

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

**Jointly Administered under
Case No. 15-50307**

MAGNETATION LLC, et al,

Court File No. 15-50307 (GFK)

Debtors.

(includes:

Court File Nos.:

Mag Lands, LLC
Mag Finance Corp.
Mag Mining, LLC
Mag Pellet LLC)

15-50308 (GFK)
15-50309 (GFK)
15-50310 (GFK)
15-50311 (GFK)

Chapter 11 Cases
Chief Judge Gregory F. Kishel

**GLOBAL NOTES, METHODOLOGY AND SPECIFIC
DISCLOSURES REGARDING THE DEBTORS' SCHEDULES OF
ASSETS AND LIABILITIES AND STATEMENTS OF FINANCIAL AFFAIRS**

Introduction

Magnetation LLC, Mag Lands, LLC, Mag Finance Corp., Mag Mining, LLC and Mag Pellet LLC (collectively, the “Debtors”) with the assistance of their advisors, have filed their respective Schedules of Assets and Liabilities (the “Schedules”) and Statements of Financial Affairs (the “Statements,” and together with the Schedules, the “Schedules and Statements”) with the United States Bankruptcy Court for the District of Minnesota (the “Bankruptcy Court”), pursuant to section 521 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 1007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

The Schedules and Statements do not purport to represent financial statements prepared in accordance with Generally Accepted Accounting Principles in the United States (“GAAP”), nor are they intended to be fully reconciled with the financial statements of each Debtor (whether publically filed or otherwise). Additionally, the Schedules and Statements contain unaudited information that is subject to further review and potential adjustment, and reflect the Debtors’ reasonable efforts to report the assets and liabilities of each Debtor on an unconsolidated basis.

In preparing the Schedules and Statements, the Debtors relied upon information derived from their books and records that was available at the time of such preparation. Although the Debtors have made reasonable efforts to ensure the accuracy and completeness of such financial information, inadvertent errors or omissions, as well as the discovery of conflicting, revised or subsequent information, may result in material changes to the Schedules and Statements. The Debtors reserve all of their rights to amend, supplement or otherwise modify the Schedules and Statements from time to time, in all respects, as they deem necessary or appropriate, but the Debtors are under no obligation to amend, supplement or otherwise modify the Schedules and Statements.

Accordingly, there can be no assurance that the Schedules and Statements are wholly accurate and complete. The Debtors and their officers, employees, agents, attorneys and financial advisors do not guarantee or warrant the accuracy or completeness of the data that is provided in the Schedules and Statements and shall not be liable for any loss or injury arising out of or caused in whole or in part by the acts, omissions, whether negligent or otherwise, in procuring, compiling, collecting, interpreting, reporting, communicating or delivering the information contained in the Schedules and Statements. Except as expressly required by the Bankruptcy Code, the Debtors and their officers, employees, agents, attorneys and financial advisors expressly do not undertake any obligation to update, modify, revise or re-categorize the information provided in the Schedules and Statements. The Debtors, on behalf of themselves, their officers, employees, agents and advisors disclaim any liability to any third party arising out of or related to the information contained in the Schedules and Statements and reserve all rights with respect thereto.

The Schedules and Statements have been signed by an authorized representative of each of the Debtors. In reviewing and signing the Schedules and Statements, this representative relied upon the efforts, statements and representations of the Debtors' other personnel and professionals. The representative has not (and could not have) personally verified the accuracy of each such statement and representation, including, for example, statements and representations concerning amounts owed to creditors and their addresses.

These Global Notes, Methodology and Specific Disclosures Regarding the Debtors' Schedules of Assets and Liabilities and Statements of Financial Affairs (the "Global Notes") pertain to, are incorporated by reference in, and comprise an integral part of each Debtor's Schedules and Statements. The Global Notes should be referred to, considered and reviewed in connection with any review of the Schedules and Statements.

Overview of Methodology

- 1. Description of Cases and "as of" Information Date.** On May 5, 2015 (the "Petition Date"), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. On May 8, 2015, the Bankruptcy Court entered an order directing the consolidation of the cases for the purpose of joint administration under Case No. 15-50307 (GFK) [Docket No. 72]. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On May 12, 2015, the Office of the United States Trustee for the District of Delaware

appointed a statutory committee of unsecured creditors pursuant to section 1102(a)(1) of the Bankruptcy Code [Docket No. 94].

The asset information provided in the Schedules and Statements, except as otherwise noted, represents the asset data of the Debtors as of April 30, 2015. The liability information provided in the Schedules and Statements, except as otherwise noted, represents the liability data of the Debtors as of May 5, 2015.

2. **Estimates and Assumptions.** The preparation of the Schedules and Statements required the Debtors to make certain estimates and assumptions that affect the reported amounts of assets and liabilities. Actual amounts could differ from those estimates, perhaps materially. The Debtors reserve all rights to amend the reported amounts of assets and liabilities to reflect changes in those estimates or assumptions.
3. **Recharacterization.** The Debtors have made reasonable efforts to properly characterize, classify, categorize or designate certain claims, assets, executory contracts, unexpired leases and other items reported in the Schedules and Statements. Due to the complexity and size of the Debtors' businesses, the Debtors may, nevertheless, have improperly characterized, classified, categorized, designated or omitted certain items. Accordingly, the Debtors reserve all of their rights to recharacterize, reclassify, recategorize, redesignate, add or delete items reported in the Schedules and Statements at a later time either in amendments to the Schedules and Statements or in another filing as necessary or appropriate, including, without limitation, whether contracts or leases listed herein were deemed executory or unexpired as of the Petition Date and remain executory and unexpired postpetition.
4. **Intercompany.** Based on information currently available, there are no recorded intercompany claims among the Debtors and no outstanding prepetition intercompany claims by Magnetation, Inc. against a Debtor. Payments made within one year immediately preceding the Petition Date on account of intercompany claims between a Debtor and Magnetation, Inc. are reported on Statement 3(c).

As of the Petition Date, approximately \$17.6 million in principal remains outstanding under an unsecured loan that Magnetation LLC extended to Magnetation, Inc. and is reported on Schedule B18 for Magnetation LLC.

5. **Net Book Value of Assets.** It would be prohibitively expensive, unduly burdensome and an inefficient use of estate resources for the Debtors to obtain current market valuations for all of their assets. Accordingly, unless otherwise indicated, the Schedules and Statements reflect net book values for the assets as listed in the Debtors' books and records as of April 30, 2015. Amounts ultimately realized may vary from net book value, and such variance may be material. Additionally, certain assets, such as patents licensed from Magnetation, Inc., are listed as undetermined amounts as of the Petition Date because the book values may materially differ from fair market values. Furthermore, as applicable, assets that have fully depreciated or were expensed for accounting purposes do not appear in the Schedules and Statements as they have no net book value. The Debtors reserve their right to amend or adjust the value of each asset set forth in the Schedules and Statements.

