are no surface bodies of water, residential dwellings, or incompatible structures within ¼ mile of the landfill. The coordinates of the landfills are as follows:

NW ¼ NE/SW ¼ Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian
Latitude: 37°37'45.5", Longitude: 113°20'27.5"

2.0 Statement of Closure Plan

Palladon is required to submit Closure and Post-Closure Plans in a way that "minimizes the need for further maintenance and minimized the post-closure formation and releases of leachate and explosive gases to the air, groundwater or surface water to the extent necessary to protect the public health and welfare and prevent any nuisance." This document represents Palladon's compliance with R315-302-3 (2).

3.0 Closure Plan

3.1 Methods, Procedures, and Processes

All materials disposed of within the existing Class IIIb landfill has been and will continue to be within the acceptable waste constituents of an industrial non-hazardous landfill. The landfill will accept only non-hazardous waste that is generated at the Iron Mountain Mine site. The waste consists of construction debris, wood, cement, sheet rock, steel and typical

types of rubbish including paper, plastics and trace amounts of waste foods. No other wastes are accepted, therefore, this landfill is not a commercial landfill and no other areas are served.

3.1.1 Maintenance and Control

Access to the facility is restricted through mine security. Signs are posted indicating authorized personnel only are allowed on the access roads leading into the plant. Wind dispersal of landfill litter is minimized by the application of cover.

After cessation of operations at the mine, the landfill will be closed with an application of the intermediate cover and a complete inspection of the surface will be performed. Cleanup of the site will be performed concurrently. All remaining visible litter and debris in the immediate vicinity will be placed in the final lift of the landfill unit. At that time, the final cover will be applied. A thorough closure inspection shall consist of observations for erosion, sloping, drainage, surface leachate, and run-on. Areas requiring repairs/modifications will be documented on the Landfill Inspection Form (see Attachment D, Section #2). Necessary modifications will be made using appropriate materials and compacted, as required.

3.1.1.1 Escape of Air Pollutants/Gases

The contents of this industrial waste landfill have little or no amounts of putrescible materials and the decomposition of the organic wastes are minimal. The U.S. EPA reports that methane is generated from "municipal" solid waste only when the moisture content exceeds 40% (U.S. EPA, 1994). Due to the limited moisture at the site and the absence of putrescible wastes contained in the heap, methane gas generation is not anticipated. Vector, dust, and odors are effectively controlled so they are not a nuisance or hazard to health, safety or property. None of the waste is flammable, but combustible waste may exist; however, a fire or explosion in the landfill area is highly unlikely. The area is served by the local fire department, and equipment is located onsite to move soil for fire suppression, if necessary.

3.1.1.2 Control of Run-off

Runoff from the landfill is not expected to occur due to the design of the landfill. The landfill will be designed so that all run-on and run-off will be redirected with diversion ditches into sediment ponds, where the water will be evaporated. After closure, the absorption and evapotranspiration by the vegetation layer and the absence of any appreciable run-on will ensure the control of runoff. Once the vegetation layer growth is established, most storm events will not result in significant direct run-off from the landfill surface area. Nonetheless, significant percolation through the cover layer is unlikely, thus leachate or seepage from the heap is minimal.

sized correctly?

3.1.2 Final Facility Topography

The waste will be leveled to the extent practicable, covered with a minimum of two feet of soil and the cover contoured to match the surrounding topography. Seeding with species adapted to the environmental conditions will then be used to revegetate the area. The proposed seeding to be used is listed as follows:

Alfalfa (1 lb/ac)	Western wheatgrass (2 lb/ac)
Pubescent wheatgrass (2 lb/ac)	Indian ricegrass (1 lb/ac)
Russian wildrye (2 lb/ac)	Small burnet (1 lb/ac)
Antelope bitterbrush (1/ac)	Wyoming Big Sage (0.1 lb/ac)
Forage Kochia (0.4 lb/ac)	Palmer Penstemon (0.5 lb/ac)
Pacific aster (0.1 lb/ac)	

3.1.3 Drainage Plan

Drainage will consist of water being redirected by diversion ditches around the waste dump. This water is intended to accumulate in sediment ponds to eventually be evaporated.

3.1.4 Composition of Cover

The final cover system will be made of the intermediate compacted cover, compacted soil layer, and vegetation layer. The material used for final cover will be placed on the graded, compacted, intermediate cover layer (12 inches of intermediate cover). The soil layer material will be compacted and will be composed of clayey silt-sand mixture with a low permeability. The soil layer will be no less than 6 inches of compacted soil and will come from onsite sources. These two layers total 18 inches of compacted soil, which will serve to minimize infiltration. A vegetation layer of no less than 6 inches will then be applied. The vegetation layer will be of an organic composition that will support native or compatible plant life. The final cover depth will be no less than 24 inches.

3.1.4.1 Sloping

The final cap will be contoured such that the grade is greater than 2 percent and less than 33 percent and will be revegetated with native vegetation or a suitable alternative approved by the Executive Secretary for other similar operations. Any deviation from this plan will be submitted in advance to the Executive Secretary and the Division of Solid and Hazardous Waste for consideration and approval.

3.1.4.2 Landscaping

The waste will be leveled to the extent practicable, covered with a minimum of two feet of soil and the cover contoured as described above. No vegetation, other than local introduced and native grasses and woody species identified in this plan will be placed on the landfill.

