COPY

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER

MINING RECLAMATION BOND (PERSONAL BOND)

The Miner, Sumitomo Metal Mining Pogo LLC, a corporation existing under the laws of the State of Alaska, whose address is P.O. Box 145, Delta Junction, Alaska, 99737 as Obligor, is firmly bound unto the State of Alaska Department of Natural Resources and the State of Alaska Department of Environmental Conservation ("the State") in the sum of Fifty Seven Million and One Hundred Four Thousand U.S. Dollars ($57,104,000.00), lawful money of the United States, for the payment of which the Obligor hereby binds itself, its successors, and assigns.

Contemporaneously with the execution and delivery of this Personal Bond, the Obligor delivers to the State as collateral to secure the obligation described herein four Letters of Credit numbered:

- Sumitomo Mitsui Banking Corporation LOC No. 211LCJ-62040375 for USD $4,088,500.00,
- Mizuho Corporate Bank, Ltd. LOC No.SCE00100002426 for USD $721,500.00,
- Sumitomo Mitsui Banking Corporation LOC No. 211LCJ-62040389 for USD $44,449,900.00,
- and Mizuho Corporate Bank, Ltd. LOC No. SCE00100002412 for USD $7,844,100.00

pursuant to 11 AAC 97.410, 11 AAC 93.171 and 18 AAC 60.265.

Whereas, the Obligor has submitted a reclamation plan for mining operations under an approved plan of operations, and obtained waste disposal or management permits, and certificates of approval relating to the dam at the Pogo Mine, which approved reclamation plan (hereinafter "the reclamation plan"), waste disposal or management permits (hereinafter "the Permits"), and certificates to construct, modify or abandon dams (hereinafter "the Certificates") are listed in Table 1 below and are, by reference, incorporated fully herein in all their terms and made a part of this bond; and

Table 1

Plan Approval, Permit, ADL, Cert. #	USD Amount	Description
ADL 416809, ADL 417066, ADL 416817	$4,810,000.00	Road Right-of-Way and Power Line Right-of-Way
Plan of Operations Approval and Amendment (F20129500), Waste Management Permit (2011DB0012), Certificate of Approval to Operate a Dam FY2011-14-AK00304	$52,294,000.00	Pogo Mine Reclamation and Closure Plan, Dam Authorizations, and Waste Disposal Permit
	$57,104,000.00	

Whereas, the Obligor is required to post a performance bond with the State to ensure complete compliance with AS 27.19, 11 AAC 97, AS 46.03.100, 18 AAC 60, 11 AAC 93 and the reclamation plan, the Permits, and the Certificates; and

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Whereas, the Obligor has chosen to post this Personal Bond with the State to ensure the Obligor's complete compliance with the requirements of the reclamation plan, AS 27.19, and attendant regulations at 11 AAC 97, and the Permits, AS 46.03.100 and attendant regulations at 18 AAC 60, and the Certificates and attendant regulations at 11 AAC 93; and

Whereas, in accordance with 11 AAC 97.430, Obligor is liable for the full costs of reclamation to the standards of AS 27.19, the requirements of 11 AAC 97, and the approved reclamation plan regardless of the amount of the reclamation bond; and

Whereas, the Obligor agrees that unless the Obligor has replaced this bond with another personal bond or with another form of financial assurance authorized under 11 AAC 97.400, 18 AAC 60.265, and 11 AAC 93.171 providing security for compliance with all terms of the reclamation plan, the Permits, and the Certificates, coverage under this bond shall extend to and include the approved reclamation plan, Permits, and Certificates, and any amendments to the plan approved by the State.

Now, therefore, the terms of this Personal Bond are as follows:

Upon a determination by the State that the Obligor has satisfactorily complied with the reclamation plan in accordance with the standards of AS 27.19.020, AS46.03.100, 11 AAC 97.200-250 and of 11 AAC 93.171, the Permits, and the Certificates, the obligations of this personal bond and accompanying instrument shall terminate and the State shall release this bond and the accompanying instruments.

This personal bond and accompanying instruments shall remain in full force and effect until their release is approved in writing by the State (1) in accordance with 11 AAC 97.410(b), 18 AAC 60, and 11 AAC 93; or (2) upon delivery of substitute financial assurance acceptable to the State.

The State may approve replacement of this personal bond or the collateral securing it in accordance with 11 AAC 97.400, 18 AAC 60, and 11 AAC 93. In the event of replacement, the substitute bond must assume all remaining reclamation obligations and liabilities.

