

Statutory Lease Agreement

THIS STATUTORY LEASE AGREEMENT made the 23rd day of June

One thousand nine hundred and sixty
BETWEEN His Honour the Honourable Campbell Macpherson, Officer of the Most Excellent Order of the British Empire, Lieutenant-Governor of the Province of Newfoundland in Council (hereinafter called the "Government", which expression shall where the context so admits mean the Government for the time being of the Province) of the first

James Macpherson
Minister of Lands and Surveys

Michael A. Coombs
Atty. General

part AND Newfoundland and Labrador Corporation Limited, a corporation constituted by Section 2 of The Newfoundland and Labrador Corporation Limited Act, 1951, the Act No. 88 of 1951, as amended by The Newfoundland and Labrador Corporation Limited (Amendment) Act, 1952, the Act No. 3 of 1952, and The Newfoundland and Labrador Corporation Limited (Amendment) Act, 1957, the Act No. 83 of 1957 (hereinafter called "Nalco", which expression shall where the context so admits include the successors and assigns of Nalco) of the second part, AND Canadian Javelin Limited a body corporate and politic duly incorporated under the laws of Canada and having its head office in the city of St. John's in the Province of Newfoundland (hereinafter called "Javelin", which expression shall where the context so admits include the successors and assigns of Javelin) of the third part AND John Sherwin, H. C. Jackson, W. H. Prescott, Jr., S. S. Robinson, H. P. Junod and E. C. Drummer associated as a partnership organized under the laws of the State of Ohio one of the United States of America and having their principal place of business in the City of Cleveland in the State of Ohio aforesaid and conducting business under the firm name or style of Pickands Mather & Co. (hereinafter called "Pickands", which expression shall where the context so admits include Pickands as hereafter from time to time constituted, and subject to the Pickands-Stelco Option Agreement, and Lease No. 3, the successors, assigns and sublessees of Pickands and for the purposes of this Statutory Lease Agreement in respect of the Pickands-Stelco Option Agreement and Lease No. 3, shall include Midway Ore Company Ltd., and Mather Iron Company) of the fourth part AND The Steel Company of Canada, Limited, a body corporate and politic duly incorporated under the laws of Canada and having its head office in the city of Hamilton in the Province of Ontario (hereinafter called "Stelco", which express-

for shall, where the context so admits and subject to the Pickands-Stelco Option Agreement and Lease No. 3, include the successors, assigns and sublessees of Stelco) of the fifth part AND Wabush Iron Co. Limited, a body corporate and politic duly incorporated under the laws of the State of Ohio one of the United States of America and having its head office in the city of Cleveland in the said State of Ohio (hereinafter called "Wabush Iron", which expression shall, where the context so admits and subject to Lease No. 1 and Lease No. 4, include the successors, assigns and sublessees of Wabush Iron) of the sixth part WHEREAS the Government and Nalco as parties to the Nalco Mining Lease and Javelin and Wabush Iron as parties to Lease No. 1 and Lease No. 4 and Javelin, Pickands and Stelco as parties to Lease No. 3 and Nalco and Javelin as parties to the Javelin Mining Lease and the Javelin-Julienne Mining Lease desire, to the extent of their respective interests, to amend the terms and provisions of such leases so as to clarify the provisions therein set forth in respect of the reversion of the lands demised or to be demised by such leases for failure to conduct mining operations thereon in the manner and for the period of time specified in Section SE of the Nalco Act AND WHEREAS Pickands and Stelco in pursuance of the provisions of The Nalco-Javelin (Mineral Lands) Act, 1957, the Act No. 84 of 1957, have the right to assign their respective interests in the Pickands-Stelco Option Agreement AND WHEREAS by Agreement of Assignment dated the 1st day of September, 1959, Pickands and Stelco have assigned to Midway Ore Company Ltd., a Quebec corporation owned by Mather Iron Company, certain rights and obligations under the Pickands-Stelco Option Agreement, which rights are held by Midway Ore Company Ltd. for the account of Stelco and Mather Iron Company, a Delaware corporation controlled by Pickands AND WHEREAS Midway Ore Company Ltd. and Mather Iron Company have authorized Pickands to execute this Statutory Lease Agreement under a Power of Attorney duly executed and delivered AND WHEREAS by and in pursuance of The Nalco-Javelin (Mineral Lands) Act, 1957, Pickands has been authorized in the manner in the said Act prescribed to execute this Statutory Lease Agreement on its own behalf and as Attorney for the said Midway Ore Company Ltd. and Mather Iron Company AND WHEREAS the Government deems it desirable in order to promote the development of mining in the Province to enter into this Statutory Lease Agreement for the purpose above set forth NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. For the purposes of this Agreement