3.1.4.3 Vegetation

See the DOGM NOI Reclamation Report

3.1.5 Description of Monitoring and Maintenance

Qualified personnel will be located near or around the landfill to supervise continued activities during closure. The closure of the landfill will be concurrent with the landfill's final development. Landfill operations will proceed in a manner that will minimize the working area of the landfill. Once the final intermediate cover is placed and graded, landfill inspections will commence. The Post-Closure Landfill Inspection Form (see Attachment # 1) will be used for the final closure inspection.

3.1.6 Contact Personnel

The following positions and personnel represent Palladon's contact list of responsible officials as they pertain to the Delta Mill Landfill operation, closure, and post-closure issues.

Landfill Owner: Palladon Iron Corporation
Operator: Palladon Iron Corporation
Address: 554 South 300 East, Suite 250
Salt Lake City, Utah 84111

Owner Contact Person: Donald G. Foot
Phone: (801) 521-5252
Alternate Phone: (801) 556-1015

Operator Contact Person: Greg G. Hawkins
Phone: (801) 521-5252
Alternate Phone: (801) 860-8097

3.2 Maximum Portion of Operation

The working face has been limited to the smallest area practical in order to confine the amount of exposed waste without interfering with effective operation. The maximum working face (surface area) open at any one time has been approximately 1500 square feet, a total maximum height of 50 feet and horizontal spatial distance of approximately 30 feet.

3.3 Maximum Inventory and Estimated Life

Based on volume and tonnage calculations provided by Palladon Iron, the estimated life of the currently permitted landfill cells is approximately 20 years from the time of this submittal.

3.4 Schedule for Completion

Within 60 days of scheduled completion of the landfill, Palladon will notify the DSHW. Closure activities will commence within 30 days after receipt of the final volume of waste, and will be completed within 180 days of the start time. Palladon will notify the DSHW upon completion of closure to schedule the final inspection by regulatory agencies.

3.5 Notification and Review

Within 60 days of certification of closure of the mine landfill, Palladon will make the proper notification and submittals to the Iron County recorder and, upon doing so, file proof of title filing with the Executive Secretary. With respect to the requirement at R315-302-2(6)(b) for public access to records containing information about solid waste amounts, location, and periods of operation, Palladon files annual reports to the Division of Solid and Hazardous Waste, as required. These documents are public records and may be obtained by local zoning authorities from either the Division or Palladon, upon request.

3.6 Closure Activity Notification

Palladon will begin closure activities of the landfill in accordance with the approved Closure Plan no later than 30 days following the final receipt of waste at the landfill. Closure activities shall be completed within 180 days from their starting time, however, Palladon reserves the right for extensions of the deadline for beginning and concluding closure activity. The Executive Secretary will be given written justification for any extension requests. If necessary, fences will be erected to limit service and signs will be posted at conspicuous locations indicating closure activities have begun. Alternative disposal site locations will be indicated on the closure notice signs.

4.0 Post-Closure Plan

After the Closure Plan has been executed, completed, and certified, the following post-closure and end use plan will be implemented. Following closure of the landfill, Palladon will conduct the appropriate industrial landfill post-closure care.

4.1 Maintenance of Final Cover

Facility maintenance and monitoring of applicable gases, land, and water constituents will be conducted for a period of 30 years after closure. The landfill cover and surrounding areas will be inspected and repaired by Palladon or Palladon contractor on a quarterly basis for the first year, then semi-annually for 29 years thereafter. The Post-Closure Inspection Form is shown in Attachment #1.

4.1.1 Repairs

During landfill inspections, if any settlements, subsidence or erosion areas are found on the cover, they will be promptly backfilled with onsite compatible (similar permeability) soil. After final grading, the area will be re-vegetated with the prescribed native seed mix. If there are areas of inherent erosion it will be documented on the Landfill Inspection Form and addressed by re-grading and placement of appropriate cover material. To prevent integrity breaks in the cover due to mechanical agitation, notices will be posted and access will be limited to inspection, maintenance, and monitoring personnel. Repairs will be made promptly with the appropriate soil, rip rap, or other necessary materials that will be compatible to the immediate environmental factors that cause breaches in the cover integrity.

4.1.2 Prevention of Run-On and Run-Off

Run-on/run-off structures will be inspected to ensure proper functioning and stability. As required by DOGM regulations regarding reclamation, inspection of vegetative success will be performed for at least 3 years following reclamation. After the third year, success of revegetation will be determined.

4.2 Post-Closure Care Statement

Palladon will conduct post-closure monitoring and maintenance care as necessary for a period of 30 years from date of closure or as directed by the Executive Secretary. Reduction or extension of the 30 year monitoring and maintenance care period may be negotiated between the Executive Secretary and Palladon management.

4.3 Post-Closure Use Statement

Post-Closure use is anticipated to be very minimal. Post-Closure use will not increase the foreseeable threat to public health.

4.4 Post-Closure Certification

Palladon will submit written verification following the closure of a landfill unit and following the completion of post-closure care of a landfill unit. This verification will state the completed activities are in accordance with the requirements of R315-302-3(7)(b).