6. **Real Property and Personal Property–Owned.** Property and equipment listed in the Schedules and Statements are presented without consideration of any statutory or consensual liens that may attach (or have attached) to such property and equipment.
7. **Real Property and Personal Property–Leased.** In the ordinary course of their businesses, the Debtors lease real property and various articles of personal property, including vehicles, fixtures and equipment, from certain third-party lessors. The Debtors have made reasonable efforts to include lease payments on Schedule D (secured debt) to the extent applicable and to the extent the lessor filed a UCC-1. Nothing in the Schedules and Statements is or shall be construed as an admission or determination as to the legal status of any lease (including whether to assume and assign or reject such lease or whether it is a true lease or a financing arrangement), and the Debtors reserve all of their rights with respect to any and all such issues.
8. **Excluded Assets and Liabilities.** The Debtors have excluded certain categories of assets and liabilities from the Schedules and Statements, including, without limitation, goodwill, accrued salaries, employee benefit accruals, tax accruals and deferred gains. In addition, certain immaterial assets and liabilities may have been excluded.

The Bankruptcy Court has authorized the Debtors to pay, in their discretion, certain outstanding prepetition claims on a postpetition basis. To the extent that any prepetition liabilities have been paid postpetition pursuant to the authority granted to the Debtors by the Bankruptcy Court, such prepetition liabilities have been excluded from the Schedules and Statements. Accordingly, where the Schedules and Statements list creditors and set forth the Debtors' scheduled amounts of such claims, such scheduled amounts reflect amounts owed as of the Petition Date, adjusted for any postpetition payments made on account of such claims pursuant to the authority granted to the Debtors by the Bankruptcy Court.

The Debtors have sought to allocate liabilities between the prepetition and postpetition periods based on the information and research conducted in connection with the preparation of the Schedules and Statements. As additional information becomes available and further research is conducted, the allocation of liabilities between the prepetition and postpetition periods may change. Accordingly, the Debtors reserve all of their rights to amend, supplement or otherwise modify the Schedules and Statements as necessary or appropriate.

The liabilities listed on the Schedules and Statements do not reflect any analysis of claims under section 503(b)(9) of the Bankruptcy Code. Accordingly, the Debtors reserve all of their rights to dispute or challenge the validity of any asserted claims under section 503(b)(9) of the Bankruptcy Code or the characterization of the structure of any such transaction or any document or instrument related to any creditor's claim.

9. **Intellectual Property Rights.** The exclusion of any intellectual property shall not be construed as an admission that such intellectual property rights have been abandoned, terminated, assigned, expired by their terms or otherwise transferred pursuant to a sale, acquisition or other transaction. Conversely, inclusion of certain intellectual property shall not be construed to be an admission that such intellectual property rights have not been

abandoned, terminated, assigned, expired by their terms or otherwise transferred pursuant to a sale, acquisition or other transaction.

- 10. Executory Contracts and Unexpired Leases.** Although the Debtors made diligent attempts to attribute executory contracts and unexpired leases to their rightful Debtors, in certain instances, the Debtors may have inadvertently failed to do so due to the complexity and size of the Debtors' businesses. Accordingly, the Debtors reserve all of their rights with respect to the legal status of any and all such contracts and leases.

Moreover, the Debtors have not necessarily set forth executory contracts and unexpired leases as assets in the Schedules and Statements, even though these contracts and leases may have some value to the Debtors' estates. The Debtors reserve the right to make any arguments and objections with respect to the assertion of any such claims.

- 11. Classifications.** Listing a claim or contract on (i) Schedule D as "secured," (ii) Schedule E as "priority," (iii) Schedule F as "unsecured," or (iv) Schedule G as "executory" or "unexpired," does not constitute an admission by the Debtors of the legal rights of the claimant or a waiver of the Debtors' rights to recharacterize or reclassify such claims, contracts or leases or to setoff of such claims. The Debtors reserve the right to amend the Schedules and Statements and to recharacterize or reclassify any such claims, contracts or leases by amending the Schedules and Statements or in another appropriate filing.

- 12. Disputed, Contingent and/or Unliquidated Claims.** Schedules D, E and F permit each Debtor to designate a claim as "disputed," "contingent" and/or "unliquidated." Any failure to designate a claim on a given Debtor's Schedules and Statements as "disputed," "contingent" and/or "unliquidated" does not constitute an admission by that Debtor that such amount is not "disputed," "contingent" and/or "unliquidated," or that such claim is not subject to objection. The Debtors reserve the right to dispute, or assert offsets or defenses to, any claim reflected on the Schedules and Statements on any grounds, including, without limitation, amount, liability or classification. Additionally, the Debtors reserve the right to subsequently designate such claims as "disputed," "contingent" or "unliquidated," whether by amending the Schedules and Statements or in another appropriate filing. Listing a claim does not constitute an admission by the Debtors of the claimant's legal rights or a waiver of the Debtors' rights to object to, recharacterize or reclassify the claim.

- 13. Contingent Assets.** Despite their reasonable efforts to identify all known assets, the Debtors may not have listed all of their causes of action or potential causes of action against third parties as assets in the Schedules and Statements, including, without limitation, causes of actions arising under the provisions of chapter 5 of the Bankruptcy Code and any other relevant non-bankruptcy laws. The Debtors reserve all of their rights with respect to any cause of action (including avoidance actions), controversy, right of setoff, cross-claim, counterclaim or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity, demand, right, action, lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, power, privilege, license and franchise of any kind or character whatsoever, known, unknown, fixed or contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on or after the Petition

Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law (collectively, "Causes of Action") they may have or will have, and the Schedules and Statements shall be deemed a waiver of any claims or Causes of Action or in any way prejudice or impair the assertion of such claims or Causes of Action.

The Debtors may also possess contingent and unliquidated claims against affiliated entities (both Debtors and non-Debtors) for various financial accommodations and similar benefits they have extended from time to time, including contingent and unliquidated claims for contribution, reimbursement and/or indemnification. The Debtors reserve their rights with respect to these claims and to supplement the Schedules and Statements for these items at a later date.

