First year of Production

Recipient of Revenue	Millage	Ad Valorem Property Tax * 45.1166	Severence Tax 2.75% @ 60/40	Difference
State School Aid Fund	6.0000	$1,236,000	$788,972	-$447,028
County	7.5164	$1,548,378	$988,372	-$560,007
Michigamme Township	11.0854	$1,141,796	$728,839	-$412,957
RM School District	18.3100	$1,885,930	$1,203,840	-$682,090
Humboldt Township	8.9800	$924,940	$590,414	-$334,526
NICE School District	21.6373	$2,228,642	$1,422,602	-$806,040
ISD	2.2048	$454,189	$289,921	-$164,268
Rural Development fund		0	$4,008,640	$4,008,640
Average Millage	45.7276	$9,419,875	$10,021,600	

Severence Tax

Sales minus transport	$412,000,000
Life of Mine (in years)	1
Annual Value of metal**	$412,000,000

	Severance Tax
	$11,330,000
2012/2013 Tax rebate	-$1,308,400
	$10,021,600

Footnotes

* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

Second year of Production

Recipient of Revenue	Millage	Ad Valorem Property Tax * 45.1166	Severence Tax 2.75% @ 60/40	Difference
State School Aid Fund	6.0000	$1,449,000	$942,687	-$506,313
County	7.5164	$1,815,211	$1,180,935	-$634,275
Michigamme Township	11.0854	$1,338,562	$870,838	-$467,724
RM School District	18.3100	$2,210,933	$1,438,383	-$772,549
Humboldt Township	8.9800	$1,084,335	$705,444	-$378,891
NICE School District	21.6373	$2,612,704	$1,699,767	-$912,937
ISD	2.2048	$532,459	$346,406	-$186,053
Rural Development fund		0	$4,789,640	$4,789,640
Average Millage	45.7276	$11,043,203	$11,974,100	

Severence Tax
Sales minus transport $483,000,000

Life of Mine (in years) 1
Annual Value of metal** $483,000,000

	Severance Tax
	$13,282,500
2012/2013 Tax rebate	-$1,308,400
	$11,974,100

Footnotes
* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

Third year of Production

Recipient of Revenue	Millage	Ad Valorem Property Tax * 45.1166	Severence Tax 2.75% @ 60/40	Difference
State School Aid Fund	6.0000	$1,110,000	$698,042	-$411,958
County	7.5164	$1,390,534	$874,461	-$516,073
Michigamme Township	11.0854	$1,025,400	$644,840	-$380,560
RM School District	18.3100	$1,693,675	$1,065,096	-$628,579
Humboldt Township	8.9800	$830,650	$522,368	-$308,282
NICE School District	21.6373	$2,001,450	$1,258,646	-$742,805
ISD	2.2048	$407,888	$256,507	-$151,381
Rural Development fund		0	$3,546,640	$3,546,640
Average Millage	45.7276	$8,459,597	$8,866,600	

Severence Tax

Sales minus transport	$370,000,000
Life of Mine (in years)	1
Annual Value of metal**	$370,000,000

	Severance Tax
	$10,175,000
2012/2013 Tax rebate	-$1,308,400
	$8,866,600

Footnotes

* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

Fourth year of Production

Recipient of Revenue	Millage	Ad Valorem Property Tax * 45.1166	Severence Tax 2.75% @ 60/40	Difference
State School Aid Fund	6.0000	$909,000	$552,987	-$356,013
County	7.5164	$1,138,735	$692,746	-$445,989
Michigamme Township	11.0854	$839,719	$510,841	-$328,878
RM School District	18.3100	$1,386,983	$843,767	-$543,216
Humboldt Township	8.9800	$680,235	$413,819	-$266,416
NICE School District	21.6373	$1,639,025	$997,096	-$641,929
ISD	2.2048	$334,027	$203,204	-$130,823
Rural Development fund		0	$2,809,640	$2,809,640
Average Millage	45.7276	$6,927,724	$7,024,100	