5.0 Submittal Statement

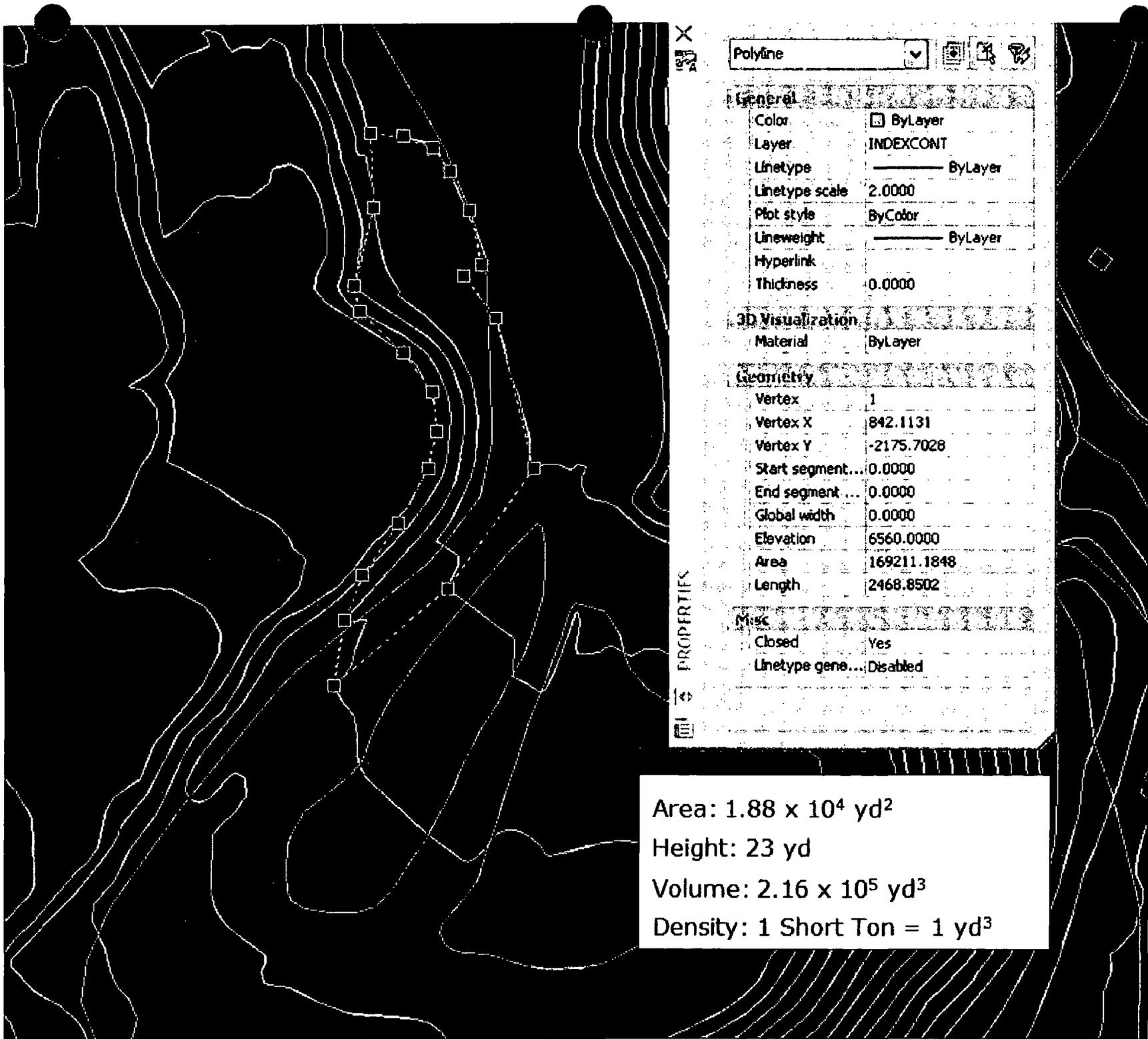
The Closure Plan, Post-Closure Plan, and other necessary documents were prepared and submitted to the Division of Solid and Hazardous Waste.

No subsequent modification to the Closure and post-Closure Plan will be made without the approval of Executive Secretary. Palladon reserves the right to petition to amend the Post-Closure Plan.

Palladon will keep a copy of the most recent approved Closure Plan and Post-Closure Plan at the Comstock/Mountain Lion Mine.

Attachment A

Maps of Landfill



Polyline

General

Color	<input checked="" type="checkbox"/> ByLayer
Layer	INDEXCONT
Linetype	ByLayer
Linetype scale	2.0000
Plot style	ByColor
Lineweight	ByLayer
Hyperlink	
Thickness	0.0000

3D Visualization

Material	ByLayer
----------	---------

Geometry

Vertex	1
Vertex X	842.1131
Vertex Y	-2175.7028
Start segment...	0.0000
End segment ...	0.0000
Global width	0.0000
Elevation	6560.0000
Area	169211.1848
Length	2468.8502

Misc

Closed	Yes
Linetype gene...	Disabled

PROPERTIES

Area: 1.88×10^4 yd²
Height: 23 yd
Volume: 2.16×10^5 yd³
Density: 1 Short Ton = 1 yd³

Attachment B

Log sheets

Section #1 - Landfill Waste Log

Section #2 - Inspections

Attachment C

General Site Safety
and Training Plan Addendum

Palladon Iron – Constock/Mountain Lion Iron Mine

General Training and Site Safety Plan Addendum for Landfill Operations

This plan was developed for the safety of landfill operators and operations at the Comstock/Mountain Lion Iron Mine, in accordance with Utah Department of Environmental Quality Administrative Code R315-302-2(2)(n).

Training will include the following topics:

- 1.0 Applicability
- 2.0 Frequency
- 3.0 Information and Awareness
- 4.0 Equipment Operation
- 5.0 Emergency Procedures and Notification

1.0 Applicability

- A. All landfill operators must have received the general site safety training prior to receiving this training. (Note: During monthly safety meetings, waste identification and disposal methods are discussed).
- B. All landfill operators will receive this training in addition to the general site safety training.
- C. New or transferred employees who have landfill responsibilities will receive this training prior to working at the landfill.
- D. A new or transferred employee who has not received this training may work at the landfill under the direct supervision of a trained landfill operator under: a) temporary or emergency conditions, or b) up to a period of 90 days, starting with the day the new or transferred employee began working at the landfill.

