

## **KEY POINTS/LEASE SUMMARY**

1. The City is the owner of the subsurface property and mining rights located south of the Illinois Tollway (Interstate 88) and Mettel Road and immediately to the east of Illinois Route 25.

2. On August 25, 1998, the City and Conco Western Stone Company (“Conco”), of which Lafarge is the successor in interest, entered into an Agreement for Lease which provided that Conco (and subsequently Lafarge), could conduct mining activities under the City Property (“South Mine”). Subsequently, Lafarge and the City terminated the Conco Lease and entered into an Amended and Restated Agreement for Lease (the “Second Lease”) on July 11, 2012, to allow the continuance of Lafarge’s underground Mining Activities on the City Property, as well as facilitating the City’s construction of a lime sludge storage facility to receive lime sludge, a byproduct from the City’s Water Treatment Plant, by a force main for storage in the South Mine.

3. LaFarge is the owner of a tract of land located in North Aurora which is immediately north of the Illinois Tollway and immediately east of Illinois Route 25 (the “North Mine”). Lafarge has been conducting surface and subsurface mining activities at the North Mine and plans to continue mining the North Mine until the mineral deposits are fully extracted. Currently, the only access to the South Mine is through the North Mine.

4. The City’s goal in the Second Lease was to economically dispose of and permanently store lime sludge from its Water Treatment Plant on Levels 1 and 2 of the South Mine using an injection system permitted as a Class V Injection Well (“UIC Permit”) under the Illinois Environmental Protection Agency (“Illinois EPA”) Underground Injection Control Facility program (“Facility”).

5. The Parties have now agreed that the storing of lime sludge in a dewatered state in Levels 1 and 2 of the South Mine may be a more economical and efficient means of disposing of the lime sludge and reducing the possibility of water infiltration into the South Mine.

6. To obtain the authority from the IEPA to dispose lime sludge in a dewatered state, the Parties are jointly cooperating and agreeing to work together to obtain from the IEPA all necessary approvals for authorization to develop, construct and operate a dewatered lime sludge storage facility in the South Mine as described in this Lease (“Storage Facility”) and to approve the Storage Facility Operations.

7. Pursuant to the terms of this Lease, LAFARGE will set up a Storage Facility to store lime sludge in the South Mine and shall take all steps required to construct the necessary improvements at the Conco Mine (collectively “the Storage Facility Improvements”) and to accomplish, consistent with all laws and Governmental Approvals the excavation, transportation, and depositing of lime sludge from the City’s Water Treatment Plant into the Conco Mine and then moving the lime sludge deposited into the Conco Mine to the South Mine and storing it there (“Storage Facility Operations”).

8. The City owns approximately 23 acres of property to the east of the South Mine (“Additional City Property”), which has underground reserves of Aggregates and if rezoned and agreed to by the City could be mined by LAFARGE.

9. By entering into this Lease, the Parties intend it to completely supersede and replace the Second Lease.

10. Lease Term. Fifteen (15) years from the Commencement Date, Provided however, this Lease may be extended for five (5) more years (“Extended Term”) if Lafarge has additional Aggregates to extract from the South Mine or the City permits Lafarge to mine the Additional City Property.