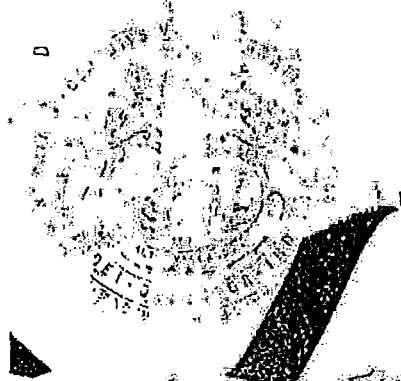




HIS SIGNATURE made at St. John's in the Province of Newfoundland

this 26th day of May Anno Domini One thousand nine hundred and fifty-six BETWEEN His Honour Sir Leonard Cecil Outerbridge, Knight Bachelor, Commander of Our Most Excellent Order of the British Empire, Companion of Our Distinguished Service Order, Colonel in Our Arm Lieutenant-Governor in and over the Province of Newfoundland (hereinafter referred to as the "Lessor") of the one part AND the Newfoundland and Labrador Corporation Limited



*Remond Outerbridge
Lieutenant Governor*

*Witness
J. H. Atkinson
Attorney General*

a body corporate 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 (hereinafter called the "Lessee" which expression shall where the context so admits include the assignees and sub-lessees of the Lessee) of the other part WITNESSETH that for and in consideration of the rents and of the covenants and conditions to be paid observed performed and fulfilled by the Lessee the Lessor hereby assigns unto the Lessee ALL THAT piece or parcel of land (hereinafter called the "demised premises") described in the Schedule to this Indenture and delineated in red upon a plan hereto annexed which plan is to be taken as part hereof TOGETHER WITH the exclusive right to explore, investigate, develop, produce, extract, remove, process, make merchantable, store and sell all minerals both metallic and non-metallic including petroleum, natural gas and related hydro-carbons in or under the demised premises TO HOLD the same unto the Lessee for the full end and term of ninety-nine years from the 26th day of May A.D. 1956 YIELDING AND PAYING therefor yearly on the 31st day of December in each and every year the clear rental of Three hundred and twenty (\$320.00) dollars but the Lessee may deduct from the yearly rental that

*Mining Lease to NALCO
(Webush) May 26th 1956*

would otherwise be payable by the Lessee under this Indenture the amount of the tax, as computed under The Mining Tax Act, paid during that year in respect of minerals under paragraph (a) of Clause 2 of next part of this Indenture.

AND the Lessee hereby covenants with the Lessor:

1. That the Lessee will during the said term pay to the Lessor the rent hereby reserved at the times and in the manner hereinbefore mentioned clear of all deductions other than those provided by this Indenture.

2. That the Lessee will during the said term pay to the Lessor

(a) in respect of minerals, tax as computed under The Mining Tax Act, chapter 43 of The Revised Statutes of Newfoundland, 1952, at the maximum rate of five per centum or any lower rate for the time being in force; and

(b) in respect of petroleum, natural gas, and related hydrocarbons, royalty not exceeding twelve and one-half per centum of the wholesale value at the well-head

3. (1) That the Lessee shall after the execution of this Indenture proceed forthwith with mining operations of the minerals on the demised premises or some part thereof provided that if it shall at any time thereafter elect not to proceed with or to discontinue mining operation of any part of the demised premises it shall give notice thereof to the Lessor and the lease granted by this Indenture shall in respect of that part of the demised premises therefor be surrendered and cancelled.

(2) For the purposes of this Indenture "Mining Operations" mean the production of broken ore delivered at the

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(Wabush) May 26th 1956

mouth of the shaft, tunnel or pit, ready for transportation to the concentrator.

4. That the working and getting of the minerals shall be performed in a skilful and workmanlike manner according to the most approved practice for the time being adopted in similar mines and fields.