2.0 Frequency

- A. All applicable employees will receive this training on an annual basis, or when significant changes occur at the landfill.

3.0 Information and Awareness

Training will include:

- A. A review of the landfill permit conditions.
- B. A list of acceptable and unacceptable waste for the landfill.
- C. Guidelines for maintaining the landfill, (fill, cover, inspections, etc.)
- D. Proper record keeping of wastes received.
- E. Unacceptable waste procedures (discussed in the monthly safety meetings).
- F. Alternative waste disposal in the event that the landfill is unavailable.

4.0 Equipment Operation

- A. The Safety Officer or their designee will determine that all landfill operators are trained in the proper operation of all landfill equipment.

5.0 Emergency Procedures and Notification

- A. All landfill operators will be trained on proper landfill emergency notification procedures. Emergency procedures and/or contact numbers will be made available to all landfill operators.

Attachment D

Post – Closure Inspection Form

Attachment E

Financial Assurance and Ownership Documentation

ATTACHMENT B

FORM MR-6
Joint Agency Surety Form
(November 1, 2004)

Bond Number 104511468
Permit Number M/021/008
Mine Name Iron Mountain
Other Agency File Number _____
Effective Date April 18, 2005

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

THE MINED LAND RECLAMATION ACT

SURETY BOND

The undersigned Palladon Iron Corporation, as Principal, and Travelers Casualty and Surety Company of America, as Surety, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of Utah, Division of Oil, Gas and Mining (Division) and the U.S.D.I. - Bureau of Land Management, in the penal sum of One Million Two Hundred Ninety Nine Thousand One Hundred and no/100 --- dollars (\$1,299,100.00).

Principal has estimated in the Mining and Reclamation Plan or Notice approved or accepted by the Division of Oil, Gas and Mining on the 26th day of April, 1995, that 417.05 acres of land will be disturbed by mining operation in the State of Utah.

A description of the disturbed land is attached as "Attachment A" to the Reclamation Contract, of which this document is an integral part.

The condition of this obligation is that if the Division determines that Principal has satisfactorily reclaimed the disturbed lands in accordance with the approved / accepted Mining and Reclamation Plan or Notice and has faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the disturbed lands, and if the lands are reclaimed in accordance with such Plan, Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond.

In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Palladon Iron Corporation

Principal (Permittee)

George S. Young President

By (Name and Title typed):

[Signature]

Signature

Surety Company

4-18-05

Date

Travelers Casualty and Surety Company of America
Surety Company Name

1100 East 6600 South, #500
Street Address

S. Murry Mullenax
Surety Company Officer

Salt Lake City, UT 84121
City, State, Zip

Attorney-in-Fact
Title/Position

801-269-5657
Phone Number

[Signature]

Signature

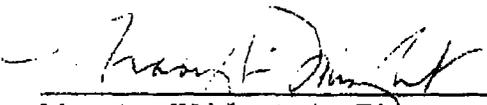
4-18-05
Date

Page 3
MR-6 Joint Agency Surety Bond
Attachment B
(revised November 1, 2004)

Bond Number 104511468
Permit Number M/021/008
Mine Name Iron Mountain
Other Agency File Number _____
Effective Date April 18, 2005

SO AGREED this 18th day of April, 20 05.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:



Mary Ann Wright, Acting Director
Utah State Division of Oil, Gas and Mining

*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.



IMPORTANT DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (the "Act"). The Act establishes a short-term program under which the Federal Government will share in the payment of covered losses caused by certain acts of international terrorism. We are providing you with this notice to inform you of the key features of the Act, and to let you know what effect, if any, the Act will have on your premium.

Under the Act, insurers are required to provide coverage for certain losses caused by international acts of terrorism as defined in the Act. The Act further provides that the Federal Government will pay a share of such losses. Specifically, the Federal Government will pay 90% of the amount of covered losses caused by certain acts of terrorism which is in excess of an insurer's statutorily established deductible for that year. The Act also caps the amount of terrorism-related losses for which the Federal Government or an insurer can be responsible at \$100,000,000,000.00, provided that the insurer has met its deductible.

Please note that passage of the Act does not result in any change in coverage under the attached policy or bond (or the policy or bond being quoted). Please also note that no separate additional premium charge has been made for the terrorism coverage required by the Act. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium, and is no more than one percent of your premium.

IN WITNESS WHEREOF, TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY have caused this instrument to be signed by their Senior Vice President and their corporate seals to be hereto affixed this 5th day of April, 2004.

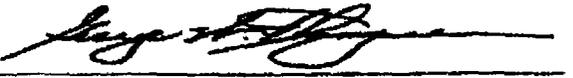
STATE OF CONNECTICUT

) SS. Hartford

COUNTY OF HARTFORD

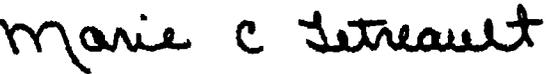
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY



By 
George W. Thompson
Senior Vice President

On this 5th day of April, 2004 before me personally came GEORGE W. THOMPSON to me known, who, being by me duly sworn, did depose and say: that he/she is Senior Vice President of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, the corporations described in and which executed the above instrument; that he/she knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; and that he/she executed the said instrument on behalf of the corporations by authority of his/her office under the Standing Resolutions thereof.