If the State determines that the Obligor has violated or permitted a violation of the approved reclamation plan or Permits or Certificates and failed to comply with a lawful order of the State, the Obligor forfeits this personal bond or the relevant portion thereof in accordance with AS 27.19, 18 AAC 60, or 11 AAC 93. Upon the Obligor's receipt of a notice of the Obligor's default from the State, the Obligor shall promptly pay the face value of this personal bond to the State or forfeit the funds secured by the Letters of Credit referenced below:

- Sumitomo Mitsui Banking Corporation LOC No. 211LCJ-62040375 for USD $4,088,500.00,
- Mizuho Corporate Bank, Ltd. LOC No. SCE00100002426 for USD $721,500.00,
- Sumitomo Mitsui Banking Corporation LOC No. 211LCJ-62040389 for USD $44,449,900.00,
- and Mizuho Corporate Bank, Ltd. LOC No. SCE00100002412 for USD $7,844,100.00.

All correspondence pertaining to the Personal Bond shall be sent to:

State of Alaska, Department of Natural Resources
Division of Mining Land and Water
550 West 7th Avenue, Suite 900D
Anchorage, AK 99501-3577
Attention: Mining Section Chief

Authorized Officer's Initials: TL
Sumitomo Metal Mining Pogo LLC

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OBLIGOR

Date July-12, 2012
(Affix seal)

Obligor: **Sumitomo Metal Mining Pogo LLC**
P O Box 145
Delta Junction, Alaska 99737

ROCHELLE M GALL
Notary Public, State of Alaska
Commission # 120188
My Commission Expires
September 01, 2015

By: T. Toyoshima
(Authorized Officer's Signature)

President
(Printed Title)

TOSHIHITO TOYOSHIMA
(Printed Name)

ACKNOWLEDGMENT OF OBLIGOR

The foregoing instrument was acknowledged before me by Toshihito Toyoshima,

this 12 day of July 2012.

Witness my hand and official seal. Rochelle M Gall
(Notary Public or other authorized officer)

My Commission Expires: 9-1-15

APPROVAL AND ACCEPTANCE BY STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES

By: Brent Goodrum
Brent Goodrum, Director, Div. of Mining, Land and Water

Date 8-1-2012

APPROVAL AND ACCEPTANCE BY STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

By: Michelle Bonnet
Michelle Bonnet, Director, Division of Water

Date 7-24-2012

Authorized Officer's Initials: TC
Sumitomo Metal Mining Pogo LLC

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INSTRUCTIONS

- This form shall be used whenever the commissioner has approved the use of a personal bond in connection with a Division of Mining, Land and Water plan of operations and reclamation plan with the posting of an instrument or property such as cash or gold to secure the personal bond.

- Property pledged to secure the personal bond must be owned by the Obligor and must not be subject to any liens or prior security agreements. The property/instrument posted may be in the form of cash or gold in escrow; a Certificate of Deposit made payable to the State of Alaska Department of Natural Resources; an Irrevocable Letter of Credit issued by a bank authorized to do business in the United States with the Department specified as beneficiary. The value of pledged instruments must equal or exceed the amount of the bond. A combination of instruments may be posted so long as the aggregate value equals or exceeds the amount of the bond.

- Instruments such as Certificates of Deposit or Cash in Escrow must be accompanied by a State form entitled: Assignment of Negotiable Instrument.

- A Letter of Credit must be in a form acceptable to the State.

- When this bond is executed by a partnership, all partners must sign the bond individually in the space provided or by securely attaching an addendum with the recital that they are partners comprising the firm by name. All members of the partnership shall execute the bond.

- When this bond is executed by a corporation, the bond must be executed by a duly authorized corporate officer who must submit evidence of his/her authority to act for the corporation. This certified authorization must be attached to the bond.

- When any of the parties executes this bond through an authorized agent, a Power of Attorney or other evidence of authority must accompany the bond.

This form is to be used in accordance with the regulations of the Department of Natural Resources regarding bonds and bonding requirements.

State File #

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ACTION BY WRITTEN CONSENT
OF THE
SOLE MEMBER OF
SUMITOMO METAL MINING POGO, LLC

RESOLUTION TO AUTHORIZE EXECUTION OF BOND

The undersigned, being the sole member of Sumitomo Metal Mining Pogo, LLC (the "Company"), hereby adopts the following resolution pursuant to the authority granted in the Operating Agreement of the Company:

RESOLVED, that effective as of this date, the following person shall be authorized to sign, on behalf of the Company, the Mining Reclamation Bond to be submitted to the Alaska Department of Natural Resources, Division of Mining, Land and Water:

Mr. Toshihito Toyoshima

President

IN WITNESS WHEREOF, the undersigned has executed this action by written consent as of the 12 day of July, 2012.

SMM Pogo LLC

By:Sumitomo Metal Mining America Inc., its
Managing Member

N. Ushirone

By: Norifumi Ushirone

Its: President