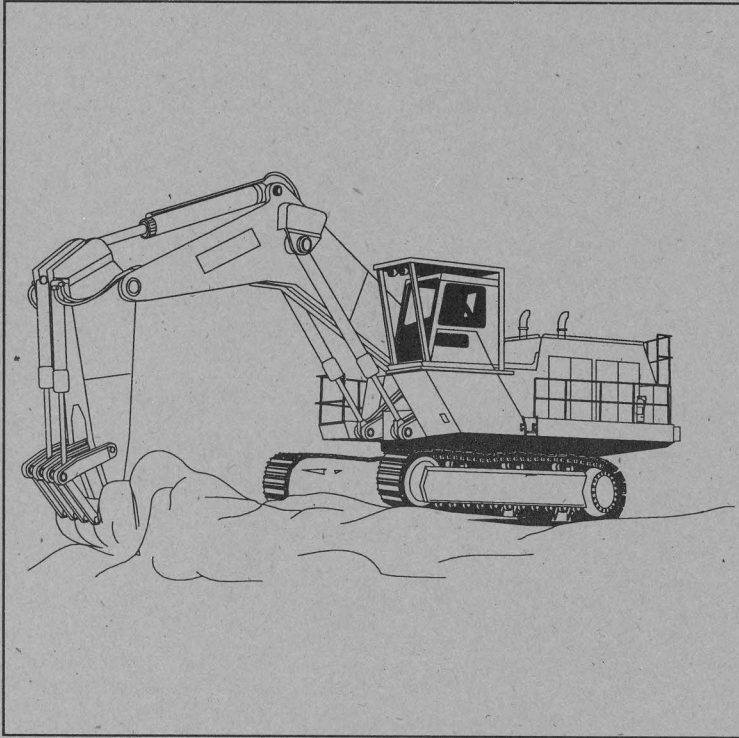


13 - 0465

The
Annual Report
of the
Inspector of Mines



2012

Joseph J. Austin
Interim Mine Inspector
Director-Safety & Risk Mgmt

St. Louis County
7823 Highway 135 East
Virginia, Minn. 55792

PHONE: 218-742-9840

The
ANNUAL REPORT
of the
INSPECTOR OF MINES
St. Louis County, Minnesota

2012

INSPECTOR OF MINES - INTERIM

Joseph J. Austin
5888 Sunny Lane, Caribou Lake, MN 55811
MOBILE PHONE: 218-348-0355 OFFICE PHONE: 218-742-9840
E-MAIL: austinj@stlouiscountymn.gov
Fax: 218-741-7832

ASSISTANT MINE INSPECTOR

Paul T. Wier
2311 Station 44 Road
Eveleth, Minnesota 55734
HOME PHONE: 218-744-2806
OFFICE PHONE: 218-742-9843

ASSISTANT MINE INSPECTOR

Terrance M. O'Neil
616 S. Main Street, Box 294
Biwabik, Minnesota 55708
HOME PHONE: 218-865-6978
OFFICE PHONE: 218-742-9841

OFFICE AT

ST. LOUIS COUNTY GARAGE

7823 HIGHWAY 135 EAST, Virginia, Minnesota 55792
PHONE: 218-742-9840

THE ST. LOUIS COUNTY BOARD OF COMMISSIONERS

District 1 Frank Jewel, Duluth, Minnesota
District 2 Steven O'Neil, Duluth, Minnesota
District 3 Chris Dahlberg, Duluth, Minnesota
District 4 Mike Forsman, Ely, Minnesota
District 5 Pete Stauber, Hermantown, Minnesota
District 6 Keith Nelson, Virginia, Minnesota
District 7 Steve Raukar, Kelly Lake, Minnesota

THE ITASCA COUNTY BOARD OF COMMISSIONERS

District 1 Davin Tinquist
District 2 Terry Snyder
District 3 Leo Trunt
District 4 Rusty Eichorn
District 5 Mark Mandich
Jeff Walker Itasca County Auditor
Vic Williams Itasca County Sheriff, Itasca County Mine Inspector

December 31, 2012

THE HONORABLE BOARDS OF COMMISSIONERS

**ST. LOUIS COUNTY
COURT HOUSE
DULUTH, MN 55802-1202**

**ITASCA COUNTY
COURT HOUSE
GRAND RAPIDS, MN 55744**

Dear Chairs Dahlberg, Mandich and Commissioners:

The Annual Report of the Inspector of Mines for the year 2012 is herewith submitted.

Overall, 2012 proved to be a strong economic year for mining in Northern Minnesota. A total of 41,099,022 tons of natural ore and taconite were shipped from area operations, which was significantly higher than the previous ten year average (37,157,034 tons). Mining related employment in 2012 was also higher (20%) than the ten year average for the area with a total of 4,441 people reported as being employed in area mines and mining operations. The work hours reported for area mining operations totaled 9,206,157 for the year.


Several operations hold promise for even more growth during coming years including Magnetation 2's start up in Itasca County, Mining Resources LLC's activities in the Chisholm area, and Essar Steel's facilities currently under construction near Nashwauk. On the strategic metals front, Polymet continued to move closer to acquiring necessary permits and Twin Metals underwent exploration activities toward the objective of semi-precious metal mining.

