

www.dewittross.com

Capitol Square Office Two East Miffin Street Suite 600

Tel 608-255-8891 Fax 608-252-9243

Metro Milwaukee Office 13935 Bishop's Drive Suite 300 Madison, WI 53703-2865 Brookfield, WI 53005-6605 Tel 282-754-2840 Fax 262-754-2845

Please respond to: Capitol Square Office

VIA CERTIFIED MAIL #7008 0150 0001 1841 4237

Marc D. Fink, Esq.

Duluth, MN 55805

209 East 7th St.

RETURN RECEIPT REQUESTED

Center for Biological Diversity

Direct line: 608-252-9345

Email: hjh@dewittross.com

December 30, 2010

VIA CERTIFIED MAIL #7008 0150 0001 1841 4244 RETURN RECEIPT REQUESTED

James N. Saul, Esq. James N. Saul, Attorney at Law LLC 2422 Commonwealth Ave. Madison, WI 53711

VIA CERTIFIED MAIL #7008 0150 0001 1841 4220 RETURN RECEIPT REQUESTED

Daniel Mensher, Esq. Staff Attorney & Clinical Professor Pacific Environmental Advocacy Center at Lewis & Clark Law School 10015 SW Terwilliger Blvd. Portland, OR 97219

Notice of Intent to Suc Flambeau Mining Company and Kennecott Minerals RE: Company dated November 16, 2010

Dear Sirs:

This letter serves as Flambeau Mining Company's response to the above-referenced Notice of Intent to Sue ("NOI").

We first note that the allegations made in the NOI have already been considered and rejected by the Wisconsin Department of Natural Resources ("WDNR") and the Wisconsin Department of Justice ("WDOJ"). The WDOJ has addressed these allegations on behalf of WDNR in its November 10, 2009 and April 23, 2010 responses to the June 16, 2009 Notice of Intent to Sue previously filed by the Wisconsin Resource Protection Council, Mr. Al Gedicks and Ms. Laura Furtman (now Ms. Laura Gauger). We have included the relevant sections and related attachments from the WDNR's prior responses and therefore will not repeat the arguments herein. Simply put, stormwater discharges from the biofilter are governed by the mine permit and Flambeau is in full compliance with the relevant mine permit provisions.



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Notwithstanding the fact that Flambeau is in full compliance with its permit and applicable statutes and regulations, it has explored alternatives to the existing biofilter for managing stormwater, including promotion of infiltration at the site. We have already discussed these concepts with WDNR. Flambeau is willing to discuss this alternative with you should you be interested in doing so. If so, please contact me at 608-255-8891 so that we may discuss time, place, participants and protocol.

As we have previously advised some of your clients (*i.e.*, the Wisconsin Resources Protection Council and Ms. Laura Gauger) the facts are clear that the Flambeau Mine ("Mine") is a positive example of how environmentally sound mining can be accomplished. The Mine has a strong environmental record. The bottom line is that Flambeau continues to be proud of the Mine, from its original planning through today, and will not allow baseless claims that are without merit such as those that have been raised in your NOI go unanswered.

Finally, this response should not be viewed as an exhaustive listing of the reasons why the threatened lawsuit is without basis or merit. There are several other defects with the threatened lawsuit. In the event of a lawsuit, Flambeau will vigorously defend itself and will avail itself of its full legal remedies, including its right to seek attorney fees and costs under applicable statutes and rules.

Very truly yours,

DEWITT ROSS & STEVENS s.c.

Henry J. Handz

HJH:jav

Enclosures

cc: Mr. Matthew Frank, WDNR Secretary (via certified mail, w/enclosures)

Ms. Lisa Jackson, USEPA Administrator (via certified mail, w/enclosures)

Ms. Susan Hedman, USEPA Region 5 Regional Administrator (via certified mail, w/enclosures)

Thomas Dawson, Esq., WDOJ, Director of Environmental Protection Unit (via certified mail, w/enclosures)

Daniel Graff, Esq., WDNR Staff Attorney (via certified mail, w/enclosures)