- 14. Undetermined Amounts.** Some of the Debtors' scheduled assets and liabilities are unknown and/or unliquidated at this time. In such cases, the amounts are listed as "unknown," "TBD" or "undetermined." The description of an amount as "unknown," "TBD" or "undetermined" is not intended to reflect upon the materiality of such amount.
- 15. Totals.** All totals that are included in the Schedules and Statements represent totals of all known amounts. To the extent there are unknown or undetermined amounts, the actual total may be different than the listed total.
- 16. Paid Claims.** The Bankruptcy Court has authorized (but not directed) the Debtors to pay various outstanding prepetition claims, including certain payments to employees, critical vendors and taxing authorities. Accordingly, certain outstanding liabilities may have been reduced by postpetition payments made on account of prepetition liabilities. To the extent the Debtors pay any of the claims listed in the Schedules and Statements pursuant to any orders entered by the Bankruptcy Court, the Debtors reserve the right to amend or supplement the Schedules and Statements or take other action as is necessary or appropriate to avoid overpayment for any such liabilities.
- 17. Currency.** Unless otherwise indicated, all amounts are reflected in U.S. dollars.
- 18. Confidential, Private and Commercially Sensitive Information.** There are instances within the Schedules and Statements where names, addresses or amounts have been left blank. Due to the nature of an agreement between the Debtors and a third party, concerns about the confidential or commercially sensitive nature of certain information or concerns for the privacy of an individual, the Debtors may have deemed it necessary and appropriate to avoid listing such names, addresses and amounts. In particular, employee addresses have been removed from entries listed on Schedules E, F and G and the Statements, as applicable. These addresses are available upon request of the Office of the United States Trustee and the Bankruptcy Court.
- 19. Reservation of Rights.** Reasonable efforts have been made to prepare and file complete and accurate Schedules and Statements; however, inadvertent errors or omissions may exist. The Debtors reserve all rights to amend, supplement or otherwise modify the Schedules and Statements from time to time, in all respects, as they deem necessary or appropriate, but the Debtors are under no obligation to amend, supplement or otherwise modify the Schedules

and Statements. This general reservation of rights includes, without limitation, the right to amend the Schedules and Statements with respect to claim description, designation, or Debtor against which the claim is asserted; dispute or otherwise assert offsets or defenses to any claim reflected in the Schedules and Statements as to amount, liability, priority, status, or classification; subsequently designate any claim as “disputed,” “contingent” or “unliquidated;” or object to the extent, validity, enforceability, priority or avoidability of any claim. Any failure to designate a claim in the Schedules and Statements as “disputed,” “contingent” or “unliquidated” does not constitute an admission by the Debtors that such claim or amount is not “disputed,” “contingent” or “unliquidated.” Listing a claim does not constitute an admission of liability by the Debtor against which the claim is listed or against any of the Debtors. Furthermore, nothing contained in the Schedules and Statements shall constitute a waiver of any of the Debtors’ rights, including, without limitation, the Debtors’ rights with respect to issues involving claims, substantive consolidation, defenses, equitable subordination, recharacterization and/or causes of action arising under the provisions of chapter 5 of the Bankruptcy Code and any other relevant non-bankruptcy laws. Any specific reservation of rights contained elsewhere in the Global Notes does not limit in any respect the general reservation of rights contained in this paragraph.

20. Global Notes Control. If the Schedules and Statements differ from these Global Notes, the Global Notes shall control.

Specific Disclosures with Respect to the Debtors’ Schedules

Schedule A. Except where otherwise noted, the Debtors have included the book value of owned real property assets held by the Debtors on Schedule A. The Debtors’ leasehold improvements appear on Schedule B29. The Debtors are continuing their review of all relevant documents and reserve the right to amend all Schedules at a later time as necessary or otherwise recharacterize their interests in such real property at a later date. Further, due to the volume of the Debtors’ real and personal property holdings, the Debtors may have listed certain assets as real property when such holdings are in fact in the nature of personal property holdings, or the Debtors may have listed certain assets as personal property assets when such holdings are in fact real property holdings. The Debtors reserve all of their rights to re-categorize and/or recharacterize such asset holdings at a later time to the extent the Debtors determine that such holdings were improperly listed.

Schedule B. All values set forth in Schedule B reflect the book values of the Debtors’ assets as of **April 30, 2015** unless otherwise noted below. The Debtors reserve the right to amend the values attributed to the assets recorded on Schedule B as necessary. Further, as stated above, due to the volume of the Debtors’ real and personal property holdings, the Debtors may have listed certain assets as real property when such holdings are in fact in the nature of personal property holdings, or the Debtors may have listed certain assets as personal property assets when such holdings are in fact real property holdings. The Debtors reserve all of their rights to re-categorize and/or recharacterize such asset holdings at a later time to the extent the Debtors determine that such holdings were improperly listed.

Schedule B2. Cash values held in financial accounts as of May 5, 2015 are listed on Schedule B2. Details with respect to the Debtors’ cash management system and bank

accounts are provided in the *Notice of Hearing and Joint Motion for an Order (i) Granting an Expedited Hearing, (ii) Authorizing Maintenance of the Debtors' Existing Cash Management System, Purchase Card Program and Existing Bank Accounts and Business Forms and (iii) Authorizing Financial Institutions to Honor and Process Related Checks and Transfers* [Docket No. 14] (the "Cash Management Motion").

Schedule B3. The Bankruptcy Court, pursuant to the *Notice of Hearing and Joint Motion for an Order (i) Granting an Expedited Hearing, (ii) Prohibiting Utilities From Altering, Refusing or Discontinuing Service, (iii) Deeming Utility Companies Adequately Assured of Future Performance and (iv) Establishing Procedures for Determining Requests for Additional Adequate Assurance* [Docket No. 25], has authorized the Debtors to provide adequate assurance of payment for postpetition utility services, including deposits in an amount equal to two weeks of utility service less any deposit then held by such utility, calculated as a historical average over the past 12 months. Such deposits are not listed on Schedule B3, which was prepared as of the Petition Date.

Schedule B9. The Debtors maintain certain insurance policies. Additional information regarding the insurance policies listed on Schedule B9 is available in the *Notice of Hearing and Joint Motion for an Order (i) Granting an Expedited Hearing, (ii) Authorizing the Debtors to Continue and Renew Their Liability, Property, Casualty and Other Insurance Programs and Honor All Obligations in Respect Thereof and (iii) Authorizing Financial Institutions to Honor and Process Related Checks and Transfers* [Docket No. 19].

Schedule B13. Ownership interests in subsidiaries have been listed in Schedule B13 as an undetermined amount because the fair market value of such ownership is dependent on numerous variables and factors and likely differs significantly from their net book value.

Schedule B16. The net book value of accounts receivable as of May 5, 2015 has been listed in Schedule B16. Accounts receivable does not include any intercompany receivables.

Schedules B18 and B21. The Debtors' failure to list any contingent and/or unliquidated claim held by the Debtors in response to these questions shall not constitute a waiver, release, relinquishment or forfeiture of such claim.

Schedule B21. In the ordinary course of their businesses, the Debtors may have accrued, or may subsequently accrue, certain rights to counterclaims, setoffs or refund claims against their suppliers. Additionally, certain of the Debtors may be a party to pending litigation in which the Debtors have asserted, or may assert, claims as a plaintiff or counterclaims as a defendant. Because such claims are unknown to the Debtors and not quantifiable as of the Petition Date, they are not listed on Schedule B21.