During 2012, area mining operations experienced a total of 17 lost time injuries and zero fatalities. Of note is the fact that this is the third lowest number of lost time injures reported to the Mine Inspector's office since collection of this information was initiated in 1905. Only in 2006 and 2007 (when the number of people employed in area mines was significantly less) was the number of injuries reported to be lower. The continued commitment of all those who work at area mining operations toward our shared goal of a safe and healthy workplace has certainly contributed to this significant achievement.

St. Louis County Mine Inspectors successfully completed all required inspections of area operations as mandated by MS 180.03 during 2012. We acknowledge the assistance of all parties with inspection activities as well as all the significant efforts put forth to expeditiously mitigate any potential hazards identified. The impact of these efforts was clearly documented during our related compliance inspections.

Acknowledgement and appreciation is extended to both Labor and Management for their continued interest, efforts and cooperation in the field of safety and health throughout the mines and plants in St. Louis and Itasca counties.

Respectfully submitted,



Joseph, J. Austin, MS, MIS, CHMM
Inspector of Mines- Interim
Director- Safety and Risk Management
St. Louis County

Excerpts from the Law On

INSPECTOR OF MINES

CHAPTER 180

MINNESOTA STATUTES

SECTION 180.03

SUBDIVISION I

DUTIES

The duties of the inspector of mines shall be to visit in person or by one of his assistants all the working mines of his county at least once every 90 days and oftener if requested so to do as hereinafter provided, and closely inspect the mines so visited and condemn all such places where he shall find that the employees are in danger from any cause, whether resulting from careless mining or defective machinery or appliances of any nature; he shall compel the erection of a partition between all shafts where hoisting of ore is performed, and where there are ladder ways, where men must ascend or descend going to and from their work. In case the inspector of mines shall find that a place is dangerous from any cause, as aforesaid, it shall be his duty immediately to order the men engaged in the work at that place to quit work, and notify the superintendent, agent, or person in charge to secure the place from the existing danger, which notification or order shall be in writing, clearly define the limits of the dangerous place, and specify the work to be done or change to be made to render the same secure, ordinary mine risks excepted. It shall be the duty of the inspector of mines to order the person, persons, or corporation working any mine, or the agent, superintendent, foreman, or other person having immediate charge of the working of any mine, to furnish all shafts, open pits, caves, and chutes of such mine where danger exists with some secure safeguard at the top of the shaft, open pit, cave, or chute, so as to guard against accidents by persons falling therein or by material falling down the same, also a covering overhead on all carriages on which persons ascend or descend up and down the shaft, if in his judgement it shall be practicable and necessary for the purpose of safety.

**SUMMARY OF STATISTICS
MINES OF ST. LOUIS COUNTY, MINNESOTA**

2012

Number of Mining Companies	9
Number of Mines in Operation	9
Number of Plants in Operation	9
Number of Wash Plants	0
Number of Mines Inactive	285
Number of Abandoned Mine Shafts Inspected	66
Total Number of Mines and Plants	294
Total Taconite Products Shipped	40,376,098
Total Ore Shipped	722,924
Taconite Mined	144,204,289
Stripping and Waste Removal, Tons	127,532,673
Total Material Moved, Tons Estimate	271,736,962
Total People Employed	4,441
Number of Fatal Accidents, Open Pit	0
Number of Fatal Accidents, Plant	0
Total Number of Fatal Accidents	0
Fatalities per 1,000 People Employed	0
Number of Lost-time and Time Charged Accidents	17
Total Number of Man-hours Worked	9,206,157
Number of Investigations and Inspections	436

LABOR CLASSIFICATION AND HOURLY RATES

Shift Difference:	Sunday 1-1/2 Time
.....	Afternoon \$0.25
.....	Night \$0.25

2012 WAGE RATES INCENTIVE INCLUDED

Labor Grade	Wage Rate
1	\$23.034
2	\$25.212
3	\$27.732
4	\$29.181
5	\$30.994

Due to Contractual changes the wage structure from mine to mine has changed significantly in recent years resulting in differing methods of payment. This results in different pay scales and different average daily wages from mine to mine. This is an example of what the rates are for the mines in St. Louis and Itasca counties.