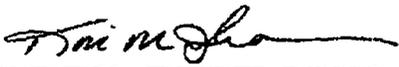

My commission expires June 30, 2006 Notary Public
Marie C. Tetreault

CERTIFICATE

I, the undersigned, Assistant Secretary of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, stock corporations of the State of Connecticut, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Boards of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this 18th day of April, 2005.



By 
Kori M. Johanson
Assistant Secretary, Bond

**TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
Hartford, Connecticut 06183-9062**

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: Leonard D. Nielsen, S. Murry Mullenax, Brett Palmer, Sylvia A. Carroll, of Salt Lake City, Utah, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

4/18/05

APPENDIX
ATTACHMENT B

to
Transfer of Notice of Intention
Large Mine Operations



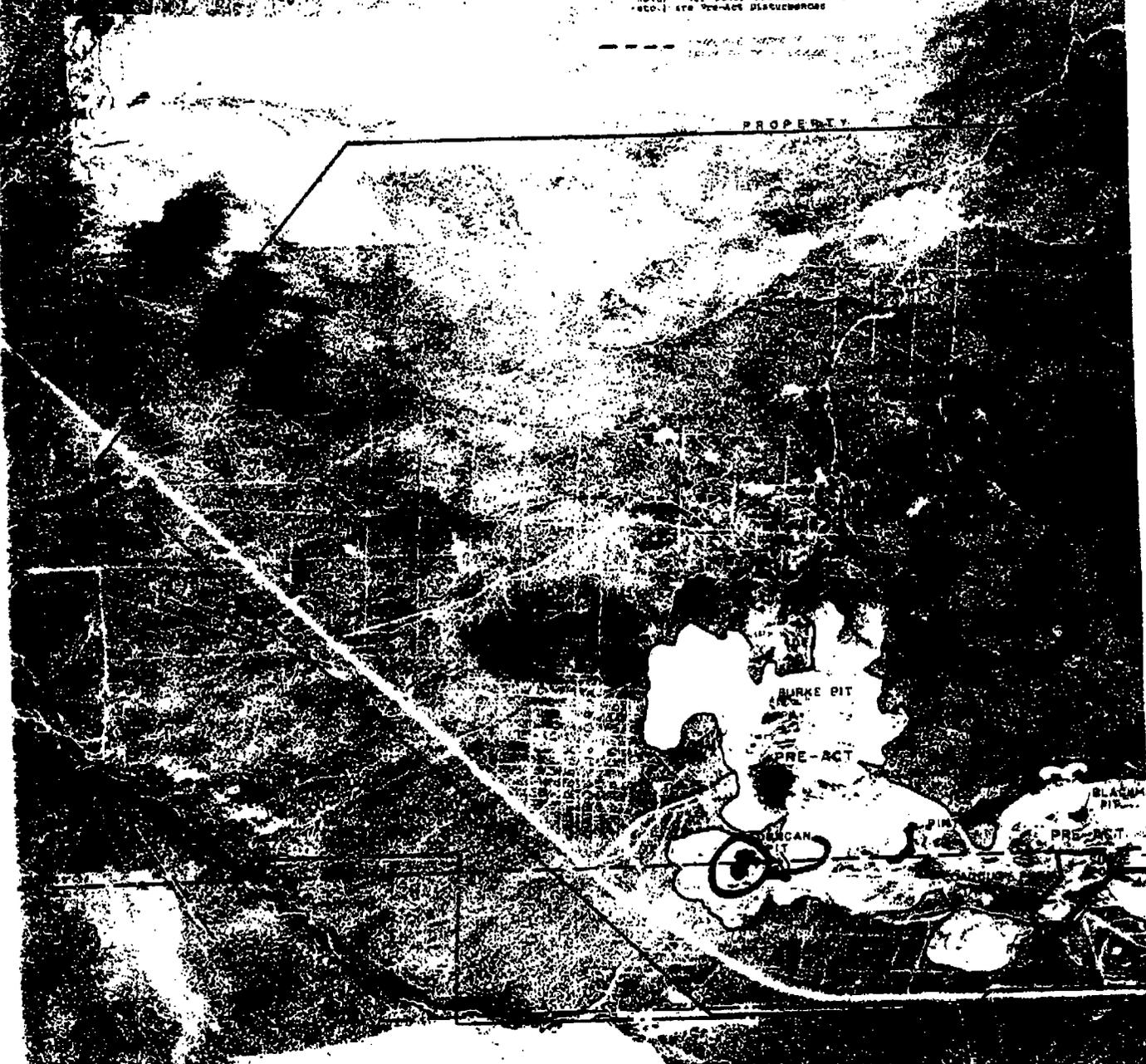
Post-Act Disturbance



Pre-Act Disturbance

NOTE: All other disturbances (Roads, Prospects, etc.) are Pre-Act Disturbances

PROPERTY



DUNCAN / Blowout

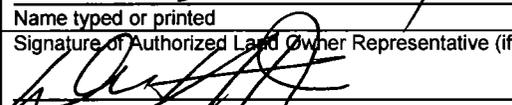
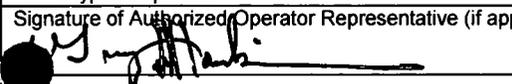
Attachment F

