

Tina Amico  
AVP, Contracts  
CIT Rail



RECORDATION NO. 29929 FILED

October 7, 2011

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Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
Washington, D C. 20423

SURFACE TRANSPORTATION BOARD

RE: BGM02012

Dear Secretary,

Enclosed for recordation pursuant to the provisions of 49 U.S.C Section 11301(a) is a Memorandum of Lease Agreement dated as **March 16, 2011**, a primary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease Agreement.

**Lessee:** Badger Mining Corporation  
409 South Church Street  
Berlin, Wisconsin 54923

**Lessor:** The CIT Group/Equipment Financing, Inc.  
30 South Wacker Drive, Suite 2900  
Chicago, IL 60606

A description of the railroad equipment covered by the enclosed document is: Railcars within the series **CEFX 311000 through CEFX311099, inclusive**, as more particularly set forth in the equipment schedule attached to this document

A short summary of the document to appear in the index is: Memorandum of Railcar Lease.

Kindly return stamped copies of the enclosed document to the undersigned.

Best regards,

/s

Tina Amico  
AVP, Contracts  
CIT Rail

Enclosures

CIT RAIL  
30 South Wacker Drive  
Suite 3000  
Chicago, IL 60606

t 312 906 5785 f 312 906 5833  
[sean.dougherty@cit.com](mailto:sean.dougherty@cit.com)

MEMORANDUM OF RAILCAR LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF RAILCAR LEASE dated as of this 11 day of March, 2011, is made by THE CIT GROUP/EQUIPMENT FINANCING, INC, a Delaware corporation, with an address at 30 South Wacker Drive, Suite 2900, Chicago, Illinois 60606 (the "Lessor"), and BADGER MINING CORPORATION, a Wisconsin corporation, with an address at 409 South Church Street, Berlin, Wisconsin, 54923 (the "Lessee" and, together with the Lessor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and the Lessee are parties to that certain Master Railcar Lease (the "Master Lease") dated as of May 8, 2000 and Schedule No. 12 thereto dated as of March 16, 2011 (the "Schedule"; the Schedule and the Master Lease to the extent relating to the Schedule, are hereinafter referred to as the "Lease") covering the equipment listed on Schedule A hereto (the "Equipment"), and

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Lease, and the respective interests therein of the parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written,

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Equipment to the Lessee in accordance with the terms and conditions of the Lease, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessor by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessor. I further declare under penalty of perjury that the foregoing is true and correct.

THE CIT GROUP/EQUIPMENT FINANCING, INC

By: [Signature]  
Name: J.M. KEASLING  
Title: SVP - Leasing

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessee by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessee. I further declare under penalty of perjury that the foregoing is true and correct

BADGER MINING CORPORATION

By: [Signature]  
Name: Shelly Bernhagen  
Title: Exec Mgr

Schedule A

Quantity                      Equipment Description  
100                              3,260 C.F. covered hopper cars with  
   gravity gates

Reporting Marks and Numbers

CEFX	311000	CEFX	311034	CEFX	311068
CEFX	311001	CEFX	311035	CEFX	311069
CEFX	311002	CEFX	311036	CEFX	311070
CEFX	311003	CEFX	311037	CEFX	311071
CEFX	311004	CEFX	311038	CEFX	311072
CEFX	311005	CEFX	311039	CEFX	311073
CEFX	311006	CEFX	311040	CEFX	311074
CEFX	311007	CEFX	311041	CEFX	311075
CEFX	311008	CEFX	311042	CEFX	311076
CEFX	311009	CEFX	311043	CEFX	311077
CEFX	311010	CEFX	311044	CEFX	311078
CEFX	311011	CEFX	311045	CEFX	311079
CEFX	311012	CEFX	311046	CEFX	311080
CEFX	311013	CEFX	311047	CEFX	311081
CEFX	311014	CEFX	311048	CEFX	311082
CEFX	311015	CEFX	311049	CEFX	311083
CEFX	311016	CEFX	311050	CEFX	311084
CEFX	311017	CEFX	311051	CEFX	311085
CEFX	311018	CEFX	311052	CEFX	311086
CEFX	311019	CEFX	311053	CEFX	311087
CEFX	311020	CEFX	311054	CEFX	311088
CEFX	311021	CEFX	311055	CEFX	311089
CEFX	311022	CEFX	311056	CEFX	311090
CEFX	311023	CEFX	311057	CEFX	311091
CEFX	311024	CEFX	311058	CEFX	311092
CEFX	311025	CEFX	311059	CEFX	311093
CEFX	311026	CEFX	311060	CEFX	311094
CEFX	311027	CEFX	311061	CEFX	311095
CEFX	311028	CEFX	311062	CEFX	311096
CEFX	311029	CEFX	311063	CEFX	311097
CEFX	311030	CEFX	311064	CEFX	311098
CEFX	311031	CEFX	311065	CEFX	311099
CEFX	311032	CEFX	311066		
CEFX	311033	CEFX	311067		