YEAR	MINES	TONS SHIPPED	EMPLOYED	INJURED	FATALS	FAT/1000	WAGES
1905-10	(Average per year)		13,320		73	5.44	2.110
1910-11			19,918		78	3.91	2.640
1911-12			15,286		51	3.31	2.575
1912-13			16,048		44	2.74	2.705
1913-14			16,000		43	2.59	2.310
1914-15			11,430		24	2.10	2.421
1915-16			14,639		34	2.32	2.923
1916-17			14,779		22	1.51	3.391
1917-18	(Sliver Cave Disaster)		15,307		60	3.92	4.347
1918-19			14,212		33	2.32	5.645
1919-20	114	25,349,924	14,121		36	2.55	6.010
1920-21	102	27,165,386	12,043		26	2.16	6.037
1921-22	84	13,398,525	9,688		24	3.48	4.062
1923	90	33,147,517	11,896		27	2.27	5.076
1924	75	22,808,875	11,538		21	1.82	5.144
1925	76	29,077,679	10,180		18	1.77	5.126
1926	66	32,583,943	9,225		15	1.63	5.283
1927	70	28,052,363	9,038		22	2.43	5.305
1928	59	29,704,774	8,022		9	1.12	5.230
1929	57	35,680,720	8,008		17	2.12	5.340
1930	50	25,196,155	7,752		13	1.68	5.280
1931	32	12,270,886	4,824		4	0.83	5.260
1932	30	1,773,750	2,243		2	0.89	4.308
1933	35	10,809,167	2,843		1	0.35	4.433
1934	42	11,781,226	4,272		2	0.47	4.830
1935	40	13,703,715	4,079		6	1.47	5.060
1936	42	23,322,975	4,694		6	1.28	4.800
1937	52	36,536,326	6,356		5	0.79	6.200
1938	38	10,976,760	3,773		4	1.06	5.816
1939	43	24,156,258	4,589		3	0.65	6.080
1940	47	36,493,781	5,547		1	0.18	6.400
1941	63	45,874,218	7,097	60	5	0.70	6.820
1942	60	53,923,635	8,101	107	14	1.70	7.030
1943	62	51,753,320	9,597	156	7	0.73	7.440
1944	66	50,532,679	9,390	247	6	0.64	7.750
1945	56	47,544,509	8,495	175	12	1.41	7.720
1946	60	38,380,361	7,100	167	6	0.84	7.720
1947	79	47,293,918	8,715	153	9	1.03	8.720
1948	80	52,020,563	10,286	178	5	0.49	9.480
1949	94	42,406,528	9,680	187	7	0.72	9.480
1950	109	48,671,966	10,257	159	4	0.38	10.480
1951	116	60,249,538	11,884	188	8	0.66	10.480
1952	122	48,192,132	10,838	160	2	0.18	11.480
1953	122	60,776,174	12,079	215	4	0.33	12.160
1954	121	49,845,118	9,925	157	4	0.40	12.560
1955	127	36,137,304	10,381	151	2	0.19	14.850
1956	127	44,493,944	11,017	134	6	0.54	17.560

YEAR	MINES	TONS SHIPPED	EMPLOYED	INJURED	FATALS	FAT/1000	WAGES
1957	124	50,093,275	12,804	144	6	0.47	17.560
1958	90	30,495,093	10,250	83	0	0.00	18.400
1959	89	16,055,353	9,256	93	4	0.43	22.480
1960	95	39,526,879	11,797	132	2	0.16	22.430
1961	85	33,169,291	9,200	51	4	0.43	22.430
1962	46	23,269,349	8,676	57	1	0.11	22.430
1963	61	35,255,178	7,671	30	2	0.26	22.430
1964	42	39,115,088	8,102	26	1	0.12	22.430
1965	54	40,891,345	8,305	53	0	0.00	22.430
1966	49	44,412,473	9,445	56	4	0.43	22.430
1967	51	41,216,870	8,825	52	4	0.44	23.760
1968	53	43,078,879	9,125	55	2	0.22	25.640
1969	51	34,628,234	9,394	58	0	0.00	27.430
1970	49	33,648,268	9,631	71	5	0.52	28.520
1971	50	32,687,511	9,441	58	0	0.00	32.480
1972	46	35,100,156	9,431	63	0	0.00	34.096
1973	47	46,076,814	10,131	58	4	0.40	35.352
1974	49	51,745,763	10,667	60	1	0.09	44.360
1975	51	45,394,814	10,864	71	0	0.00	45.842
1976	52	41,425,833	11,514	77	1	0.09	47.368
1977	24	26,556,566	10,840	82	2	0.19	56.682
1978	26	50,806,547	13,056	138	1	0.08	64.344
1979	26	54,530,338	13,267	164	0	0.00	70.832
1980	18	42,076,497	11,441	107	1	0.09	80.112
1981	12	47,300,056	11,630	96	0	0.00	89.472
1982	11	22,335,570	7,626	44	0	0.00	94.192
1983	9	26,843,983	5,935	50	2	0.34	84.19
1984	9	30,463,941	6,305	55	0	0.00	87.39
1985	9	31,948,722	5,539	29	0	0.00	90.60
1986	9	26,608,769	5,250	33	0	0.00	94.19
1987	9	30,063,909	4,857	26	1	0.21	94.19
1988	9	37,250,243	4,546	41	1	0.18	94.19
1989	9	38,421,803	5,664	55	2	0.35	94.19
1990	9	41,441,888	6,379	40	1	0.16	94.19
1991	10	38,420,014	6,468	49	0	0.00	94.19
1992	10	37,684,439	6,325	110	0	0.00	106.94
1993	9	39,338,920	5,953	133	0	0.00	106.94
1994	9	43,976,323	6,051	97	1	0.17	93.936
1995	9	47,030,820	6,005	87	0	0.00	97.936
1996	8	46,144,621	6,032	96	0	0.00	101.936
1997	8	46,978,014	6,129	84	0	0.00	103.616
1998	8	46,862,734	5,962	114	1	0.17	105.936
1999	9	43,136,042	5,633	99	0	0.00	105.936
2000	9	44,806,128	5,611	77	1	0.18	109.936
2001	8	34,144,559	4,212	60	0	0.00	113.936
2002	8	39,087,907	4,036	60	0	0.00	113.936