Schedule B22. Patents licensed from Magnetation, Inc. have been listed in Schedule B22 as an undetermined amount because the fair market value of such ownership is dependent

on numerous variables and factors and likely differs significantly from their net book value.

Schedule D. The descriptions provided on Schedule D are intended only as a summary. The claims listed on Schedule D arose or were incurred on various dates; a determination of the date upon which each claim arose or was incurred would be unduly burdensome and cost prohibitive. Accordingly, not all such dates are included. All claims listed on Schedule D, however, appear to have been incurred before the Petition Date.

Except as otherwise agreed pursuant to a stipulation or order entered by the Bankruptcy Court, the Debtors reserve the right to dispute or challenge the validity, perfection or immunity from avoidance of any lien purported to be granted or perfected in any specific asset to a secured creditor listed on Schedule D of any Debtor. Moreover, although the Debtors may have scheduled claims of various creditors as secured claims, the Debtors reserve the right to dispute or challenge the secured nature of any such creditor's claim or the characterization of the structure of any such transaction or any document or instrument related to such creditor's claim. In certain circumstances, a Debtor may be a co-obligor or guarantor with respect to the scheduled claims of other Debtors, and no claim set forth on Schedule D of any Debtor is intended to acknowledge claims of creditors that are otherwise satisfied or discharged by other entities.

Reference to the applicable loan agreements and related documents is necessary for a complete description of the collateral and the nature, extent and priority of liens. Nothing in the Global Notes or the Schedules and Statements shall be deemed a modification or interpretation of the terms of such agreements. Except as specifically stated on Schedule D, real property lessors, utility companies and other parties that may hold security deposits have not been listed on Schedule D. The Debtors reserve all of their rights, claims and causes of action with respect to claims associated with any contracts and agreements listed on Schedule D, including the right to dispute or challenge the characterization or the structure of any transaction, document or instrument related to a creditor's claim. The Debtors further reserve all of their rights to amend Schedule D to the extent that the Debtors determine that any claims associated with any contracts and agreements should be reported on Schedule D. Nothing herein shall be construed as an admission by the Debtors of the legal rights of the claimant or a waiver of the Debtors' right to recharacterize or reclassify such claim or contract.

Moreover, the Debtors have not included on Schedule D parties that may believe their claims are secured through setoff rights or inchoate statutory lien rights.

As of the Petition Date, Magnetation LLC was the borrower, and the other Debtors were the guarantors, under (i) a \$65.0 million revolving credit facility, under which approximately \$56.0 million in borrowings remains outstanding and approximately \$8.9 million of undrawn letters of credit remains outstanding and (ii) a \$3.8 million term credit facility. Additionally, Magnetation LLC and Mag Finance Corp. co-issued \$325.0 million in principal amount of prepetition notes and, in a tack-on offering under the same indenture, co-issued an additional \$100.0 million in principal amount of prepetition notes. As of the Petition Date, \$425 million in aggregate principal amount of prepetition notes remains outstanding. Mag Pellet LLC also is a party to an unsecured tax increment financing arrangement with White County, Indiana, pursuant

to which Mag Pellet LLC purchased a \$23.5 million 0% bond, under which approximately \$23.5 million remains outstanding as of the Petition Date.

Magnetation LLC has since obtained post-petition financing (the “DIP Financing”) consisting of a term loan in an aggregate amount of approximately \$135.0 million, of which approximately \$63.7 million represents additional incremental liquidity and approximately \$71.3 million represents roll-ups of certain prepetition indebtedness. All of the other Debtors guarantee Magnetation LLC’s obligations under the DIP Financing. An initial borrowing was made on May 7, 2015 in the amount of \$55.0 million. Magnetation LLC used a portion of the proceeds from the DIP Financing to, among other things, (i) effectuate roll-ups of certain prepetition indebtedness, (ii) fund the operational and working capital needs of the Debtors, (iii) pay fees, costs and expenses incurred by the Debtors in connection with their chapter 11 cases and in connection with the foregoing and (iv) make authorized adequate protection payments.

Schedule E. The Bankruptcy Court has authorized the Debtors to, *inter alia*, continue to pay certain liabilities that may be entitled to priority under the applicable provisions of the Bankruptcy Code, including certain prepetition (i) taxes and fees, (ii) wages, salaries, employee benefits and other compensation, (iii) claims of certain critical vendors, (iv) claims of shippers, warehousemen and service providers, (v) obligations to vendors arising from postpetition delivery of goods ordered prepetition and (vi) insurance obligations. To the extent that prepetition amounts have been paid in accordance with the Bankruptcy Court orders prior to filing the Schedules, such claim amounts may not be listed in Schedule E.

The listing of any claim on Schedule E does not constitute an admission by the Debtors that such claim is entitled to priority treatment under 11 U.S.C. § 507. The Debtors reserve their right to dispute the priority status of any claim on any basis.

Schedule F. The Debtors have used reasonable efforts to report all general unsecured claims against the Debtors on Schedule F, based upon the Debtors’ books and records as of the Petition Date. Although reasonable efforts have been made to identify the date of incurrence of each claim, determining the date upon which each claim on Schedule F was incurred or arose would be unduly burdensome and cost prohibitive and, therefore, the Debtors do not list a date for each claim listed on Schedule F. Furthermore, claims listed on Schedule F have been aggregated by unique creditor name and remit to address and may include several dates of incurrence for the aggregate balance listed.

Schedule F contains information regarding pending litigation involving the Debtors. The dollar amount of potential claims associated with any such pending litigation is listed as “undetermined” and marked as contingent, unliquidated and disputed in the Schedules and Statements. Some of the litigation claims listed on Schedule F may be subject to subordination pursuant to section 510 of the Bankruptcy Code. Schedule F also includes potential or threatened litigation claims. Any information contained in Schedule F with respect to such potential litigation shall not be a binding representation of the Debtors’ liabilities with respect to any of the potential suits and proceedings included therein. The Debtors expressly incorporate by reference into Schedule F all parties to pending litigation listed in Statement 4(a) as contingent, unliquidated and disputed claims, to the extent not already listed on Schedule F.

Schedule F reflects the prepetition amounts owing to counterparties to executory contracts and unexpired leases. Such prepetition amounts, however, may be paid in connection with the assumption, or assumption and assignment, of executory contracts or unexpired leases. Additionally, Schedule F does not include potential rejection damage claims, if any, of the counterparties to executory contracts and unexpired leases that may be rejected.

