

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

In the Matter of:	:	Nanty Glo Mine #31, 1170301
	:	Revloc/Behula Mine #32, 11841301
PRI Treatment Trust	:	Cambria Slope Mine #33, 11841301
Mittal Steel USA Inc.	:	Mine #38D, 1171301
3020 Interstate Drive	:	Brookdale Mine #77, 1183201
Richfield, OH 44286	:	Mine #77 CRDA, 500129
	:	Windber Mine #78, 56841328
and	:	Mine #78 CRDA, 56743705
	:	
Pristine Resources Inc.	:	Fawn Mine #91, 10841302
P.O. Box 36	:	Mine #91 CRDA, 10743701
Revloc, Pa 15948	:	

**FIRST AMENDMENT TO POST-MINING TREATMENT TRUST
CONSENT ORDER AND AGREEMENT**

This First Amendment To Post-Mining Treatment Trust Consent Order and Agreement is entered into this 28th day of March, 2006, by and between the Commonwealth of Pennsylvania, Department of Environmental Protection (hereinafter "Department"), and Mittal Steel USA Inc. ("Mittal"), formerly known as International Steel Group Inc. ("ISG"), and Pristine Resources, Inc. ("PRI"). It amends and modifies the obligations and duties of the Department, Mittal and PRI originally set forth in a Post-Mining Treatment Trust Consent Order and Agreement dated June 10, 2004 ("2004 CO&A") between Mittal, PRI and the Department (collectively, the "Parties").

The Department has found and determined the following:

A. Paragraph 7 of the 2004 CO&A requires PRI to establish and fund the PRI Treatment Trust ("Trust").

B. Paragraph 16.a of the 2004 CO&A requires PRI to submit to the Department a list of all equipment, pumps, plumbing, buildings, structures and other personal property which comprise the post-mining treatment systems (“Treatment Systems”) associated with the above referenced mines and CRDAs (“Personal Property”).

C. Paragraph 16.b of the 2004 CO&A provides that within 30 days of PRI’s establishment of the Trust, PRI will convey to the Trust a first priority security interest in and to all the Personal Property or such other property interest acceptable to the Department to ensure the Trust can utilize such property as necessary to operate and/or improve the Treatment Systems.

D. Following execution of the 2004 CO&A, PRI took steps to comply with the obligations of the 2004 CO&A. Among other things, PRI has prepared and submitted to the Department a proposed Post-Mining Discharge Treatment Trust Agreement with Huntington National Bank pursuant to which PRI will establish and fund the Trust. PRI also submitted to the Department a list identifying the Personal Property.

E. As provided by Paragraph 16.b, PRI has taken steps to convey to the Trust a first priority security interest in the Personal Property. Additionally, in accordance with Paragraph 16.b, PRI also submitted for Department review a proposed option agreement that provides additional security to the Department and the Trust in the event that it ever becomes necessary for the Trust to assume PRI’s treatment responsibilities (“Option

Agreement”). PRI and the Department have reached agreement on the terms of the Option Agreement, a copy of which is attached hereto as Exhibit A.

F. The Parties agree to amend the 2004 COA to make the Option Agreement an additional term and condition of the 2004 CO&A and that a copy of the Option Agreement should be attached to the 2004 CO&A as Exhibit IX.

After full and complete negotiation of all matters set forth in this First Amendment To Post-Mining Treatment Trust Consent Order and Agreement and upon mutual exchange of covenants contained herein, the Parties desiring to be legally bound, it is hereby ORDERED by the Department and AGREED to by Mittal and PRI as follows:

1. Authority. This First Amendment to Post-Mining Treatment Trust Consent Order and Agreement is an Order of the Department authorized and issued pursuant to Section 5 of the Clean Streams Law, 35 P.S. § 691.5; Section 4.3 of the Surface Mining Conservation and Reclamation Act, 52 P.S. § 1396.4c; Section 3.1 of the Coal Refuse Disposal Act, 52 P.S. § 30.53a, and Section 1917-A of the Administrative Code, supra.

2. Findings.

a. Mittal and PRI agree that the findings in Paragraphs A through F are true and correct and, in any matter or proceeding involving Mittal, PRI and the Department, Mittal and PRI shall not challenge the accuracy or validity of these findings.

b. The Parties do not authorize any other persons to use the findings in this First Amendment of Post-Mining Treatment Trust Consent Order and Agreement in any matter or proceeding.

