MEMORANDUM

TO: Rob Collins
CC: John Wolfe, Kari Qvigstad, Bob Emerson
FROM: Jay Stewart

SUBJECT: Asset Management – Draft For Discussion Only

February 29, 2008

This summarizes ongoing real estate work on the Maytown property.

Aggregate Value: I spoke with J. Allen this morning regarding any previous analysis of the aggregate resources at Maytown. In addition to the aggregate appraisal which you have, he believes he did both a grain analysis and a study of the resource’ suitability for production of concrete or another building material. He will dive into his archives on Monday and let me know. We’ll get copies of what he finds.

Property Survey: I have instructed Apex Engineering to define the 131st Ave. (County road) and Rogers (private drive) encroachments east of Tilley Road. Once defined, we will need to write easements for one or both and record along with the full ALTA survey. This will take an estimated 60-90 days.

Purchase Proposal: We have been contacted about our potential interest in acquiring an abutting property. The owner’s representative submitted a sales proposal to us several months ago. We have deferred any response until there is a decision regarding development or disposition of the Port property.

WDFW: We have granted WDFW temporary access through our property to work on their property to the south. This right of access expires on March 31st. We are meeting with the Department’s biologist, property manager and real estate manager next Friday to understand their plans and operations on the property, future access needs and desires for purchase or exchange of property. This is the third coordination meeting since we first acquired the property. I expect this dialogue to continue sporadically for the foreseeable future.

Development and Exit Strategies: Since the purchasing the property in 2006, we have been approached by and met with three national firms experienced in developing rail logistics centers as well as local developers and brokers interested in partnering or purchasing all or a portion of Maytown. These conversations continue at a conceptual level when these parties contact us periodically for property and SSLC updates.

We already have estimated the property values for various exit strategies as part of our pre-purchase due diligence in 2006. There are three scenarios that can stand alone or in combination. They are: 1) sale or lease to mining operator upon completion of the permit process; 2) sale or lease to industrial developers and users once the property is entitled (with or without backbone infrastructure) and 3) sale of the R-5 zoned area for residential development.

Recovery of our initial investment will depend on perfecting our mining permit and groundwater rights, finishing the ongoing remediation, preserving and enhancing zoning for commercial and industrial uses with the support of continued legal oversight as you outlined in your 2/27/08 memo to John and Kari.