5. That the Lessee shall, before the fifteenth day of February in each year during the currency of this Indenture, submit a report to the Lessor showing:

- (i) the total tonnage mined or produced during the previous calendar year or any part thereof included in the term;
- (ii) the concentrates obtained from the total tonnage mined or produced;
- (iii) the average metal content of minerals and concentrates produced or processed during the year;
- (iv) the places of sale of all products of the mine;
- (v) the total number of men employed;
- (vi) the total wages and salaries paid during the year;
- (vii) the gross value received from the sale of all minerals and concentrates; and
- (viii) all other data and information whatsoever as may be required by the Lessor.

6. That the Lessee will permit the Lessor by its agents at all reasonable times to enter upon and inspect and examine the mine or mines and premises and every part thereof for the purpose of ascertaining the condition thereof and the manner of

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(Wabush) May 26th 1956

working and managing the same: Provided, however, that such inspection and examination shall in no way interfere with the working by the Lessee of the demised premises.

7. That the Lessee will maintain throughout the term herein granted good and sufficient corner posts or mounds and boundary marks according to the most approved mining practice for the time being adopted in similar mines and fields and in accordance with The Crown Lands (Mines and Quarries) Act, chapter 175 of The Revised Statutes of Newfoundland, 1952.

8. That except where it is necessary to employ technical experts the Lessee shall at all times in the working and production of the minerals employ Newfoundland workmen if they are available.

9. That if the Lessor shall at any time be desirous of acquiring any vacant lands, being part of the demised premises, for the purpose of building, making or erecting railways, roads, bridges or public buildings or works or for townsites or for agricultural settlements, or for sites for tourist purposes the Lessee shall, if it has not carried out or is not proposing to carry out development thereon, release such lands to the Lessor and if the Lessee or its assignees or transferees have improved such lands they shall be surrendered upon payment by the Lessor of fair and reasonable compensation to be agreed upon between the parties and if not agreed upon to be settled by arbitration in the manner provided in Section 81 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, 1953, the Act No. 64 of 1953.

10. That the Lessee hereby surrenders to the Lessor the unexpired term of the explorations leases referred to in Section 8B of The Newfoundland and Labrador Corporation Limited Act, 1951, the Act

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(Wabush) M.A. 24/10/56

No. 88 of 1951 as amended by The Newfoundland and Labrador Corporation Limited (Amendment) Act, 1953, the Act No. 64 of 1953 granted to the Lessee in respect of the demised premises.

11. That the Lessee shall keep full and proper books of account and records of all minerals produced from the demised premises and of the quantities thereof sold, delivered to a smelter or otherwise disposed of and such books of account and records shall contain full particulars of all expenses, receipts and sales in connection with the operations of such production and disposal and all data and particulars necessary and proper for the compiling of the report referred to in Clause 5 of this part of this Indenture and the Lessee shall submit to the Lessor on or before the 31st day of May in each and every year during the currency of this Indenture an account of the expenditure and gross revenues of the Lessee during the preceding calendar year.

12. That the Lessor may by its duly authorized agent or representative at all reasonable times inspect and audit the said books of account and records and take extracts therefrom for the information of the Lessor.

AND the Lessor hereby covenants with the Lessee as follows:

1. That the Lessee paying the rent hereby reserved and observing and performing and fulfilling the several covenants and conditions herein contained and on the part of the Lessee to be paid observed performed and fulfilled shall peaceably hold and enjoy the mines premises liberties and powers hereby demised and granted during the said term without any interruption by the Lessor or any person rightfully claiming under or in trust for it.

2. That the Lessee shall have the full and free right liberty and licence during the continuance of this Indenture by way of surface or subterranean operations to work mine extract remove mill or

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(Wabush) MAY 26 1956

process and sell for the benefit of the Lessee the minerals on and under the demised premises and to do all other acts and things as are necessary for the purposes of mining or incidental thereto making compensation for any damage or injury sustained to the owner of any surface rights or the holder of any timber licence within the demised premises.