Schedule F contains information regarding accounts payable. To the extent that the Debtors have not been able to attribute an accounts payable claim listed on Schedule F to the appropriate Debtor prior to filing the Schedules and Statements, such accounts payable claim has been marked as contingent. The Debtors intend to amend or supplement Schedule F as necessary and appropriate to more accurately reflect the accounts payable claims attributable to each Debtor.

The Bankruptcy Court has authorized the Debtors to pay certain prepetition claims of critical vendors. To the extent that prepetition amounts have been paid in accordance with the Bankruptcy Court orders prior to filing the Schedules and Statements, such claim amounts may not be listed in Schedule F.

Schedule G. The businesses of the Debtors are complex. Although reasonable efforts have been made to ensure the accuracy of Schedule G regarding executory contracts and expired leases, the Debtors' review is ongoing and inadvertent errors, omissions or over-inclusions may have occurred. Certain information, such as the contact information of the counterparty, may not be included where such information could not be obtained using the Debtors' reasonable efforts. Listing a contract or agreement on Schedule G does not constitute an admission that such contract or agreement is an executory contract or unexpired lease was in effect on the Petition Date or is valid or enforceable. The Debtors reserve all of their rights to dispute the validity, status or enforceability of any contracts, agreements or leases set forth on Schedule G and to amend or supplement Schedule G as necessary.

Due to the volume of the Debtors' portfolio of contracts and leases, all documents entitled "lease" or "contract" have been included on Schedule G. Certain of the leases and contracts listed on Schedule G may contain certain renewal options, guarantees of payment, indemnifications, options to purchase, rights of first refusal and other miscellaneous rights. Such rights, powers, duties and obligations are not set forth separately on Schedule G.

Certain confidentiality and non-disclosure agreements may not be listed on Schedule G. The Debtors reserve all of their rights with respect to such agreements.

Certain of the contracts and agreements listed on Schedule G may consist of several parts, including, purchase orders, amendments, restatements, waivers, letters and other documents that may not be listed on Schedule G or that may be listed as a single entry. In some cases, the same supplier or provider may appear multiple times on Schedule G. This multiple listing is intended to reflect distinct agreements between the applicable Debtor and such supplier or provider. The Debtors expressly reserve their rights to challenge whether such related materials constitute an executory contract, a single contract or agreement or multiple, severable or separate contracts.

The contracts, agreements and leases listed on Schedule G may have expired or may have been modified, amended or supplemented from time to time by various amendments, restatements,

waivers, estoppel certificates, letters, memoranda and other documents, instruments and agreements that may not be listed therein despite the Debtors' use of reasonable efforts to identify such documents. Further, unless otherwise specified on Schedule G, each executory contract or unexpired lease listed thereon shall include all exhibits, schedules, riders, modifications, declarations, amendments, supplements, attachments, restatements or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such executory contract or unexpired lease, without respect to whether such agreement, instrument or other document is listed thereon.

In addition, the Debtors may have entered into various other types of agreements in the ordinary course of their businesses, such as subordination, nondisturbance and attornment agreements, supplemental agreements, settlement agreements, amendments/letter agreements, title agreements and confidentiality agreements. Such documents may not be set forth on Schedule G.

The Debtors reserve all of their rights to alter or amend these Schedules the extent that additional information regarding the Debtor obligor to such executory contracts becomes available. Certain of the executory agreements may not have been memorialized and could be subject to dispute. Executory agreements that are oral in nature have not been included on the Schedule G. The Debtors reserve all of their rights, claims and causes of action with respect to the contracts on Schedule G, including the right to dispute or challenge the characterization of the structure of any transaction or any document or instrument related to a creditor's claim.

Omission of a contract or agreement from Schedule G does not constitute an admission that such omitted contract or agreement is not an executory contract or unexpired lease. The Debtors' rights under the Bankruptcy Code with respect to any such omitted contracts or agreements are not impaired by the omission. Schedule G may be amended at any time to add any omitted contract, agreement or lease. The listing of any contract on Schedule G does not constitute an admission by the Debtors as to the validity of any such contract or that such contract is an executory contract or unexpired lease. The Debtors reserve all of their rights to dispute the effectiveness of any such contract listed on Schedule G or to amend Schedule G at any time to remove any contract.

Schedule H. For purposes of Schedule H, the Debtors that are either the principal obligors or guarantors under the prepetition debt facilities are listed as co-debtors on Schedule H. The Debtors may not have identified certain guarantees associated with the Debtors' executory contracts, unexpired leases, secured financings, debt instruments and other such agreements. The Debtors reserve all of their rights to amend the Schedules to the extent that additional guarantees are identified or such guarantees are discovered to have expired or be unenforceable.

In the ordinary course of their businesses, the Debtors may be involved in pending or threatened litigation. These matters may involve multiple plaintiffs and defendants, some or all of whom may assert cross-claims and counterclaims against other parties. Because all such claims are contingent, disputed, or unliquidated, such claims have not been set forth individually on Schedule H. Litigation matters can be found on each Debtor's Schedule F and Statement 4(a), as applicable.

Claims of Third-Party Related Entities. Although the Debtors have made every effort to properly classify each claim listed in the Schedules as being either disputed or undisputed, liquidated or unliquidated and contingent or noncontingent, the Debtors have not been able to fully reconcile all payments made to certain third parties and their related entities on account of the Debtors' obligations to both such entity and its affiliates. Therefore, to the extent that the Debtors have classified their estimate of claims of a creditor as disputed, all claims of such creditor's affiliates listed in the Schedules and Statements shall similarly be considered as disputed, whether or not they are designated as such.

Umbrella Agreements. A number of contracts listed in the Schedules and Statements are umbrella agreements that cover some or all of the Debtors. Such agreements have been listed in the Schedules and Statements of the Debtor that was the main signatory to the agreement, although more than one of the Debtors may be obligated under the agreement.

Pension Obligations for Active and Retired Employees. Pursuant to two collective bargaining agreements, certain of the Debtors are obligated to make contributions to the Central Pension Fund of the International Union of Operating Engineers and Participating Employers (the "Pension Plan"), a multi-employer pension plan. As of the Petition Date, the Debtors estimate that their annual Pension Plan contributions are approximately \$1.7 million. Based upon the February 1, 2013 actuarial valuation, which is the most recent actuarial valuation available, the Pension Plan assets are valued at approximately \$13.2 billion and the Pension Plan liabilities are valued at approximately \$14.6 billion.

Workers' Compensation Claims and Other Employment-Related Actions and Charges. The workers' compensation obligations have been attributed to the applicable Debtor entities and listed on their respective Schedule F as undetermined individual amounts. The Debtors have made no attempt to disaggregate such liabilities on an individual-by-individual basis for purposes of Schedule F. In addition, other employment-related actions and charges are excluded from the Debtors' Statements. As of the Petition Date, the total liability incurred for all of the Debtors' current open workers' compensation claims was \$182,579.36 while total liability incurred for all of the Debtors' closed workers' compensation claims was \$19,019.88, for an aggregate total liability incurred for all of the Debtors' open and closed workers' compensation claims of \$201,599.24.