- (a) "Javelin Mining Lease" means an Indenture of Lease made between Nalco as Lessor and Javelin as Lessee dated the 26th day of May A.D., 1956 and registered in the Registry of Deeds for Newfoundland in Volume 349 at Folios 333 to 350 (both inclusive) and includes any amendments to such Indenture of Lease heretofore made which have become fully effective;
- (b) "Javelin-Julienne Mining Lease" means an Indenture of Lease executed, in the form set forth in the Appendix

to the Statutory Agreement forming the Schedule to The Julianne Lake (Mineral Lands) Act, 1950, by and between Nalco as Lessor and Javelin as Lessee which has become fully effective and includes any amendments to such Indenture of Lease heretofore made which have become fully effective;

- (c) "Lease No. 1" means an Indenture of Lease executed in the form set forth in the Appendix to the Statutory Supplementary Agreement forming Schedule A to The Nalco-Javelin (Mineral Lands) Act, 1960, by and between Javelin as Lessor and Wabush Iron as Lessee (the said Indenture of Lease being an indenture substituted

for the leases appended as Appendix A and Appendix B, respectively, to the Statutory Agreement forming the Schedule to The Nalco-Javelin (Mineral Lands) Act, 1957, the Act No. 84 of 1957) which has become fully effective and includes any amendments to such Indenture of Lease heretofore made which have become fully effective;

- (d) "Lease No. 3" means an Indenture of Lease executed in the form set forth in the Schedule to the Pickands-Stelco Option Agreement, by and between Javelin as Lessor and Pickands and Stelco as Lessees which has become fully effective and includes any amendments to such Indenture of Lease heretofore made which have become fully effective;

- (e) "Lease No. 4" means an Indenture of Lease executed in the form set forth in Schedule B to the Option Agreement by and between Javelin as Lessor and Wabush Iron as Lessee which has become fully effective and includes any amendments to such Indenture of Lease heretofore made which have become fully effective;

- (f) "Nalco Act" means The Newfoundland and Labrador Corporation Limited Act, 1951, the Act No. 68 of 1951, as amended by The Newfoundland and Labrador Corporation Limited (Amendment) Act, 1952, the Act No. 3 of 1952, The Newfoundland and Labrador Corporation Limited (Amendment) Act, 1953, the Act No. 64 of 1953, The Newfoundland and Labrador Corporation Limited (Amendment) Act, 1957, the Act No. 83 of 1957, The Newfoundland and Labrador Corporation Limited (Amendment) Act, 1959, the Act No. 34 of 1959, The Newfoundland and Labrador Corporation Limited (Amendment) Act, 1960, and includes any amendment to the principal Act hereafter made and any Act hereafter substituted for the principal Act as so amended;

- (g) "Nalco Mining Lease" means an Indenture of Lease made between the Government as Lessor and Nalco as Lessee dated the 26th day of May A.D. 1950 and filed at the Registry of The Department of Mines and Resources for Newfoundland and includes any amend-

ments to such Indenture of Lease heretofore made which have become fully effective;

- (h) "Option Agreement" means an agreement executed by and between Wabush Iron and Javelin on June 28, 1957 and registered in the Registry of Deeds for Newfoundland in Volume 559 at Folios 435 to 464 (both inclusive) which has become fully effective and includes any amendments to such Option Agreement heretofore made which have become fully effective; and
- (i) "Pickands-Stelco Option Agreement" means an agreement executed in the form set forth in Appendix C to the Statutory Agreement forming the Schedule to The Nalco-Javelin (Mineral Lands) Act, 1957, the Act No. 84 of 1957 by and between Javelin of the one part and Pickands and Stelco of the other part which has become fully effective and includes any amendments to such Pickands-Stelco Option Agreement heretofore made which have become fully effective.

2. The Government and Nalco in respect of the Nalco Mining Lease, Nalco and Javelin in respect of the Javelin-Julienne Mining Lease and the Javelin Mining Lease, Javelin and Wabush Iron in respect of Lease No. 1 and Lease No. 4, and Javelin and Pickands and Stelco in respect of Lease No. 3, agree as follows:

- (a) The Nalco Mining Lease is hereby amended by deleting Clause 10 of the mutual covenants thereof and inserting in lieu thereof the following:

"10. Where the Lessee has brought a mine into production on the Demised Premises, the Demised Premises shall revert to the Lessor if operations at such mine are discontinued and thereafter in and during any period of ten (10) consecutive years no substantial mining operations are carried on anywhere on the Demised Premises."

