
THE BACK FORTY PROJECT

Frequently Asked Questions

What's happening with the Back Forty Project?

- Aquila Resources, Inc., has filed its formal application with the Michigan Department of Environmental Quality to mine gold, zinc, copper and silver on approximately 580 acres in Lake Township in Michigan's Upper Peninsula. This is a significant turning point and underscores Aquila's commitment to the project. The Back Forty Project is an economic development project that will create much-needed jobs and provide a significant economic boost to the township and the surrounding area.

How many jobs will this project create?

- When fully operational, the Back Forty Project will create new, full-time jobs with most of those positions to be created directly by the project. Additionally, the construction and building of the mine and related facilities will create additional construction jobs. The new jobs will be good, family-supporting positions, and Aquila is committed to hiring local residents for as many jobs as possible.

In what other ways will the Back Forty Project benefit the local economy?

- The project will boost the Township's tax base and help support local schools, public services and local and state governments. When up and running, the Back Forty Project will generate new tax revenue to benefit Lake Township, Menominee County and the State of Michigan.

How will Aquila Resources work to be part of the Lake Township community?

- It is important to us to have good relationships with people and businesses in the areas in which we operate and to be respectful in our presence here. We believe that being an active participant in the community allows us to share responsibility for the community's well-being. We place a high value on contributing to the economic growth and stability of the area we call home and are honored to already be part of these local efforts:
 - Donating funds to local causes and organizations
 - Maintaining a boat landing on the Menominee River to provide enjoyment and easy access to area fishermen
 - Participating in Adopt-A-Highway
 - Membership in the Marinette Menominee Area Chamber of Commerce
 - Conducting school and club presentations to provide education about geology and exploration
 - Sponsoring a Lake Township community drinking water well survey to assure Township officials and residents that residential water quality standards will continue to be met after the mine is built
 - Conducting project tours
 - Holding informational meetings

How will the environment be protected?

- Aquila believes good business and environmental responsibility are directly linked. We are committed to operating in an environmentally responsible manner, complying with all appropriate regulatory and safety standards and being a good neighbor to Lake Township, Menominee County and the U.P. In preparation for mine permitting, environmental baseline studies were conducted beginning in 2007. The studies were designed to meet Michigan's strict permitting standards and covered a wide range of topics including ground and surface water, wetlands, air quality, flora, cultural resources, visual and noise studies and more. Our state filing shows the Back Forty Project is well-prepared to meet and comply with all regulations put in place to help ensure environmental sustainability. We have provided the state with a good deal of scientific, technical and engineering information, and we look forward to getting feedback.

How long will mining last at the site, and what will happen to the land when mining operations are completed?

- Projections are that it will take nearly two decades to carefully and responsibly mine the mineral deposits. Reclamation and returning the land to a naturally appropriate and useful state is an important part of mining and an important priority for us. Before the State of Michigan will issue a permit to mine the Back Forty Project property, Aquila Resources must have in place an approved plan for reclamation. The National Mining Association reports that since 1978, U.S. mining companies have reclaimed more than 2.7 million acres of mined land for other beneficial uses, including recreation, agriculture and more.

Will there be opportunities for public input during the permitting process?

- Absolutely. Aquila Resources has a strong management team in place dedicated to working collaboratively with the community and maintaining an open dialogue to get ongoing feedback about the project. As part of the permit approval process, the MDEQ will hold public meetings. In addition, Aquila will hold public informational sessions and other meetings with groups, individuals and others who want to ask questions, learn more about the project and share their views, and there will be multiple public hearings associated with the permitting process. Members of the Aquila management team will be available at these meetings to answer questions and provide detailed information. We'll publicize those opportunities on the project website at www.aquilaresources.com.

What should I do if I have a question or comment I'd like to share?

- Your voice is important to us. We have established a special phone number and email for easy and transparent communication, as well as an online news hub with more information about the project. To reach us, you can call 906-753-9602 or email backforty@aquilaresources.com. To look us up online, visit www.aquilaresources.com.

We've been hearing that this land will be mined for some time, but nothing ever happens. In fact, the effort was suspended a few years ago. Is this really going to happen?

- Yes. Aquila is 100 percent committed to this endeavor and views the Back Forty Project as a flagship project among our properties in the Great Lakes region. The filing of our initial permit application is a major step forward. Over the past 10 years, more than \$70 million has been invested in developing the Back Forty Project, and all signs point to a successful venture that can be an economic asset to the community. Aquila's recent permit filings rejuvenate the project, and we are excited to move forward. Aquila is the sole owner and operator of the project.