YEAR	MINES	TONS SHIPPED	EMPLOYED	INJURED	FATALS	FAT/1000	WAGES
2003	8	35,282,267	4,177	35	0	0.00	121.936
2004	8	42,059,597	3,444	24	0	0.00	145.384
2005	8	40,464,089	3,568	29	0	0.00	178.40 Average/Day
2006	7	39,617,873	3,714	14	1	0.27	178.40 Average Day
2007	7	38,041,616	3,724	13	2	0.54	187.848
2008	7	40,599,311	3,732	26	0	0.00	182.40 see pg. 4 wages
2009	7	18,025,710	2,687	39	0	0.00	201.44 see pg. 4 wages
2010	7	37,996,765	3,761	27	0	0.00	238.44 see pg. 4 wages
2011	7	40,395,202	4,215	24	0	0.00	188.40 see pg. 4 wages
2012	9	41,099,022	4,441	17	0	0.00	221.85 see pg. 4 wages

REPORT TO COUNTY INSPECTOR OF MINES
(Minnesota Statutes 180)
ORE SHIPPED FROM MINES, TONS OF STRIPPING REMOVED
NUMBER OF PEOPLE EMPLOYED, MINES OF ST. LOUIS COUNTY, MINNESOTA
YEAR ENDING DECEMBER 31, 2012

MINES AND SUPERINTENDENTS	TONS OF NATURAL ORE SHIPPED	TONS OF TACONITE PRODUCTS SHIPPED	TOTAL TACONITE MINED	TONS STRIPPING WASTE (Rock & Overburden)	AVERAGE NUMBER PEOPLE EMPLOYED PLANTS / PITS	MAN HOURS	MONTHS WORKED
UNITED TACONITE LLC Santi Romani - General Manager		5,208,831	17,734,507	17,326,917	535	1,119,702	12
KEEWATIN TACONITE CO. DIVISION OF USS MINNESOTA ORE OPERATIONS		5,138,168	18,482,289	13,426,203	Mine 217 Plant 158 Shops, Warehouse & Misc. 41	452,347 328,702 86,378	12 12 12
HIBBING TACONITE CO. Jack Croswell - Interim General Manager		8,058,542	29,498,078	36,844,716	756	1,593,246	12
ARCELORMITTAL MINORCA MINE, INC. J.H. Holmes, Vice President/ Operations Manager		Flux- 2,818,987 Chips- 56,376	8,756,491	7,369,399	349	744,952	12

REPORT TO COUNTY INSPECTOR OF MINES
(Minnesota Statutes 180)
ORE SHIPPED FROM MINES, TONS OF STRIPPING REMOVED
NUMBER OF PEOPLE EMPLOYED, MINES OF ST. LOUIS COUNTY, MINNESOTA
YEAR ENDING DECEMBER 31, 2012

MINES AND SUPERINTENDENTS	TONS OF NATURAL ORE SHIPPED	TONS OF TACONITE PRODUCTS SHIPPED	TOTAL TACONITE MINED	TONS STRIPPING WASTE (Rock & Overburden)	AVERAGE NUMBER PEOPLE EMPLOYED PLANTS / PITS	MAN HOURS	MONTHS WORKED
NORTH SHORE MINING CO. Babbitt, Silver Bay Ed Latendresse, General Manager		5,677,294	16,077,725	9,855,519	670	1,277,088	12
MINING, RESOURCES, LLC Tom Lutes - Plant Manager	63,689		344,848 (iron ore tailings)		63	159,115	12
USS CORPORATION MINNESOTA ORE OPERATIONS Tom Kelly - General Manager Minntac Plant Minntac Mine, Maintenance Administration		13,417,900	49,929,880	42,709,919	665 658 151	1,387,403 1,372,864 314,956	12 12 12

REPORT TO COUNTY INSPECTOR OF MINES
 (Minnesota Statutes 180)
ORE SHIPPED FROM MINES, TONS OF STRIPPING REMOVED
NUMBER OF PEOPLE EMPLOYED, MINES OF ST. LOUIS COUNTY, MINNESOTA
YEAR ENDING DECEMBER 31, 2012

