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**RESOLUTION OF THE
WHITE MOUNTAIN APACHE TRIBE OF THE
FORT APACHE INDIAN RESERVATION**

FORT APACHE INDIAN AGENCY
WETTERIVER, ARIZONA

**(Approving the Use of Existing Funds to Enter into an Agreement
with Lexecon to Evaluate GF Industries and the Value of the Tribe's Iron Ore)**

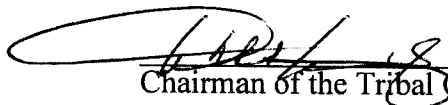
- WHEREAS,** the White Mountain Apache Tribe is interested in developing its rich iron deposits in a way most beneficial to the Tribe in terms of economic return, protection of the environment, and preservation of cultural values; and
- WHEREAS,** according to the Tribe's consulting hydrologist, Dr. Laurel Lacher, GF Industries, Inc. out of Brea, California, is interested in collecting iron ore samples and possibly enter into a contract with the Tribe to mine iron ore from the Tribe's deposits; and
- WHEREAS,** the Tribe's iron ore has been studied for many decades by the Bureau of Indian Affairs Division of Energy and Mineral Resources, the U.S. Bureau of Mines, and others to identify the extent and location of the ore deposit; and
- WHEREAS,** the findings of these studies have been summarized in a recent report by minerals consultant, Dr. Dale Nations, along with recommendations for further mapping to define more precisely the amount and quality of ore available on the Fort Apache Indian Reservation; and
- WHEREAS,** recent sharp increases in demand for steel around the world, particularly in Asia, may impact the value of the Tribe's iron ore; and
- WHEREAS,** in order to determine the best approach to developing the Tribe's ore, the Tribal Council needs updated information on the market value of the Tribe's resource based on quality and quantity of the ore, accessibility to surface vs. underground mining, transportation, and other factors influencing the marketability of the ore; and
- WHEREAS,** the Tribe has funds remaining in its 2002 grant from the BIA's Division of Energy and Mineral Resources to continue evaluation of the Tribe's mineral resources, specifically the iron ore; and
- WHEREAS,** Lexecon, a consulting firm affiliated with the Harvard Project on American Indian Economic Development, has proposed to assist the Tribe in its evaluation of: a) the viability and merit of GF Industries, Inc., b) the regional and global market for iron ore, and c) fair market value for a large sample of ore and a royalty rate for on-going mining operations; and
- WHEREAS,** Lexecon's fee for its evaluation is \$5,000.00; and
- WHEREAS,** Dr. Laurel Lacher is best suited to work with Lexecon, and such work is consistent with the scope of work under her existing agreement with the Tribe; and

WHEREAS, an evaluation of GF Industries, Inc. will provide valuable information for the Tribal Council and Tribal natural resources staff in evaluating and negotiating any future proposals for development of the Tribe's iron ore.

NOW, THEREFORE, BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that:

1. The use of \$5,000.00 of existing grant funds under the 2002 BIA Division of Energy and Mineral Resources grant is hereby approved to fund the July 8, 2004 proposal from Lexecon to evaluate GF Industries, Inc. and the value of the Tribe's iron ore.
2. The Tribal Chairman or, in his absence, the Vice Chairman, is further authorized to execute all documents necessary to effectuate an agreement with Lexecon, subject to review by the Tribe's Legal Department.
3. The Tribe's consulting hydrologist, Dr. Laurel Lacher, is hereby directed to interface with Lexecon representatives, distribute the results of Lexecon's evaluation, and report back to the Tribal Council shortly after the Lexecon report is distributed.

The foregoing resolution was on DECEMBER 16, 2004 duly adopted by a vote of EIGHT for, ZERO against, and ONE against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article IV, Section 1(a), (b), (f), (g), (h), (i), (j), (k), (q), (s), (t) and (u) of the Constitution of the Tribe, ratified by the Tribe September 30, 1993, and approved by the Secretary of Interior on November 12, 1993, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).


Chairman of the Tribal Council


Secretary of the Tribal Council