3. That the Lessor hereby undertakes and agrees to grant to the Lessee or its assignees or transferees from time to time such surface lands owned or controlled by the Lessor as may be reasonably necessary in connection with the Lessee's mining operations, including, without limiting the generality of the foregoing, such lands as may be reasonably necessary for rights of way for telegraphs, telephones, electric power transmission lines, railways, tramways, or roads, or sites for mills, works, factories, warehouses, townsites, wharves, piers, docks or other shipping facilities for the purposes of the efficient construction, maintenance or operation of any mining undertaking of the Lessee under this Indenture or for any other purposes incidental thereto on such terms and conditions as to rental or otherwise as may from time to time and as to each particular request be mutually agreed upon as reasonable and equitable between the parties hereto, and any such grant may be by lease, licence or as may be agreed, but nothing in this Clause shall have the effect of preventing the Lessor from granting at any time to any person any surface lands when any such lands have not been granted or specifically agreed to be granted to the Lessee or its assignees or transferees.

AND it is mutually agreed by and between the parties hereto:

1. That the Lessee may at any time determine the tenancy hereby created by giving to the Lessor six calendar months previous notice in writing to that effect and thereupon provided the Lessee shall up to the time of such determination pay the rents and

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(Wabush) May 26th 1956

perform and fulfill the covenants and conditions on the part of the Lessee to be paid observed performed and fulfilled the present demise and everything herein contained shall cease and be void save in respect of any rents which ought to be paid upon or before the determination of the tenancy.

2. That if at the determination of the tenancy there shall be minerals which have been produced won gotten and raised before determination of the said tenancy and not removed from off the demised premises the Lessee shall have the right to remove the same within a period of six calendar months from the date of the determination of the tenancy and shall have full right of access to the demised premises for the above purposes.

3. That it shall be lawful for the Lessee to remove all buildings plant machinery and all articles and things of the Lessee in and upon or under the demised premises at any time within six months after the determination of the tenancy; Provided that the Lessor shall have the right by notice in writing to the Lessee within two months from the date of termination of this Lease to purchase all or any part of the said properties articles and things at the then reasonable market price to be determined, failing agreement thereon between the parties, by arbitration as hereinafter provided.

4. If and whenever any part of the rents hereby reserved or any part thereof shall be in arrear for thirty days or if any covenant or condition herein contained shall not have been duly performed or observed the Lessor upon giving sixty days notice in writing to the Lessee that such rents have not been paid and demanding payment thereof or that any covenant or condition has not been performed or observed may, at any time thereafter, if payment is not made or such covenant or condition is not performed or observed within such period of notice, enter into and upon t

Attesting Lease to WALCO
(Wabush) May 26th 1956

demised premises or any part thereof and thereupon this demise shall absolutely determine but without prejudice to the right of action of the Lessor in respect of any breach of the Lessee's covenants herein contained.

5. Notwithstanding any other provisions of this Lease, if the amount of any rents payable in any year under this Indenture or the performance or observance of any covenant or condition contained in this Indenture is in dispute between the Lessor and the Lessee, such rents shall be deemed due and payable and such covenant or condition shall be deemed to be performed or observed within sixty days of the date of the award of the arbitrators appointed to decide such dispute in accordance with Clause 7 of this part of this Indenture; Provided that the Lessee shall not be entitled to the benefit of this clause unless it has paid the amount which it considers is payable in respect of such rents within thirty days of the date upon which the said rents are payable and provided further that if the full amount of such rents payable under the said award shall not be paid within the said sixty days after the date of such award then the Lessor may exercise the rights conferred on it by Clause 4 of this part of this Indenture and the Lessor shall not be obliged to give the notice required thereby.

6. That should the mining operations of the Lessee cause subsidence of or other injury to the surface land of the demised premises, the Lessee shall not be liable to pay any compensation therefor to the Lessor.