Specific Disclosures with Respect to the Debtors' Statements

Statement 3(b). Statement 3(b) includes information with respect to any disbursement or other transfer made by the Debtors, on a consolidated basis, within 90 days before the Petition Date, except for those made to insiders (which payments appear in response to Statement Question 3(c)), employees and bankruptcy professionals (which payments appear in response to Statement Question 9 and include any retainers paid to bankruptcy professionals). The dates set forth in the "Dates of Payment" column relate to one of the following: (i) the date of a wire transfer; (ii) the date of an "ACH" payment; or (iii) the check date. The amounts listed in Statement 3(b) reflect the Debtors' disbursements netted against any check level detail. Thus, to the extent a disbursement was made to pay for multiple invoices, only one entry has been listed on Statement 3(b). All disbursements listed on Statement 3(b) are made through the Debtors' cash

management system. Additionally, all disbursement information reported in Statement 3(b) for a specific Debtor pertains to the bank accounts maintained by that Debtor.

Statement 3(c). One of the Debtors, Magnetation LLC, funds a director and officer insurance policy that covers directors and officers of the Debtors and Magnetation, Inc. Additionally, Magnetation LLC funds the workers' compensation policy for the management, corporate, administrative and other employees provided by Magnetation, Inc. pursuant to the Management Services Agreement dated October 4, 2011, by and between Magnetation, Inc. and Magnetation LLC (the "Management Services Agreement"). Under the Management Services Agreement, Magnetation LLC reimburses Magnetation, Inc. for such employees' compensation and benefits.

Statement 4(a). Information provided in Statement 4(a) includes only those legal disputes and administrative proceedings that are formally recognized by an administrative, judicial or other adjudicative forum. The actual amount of any pending suit or proceeding is contingent on the outcome of such suit or proceeding. Additionally, any information contained in Statement 4(a) shall not be a binding representation of the Debtors' liabilities with respect to any of the suits and proceedings identified therein.

Statement 7. Although the Debtors have made reasonable efforts to ensure that the gifts listed in response to Statement 7 include all gifts made, given the magnitude of the Debtors' operations, certain gifts may have inadvertently been omitted from the Statements.

Statement 8. The Debtors occasionally incur losses for a variety of reasons, including theft and property damage. The Debtors, however, may not have records of all such losses if such losses do not have a material impact on the Debtors' businesses or are not reported for insurance purposes.

Statement 13. The Debtors incur certain offsets and other similar rights during the ordinary course of business. Offsets in the ordinary course can result from various items, including, without limitation, pricing discrepancies, warranties, debit memos, credits and other disputes between the Debtors and their suppliers and/or customers. These offsets and other similar rights are consistent with the ordinary course of business in the Debtors' industry and can be particularly voluminous, making it unduly burdensome and costly for the Debtors to track and list all such offsets and other similar rights. Therefore, although such offsets and other similar rights may have been accounted for when certain amounts were included in the Schedules, offsets are not independently accounted for, and as such, are or may be excluded from the Debtors' responses to Statement 13.

Statement 14. In the ordinary course of business, each of Magnetation LLC, Mag Pellet LLC, and Mag Mining, LLC entered into consignment agreements (the "Consignment Agreements") on behalf of certain of the Debtors with some of their vendors. Under the Consignment Agreements, the Debtors take possession but not title to various materials and supplies, including parts and components of various mining and mining-related equipment (the "Consigned Assets"). Title to the Consigned Assets does not transfer to the Debtors, and the Debtors are not obligated to pay for the Consigned Assets until the Consigned Assets are placed in service.

Statement 17. The Debtors have operated in multiple locations. At some locations, the Debtors no longer have any operations and may no longer have relevant records or the records may no longer be complete or reasonably accessible or reviewable. Some individuals who once possessed responsive information are no longer employed by the Debtors. For all these reasons, it may not be possible to identify and supply the requested information for every “site” and “proceeding” literally responsive to Statement 17. The Debtors have devoted substantial internal and external resources to identifying and providing the requested information for as many responsive sites and proceedings as reasonably possible. The Debtors may supplement or amend this response in the future. Due to the number of potentially responsive matters, the practical burdens in compiling information on inactive matters and the presumably lower relevance of information on inactive matters, information is presented only for matters that have been active within the last few years and that the Debtors do not consider to be closed. When some requested categories of information were not reasonably available for a listed “site” or “proceeding,” the Debtors’ response gives as much information as was reasonably available. When a site is the subject of a proceeding, settlement or order listed in the response to Statement 17(c), the site and notices related to it are not also listed in the responses to Statement 17(a) or 17(b). Similarly, sites that are listed in the response to Statement 17(a) (sites for which the Debtors have received notice from a governmental unit) are not repeated in response to Statement 17(b) (sites for which the Debtors have provided notice to a governmental unit). To avoid duplication, notices are not listed to the extent they refer to another notice or proceeding already identified in Statement 17(a), (b) or (c). This response does not include sites or proceedings related to non-environmental laws such as occupational safety and health laws or transportation laws. The Debtors make routine reports and submissions concerning discharges resulting from normal operations consistent with regulatory requirements, such as discharge monitoring reports, toxic release inventory submissions and submissions concerning air emissions. This response is limited to those reports and submissions that identify uncontrolled releases and hazardous materials and does not purport to identify all routine reports and submissions.

Statement 19(d). The Debtors have provided financial statements in the ordinary course of their businesses to numerous financial institutions, creditors and other parties within two years immediately before the Petition Date. The Debtors do not maintain complete lists to track such disclosures. Considering the number of such recipients and the possibility that such information may have been shared with parties without the Debtors’ knowledge or consent, the Debtors have not disclosed any parties that may have received such financial statements for the purposes of Statement 19(d).

Statement 23. Unless otherwise indicated in a Debtor’s specific response to Statement 23, the Debtors have included a comprehensive response to Statement 23 in Statement 3(c).

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re: MAG FINANCE CORP.

Case No. 15-50309 (GFK)

Chapter 11

SUMMARY OF SCHEDULES

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtors assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtors liabilities. Individual debtors must also complete the Statistical Summary of Certain Liabilities and Related Data if they file a case under chapter 7, 11 or 13.