MINES AND SUPERINTENDENTS	TONS OF NATURAL ORE SHIPPED	TONS OF TACONITE PRODUCTS SHIPPED	TOTAL TACONITE MINED	TONS STRIPPING WASTE (Rock & Overburden)	AVERAGE NUMBER PEOPLE EMPLOYED PLANTS / PITS	MAN HOURS	MONTHS WORKED
MAGNETATION LLC Danilo Bibancos - VP - Concentrate Operations Plant 1 - Keewatin	271,573		1,272,441 (iron ore tailings)		76	157,055	12
Plant 2 - Taconite	387,662		2,108,030 (iron ore tailings)		102	212,349	7
<u>NON-FERROUS</u> POLYMET MINING Joe Scipioni - Chief Operating Officer						NON-FERROUS PROPERTY, IN DEVELOPMENT, NOT IN PRODUCTION AT THIS TIME	
TOTALS	722,924	40,376,098	144,204,289	127,532,673	4,441	9,206,157	
TOTAL NATURAL ORE & TACONITE SHIPPED	41,099,022						
ALL TONNAGES LISTED ARE IN LONG TONS							

**MINING COMPANIES, MINE OPERATIONS,
SAFETY PERSONNEL AND OTHER AGENCIES**

UNITED STATES STEEL CORPORATION

Minnesota Ore Operations
KEEWATIN TACONITE
P.O. Box 217
Keewatin, Minnesota 55753
Phone: 218-778-8798

Tom Kelly General Manager
Jeremy Smolich Plant Manager
Michael Bakk Area Manager - Electrical & Mine Maintenance
Sarah Mattila Area Manager, Mine Operations & Crusher
Tim Kalisch Area Manager - Plant Operations & Maintenance
Doug Johnson Division Manager - Ore Movement & ISO
John Skube Manager - Employee Relations
Angelo Sgro Safety Coordinator
Laurie Potter Manager of Industrial Hygiene and
Safety Support Services
Jerry Orrell Staff Supervisor, Safety & IH

* * * * *

UNITED TACONITE LLC

P.O. Box 180
Eveleth, MN 55734
Phone: 218-744-7800

Santi Romani General Manager
Mike Smith Area Manager - Plant
Nick Beukema Area Manager - Mine
Dean Weiberg Area Manager - Asset Management
Todd Nelson Area Manager - Finance
John Baxter Area Manager - Human Resources
Bryan Baird Area Manager - Safety
Candice Maxwell Section Manager - Environmental
Jon Lamusga Section Manager - Materials

HIBBING TACONITE COMPANY

P.O. Box 589
Hibbing, Minnesota 55746
Phone: 218-262-5950

Jack T. Croswell Interim General Manager
Dana Koth Manager - Technical Services/Asset Management
Tim Tomsich Manager - Financial Control
Jack T. Croswell Manager - Mining
Rally Hess Manager - Plants
Michael P. Kern Manager - Human Resources
Andrea J. Bakk Manager - Safety & Loss Control
Julie C. Lucas Manager - Environmental
Manuel Ben Manager - Procurement

* * * * *

MINING RESOURCES, LLC

P.O. Box 151
Chisholm, Minnesota 55719
Phone: 218-254-0163
Fax: 218-254-9987

Tom Lutes Manager - Plant
Amy Berns Environmental Health & Safety Coordinator

ARCELORMITTAL MINORCA MINE, INC.

5950 Old U.S. Highway 53 North

P.O. Box 1

Virginia, MN 55792

Phone: 218-749-5910

Fax: 218-749-3420

E-mail: jonathan.holmes@arcelormittal.com

Officers

Michael Rippey President and CEO, Flat Carbon
P.S. Venkat CEO, Long Products
Andy Harshaw Executive Vice President, Operations
Daniel Mull Executive Vice President, Sales & Marketing
Paul Liebenson General Counsel & Assistant Secretary
John Brett Executive Vice President, Finance & Planning and
Procurement
R. Brian Knaley Controller
Om Mandhana Vice President, Procurement
Dale Laidlaw Vice President, Human Resources, FCA
Vaidya Sethuraman Vice President, Finance/CFO, FCA
Pat Parker Vice President, Labor Relations
Marc Jeske Secretary
Thomas McCue Treasurer
Ken E. Walker Assistant Treasurer
Christine F. Fleps Assistant Treasurer
Joseph P. Wallace Assistant Treasurer

Managers

Jonathan H. Holmes Vice President/Operations Manager -
ArcelorMittal Minorca Mine
William Bond Manager - Operating Technology
Scott Harrison Manager - Pit
Darrell Maki Manager - Plant
Gary Kleffman Manager - Human Resources/Labor Relations
Karla Heritage-McKenzie Manager - Safety
Thomas Cossalter Manager - Purchasing

* * * * *

NORTHSHORE MINING COMPANY

10 Outer Drive
Silver Bay, Minnesota 55614
Phone: 218-226-4125
Fax: 218-226-6037

**NORTHSHORE MINING BABBITT MINE
BABBITT, MINNESOTA 55706**

Phone: 218-827-2101

Ed Latendresse General Manager
Chuck Rennwald Plant Manager
Connor McCue Mine Manager
Bryon Rusco Railroad Manager
Ron Holm Safety Manager
Andrea Hayden Environmental Manager
Bill Bundschuh Silver Bay Power Manager
Ken Stocco Reliability Manager
Carl Kerschen Human Resource Manager
Alis Stevens Purchasing Manager
Scott Deming Finance Manager
John Hausman Business Improvement Manager
Scott Blood Plant Safety Representative
Maria Strand Plant Safety Associate
Rod Lampton Mine Safety Representative