7. That if any dispute, question or difference shall arise at any time between the Lessor and the Lessee as to any matter contained in this Indenture or touching or concerning the provisions of this Indenture or the construction, meaning, operation or effect thereof or arising out of or in relation to this Indenture then such

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Mining Lease to NALCO

dispute, question or difference shall be determined by arbitration in manner following:

The Lessor shall appoint one arbitrator, the Lessee shall appoint another, and the two arbitrators so appointed shall appoint a third or umpire, and in the event of the Lessor or the Lessee failing to appoint an arbitrator after seven clear days' notice by the Lessor or the Lessee, as the case may be, so to do the Lessor or the Lessee may apply to the Supreme Court or a Judge thereof, who may after due notice to the Lessor or the Lessee as the case may be, appoint such arbitrator, and the arbitrators so appointed by the Lessor or the Lessee and by the Court or Judge shall thereupon appoint a third arbitrator or umpire, and in the event of the last mentioned arbitrators failing to appoint a third arbitrator or umpire after seven clear days' notice from the Lessor or the Lessee so to do, the Supreme Court or a Judge thereof may, on the application of the Lessor or the Lessee, as the case may be, appoint such third arbitrator or umpire, and the award of such arbitrator or any two of them shall be final and binding upon the parties.

8. The word "minerals" as used in this Indenture means any naturally occurring inorganic substance but does not include quarry materials, coal, oil, or salt.

9. That the Lessee may at any time assign the Lease hereby granted or any interest of the Lessee therein by written assignment for such prices or other considerations and upon and subject to such terms and conditions as the Lessee deems proper.

10. Where the Lessee has brought a mine into production in the demised area the demised area shall revert to the Lessor if the mines has ceased to operate for ten consecutive years.

11. All the terms and provisions of The Newfoundland and

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(Wabush) Main Mines

Labrador Corporation Limited Act, 1951, the Act No. 88 of 1951, as amended by The Newfoundland and Labrador Corporation Limited (Amendment) Act, 1953, the Act No. 64 of 1953, shall be and are hereby made part and parcel of this Indenture and should anything herein conflict with The Newfoundland and Labrador Corporation Limited Act, 1951, as amended, the said Act shall prevail and the Lessee hereby covenants to abide by the terms and provisions of the said Act.

IN WITNESS WHEREOF His Honour the Lieutenant-Governor in Council has caused the Great Seal of the Province of Newfoundland to be set hereto and has signed these presents, and the Lessee has caused the same to be executed in accordance with its regulations, the day and year first above written.

By His Honour's Command,

J. G. Whelan
Minister of Provincial Affairs,

The Common Seal of the
Newfoundland and Labrador Corporation
Limited was hereunto affixed
in the presence of:



