

SOUTH T-BAR RANCH PROPERTY OWNERS ASSOCIATION

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January 10, 2008

TO: South T-Bar Ranch POA Members
FR: Jim Greenwood, President, STB Board of Directors
RE: Addendum to Meeting Announcement for January 19, 2008 Special Meeting of the Members

By now, you should have received your official packet of materials for the January 19, 2008 Special Meeting of the Members of the South T-Bar Ranch (STB) Property Owners Association (POA). There's a lot of important information in that packet, so I urge you to set aside time to go through it before the meeting. It's particularly important for you to return your RSVP for the meeting, and send in a proxy if you can't attend but still want someone to vote for you on the issues coming before the meeting.

Speaking of those issues: the packet refers to three "ballot questions" that will be considered at the meeting. Our attorneys have cautioned us that "ballot" is probably not the correct word for the second and third questions we'll be voting on.

Because we do not know exactly what the future holds in terms of specific scenarios for the "mine" or "no mine" alternatives, the attorneys have made the point that it would be inappropriate to vote definitively on one scenario that ultimately may not be an option available to us. Therefore, the second question will be treated as a "survey question" rather than a "ballot question."

The third question, in which POA members will discuss and express preferences about options for funding the remainder of the mining effort, likewise is incorrectly referred to as a "ballot question." Once again, our attorneys have cautioned us that there are other funding options that might become available to us, while some of the ones listed may never materialize, so it would be best to also treat the third question as a "survey question" in which we will all express our preferences among the funding alternatives listed.

To reflect these changes, please see the attached revised agenda that shows consideration of ballot question #1, along with survey question #2 and survey question #3.

We understand that at least one POA member had questions about the flow chart/table titled "Alternative Mining Scenarios, South T-Bar Ranch." On the right side of this chart, there are three columns for financial information (revenue, expense, net). Only the middle column (expenses) is filled in. The Board, through its mining economics subcommittee, has estimated a range of costs associated with each mine and no mine scenario. When it comes to the first column (revenue), the Board is greatly constrained (for tax reasons, among others) in making revenue projections, but we recognize the importance of you having an idea of the revenue range for each scenario. Therefore, we will have a participant at the January 19th meeting who will express his personal opinions about the revenue possibilities.

Once you have heard that personal opinion about the range of possible revenues for each scenario, you will have the information you need to estimate the net value (subtract the scenario's expenses from its potential revenues). You are, of course, also welcome to derive your own estimates for the revenue potential for each scenario and make your net calculation on that basis. Note that revenue figures are shown for the "no mine" scenarios, since it is pretty clear that if we do not mine there will be no mining revenue.

There are two final points I would like to make regarding this diagram: First, the expense estimates for most scenarios assume a 15 year term, since a mining effort might last that long. The exception is the scenarios involving a court confirmation, in which case a five year term is used to reflect the time spent fighting a court battle. Second, please take notice of the disclaimer statement in your original packet. The revenue figures are personal opinions, and the expense figures are very gross, so you should be careful not to place undue confidence in them. They are the best that we have right now, but significant refinements and changes will inevitably occur as we go forward.

Once again, the board would like to remind you that the information and discussions from the January 19, 2008 meeting should not be shared with anyone outside of this circle of POA members, Board members, and attorneys.

I hope this information is helpful. The Board looks forward to seeing you on the 19th.

Best regards,

-Jim

PS: If you have not yet paid your 2008 POA assessment, we would be happy to take your payment at the registration table.