AMOUNTS SCHEDULED

NAME OF SCHEDULE	ATTACHED (YES/NO)	NO. OF SHEETS	ASSETS	LIABILITIES	OTHER	
A - Real Property	Yes	1	\$0.00			
B - Personal Property	Yes	4	\$0.00			
C - Property Claimed as Exempt	Not Applicable	Not Applicable				
D - Creditors Holding Secured Claims	Yes	2			\$506,557,484.65	
E - Creditors Holding Unsecured Priority Claims (Total of Claims on Schedule E)	Yes	2			\$0.00	
F - Creditors Holding Unsecured Nonpriority Claims	Yes	1			\$0.00	
G - Executory Contracts and Unexpired Leases	Yes	2				
H - Codebtors	Yes	2				
I - Current Income of Individual Debtor(s)	Not Applicable	Not Applicable				\$
J - Current Expenditures of Individual Debtor(s)	Not Applicable	Not Applicable			\$	
Total Number of Sheets of All Schedules -		14				
Total Assets -			\$0.00			
			Total Liabilities -	\$506,557,484.65		

Pursuant to Rule 1009 of the Federal Rules of Bankruptcy Procedure, the Debtor hereby reserves the right to amend these schedules and statements from time to time and at any time to, among other things, correct errors and/or omissions, add or delete creditors, modify the amount and/or priority of claims, and identify claims as contingent, unliquidated, and/or disputed.

In re: MAG FINANCE CORP.

Case No: 15-50309 (GFK)

SCHEDULE A - REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a co-tenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether the husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim."

If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claims in the property only in Schedule C-Property Claimed as Exempt.

DESCRIPTION AND LOCATION OF PROPERTY	NATURE OF DEBTOR'S INTEREST IN PROPERTY	HUSBAND, WIFE, JOINT, OR COMMUNITY	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION	AMOUNT OF SECURED CLAIM
NONE				

Schedule Totals:

(Report also on Summary of Schedules)

In re: MAG FINANCE CORP.

Case No: 15-50309 (GFK)

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an 'X' in the appropriate position in the column labeled 'None.' If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C-Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G-Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property." If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m).

TYPE OF PROPERTY	N O N E	DESCRIPTION AND LOCATION OF PROPERTY	HUSBAND, WIFE, JOINT, OR COMMUNITY	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
1. Cash on hand.	X			
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.	X			
3. Security deposits with public utilities, telephone companies, landlords, and others.	X			
4. Household goods and furnishings, including audio, video, and computer equipment.	X			
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.	X			
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.		SEE ATTACHED SCHEDULE B09		UNDETERMINED
10. Annuities. Itemize and name each issuer.	X			

In re: MAG FINANCE CORP.

Case No: 15-50309 (GFK)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	N O N E	DESCRIPTION AND LOCATION OF PROPERTY	HUSBAND, WIFE, JOINT, OR COMMUNITY	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
11. Interests in an education IRA as defined in 26 U.S.C § 530(b)(1) or under a qualified state tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).	X			
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X			
13. Stock and interests in incorporated and unincorporated businesses. Itemize.	X			
14. Interests in partnerships or joint ventures. Itemize.	X			
15. Government and corporate bonds and other negotiable and non-negotiable instruments.	X			
16. Accounts receivable.	X			
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X			
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.	X			
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in the Schedule A- Real Property.	X			
20. Contingent and non-contingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.	X			
22. Patents, copyrights, and other intellectual property. Give particulars.	X			
23. Licenses, franchises, and other general intangibles. Give particulars.	X			

In re: MAG FINANCE CORP.

Case No: 15-50309 (GFK)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	N O N E	DESCRIPTION AND LOCATION OF PROPERTY	HUSBAND, WIFE, JOINT, OR COMMUNITY	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	X			
25. Automobiles, trucks, trailers, and other vehicles and accessories.	X			
26. Boats, motors, and accessories.	X			
27. Aircraft and accessories.	X			
28. Office equipment, furnishings, and supplies.	X			
29. Machinery, fixtures, equipment and supplies used in business.	X			
30. Inventory.	X			
31. Animals.	X			
32. Crops-growing or harvested. Give particulars.	X			
33. Farming equipment and implements.	X			
34. Farm supplies, chemicals, and feed.	X			
35. Other personal property of any kind not already listed. Itemize.	X			
1 Continuation sheet(s) attached			Total:	\$0.00

(Include amounts from any continuation sheets attached. Report also on Summary of Schedules

**MAG FINANCE CORP.
15-50309 (GFK)**

B9. INTERESTS IN INSURANCE POLICIES. NAME INSURANCE COMPANY OF EACH POLICY AND ITEMIZE SURRENDER OR REFUND VALUE OF EACH.

COVERAGE	LIMITS	POLICY TERM	INSURER	POLICY NUMBER	TOTAL AMOUNT	DESCRIPTION
AUTOMOBILE	CSL: \$1,000,000	09/02/14-09/02/15	AIG	CA3632326	UNDETERMINED	AUTOMOBILE COVERAGE
DIRECTORS & OFFICER/ EMPLOYMENT PRACTICES LIABILITY/FIDUCIARY	D&O (SHARED W/EPL): \$5,000,000; FIDUCIARY: \$1,000,000	03/27/15-03/27/16	AIG NATIONAL UNION FIRE	87665792	UNDETERMINED	DIRECTORS & OFFICER/ EMPLOYMENT PRACTICES LIABILITY/FIDUCIARY COVERAGE
ERISA	\$500,000	03/06/14-03/06/17	TRAVELERS	106071282	UNDETERMINED	ERISA COVERAGE
EXCESS D&O LIABILITY, EPL	EXCESS D&O, EPL: \$5,000,000	03/27/15-03/27/16	AXIS INSURANCE CO	PENDING	UNDETERMINED	EXCESS D&O LIABILITY, EPL COVERAGE
GENERAL LIABILITY	GENERAL AGGREGATE: \$2,000,000; EACH OCCURRENCE: \$1,000,000	09/02/14-09/02/15	AIG	GL1903291	UNDETERMINED	GENERAL LIABILITY COVERAGE
POLLUTION LEGAL LIABILITY MESABI CHIEF TAILING BASIN 1&2	\$5,000,000	12/03/14-08/01/17	AIG	PLS14542342	UNDETERMINED	POLLUTION LEGAL LIABILITY MESABI CHIEF TAILING BASIN 1&2 COVERAGE
POLLUTION LEGAL LIABILITY WATER SLURRY PIPELINE	AGGREGATE: \$10,000,000	08/01/14-08/01/17	AIG	PLS14361819	UNDETERMINED	POLLUTION LEGAL LIABILITY WATER SLURRY PIPELINE COVERAGE
PROPERTY	LOSS LIMIT: \$600,000,000; MOBIL EQUIPMENT: \$30,000,000	09/02/14-09/02/15	ZURICH	ERP0151200	UNDETERMINED	PROPERTY COVERAGE
RAILROAD LIABILITY	EACH OCCURRENCE: \$10,000,000; ANNUAL AGGREGATE: \$20,000,000	09/06/14-09/02/15	ARCH	SLR00461060	UNDETERMINED	RAILROAD LIABILITY COVERAGE
ROLLING STOCK	CATASTROPHE LIMIT: \$14,500,000	09/02/14-09/02/15	XLX SPECIALTY INS. CO.	UM00031145M	UNDETERMINED	ROLLING STOCK COVERAGE
WORKER'S COMPENSATION	\$1,000,000	09/02/14-09/02/15	AIG	WC019177761	UNDETERMINED	WORKER'S COMPENSATION COVERAGE

Page Subtotals: UNDETERMINED

Schedule Totals: UNDETERMINED

In re: MAG FINANCE CORP.