3. Paragraph 16.b of the 2004 CO&A is revised and amended to read as follows:

16.b Within 30 days of PRI's establishment of the Trust, PRI shall convey to the Trust a first priority security interest in and to all personal property detailed in the listing required by Paragraph 16.a above. By way of additional security to the Department and the Trust in the event that it ever becomes necessary for the Trust to assume PRI's treatment responsibilities, within 30 days of PRI's establishment of the Trust PRI shall execute the Option Agreement, a copy of which is attached hereto as Exhibit IX.

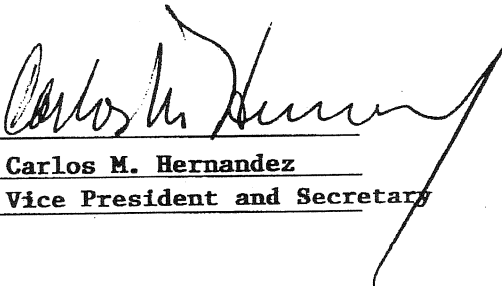
4. All other provisions of the 2004 CO&A remain unchanged.

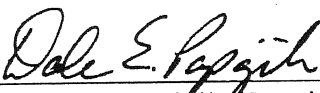
5. This First Amendment To Post-Mining Treatment Trust Consent Order and Agreement may be executed in one or more counterparts, all of which will be considered one and the same instrument. Signatures transmitted by facsimile shall be deemed to be original signatures.

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment To Post-Mining Treatment Trust Consent Order and Agreement to be executed by their duly authorized representatives. The undersigned representatives of Mittal/ and PRI certify under penalty of law, as provided by 18 Pa. C.S. § 4904, that they are authorized to execute this First Amendment To Post-Mining Treatment Trust Consent Order and

Agreement on behalf of Mittal and PRI; that Mittal and PRI consent to the entry of this First Amendment To Post-Mining Treatment Trust Consent Order and Agreement as a final ORDER of the Department; and that Mittal and PRI hereby knowingly waive their rights to appeal this First Amendment To Post-Mining Treatment Trust Consent Order and Agreement and to challenge its content or validity, which rights may be available under Section 4 of the Environmental Hearing Board Act, the Act of July 13, 1988, P.L. 530, No. 1988-94, 35 P.S. § 7514; the Administrative Agency Law, 2 Pa. C.S. § 103(a) and Chapters 5A and 7A; or any other provision of law. Signature by Mittal's and PRI's attorney certifies only that the First Amendment to Post-Mining Treatment Trust Consent Order and Agreement has been signed after consulting with counsel.

FOR MITTAL STEEL USA INC.


Name: Carlos M. Hernandez
Title: Vice President and Secretary


Dale E. Papajcik, Esquire
Attorney for Mittal Steel USA Inc.

**FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION:**

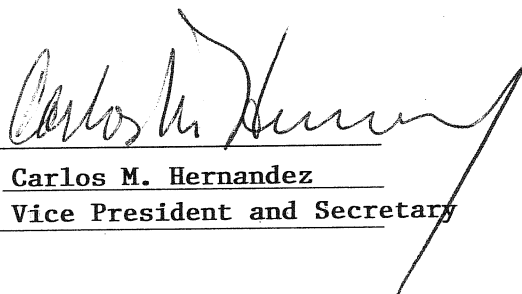
Donald Barnes
District Mining Manager
Cambria District Mining Office

Diana J. Stares
Regional Counsel

Gail A. Myers
Assistant Counsel

Agreement on behalf of Mittal and PRI; that Mittal and PRI consent to the entry of this First Amendment To Post-Mining Treatment Trust Consent Order and Agreement as a final ORDER of the Department; and that Mittal and PRI hereby knowingly waive their rights to appeal this First Amendment To Post-Mining Treatment Trust Consent Order and Agreement and to challenge its content or validity, which rights may be available under Section 4 of the Environmental Hearing Board Act, the Act of July 13, 1988, P.L. 530, No. 1988-94, 35 P.S. § 7514; the Administrative Agency Law, 2 Pa. C.S. § 103(a) and Chapters 5A and 7A; or any other provision of law. Signature by Mittal's and PRI's attorney certifies only that the First Amendment to Post-Mining Treatment Trust Consent Order and Agreement has been signed after consulting with counsel.

FOR MITTAL STEEL USA INC.


Name: Carlos M. Hernandez
Title: Vice President and Secretary


Dale E. Papajcik, Esquire
Attorney for Mittal Steel USA Inc.

**FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION:**

Donald Barnes
District Mining Manager
Cambria District Mining Office

Diana J. Stares
Regional Counsel

Gail A. Myers
Assistant Counsel


Agreement on behalf of Mittal and PRI; that Mittal and PRI consent to the entry of this First Amendment To Post-Mining Treatment Trust Consent Order and Agreement as a final ORDER of the Department; and that Mittal and PRI hereby knowingly waive their rights to appeal this First Amendment To Post-Mining Treatment Trust Consent Order and Agreement and to challenge its content or validity, which rights may be available under Section 4 of the Environmental Hearing Board Act, the Act of July 13, 1988, P.L. 530, No. 1988-94, 35 P.S. § 7514; the Administrative Agency Law, 2 Pa. C.S. § 103(a) and Chapters 5A and 7A; or any other provision of law. Signature by Mittal's and PRI's attorney certifies only that the First Amendment to Post-Mining Treatment Trust Consent Order and Agreement has been signed after consulting with counsel.

FOR MITTAL STEEL USA INC.

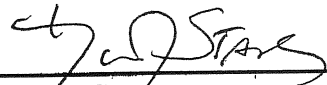
Name: _____
Title: _____

Dale E. Papajcik, Esquire
Attorney for Mittal Steel USA Inc.

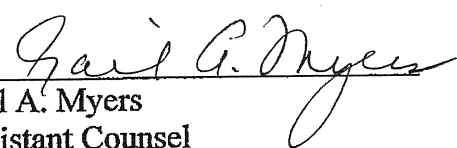
**FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION:**



Donald Barnes
District Mining Manager
Cambria District Mining Office

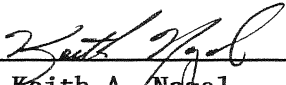


Diana J. Stares
Regional Counsel

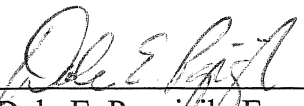


Gail A. Myers
Assistant Counsel

FOR PRISTINE RESOURCES INC.:



Name: Keith A. Nagel
Title: Director, Environmental Affairs



Dale E. Papaicik, Esquire
Attorney for Pristine Resources, Inc.

Attachments:
Exhibit A: Option Agreement

EXHIBIT A

**AGREEMENT OF THE OPTION TO
ORDER THE CONVEYANCE OF PERSONAL PROPERTY**

This AGREEMENT OF THE OPTION TO ORDER THE CONVEYANCE OF PERSONAL PROPERTY ("Agreement") is made and entered into this 28th day of March 2006 by and between PRISTINE RESOURCES INC., a Delaware Corporation ("PRI"), and THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF ENVIRONMENTAL PROTECTION ("DEP").

RECITALS

WHEREAS, PRI and DEP are parties to that certain Consent Order and Agreement dated June 10, 2004 (referred to herein as the "COA") pursuant to which PRI agreed, amongst other things, to operate and maintain certain mine drainage treatment systems (the "Treatment Systems") to treat and otherwise prevent post-mining drainage emanating from the bituminous coal mines ("Mines") and coal refuse disposal areas ("CRDAs") identified in Paragraph D of the COA (the "post-mining discharges");

WHEREAS, in accordance with the COA, PRI currently operates the following Treatment Systems: Mine #31 Treatment System, Mine #32 Treatment System, Mine #33 Pump System, Mine #33 Wetland System (when activated), Mine #38D/Ehrenfeld Treatment System, Mine #77 Treatment System, Mine #78 Treatment System, and Mine #91 Treatment System;

WHEREAS, pursuant to the COA, PRI also agreed to establish and fund a certain Post-Mining Discharge Treatment Trust (the "Trust") to provide financial assurance for the treatment of the post-mining discharges;

WHEREAS, in accordance with the COA, PRI has entered into that certain Post-Mining Discharge Treatment Trust Agreement (referred to herein "Trust Agreement" and attached hereto as Exhibit A) with The Huntington National Bank, a Delaware Corporation (the "Trustee"), by which PRI has created and established the Trust;

WHEREAS, DEP has been designated as the sole beneficiary of said Trust;

WHEREAS, Paragraph 16(b) of the COA provided that, within 30 days of PRI's establishment of the Trust, PRI would convey to the Trust a first priority security interest in and to all personal property and such other property interest to the Department to ensure the Trust can utilize the personal property as necessary to operate the Treatment Systems;

WHEREAS, in satisfaction of PRI's obligations under Paragraph 16(b), PRI and DEP desire to enter into this Agreement, which grants DEP the option to order PRI to convey the Personal Property (as defined below) to the Trust upon the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the recitals and the mutual covenants contained herein, the parties hereto agree as follows:

1. PRI hereby agrees and grants to DEP the option (the "Option") to order PRI to convey the equipment belonging to PRI and necessary to the operation of the Treatment Systems, including but not limited to the items listed and described in Exhibit B (hereinafter referred to as the "Personal Property") to the Trust upon the following terms and conditions.
2. At such time, if ever, during the duration of this Agreement (as defined in Paragraph 4), DEP reasonably finds that PRI has: (i) materially failed to perform its post-mining discharge treatment obligations as set forth in the COA or (ii) has demonstrated an inability to perform its post-mining discharge treatment obligations as set forth in the COA due to a material adverse change in PRI's financial condition (including, but not limited to, insolvency), DEP may exercise the Option and, by written order (the "Option Order"), demand that PRI convey the Personal Property to the Trust. By entering into this Agreement, PRI waives its right to challenge the Department's Option Order.
3. PRI will convey the Personal Property to the Trust within 30 days, at which time it will become part of the Trust principal as provided in Article 1.3(c) of the Trust Agreement.
4. DEP's Option shall expire and this Agreement shall terminate: (i) with respect to all or some of the Personal Property, in accordance with the provisions of Paragraph 25 of the COA; or (ii) with respect to all of the Personal Property, upon termination of the Trust in accordance with Article 12 of the Trust Agreement.
5. All notices, orders, or other written communications made or given pursuant to this Agreement shall be given to PRI or DEP by certified mail, return receipt requested, addressed to the following addresses, and shall be deemed to be received upon the earlier date of the signed receipt of the certified mailing or seven (7) days following the date of mailing.

DEP:

District Mining Manager
Department of Environmental Protection
Cambria District Mining Office
286 Industrial Park Road
Ebensburg, PA 15931-4119
Phone: (814) 472-1900

Facsimile: (814) 472-1898

with copies to:

Director, District Mining Operations
Department of Environmental Protection
Greensburg District Mining Office
Armbust Professional Center
8205 Route 819
Greensburg, PA 15601
Phone: (724) 925-5500
Facsimile: (724) 925-5557

and

District Mining Manager
Department of Environmental Protection
Knox District Mining Office
White Memorial Building
P.O. Box 669
Knox, PA 16232
Phone: (814) 797-1191
Facsimile: (814) 797-2706

PRI:

Pristine Resources Inc.
3020 Interstate Drive
Richfield, Ohio 44286
Attn: General Manager of Operations
Phone: (330) 659-9100
Facsimile: (330) 659-9132

with copies to:

Pristine Resources Inc.
129 Bethlehem Road
Revloc, PA 15948
Attn: Larry Neff, Manager of Operations
Phone: (814) 472-1209
Facsimile: (814) 472-1298

and:

Keith A. Nagel
Mittal Steel USA Inc.
Manager of Environmental Affairs
3020 Interstate Drive
Richfield, OH 44286
Phone: (330) 659-9100
Facsimile: (330) 659-9132

and:

Dale E. Papajcik, Esquire
Squire, Sanders & Dempsey, LLP
4900 Key Tower
127 Public Square
Cleveland, OH 44114
Phone: (216) 479-8479
Facsimile: (216) 479-8776

Trustee:

Gregory W. Klucher, Esq.
The Huntington National Bank
917 Euclid Avenue, Suite 200
Cleveland, OH 44115
Phone: (216) 515-6532
Facsimile: (216) 515-6633

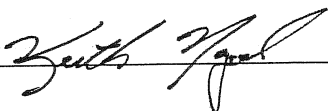
6. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and assigns.
7. This Agreement may be executed in one or more counterparts, all of which will be considered one and the same instrument. Signatures transmitted by facsimile shall be deemed to be original signatures.
8. This Agreement may not be changed orally, but only by an agreement in writing signed by the parties hereto.
9. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives to be effective as of the date first above written.

PRISTINE RESOURCES INC.

(a Delaware corporation)

By: 

Print Name: Keith A. Nagel

Title: Director, Environmental Affairs

**FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION:**

Donald Barnes
District Mining Manager
Cambria District Mining Office

Diana J. Stares
Regional Counsel

Gail A. Myers
Assistant Counsel

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives to be effective as of the date first above written.

PRISTINE RESOURCES INC.

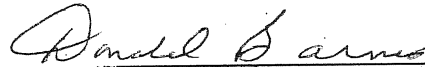
(a Delaware corporation)

By: _____

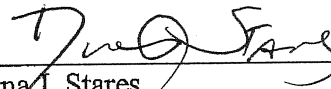
Print Name: _____

Title: _____

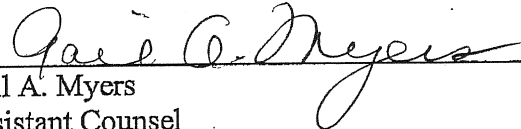
**FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION:**



Donald Barnes
District Mining Manager
Cambria District Mining Office



Diana J. Stares
Regional Counsel



Gail A. Myers
Assistant Counsel