- (b) The Javelin-Julienne Mining Lease is hereby amended by deleting Clause 9 of Part C thereof and inserting in lieu thereof the following:

"9. Where the Lessee has brought a mine into production on the Demised Premises, the Demised Premises shall revert to the Lessor if operations at such mine are discontinued and thereafter in and during any period of ten (10) consecutive years no substantial mining operations are carried on anywhere on the Demised Premises."

- (c) The Javelin Mining Lease is hereby amended by deleting Clause 10 of the mutual covenants thereof and inserting in lieu thereof the following:

"10. Where the Lessee has brought a mine into production on the Demised Premises, the Demised

Premises shall revert to the Lessor if operations at such mine are discontinued and thereafter in and during any period of ten (10) consecutive years no substantial mining operations are carried on anywhere on the Demised Premises."

- (d) Lease No. 1 is hereby amended by deleting Clause 9 of Part C thereof and inserting in lieu thereof the following:

"9. Where the Lessee has brought a mine into production on the Demised Premises, the Demised Premises shall revert to the Lessor if operations at such mine are discontinued and thereafter in and during any period of ten (10) consecutive years no substantial mining operations are carried on anywhere on the Demised Premises."

- (e) Lease No. 4 is hereby amended by deleting Clause 9 of Part C thereof and inserting in lieu thereof the following:

"9. Where the Lessee has brought a mine into production on the Demised Premises, the Demised Premises shall revert to the Lessor if operations at such mine are discontinued and thereafter in and during any period of ten (10) consecutive years no substantial mining operations are carried on anywhere on the Demised Premises."; and

- (f) Lease No. 3 is hereby amended by deleting Clause 9 of Part C thereof and inserting in lieu thereof the following:

"9. Where the Lessee has brought a mine into production on the Demised Premises, the Demised Premises shall revert to the Lessor if operations at such mine are discontinued and thereafter in and during any period of ten (10) consecutive years no substantial mining operations are carried on anywhere on the Demised Premises."

IN WITNESS WHEREOF His Honour the Lieutenant-Governor in Council has caused the Great Seal of the Province of Newfoundland to be affixed hereto and has signed this Agreement and Newfoundland and Labrador Corporation Limited, Canadian Javelin Limited, Pickands Mather & Co., The Steel Company of Canada, Limited, Wabush Iron Co. Limited and Pickands Mather & Co., as Attorney for Midway Ore Company Ltd., and Mather Iron Company by virtue of a Power of Attorney under the Seal of the said Midway Ore Company Ltd., and Mather Iron Company have each caused this Agreement to be duly executed on the day and year first before written.

BY HIS HONOUR'S COMMAND

W. J. ...
Minister of Provincial Affairs.

The Common Seal of Newfoundland and
Labrador Corporation Limited was here-
unto affixed in the presence of:

W. M. Key
R. ...
James Robinson

Director and Chairman

J. ...
Director

R. M. ...
Eugene J. ...

CANADIAN JAVELIN
LIMITED

By *John C. Doyle, President.*
And

[Signature]
James Robinson

PICKANDS MATHER & CO.

By P. M. Associates

[Signature]
Managing Partner

[Signature]
Lyndell W. Cassin

THE STEEL COMPANY OF CANADA LIMITED

By
PRESIDENT

And
SECRETARY & ASST. TREASURER

[Signature]
James Robinson

WABUSH IRON CO. LIMITED

By
Vice President

Attest:
Secretary

[Signature]
James Robinson

PICKANDS MATHER & CO.,
as Attorney for Midway Ore
Company Ltd., and Mather Iron
Company

By P. M. Associates

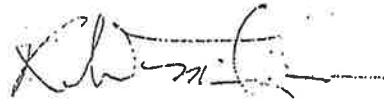
[Signature]
Managing Partner

I, Robert McInnes, of the City of Cleveland
State of Ohio, make oath and say:

1. That John C. Day, Co., whose signature is affixed
to the within document is the _____ President of Canadian
Javelin Limited and A. J. DeSantis, whose signature is also
affixed thereto is the _____ Secretary of the said Company
and that the seal affixed thereto is the corporate seal of said Company.

2. That I am well acquainted with the said John C. Day
and A. J. DeSantis and saw them execute said document in my
presence and in the presence of the other subscribing witness and that I
am a subscribing witness thereto.