Alan R. Lambie
Director

Gregory J. Jones
Director

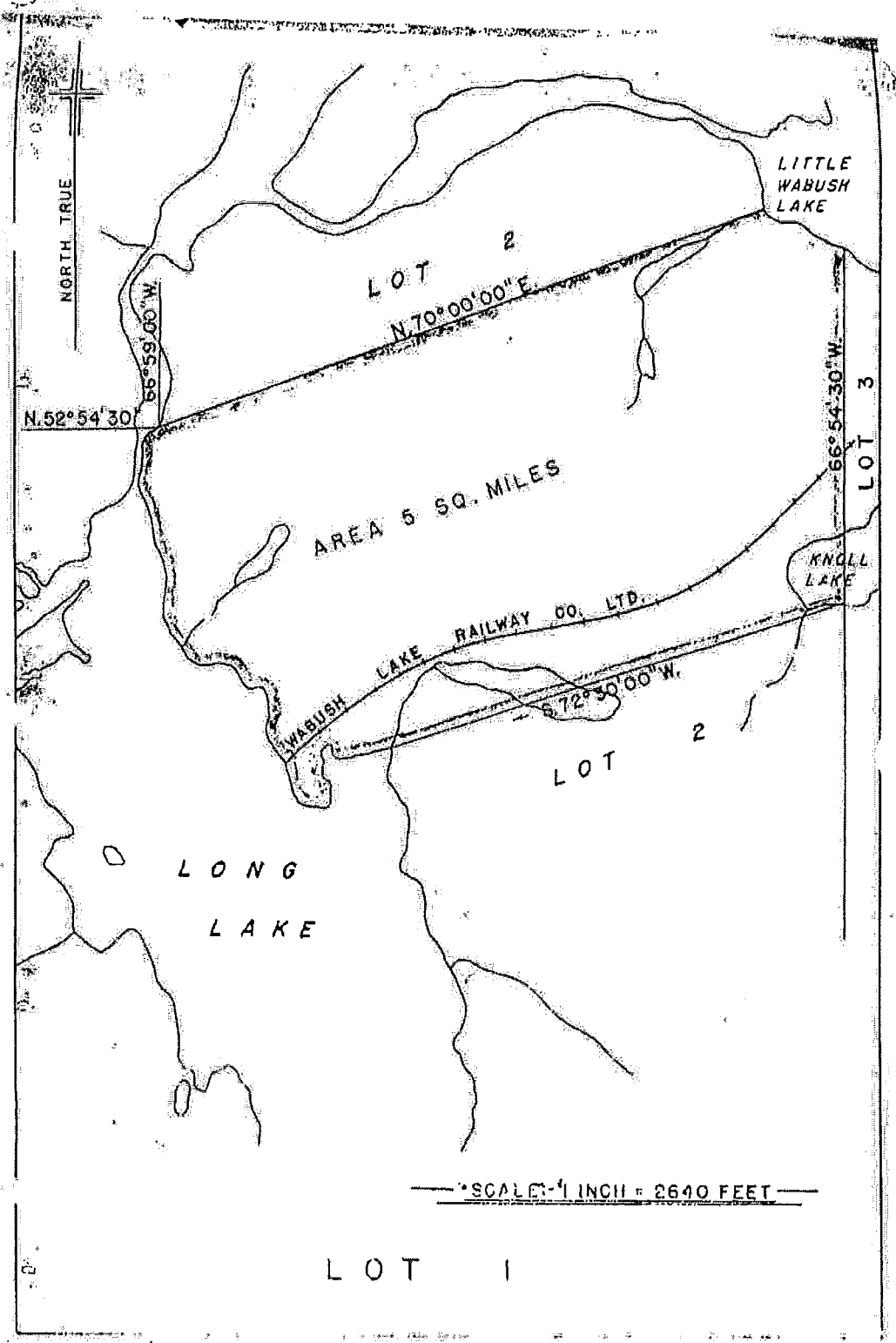
Mining Lease to VALCO
(Wabush) May 20th 1956

SCHEDULE

Beginning at a point being the intersection of Meridian sixty-six degrees fifty-four minutes thirty seconds West Longitude and the south shore of Little Wabush Lake, thence running south along the said Meridian sixty-six degrees fifty-four minutes thirty seconds of West Longitude to its intersection with the south shore of Knoll Lake; thence running by a line south seventy-two degrees thirty minutes west to its intersection with the eastern shore of Long Lake at the mouth of a small stream flowing from a small lake; thence running along the said eastern shore of Long Lake and a river flowing north from Long Lake in a general northwesterly direction to a point being the intersection of parallel fifty-two degrees fifty-four minutes thirty seconds north Latitude with the Meridian sixty-six degrees fifty-nine minutes of West Longitude; thence running by a line north seventy degrees east to a point on the western shore of Little Wabush Lake at the mouth of a small stream; thence running along the said western shore of Little Wabush Lake in a general southeasterly direction to the point of beginning, all bearings being referred to the True Meridian and containing an area of approximately five square miles; and being more particularly described and delineated in red upon the plan annexed to this Indenture: Excepting nevertheless from the above described land the right of way of Wabush Lake Railway Company Limited.

DESCRIPTION
OF WABUSH
PROPERTY
3924-1

Wabush Mining Lease to NALCO



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Mining Lease to NALCO
(Wabush) MA 2011051