Severence Tax

Sales minus transport	$303,000,000		
Life of Mine (in years)	1		Severance Tax
Annual Value of metal**	$303,000,000		$8,332,500
		2012/2013 Tax reba	-$1,308,400
			$7,024,100

Footnotes

* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

Fifth year of Production

Recipient of Revenue	Millage	Ad Valorem Property Tax * 45.1166	Severence Tax 2.75% @ 60/40	Difference
State School Aid Fund	6.0000	$819,000	$488,038	-$330,962
County	7.5164	$1,025,989	$611,381	-$414,608
Michigamme Township	11.0854	$756,579	$450,841	-$305,738
RM School District	18.3100	$1,249,658	$744,664	-$504,994
Humboldt Township	8.9800	$612,885	$365,215	-$247,670
NICE School District	21.6373	$1,476,746	$879,985	-$596,761
ISD	2.2048	$300,955	$179,338	-$121,618
Rural Development fund		0	$2,479,640	$2,479,640
Average Millage	45.7276	$6,241,811	$6,199,100	

Severence Tax

Sales minus transport	$273,000,000
Life of Mine (in years)	1
Annual Value of metal*	$273,000,000

	Severance Tax
	$7,507,500
2012/2013 Tax rel	-$1,308,400
	$6,199,100

Footnotes

* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

Fifth year of Production

Recipient of Revenue	Millage	Ad Valorem Property Tax * 45.1166	Severence Tax 2.75% @ 60/40	Difference
State School Aid Fund	6.0000	$108,000	$77,940	-$30,060
County	7.5164	$135,295	$97,638	-$37,657
Michigamme Township	11.0854	$99,769	$72,000	-$27,769
RM School District	18.3100	$164,790	$118,923	-$45,867
Humboldt Township	8.9800	$80,820	$58,325	-$22,495
NICE School District	21.6373	$194,736	$140,534	-$54,202
ISD	2.2048	$39,686	$28,640	-$11,046
Rural Development fund		0	$396,000	$396,000
Average Millage	45.7276	$823,096	$990,000	

Severence Tax

Sales minus transport	$36,000,000
Life of Mine (in years)	1
Annual Value of metal**	$36,000,000

Severance Tax
$990,000
$990,000

Footnotes

* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

Sixth year of Production

Recipient of Revenue	Millage	Ad Valorem Property Tax * 45.1166	Severence Tax 2.75% @ 60/40	Difference
State School Aid Fund	6.0000	$528,000	$381,039	-$146,961
County	7.5164	$661,443	$477,341	-$184,102
Michigamme Township	11.0854	$487,758	$351,998	-$135,760
RM School District	18.3100	$805,640	$581,403	-$224,237
Humboldt Township	8.9800	$395,120	$285,145	-$109,975
NICE School District	21.6373	$952,041	$687,055	-$264,986
ISD	2.2048	$194,022	$140,019	-$54,003
Rural Development fund		0	$1,936,000	$1,936,000
Average Millage	45.7276	$4,024,024	$4,840,000	

Severence Tax
Sales minus transport $176,000,000

Life of Mine (in years) 1
Annual Value of metal** $176,000,000

Severance Tax
$4,840,000

$4,840,000

Footnotes
* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

7 year tax totals

Recipient of Revenue	Millage	Ad Valorem Property Tax * 45.1166	Severence Tax 2.75% @ 60/40	Difference
State School Aid Fund	6.0000	$6,159,000	$3,929,705	-$2,229,295
County	7.5164	$7,715,585	$4,922,873	-$2,792,712
Michigamme Township	11.0854	$5,689,582	$3,630,196	-$2,059,385
RM School District	18.3100	$9,397,608	$5,996,075	-$3,401,532
Humboldt Township	8.9800	$4,608,985	$2,940,730	-$1,668,255
NICE School District	21.6373	$11,105,344	$7,085,685	-$4,019,660
ISD	2.2048	$2,263,227	$1,444,036	-$819,191
Rural Development fund		0	$19,966,200	$19,966,200
Average	45.7276	$46,939,330	$49,915,500	$2,976,170
		$29,949,300		
		$16,990,030	Local Units Loss in Taxes	