Sworn before me at the City
of Cleveland and State Ohio
of June this 24
day of June, 1960.



John R. DeSantis
Notary Public

STATE OF OHIO
COUNTY OF CUYAHOGA

SS.

CERTIFICATE OF AUTHORITY

I, ELMER C. BRUNNER, being first duly sworn, do hereby certify that I am a partner of P-M Associates, a partnership under the laws of the State of Ohio, formerly known as Pickands Mather & Co., and that as such I am familiar with the terms of the Partnership Agreement relating thereto.

I further certify that John Sherwin is Senior Managing Partner and H. C. Jackson is Managing Partner of said partnership and that each of them has full power and authority to enter into contracts in the name of and on behalf of the partnership and in particular the Statutory Agreements attached to The Nalco-Javelin (Mineral Lands) Act, 1960.

Elmer C. Brunner

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for said County this 21st day of June, 1960.

R. L. Oldenburg

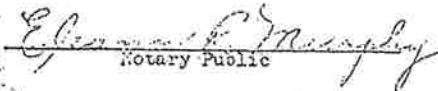
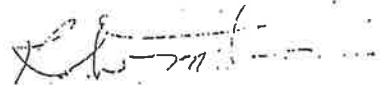
R. L. OLDENBURG
NOTARY PUBLIC, STATE OF OHIO
SV. 3216
COMMISSION EXPIRES NOV. 16, 1962

I, Robert McKnes, of the City of Cleveland and State of Ohio,
make oath and say:

1. That V. W. Scully, whose signature is affixed to the
within document is a Director and Chairman of Newfoundland and Labrador
Corporation Limited and H. C. Jackson, whose signature is also affixed
thereto is a Director of the said Company and that the seal affixed
thereto is the corporate seal of said Company.

2. That I am well acquainted with the said V. W. Scully and
H. C. Jackson and saw them execute the said document in my presence and
in the presence of the other subscribing witnesses and that I am a
subscribing witness thereto.

Sworn before me at the City of
Cleveland and State of Ohio,
this 21st day of June, 1960.


Notary Public

ELEANOR R. MURPHY
Notary Public, Cuyahoga County
My Commission Expires April 15, 1962

STATE OF OHIO)
COUNTY OF CUYAHOGA) SS.

On this 21st day of June, 1960, before me, a Notary Public in and for said County and State, personally appeared H. C. JACKSON and K. S. BENSON who, being by me first duly sworn, did say that they are respectively the Vice President and Secretary of WABUSH IRON CO. LIMITED, an Ohio corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that the foregoing instrument was executed by them in behalf of said corporation by authority of its Board of Directors and they duly severally acknowledged that they executed the same in behalf of said corporation and as its and their free act and deed.

Eleanor R. Murphy
Notary Public

ELEANOR R. MURPHY
Notary Public, Cuyahoga County
My Commission Expires April 15, 1962

STATE OF OHIO
COUNTY OF CUYAHOGA

SS.

Before me, a Notary Public in and for said County, personally appeared H. C. JACKSON, to me personally known, who, being by me first duly sworn, did say that he is a Managing Partner of P-M ASSOCIATES, a partnership, of Cleveland, Ohio, formerly known as Pickands Mather & Co., a party to the foregoing annexed instrument and the foregoing was duly signed on behalf of said partnership and in behalf of Midway Ore Company Ltd. and Mather Iron Company pursuant to a Power of Attorney dated June 8, 1960, and that he acknowledged the foregoing instrument as his free act and deed and of said partnership.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal at Cleveland, Ohio, this 21st day of June, 1960.

Eleanor R. Murphy
Notary Public
ELEANOR R. MURPHY
Notary Public, Cuyahoga County
My Commission Expires April 15, 1962

I, James M. McKee, of the City of Hamilton, Province of Ontario, make oath and say:

1. That V. W. Scully, whose signature is affixed to the within document is the President of The Steel Company of Canada, Limited, and W. C. CHICK, whose signature is also affixed thereto, is the _____ Secretary of the said Company and the seal affixed thereto is the corporate seal of said Company.

2. That I am well acquainted with the said V. W. Scully and W. C. CHICK and saw them execute the said document in my presence and in the presence of the other subscribing witness and I am a subscribing witness thereto.

Sworn before me at the City of Hamilton, Province of Ontario, this 23rd day of June, 1960.

Colin D. Masley
Notary Public

James M. McKee