

APPENDIX 7.7 - RESERVE ACCOUNT FOR FACILITIES IMPROVEMENT

In relation to this prospectus Reclamation believes that PART 4 (Business Opportunity), PART 6 (Draft Concession Contract), and PART 6 - Exhibit K (Reserve Account for Facilities Improvement [RAFI]) provide sufficient data for bidders to fully understand the function and need for a RAFI.

In this section of “Appendices to the Prospectus” Reclamation would normally include a copy of the current RAFI, but such a document or requirement does not exist for the current concessionaires. In a typical situation we could also provide some financial projections of the RAFI that would display the annual amount required and deposited and the ending balance of that account. However, because of the flexibilities provided to bidders in this concession opportunity these amounts are unknown as they are to be determined by bidders as a part of their proposals.