UNITED STATES STEEL CORPORATION

Minnesota Ore Operations
MinnTac
P.O. Box 417
Mt. Iron, MN 55768
Phone: 218-749-7299

Tom Kelly General Manager
Mike Patton Plant Manager
Scott Vagle Division Manager - Mining, Maintenance
Travis Kolari Division Manager - Concentrating and Crushing
Ron Flick Division Manager - Agglomerating
Doug Johnson Division Manager, Ore Movement & ISO
John Skube Manager - Employee Relations
Angelo Sgro Safety Coordinator
Laurie Potter Manager of Industrial Hygiene and
Safety Support Services
Robert Youngman Staff Supervisor - Safety & IH
Kent Swanson Staff Supervisor - Safety & IH
Mike Levar Staff Supervisor Safety & IH
Stephen Richards Staff Supervisor - Safety & IH

POLYMET MINING
P.O. Box 475
6500 County Road 666
Hoyt Lakes, MN 55750
Phone: 218-471-2150

OFFICERS

Jon Cherry President and Chief Executive Officer
Joe Scipioni Chief Operating Officer
Douglas Newby Chief Financial Officer
Brad Moore Executive Vice President of Government and
Environmental Affairs
LaTisha Gietzen Vice President of Public, Government and
Environmental Affairs

STAFF

David Draves Site Controller
James Tieberg Division Manager - Mining
Paul Brunfelt Division Manager - Plant
James Scott Environmental Manager
Stephen DeVaney Purchasing Manager
Kevin Pylka Manager of Environmental Permitting & Compliance

* * * * *

MAGNETATION LLC
102 NE 3rd Street
Suite 120
Grand Rapids, MN 55744
Phone: 218-999-5165
Fax: 218-999-5827

Larry Lehtinen Chairman & CEO
Matt Lehtinen President & COO
Danilo Bibancos VP - Concentrate Operations
Joe Broking CFO

* * * * *

ALWORTH LAND & IMPROVEMENT COMPANY

1605 Alworth Building
306 W. Superior Street
Duluth, Minnesota 55802
Phone: 218-722-0816

R.K. Prescott Chairman
Nicholas B. Alworth Vice Chairman
Steven G. LaFlamme President
Terry F. Netzel Assistant Vice President
George W. Kratzner, II Treasurer
Thea M. Barnes Secretary
Patricia S. McGaffey Assistant Secretary/Assistant Treasurer

* * * * *

CONGDON MINERAL MANAGEMENT INC.

3920 13 Ave. E., Suite 7
Hibbing, Minnesota 55746-3675
Phone: 218-262-0799
Fax: 206-203-0098

David C. Adams President
David G. Meineke Vice President
Ann L. Albrecht Assistant Secretary and Treasurer

* * * * *

EVELETH FEE OFFICE, INC.

301 McKinley Avenue
P.O. Box 521
Eveleth, Minnesota 55734-0521
Phone: 218-744-4646
Fax: 218-744-2149

Daniel L. England President
Thomas J. Malkovich Vice President/Manager of Mines
Beverly A. Saranpaa Administrative Assistant

* * * * *

GREAT NORTHERN IRON ORE PROPERTIES

Office of the Trustees
W-1290 First National Bank Building
332 Minnesota Street
St. Paul, Minnesota 55101-1361
Phone: (651) 224-2385
Fax: (651) 224-2387
www.gniop.com

Engineering & Inspection Office
801 East Howard Street
P.O. Box 429
Hibbing, Minnesota 55746-0429
Phone: 218-262-3886
Fax: 218-262-4295

J.S. Micallef President and CEO
J.A. Swearingen Trustee
R.W. Staehle Trustee
R.A. Stein Trustee
T.A. Janochoski Vice President and CFO
R.P. Johnson Manager of Mines
K.A. Baehr Manager of Accounting

* * * * *

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Mark Myles Trust Manager

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IRON MINING ASSOCIATION OF MINNESOTA

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Katy Kohlhasse Administrative Assistant

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Tim Tomsich Cliffs Natural Resources Hibbing Taconite
James Korpi Cliffs Natural Resources Northshore Mining
Santi Romani Cliffs Natural Resources United Taconite
Sandy Karnowski Cliffs Natural Resources
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Jonathan Holmes ArcelorMittal Minorca Mine Inc.
Dana Byrne Cliffs Natural Resources
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Art Lind Lind Industrial Supply
LaTisha Gietzen Polymet
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Laurie Potter U.S. Steel Minnesota Ore Operations
Jeremy Smolich U.S. Steel - Keewatin Taconite
Christina Bartovich U.S. Steel Minnesota Ore Operations
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Douglas H. Lewis Chief Financial Officer

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Frank Ongaro Executive Director

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A Wholly-Owned Subsidiary of Superior Mineral Resources LLC
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Greg D. Lindahl President