Application Form and Checklist

Utah Class III Landfill Permit Application Form

I. General Information					
APPLICANT: PLEASE COMPLETE ALL SECTIONS					
I. Landfill Type	<input type="checkbox"/> Class IIIa <input checked="" type="checkbox"/> Class IIIb	II. Application Type	<input checked="" type="checkbox"/> New Application <input type="checkbox"/> Renewal Application	<input type="checkbox"/> Facility Expansion <input type="checkbox"/> Modification	
For Renewal Applications, Facility Expansion Applications and Modifications Enter Current Permit Number _____					
III. Facility Name and Location					
Legal Name of Facility Comstock/Mountain Lion Iron Mine					
Site Address (street or directions to site) 15 mi West of Cedar City on HWY 56, then 1.5 mi North on Comstock Road, then 4,000 feet NW on Mine Property				County Iron County	
City Cedar City		State UT	Zip Code 84720		Telephone (435)463-4723
Township 36S	Range 13W	Section(s) 30		Quarter/Quarter Section NE/SW	Quarter Section NW
Main Gate Latitude N degrees 37 minutes 37 seconds 45.5		Longitude W degrees 113 minutes 20 seconds 27.5			
IV. Facility Owner(s) Information					
Legal Name of Facility Owner Palladon Iron Corporation					
Address (mailing) 554 South 300 East Suite 250					
City Salt Lake City		State UT	Zip Code 84111		Telephone (801)521-5252
V. Facility Operator(s) Information					
Legal Name of Facility Operator Palladon Iron Corporation					
Address (mailing) 554 South 300 East Suite 250					
City Salt Lake City		State UT	Zip Code 84111		Telephone (801)521-5252
VI. Property Owner(s) Information					
Legal Name of Property Owner Palladon Iron Corporation					
Address (mailing) 554 South 300 East Suite 250					
City Salt Lake City		State UT	Zip Code 84111		Telephone (801)521-5252
VII. Contact Information					
Owner Contact Donald G. Foot, Jr.			Title President and Chief Executive Officer		
Address (mailing) 554 South 300 East Suite 250					
City Salt Lake City		State UT	Zip Code 84111		Telephone (801)521-5252
Email Address don.foot@palladoniron.com			Alternative Telephone (cell or other)		
Operator Contact Greg G. Hawkins			Title Director of Operations		
Address (mailing) 2708 S. Comstock Rd					
City Cedar City		State UT	Zip Code 84720		Telephone (801)860-8097
Email Address ghawkins@palladoniron.com or hawkins.palladon@gmail.com			Alternative Telephone (cell or other)		
Property Owner Contact Donald G. Foot, Jr.			Title President and Chief Executive Officer		
Address (mailing) 554 South 300 East Suite 250					
City Salt Lake City		State UT	Zip Code 84111		Telephone (801)521-5252
Email Address don.foot@palladoniron.com			Alternative Telephone (cell or other)		

Utah Class III Landfill Permit Application Form

VIII. Waste Types (check all that apply)		IX. Facility Area																					
<input checked="" type="checkbox"/> All types of non-hazardous industrial waste generated by the facility OR the following specific waste types		Facility Area..... <u>465</u> acres																					
<table style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">Waste Type</th> <th style="text-align: center;">Combined Disposal Unit</th> <th style="text-align: center;">Monofill Unit</th> </tr> <tr> <td><input type="checkbox"/> Construction & Demolition</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Industrial</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Incinerator Ash</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Animals</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Asbestos</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	Waste Type	Combined Disposal Unit	Monofill Unit	<input type="checkbox"/> Construction & Demolition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Industrial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Incinerator Ash	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Animals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Asbestos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>	Disposal Area..... <u>3.88</u> acres Design Capacity Years..... <u>20</u> Cubic Yards..... <u>216,000</u> Tons..... <u>32,400</u>	
Waste Type	Combined Disposal Unit	Monofill Unit																					
<input type="checkbox"/> Construction & Demolition	<input type="checkbox"/>	<input type="checkbox"/>																					
<input type="checkbox"/> Industrial	<input type="checkbox"/>	<input type="checkbox"/>																					
<input type="checkbox"/> Incinerator Ash	<input type="checkbox"/>	<input type="checkbox"/>																					
<input type="checkbox"/> Animals	<input type="checkbox"/>	<input type="checkbox"/>																					
<input type="checkbox"/> Asbestos	<input type="checkbox"/>	<input type="checkbox"/>																					
<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>																					
<small>Note: All waste types must be generated by the industry which owns the facility</small>																							
X. Fee and Application Documents																							
Indicate Documents Attached To This Application		<input checked="" type="checkbox"/> Application Fee: Amount \$ 750.00																					
<input checked="" type="checkbox"/> Facility Map or Maps <input type="checkbox"/> Ground Water Report	<input checked="" type="checkbox"/> Facility Legal Description <input checked="" type="checkbox"/> Closure Design	<input checked="" type="checkbox"/> Plan of Operation <input checked="" type="checkbox"/> Cost Estimates	<input checked="" type="checkbox"/> Waste Description <input checked="" type="checkbox"/> Financial Assurance																				
I HEREBY CERTIFY THAT THIS INFORMATION AND ALL ATTACHED PAGES ARE CORRECT AND COMPLETE.																							
Signature of Authorized Owner Representative  _____ Donald G. Foot, Jr.		Title President and CEO	Date <u>8/25/08</u>																				
Name typed or printed _____ Donald G. Foot Jr.		Address 554 South 300 East, Salt Lake City, UT 84111																					
Signature of Authorized Land Owner Representative (if applicable)  _____ Donald G. Foot Jr.		Title _____	Date _____																				
Name typed or printed _____ Donald G. Foot Jr.		Address _____																					
Signature of Authorized Operator Representative (if applicable)  _____ Greg G. Hawkins		Title Director of Operations	Date <u>8/22/08</u>																				
Name typed or printed _____ Greg G. Hawkins		Address 2708 S. Comstock Road, Cedar City, Utah, 84720																					

Utah Class III Landfill Permit Application Checklist

Important Note: The following checklist is for the permit application and addresses only the requirements of the Division of Solid and Hazardous Waste. Other federal, state, or local agencies may have requirements that the facility must meet. The applicant is responsible to be informed of, and meet, any applicable requirements. Examples of these requirements may include obtaining a conditional use permit, a business license, or a storm water permit. The applicant is reminded that obtaining a permit under the *Solid Waste Permitting and Management Rules* does not exempt the facility from these other requirements.

