SURETY ESTIMATE UPDATE

Teck Cominco American, Inc. 08-April-2002

Apex Mine M/053/004 Washington County

Prepared by Utah Division of Oil, Gas & Mining Last Update 12/24/96

DESCRIPTION:

-Previous reclamation surety estimate was $48,200 in year 2002 dollars

-Reclamation Estimate base amount calculated in 1989-$

-This update adjusts the surety amount for escalation only.

-Escalation factors through 2002 are actual Means Historical Cost Indices

-Total disturbed area = 9 ACRES

CALCULATIONS

F = P(1 + i)**n

F = Future Sum

P = Present Sum

i = Escalation Factor

n = number of periods

Three Yr Average = 2.82%

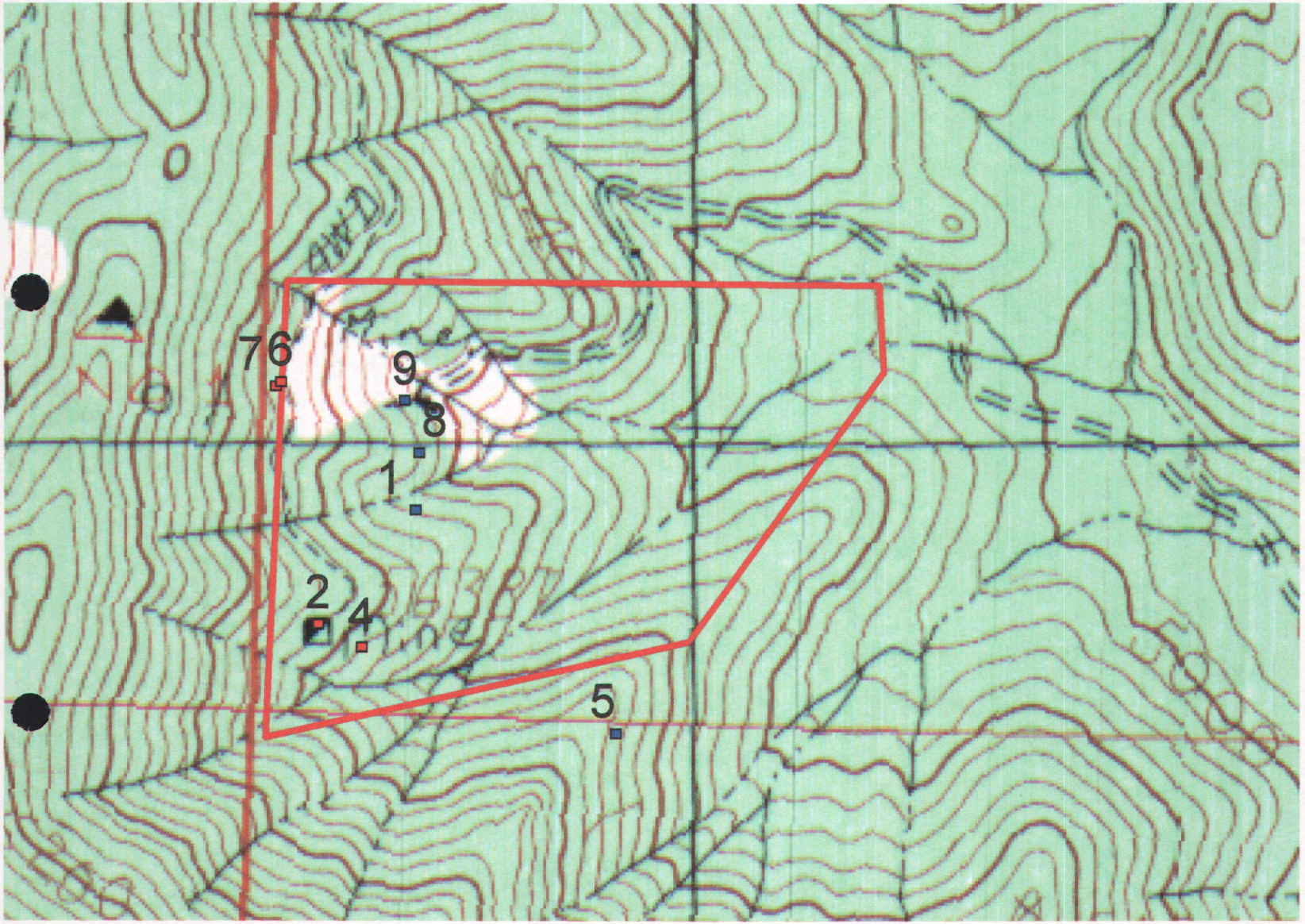
Used to Project 5 Yrs

From the Year 2002

YR	ESCAL FACTOR	BOND AMOUNT
1987	0.0195	$0
1988	0.0181	$0
1989	0.0177	$35,797
1990	0.0077	$36,073
1991	0.0127	$36,531
1992	0.0221	$37,338
1993	0.0261	$38,313
1994	0.0321	$39,542
1995	0.0193	$40,306
1996	0.0242	$41,281
1997	0.0236	$42,255
1998	0.0502	$44,376
1999	0.0191	$45,224
2000	0.0244	$46,328
2001	0.0460	$48,459
2002	0.0282	$49,825
2003	0.0282	$51,230
2004	0.0282	$52,675
2005	0.0282	$54,160
2006	0.0282	$55,688
2007	0.0282	$57,258

Updated Surety Amount Rounded (2007-$) $57,300

** Average cost per acre = $6,367 ($/ACRE)



Existing Adits
- historic
- reclaimed

Permit Boundary
- boundary

N
W E
S

Apex Mine Site Plan

500 0 500 Feet