Jim A. Hecimovich Vice President

* * * * *

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* * * * *

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R.K. Prescott Chairman

* * * * *

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* * * * *

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**STATE OF MINNESOTA
IRON RANGE RESOURCES & REHABILITATION BOARD**

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S. Perkovich Office & Administration Specialist, Sr.
J. Plummer Laurentian Vision and Real Property Coordinator

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*** * * * ***

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Paul T. Wier Assistant Mine Inspector
Terrance M. O'Neil Assistant Mine Inspector

OFFICE AT

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**UNITED STATES DEPARTMENT OF LABOR
MINE SAFETY AND HEALTH ADMINISTRATION**

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Dan L. Venier Conference Litigation Representative
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DULUTH FIELD OFFICE

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Robert A. Marincel Mine Safety & Health Inspector
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Kathryn M. Marlor Mine Safety & Health Inspector
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Jamie Teneyck Occupation Tax
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Daniel Kingsley Area Business Representative, Virginia
J. Dale Long Area Business Representative, Virginia

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R. Braulich Director

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John Rebrovich Sub-District Director
Cathy Warner Staff Representative

**UNITED STEEL WORKERS OF AMERICA
LOCAL UNITS**

**LOCAL #6860
UNITED TACONITE LLC
Phone: 218-744-4480**

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Steve Lere Financial Secretary
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Bryan Sandnas Plant Safety Chairman
Paul Horoshak Mine Safety Chairman

**LOCAL #2660
KEEWATIN TACONITE
Phone: 218-778-6909**

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David Mlakar Safety Chair/Safety Representative
Joe Ferris Safety Representative
Kevin Noonan Area Chair, Concentrator
Cliff Tobey Area Chair, Shops
Jeff Stalboerger Area Chair, Pit
Lorne Middlestead (Temporary) Area Chair, Pond
Tom Damjanovich Area Chair, Crusher
Carl Jeranek Area Chair, Pellet Plant

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Mike Rootes Recording Secretary
Wade Bexell Treasurer
Jeff Walters USW International Safety Department
Bob Brown Chairman, Safety Committee

LOCAL #6115
ARCELORMITTAL MINORCA MINE INC.
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Tom French Safety Coordinator
Jim Labernik Sub Chair, Truck Shop
Jim Kottke Sub Chair, Training

LOCAL #1938
USS - MINNTAC MINE
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Mark Hagsten Safety Committee Co-Chairman
Dennis Jensrud Safety Coordinator - Minntac/Keetac
Rodney Moberg Full-Time Safety Representative, Mine/Shops
Mitch McDonald Full-Time Safety Representative, Concentrator/
Crushers
Dave Toole Full-Time Safety Representative,
Agglomerators I, II, III

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BUILDING AND CONSTRUCTION LABORERS
LOCAL 1097
307 North First Street
Virginia, MN 55792

Paul A. Knaffla President
David L. Becker Vice President
Timothy G. McGauley Business Manager/Financial Secretary
Jerry F. Strle "E" Board Member
Richard M. Walker "E" Board Member
Todd A. Payne "E" Board Member
Rick J. Cannata Recording Secretary
Michael G. Warner Sergeant at Arms
Shelly A. Witanen Staff

NON-FATAL LOST-TIME AND SERIOUS ACCIDENTS

ARCELORMITTAL MINORCA MINE INC.

Service Truck Driver, Date of Accident – April 26, 2012. Employee was preparing to load an empty cable reel by lifting a rod used to support the reel and it slipped causing him to become unbalanced. This resulted in a strain of his right shoulder. Employee had surgery in August. Days lost – 24.

Lab Technician, Date of Accident – August 8, 2012. Employee was operating the roll crusher in the lab and clearing rocks from the crusher with a rod when the rod was pulled in and pinched the employee's right index finger between the guard and rod. This resulted in a 1/4" fingertip amputation of the right index finger and contusions on the third finger. Days lost – 1.

UNITED TACONITE LLC

Maintenance Mechanic Helper, Date of Accident – August 6, 2012. Injured was rebuilding a cooler thrust wheel on a work bench. The employee was using a one-ton electric hoist to reposition the wheel assembly on the corner of the work bench when the fifty pound wheel slid off the shaft and fell 36 inches striking the top of her right foot. The employee was transported to the medical provider and was diagnosed with a fracture. The employee was wearing metatarsal boots that were in good condition. Days Lost- 14

Plant Operator, Date of Accident- September 15, 2012. Injured was moving a two wheeled cart when he felt a pull in his groin, he was diagnosed with a hernia and required surgery. Days lost- 29

Plant Operator, Date of Accident- October 13, 2012. Injured was shoveling when he felt a pull in his groin, he was diagnosed with a hernia and required surgery. Days lost- 28

HIBBING TACONITE COMPANY

Auto Mechanic, Date of Accident - January 20, 2012. Employee with 34 years of experience was installing a new drivers' seat in a boom truck. The injured was reaching around the back side to put a nut on the bolt to hold the seat down when his left middle finger was snagged on the floor mat. The last knuckle on the left middle finger would not straighten. The tendon had stretched/dislocated. The employee was wearing gloves at the time of the incident. The knuckle needed to have a pin put in, therefore, the employee received surgery for the injury. Days Lost - 6

