

Exploration Company Ltd.
22 Mine Road
811 11 Miningtown

18.06.2018

Anders Andersson
PO Box 100
711 11 City

Specification of damage and encroachment by exploration work at the property Property 1:1 in Norrorten Municipality; exploration permit Kopparåsen no. 1001

During the period 01.10.2017 to 01.02.2018, Exploration Company Ltd. carried out exploration drilling within your property in accordance with a valid plan of operations. In total, 16 holes were diamond-drilled and a number of trees were felled in order to access the drilling sites.

The enclosed claims settlement form (see [Appendix 8A](#)) specifies how the compensation has been calculated. Below is a summary of the compensation that will be paid for damaged/felled trees, transport routes and drilling sites.

Compensation for trees

Compensation for timber value based on standing volume (calculated as per Cernold's tables):

Diameter at breast height cm	8-	10-	12-	14-	16-	18-	20-	22-	24-	26-	28-	30-	m3ub	SEK
Pine				2	5	6	4	3	4	4		3	8.49	4465.73
Spruce	1	1	1	1	3	2	4	1	1	1	1	1	4.43	1869.61
Broad-leaf	8	9	4	4	3	6	1	4	2		1	1	4.51	1487.31

Timber value: SEK 7,822.65

VAT at 25%: SEK 1,955.66

Total timber value: SEK 9,778

Compensation for damage and encroachment

Compensation for felled trees is shown in the table above and amounts to a total of SEK 9,778. For the use of the land in the form of off-road transport routes and 16 drilled holes a total of SEK 12,100 will be paid in compensation.

The total compensation for damage and encroachment as a result of the exploration work carried out by Exploration Company Ltd. in the period from 01.10.2017 to 01.02.2018 on the property Property 1:1 in Norrorten Municipality is as follows:

Total other: SEK 12,100.00
Total timber value: SEK 9,778.00
Total excl. VAT: SEK 19,923.00
Total incl. VAT: SEK 21,878.00
25% supplement: SEK 5,470.00
TOTAL: SEK 27,348.00

Questions or comments

If you have any questions or comments regarding the compensation amount please get in touch (contact details below).

If you accept the compensation calculated, please sign below and state the payment method (bank giro, PlusGiro or account number and bank). Then return the acceptance in the enclosed postage-paid envelope.

Yours sincerely,
for Exploration Company Ltd.

Anna Andersson

Acceptance of compensation for exploration

I hereby accept the compensation totalling SEK 27,348 as proposed by Exploration Company Ltd. as compensation for damage and encroachment in connection with the exploration that was carried out on my property, Property 1:1 in Norrorten Municipality, during the period from 01.10.2017 to 01.02.2018, in accordance with a valid plan of operations for exploration permit Kopparåsen no. 1001.

Place and date:

Signature:

Print name:

Please make payment by the following method:

EXAMPLE