An application for a permit to construct and operate a landfill is documentation that the landfill will be located, designed, constructed, operated, and closed in compliance with the requirements of Rules R315-304 of the *Utah Solid Waste Permitting and Management Rules* and the *Utah Solid and Hazardous Waste Act* (UCA 19-6-101 through 123). The application should be written to be understandable by regulatory agencies, landfill operators, and the general public. The application should also be written so that the landfill operator, after reading it, will be able to operate the landfill according to the requirements with a minimum of additional training.

Copies of the *Solid Waste Permitting and Management Rules*, the *Utah Solid and Hazardous Waste Act*, along with many other useful guidance documents can be obtained by contacting the Division of Solid and Hazardous Waste at 801-538-6170. Most of these documents are available on the Division's web page at www.hazardouswaste.utah.gov. Guidance documents can be found at the solid waste section portion of the web page.

When the application is determined to be complete, the original complete application and one copy of the complete application are required along with an electronic copy.

Part II Application Checklist

I. Facility General Information	
Description of Item	Location In Document
1a. General Information For - All Facilities	
Completed Part I General information	Page 3
General description of the facility (R315-310-3(1)(b))	Page 3
Legal description of property (R315-310-3(1)(c))	Page 3
Proof of ownership, lease agreement, or other mechanism (R315-310-3(1)(c))	Page 3
A demonstration that the landfill is not a commercial facility	Page 4
Waste type and anticipated daily volume (R315-310-3(1)(d))	Page 4
Intended schedule of construction (R315-302-2(2)(a))	Page 4
1b. General Information - New Or Laterally Expanding Class III Landfills	
Documentation that the facility has meet the historical survey requirement of R315-302-1(2)(f) (R315-305-4(1)(b) or R315-305-4(2)(a)(iv))	Page 4
Name and address of all property owners within 1000 feet of the facility boundary (R315-310-3(2)(i))	Page 4
Documentation that a notice of intent to apply for a permit has been sent to all property owners listed above (R315-310-3(2)(ii))	Page 4
Name of the local government with jurisdiction over the facility site (R315-310-3(2)(iii))	Page 5

Utah Class III Landfill Permit Application Checklist

I. Facility General Information	
Description of Item	Location In Document
1c. Location Standards - New Class IIIa Landfills (R315-304-4(1))	
Geology	
Geologic maps showing significant geologic features, faults, and unstable areas	
Maps showing site soils	
Surface water	
Magnitude of 24 hour 25 year and 100 year storm events	
Average annual rainfall	
Maximum elevation of flood waters proximate to the facility	
Maximum elevation of flood water from 100 year flood for waters proximate to the facility	
Wetlands	
Ground water	
Historic Preservation Survey	
1d. Additional Location Standards - New Class IIIa Landfills Not On Waste Generation Site	
Land use compatibility (R315-304-4(1)(a))	
Maps showing the existing land use, topography, residences, parks, monuments, recreation areas or wilderness areas within 1000 feet of the site boundary	
Certifications that no ecologically or scientifically significant areas or endangered species are present in site area	
List of airports within five miles of facility and distance to each	
1e. Location Standards - New Class IIIb Landfills	
Floodplains as specified in R315-302-1(2)(c)(ii) (R315-304-4(2)(a)(i))	Page 5
Wetlands as specified in R315-302-1(2)(d) (R315-304-4(2)(a)(ii))	Page 5
The landfill is located so that the lowest level of waste is at least ten feet above the historical high level of ground water (R315-304-4(2)(a)(iii))	Page 5
Historical Preservation Survey (R315-304-4(2)(a)(iv))	Page 4
1f. Plan of Operations - All Class III Landfills: (R315-310-3(1)(e) and R315-302-2(2))	
Description of on-site waste handling procedures and an example of the form that will be used to record the weights or volumes of waste received (R315-302-2(2)(b) And R315-310-3(1)(f))	Page 6
Schedule for conducting inspections and monitoring, and examples of the forms that will be used to record the results of the inspections and monitoring (R315-302-2(2)(c), R315-302-2(5)(a), and R315-310-3(1)(g))	Page 6

