

BACK FORTY PROJECT

Jobs and Economic Growth for Our Future

Aquila Resources, Inc., is seeking approval to mine gold, zinc, copper and silver and other minerals in Lake Township in Michigan's Upper Peninsula. Known as the Back Forty Project, this economic development project will create much-needed jobs and provide a significant economic boost to the township and surrounding area. Aquila is 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.

Aquila is 100 percent committed to this endeavor and views the Back Forty Project as a flagship project. Over the past 10 years, more than \$70 million has been invested in developing the Back Forty Project, and Aquila's recent filing rejuvenates the project. Aquila is the owner and operator of this multi-metal mine.



Valuable Minerals for Industry and Everyday Life

- The Back Forty site is located along the mineral-rich Penokean Volcanic Belt in Michigan's Upper Peninsula. Geologic research shows it contains extensive deposits of four minerals key to modern industry and everyday life:
 - **Gold:** In addition to having a naturally glossy shine, gold is extremely malleable, conducts electricity, doesn't tarnish and bonds well with other metals. Among its many uses are electronics, computers, cell phones, GPS units, dentistry and medicine, jewelry, aerospace applications and much more.
 - **Zinc:** Zinc is currently the fourth most widely consumed metal in the world and is a key element in brass and other alloys, pharmaceuticals, printing inks, some rubber products, paints, cosmetics, plastics, soap and batteries, among other uses.
 - **Copper:** Copper is tough, malleable and highly conductive, making it one of the world's most important metals. It is used in building construction, power generation, motor vehicles and throughout the transportation industry. Copper wiring and plumbing are integral to appliances, heating and cooling systems, and telecommunication links used every day in homes and businesses.
 - **Silver:** Silver's physical strength, brilliance and malleability have made it useful for medicine, jewelry, dentistry, tableware and fine art for thousands of years. Today, silver is also invaluable to solder and brazing alloys, batteries, LED chips, nuclear reactors, solar energy, semi-conductors, touch screens, water purification as well as many other industrial uses.

New Jobs and a Local Economic Boost

- When fully operational, the Back Forty Project will create a significant number of new, full-time jobs, with most of those positions to be created directly by the project. In addition, the construction and building of the mine and related facilities will create additional construction jobs.
- The project will grow 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 more new tax revenue to benefit Lake Township, Menominee County and the State of Michigan.



The Back Forty's new jobs will create a multimillion-dollar boost in local jobs with good benefits. Of these new jobs, a majority are expected to be filled by local residents.

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Respect for the Community and the Area's Natural Resources

- Aquila Resources believes that good business and environmental responsibility are directly linked. Protecting the environment and the Upper Peninsula's natural resource heritage is a priority for us, and we are committed to working collaboratively with local residents, government officials and others to help ensure the Back Forty Project meets or exceeds Michigan's stringent environmental regulations.
- In preparation for mine permitting at the Back Forty Project, environmental baseline studies were conducted beginning in 2007. The studies were designed to meet Michigan's strict permitting standards, support mine planning and design activities, address key issues raised by stakeholders and integrate the plan with engineering design. The studies also covered a wide range of topics, including ground and surface water, wetlands, air quality, flora and fauna, cultural resources, visual and noise studies and more.
- In November of 2015, Aquila took a major step forward and filed the initial permit application with the Michigan Department of Environmental Quality (MDEQ). The state filing shows Aquila 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 on how we will proceed, and we look forward to getting feedback from the state and local governments and the public.
- Reclamation and returning the land to a naturally appropriate and useful state is an important part of mining and a top priority for us. Before the State of Michigan will issue permits for the Back Forty Project, 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.
- Aquila Resources has a strong management team in place dedicated to working collaboratively with the community and maintaining an open dialogue about the project. It is important to have positive and respectful long-term relationships in the areas where we operate. We believe strongly in communicating with the public, keeping stakeholders informed and contributing to the community's economic growth and success.
- Aquila will hold public information sessions and meet and talk with groups, individuals and others who want to ask questions, share their views and learn more about the Back Forty Project. For more information, visit our website at www.aquilaresources.com.



For More Information about the
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