Welder, Date of Accident - May 3, 2012. Injured was assigned to patch the back side of a rougher tub with Nordbak. There were some small wear areas that needed patching. The injured had applied Nordbak to three holes. The injured picked up the 25 lb. pail of Nordbak and began to back up, he stepped into the tails launder area of the tub (approximately ~20 in. drop sloped surface). This resulted in the injured twisting his right knee when his leg dropped in the launder. Upon further medical evaluation, injury occurred to cartilage/ligaments in his knee and resulted in surgical repair in September 2012. Days Lost – 27

Furnace Attendant, Date of Accident - July 11, 2012. Injured was pulling a wash down hose that was coiled up on the north end of the dribble belts. He was pulling the hose down the walkway to hose out the 1B feeder. As he was pulling the coiled hose out of the mud, the hose became tangled. The employee then pulled harder to free it, resulting in the left shoulder pain. Injured employee opted for surgery in October 2012. Days Lost – 40

KEEWATIN TACONITE

No Lost Time Accidents for 2012

MINING RESOURCES, LLC

No Lost Time Accidents for 2012

NORTHSHORE MINING COMPANY

Babbitt

Mine Operations Technician, Date of Accident – August 9, 2012. Injured was moving a power cable to a drill. To do this it had to drop down over a 40 foot high wall. When technician went to retrieve the clevis/rope, he walked up the rocky slope to within two feet of the high wall, in the process he lost his balance, made a couple steps down the slope, and fell down on the rocky slope, landing on his head/face. He suffered some bruises, and two lacerations to the right side of his head and face. Days Lost – 3

Mine Operations Technician, Date of Accident – December 1, 2012. Injured was taping (measuring) drill hole depths to insure a cave-in has not occurred. In order to tape the holes a plug must be removed from the casing. When technician picked up the plug and turned his torso to put it back in the hole he pulled a muscle in his lower back. Days Lost – 3

Silver Bay

Instrumentation Technician, Date of Accident – June 6, 2012. Injured was troubleshooting the control circuitry of a malfunctioning plant air dryer. He knelt down on one knee and placed his right hand in the cabinet to steady himself. He was looking under the box manipulating the switch mounting hardware with his left hand when his right hand made contact with a bare 480 volt AC electrical lead and the grounded electrical box resulting in an electrical burn to his right thumb and right index finger. Days Lost - 34

MAGNETATION

Plant #1 – Keewatin

Rev Operator, Date of Accident – February 1, 2012. Injured was kneeling down on metal grading and when he stood up felt pain in knee. This lead to torn meniscus cartilage repaired by surgery. Days Lost - 16

Operator, Date of Accident – June 15, 2012. Injured was lifting the hood on mobile equipment tractor and felt pain in his low back. This was a low back strain. Days Lost – 1

Plant #2 - Bovey

Operator, Date of Accident – August 11, 2012. Injured was walking from mobile equipment to the parking lot and while taking a step his ankle rolled causing pain. This resulted in a sprained left ankle. Days Lost - 0

Operator, Date of Accident – December 5, 2012. Injured was trying to remove ice from a frozen pipe inside plant and after ice broke loose the pipe quickly moved hitting his knee. The result was a right knee sprain. Days Lost – 6

USS CORPORATION, MINNESOTA ORE OPERATIONS, MINNTAC

MTM Learner, Date of Accident – January 6, 2012. The employee was working on changing v-belts on the 170-12-2 pump. The employee was using a 14" pipe wrench to spin the driven sheave on the pump to align the belts on the second inner sheave. While spinning the sheave, the employee's right little finger got caught between the pipe wrench and the cement pump base. Days Lost – 1

Mobile Equipment Operator- Date of Accident – February 28, 2012. The employee was assigned to operate the 824H rubber tired dozer in the West Pit on shovel cleanup. At approximately 9:45 PM, the #8 Shovel, which was operating in crude ore on the west side of the Costin Ramp, had completed a digging pass and was moved back to the south side of the bank for another cut. After the shovel was moved back, the employee's function was to smooth out the previous loading area by pushing any spillage and loose material into the toe of the bank and then to cover the truck loading position with coarse tailings. As the employee was pushing material towards the bank and backing away, he traveled through a series of ruts left by the shovel which caused the rubber tired dozer to bounce and sway, side to side. This motion jarred the employee seated in the operator's cab and he sensed feeling a sharp pain above his right hip in the area of his lower back. A short time later, the employee's back stiffened up on him. Days Lost – 20

MTM Millwright- Date of Accident – July 10, 2012. Employee was performing a maintenance service on the 52 drill, P&H 120A. At the time of the incident, he was carrying the air filter package down the drill's cab side outer walkway, when he started to lose control of the package. He attempted to set the package on the hand rail to reposition his hands around it, but the filter box continued to fall beyond the hand rail. He attempted to catch the filter with his right arm and felt his arm over-extend pulling a muscle in his upper arm. His right elbow contacted the hand rail as weight of filter package continued to extend his arm straining his bicep. Days Lost - 9