Utah Class III Landfill Permit Application Checklist

I. Facility General Information	
Description of Item	Location In Document
Contingency plans in the event of a fire or explosion (R315-302-2(2)(d))	Page 6
Plan to control fugitive dust generated from roads, construction, general operations, and covering the waste (R315-302-2(2)(g))	Page 6
Plan for letter control and collection (R315-302-2(2)(h))	Page 6
Procedures for excluding the receipt of prohibited hazardous or PCB containing wastes (R315-302-2(2)(j))	Page 7
Procedures for controlling disease vectors (R315-302-2(2)(k))	Page 7
A plan for alternative waste handling (R315-302-2(2)(l))	Page 7
A general training and safety plan for site operations (R315-302-2(2)(o))	Page 7
Any recycling programs planned at the facility (R315-303-4(6))	Page 7
Any other site specific information pertaining to the plan of operation required by the Executive Secretary (R315-302-2(2)(p))	
Ig. Ground Water Monitoring - Class IIIa landfills	
Ground Water Monitoring Plan (R315-304-5(4)(a))	
II Facility Technical Information	
IIa. Maps - All Class III Landfills	
Topographic map drawn to the required scale with contours showing the boundaries of the landfill unit, ground water monitoring well locations, gas monitoring points, and the borrow and fill areas (R315-310-4(2)(a)(i))	Page 7
Most recent U.S. Geological Survey topographic map, 7-1/2 minute series, showing the waste facility boundary; the property boundary; surface drainage channels; any existing utilities and structures within one-fourth mile of the site; and the direction of the prevailing winds (R315-310-4(2)(a)(ii))	Page 7
IIb. Geohydrological Assessment - Class IIIa Landfills (R315-310-4(2)(b))	
Local and regional geology and hydrology including faults, unstable slopes and subsidence areas on site (R315-310-4(2)(b)(i))	
Evaluation of bedrock and soil types and properties including permeability rates (R315-310-4(2)(b)(ii))	
Depth to ground water (R315-310-4(2)(b)(iii))	
Quantity, location, and construction of any private or public wells on-site or within 2,000 feet of the facility boundary (R315-310-4(2)(b)(v))	
Tabulation of all water rights for ground water and surface water on-site and within 2,000 feet of the facility boundary (R315-310-4(2)(b)(vi))	

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Utah Class III Landfill Permit Application Checklist

I. Facility General Information	
Description of Item	Location In Document
Identification and description of all surface waters on-site and within one mile of the facility boundary (R315-310-4(2)(b)(vii))	
For an existing facility, identification of impacts upon the ground water and surface water from leachate discharges (R315-310-4(2)(b)(viii))	
Calculation of site water balance (R315-310-4(2)(b)(ix))	
IIc. Engineering Report - Plans, Specifications, And Calculations - All Class III Landfills	
Unit design to include cover design; fill methods; and elevation of final cover including plans and drawings signed and sealed by a professional engineer registered in the State of Utah, when required (R315-310-3(1)(b))	Page 8
Design and location of run-on and run-off control systems (R315-310-5(2)(b))	Page 8
IIId. Engineering Report - Plans, Specifications, And Calculations - Class IIIa Landfills	
Engineering reports required to meet the location standards of R315-304-4 including documentation of any demonstration or exemption made for any location standard (R315-310-4(2)(c)(i))	
Anticipated facility life and the basis for calculating the facility's life (R315-310-4(2)(c)(ii))	
Equipment requirements and availability (R315-310-4(2)(c)(iii))	
Identification of borrow sources for daily and final cover and for soil liners (R315-310-4(2)(c)(iv))	
Run-off treatment and disposal and documentation to show that any treatment system is being or has been reviewed by the Division of Water Quality (R315-310-4(2)(c)(v) and R315-310-3(1)(i))	
IIe. Closure Requirements - All Class III Landfills	
Closure plan (R315-310-3(1)(h))	Page 8
Closure schedule (R315-310-4(2)(d)(i))	Page 8
Design of final cover (R315-310-4(2)(c)(iii))	Page 9
Capacity of site in volume and tonnage (R315-310-4(2)(d)(ii))	Page 9
Final inspection by regulatory agencies (R315-310-4(2)(d)(iii))	Page 9
IIIf. Post-Closure Care Requirements - All Class III Landfills	
Post-closure care plan (R315-310-3(1)(h))	Page 9
Changes to record of title, land use, and zoning restrictions (R315-310-4(2)(e)(ii))	Page 9
Maintenance activities to maintain cover and run-on/run-off control systems (R315-310-4(2)(e)(iii))	Page 10

Utah Class III Landfill Permit Application Checklist

I. Facility General Information	
Description of Item	Location In Document
List the name, address, and telephone number of the person or office to contact about the facility during the post-closure care period (R315-310-4(2)(e)(vi))	Page 10
IIg. Financial Assurance Requirements - All Class III Landfills	
Identification of closure costs including cost calculations (R315-310-4(2)(d)(iv))	Page 10
Identification of post-closure care costs including cost calculations (R315-310-4(2)(e)(iv))	Page 10
Identification of the financial assurance mechanism that meets the requirements of Rule R315-309 and the date that the mechanism will become effective (R315-309-1(1) and R315-310-3(1)(j))	Page 10

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March 6, 2009

Mr. Dennis Downs
Division of Solid and Hazardous Waste
P. O. Box 144880
Salt Lake City, Utah 84114-4880

RE: Palladon Iron Corporation Class IIIb landfill Permit Application Revisions

Dear Mr. Downs:

On January 19, 2009, JBR Environmental Consultants (JBR) received notice from Palladon Iron Corporation (PIC) that DSHW reviewed and provided comments for the Class IIIb landfill Permit Application submitted on August 21, 2008. This notice, dated December 31, 2008, identified some incomplete or unclear items in the application that were to be revised before resubmittal. JBR has made the necessary revisions on behalf of PIC and is resubmitting this application for a permit for a Class IIIb landfill located at the iron mine site approximately 15 miles west of Cedar City, Utah.

Enclosed you will find a modified checklist that addresses each item in the checklist provided by DSHW. If you have any questions or need any other information, please do not hesitate to contact me at 801-943-4144 or Bruce Yeomans at (435) 572-4531.

Sincerely,

A handwritten signature in cursive script that reads "Spencer Daines".

Spencer Daines

Attachments

cc: Alysen Pedersen, PIC