Case No: 15-50309 (GFK)

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests.

List creditors in alphabetical order to the extent practicable. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m). If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Total the columns labeled "Amount of Claim Without Deducting Value of Collateral" and "Unsecured Portion, if Any" in the boxes labeled "Total(s)" on the last sheet of the completed schedule. Report the total from the column labeled "Amount of Claim Without Deducting Value of Collateral" also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report the total from the column labeled "Unsecured Portion, if Any" on the Statistical Summary of Certain Liabilities and Related Data.

☐ Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND AN ACCOUNT NUMBER (See Instructions Above)	CODEBTOR HUSBAND, WIFE, JOINT, OR COMMUNITY	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION OF PROPERTY SUBJECT TO LIEN	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
ACCOUNT NO: JPMORGAN CHASE BANK, N.A. AS ADMIN. AGENT ATTN: DUYANNA GOODLET 10 S. DEARBORN, 7TH FLOOR CHICAGO, IL 60603	X	PREPETITION REVOLVING CREDIT AGREEMENT DATED AS OF MAY 20, 2013, AS AMENDED	X			\$56,295,854.60	UNDETERMINED
ACCOUNT NO: WELLS FARGO BANK, NATIONAL ASSOCIATION AS COLLATERAL AGENT ATTN: LYNN M. STEINER 625 MARQUETTE AVENUE MINNEAPOLIS, MN 55479	X	11.0 % SENIOR SECURED NOTES DUE 2018	X			\$446,427,083.32	UNDETERMINED

In re: MAG FINANCE CORP.

Case No: 15-50309 (GFK)

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS
(Continuation Sheet)

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND AN ACCOUNT NUMBER (See Instructions Above)	CODEBTOR	HUSBAND, WIFE, JOINT, OR COMMUNITY	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION OF PROPERTY SUBJECT TO LIEN	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
ACCOUNT NO: WILMINGTON TRUST, NATIONAL ASSOCIATION ATTN: JOSH JAMES 50 SOUTH SIXTH STREET SUITE 1290 MINNEAPOLIS, MN 55402	X		PREPETITION TERM LOAN FACILITY DATED AS OF APRIL 17, 2015	X			\$3,834,546.73	UNDETERMINED
Page Subtotals:							\$3,834,546.73	UNDETERMINED
Schedule Totals:							\$506,557,484.65	UNDETERMINED

(Report also on Summary of Schedules)

(If applicable, report also on Statistical Summary of Certain Liabilities and Related Data.)

In re: MAG FINANCE CORP.

Case No: 15-50309 (GFK)

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name and mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. Use a separate continuation sheet for each type of priority and label each with the type of priority.

The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112 and Fed.R.Bankr.P. 1007(m).

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotal" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Report the total of amounts entitled to priority listed on each sheet in the box labeled "Subtotal" on each sheet. Report the total of all amounts entitled to priority listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Report the total of amounts not entitled to priority listed on each sheet in the box labeled "Subtotal" on each sheet. Report the total of all amounts not entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

☒ Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

TYPES OF PRIORITY CLAIMS (Check the appropriate box(es) below if claims in that category are listed on the attached sheets)

- ☐ **Domestic Support Obligations:** Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).
- ☐ **Extensions of credit in an involuntary case:** Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507 (a)(3).
- ☐ **Wages, salaries, and commissions:** Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$12,475* per person, earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507 (a)(4).
- ☐ **Contributions to employee benefit plans:** Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507 (a)(5).
- ☐ **Certain farmers and fishermen:** Claims of certain farmers and fishermen, up to \$6,150* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507 (a)(6).
- ☐ **Deposits by individuals:** Claims of individuals up to \$2,775* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).
- ☐ **Taxes and certain other debts owed to governmental units:** Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507 (a)(8).
- ☐ **Commitments to maintain the capital of an insured depository institution:** Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507 (a)(9).
- ☐ **Claims for Death or Personal Injury While Debtor was Intoxicated:** Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507 (a)(10).

* Amounts are subject to adjustment on April 1, 2016, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

Case No: 15-50309 (GFK)

Type of Priority

[illegible]

In re: MAG FINANCE CORP.

Case No: 15-50309 (GFK)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report this total also on the Statistical Summary of Certain Liabilities and Related Data.



Check this box if debtor has no creditors holding unsecured claims to report on this Schedule F.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND AN ACCOUNT NUMBER (See Instructions Above)	CODEBTOR	HUSBAND, WIFE, JOINT, OR COMMUNITY	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM

In re: **MAG FINANCE CORP.**

Case No: **15-50309 (GFK)**

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser," "Agent," etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112 and Fed.R. Bankr. P. 1007(m).

☐ Check this box if debtor has no executory contracts or unexpired leases.

NAME AND MAILING ADDRESS, INCLUDING ZIP CODE, OF OTHER PARTIES TO LEASE OR CONTRACT	DESCRIPTION OF CONTRACT OR LEASE AND NATURE OF DEBTOR'S INTEREST. STATE WHETHER LEASE IS FOR NONRESIDENTIAL REAL PROPERTY. STATE CONTRACT NUMBER OF ANY GOVERNMENT CONTRACT.
JPMORGAN CHASE BANK, N.A. AS ADMIN. AGENT ATTN: DUYANNA GOODLET 10 S. DEARBORN, 7TH FLOOR CHICAGO, IL 60603	CREDIT AGREEMENT DATED AS OF MAY 20, 2013 AMONG MAGNETATION LLC, AS BORROWER, THE SEVERAL LENDERS FROM TIME TO TIME PARTIES THERETO, AND JPMORGAN CHASE BANK N.A., AS ADMINISTRATIVE AGENT, AS AMENDED
JPMORGAN CHASE BANK, N.A. AS ADMIN. AGENT ATTN: DUYANNA GOODLET 10 S. DEARBORN, 7TH FLOOR CHICAGO, IL 60603	GUARANTEE AND COLLATERAL AGREEMENT DATED AS OF MAY 20, 2013 BY MAGNETATION LLC AND CERTAIN OF ITS SUBSIDIARIES IN FAVOR OF JPMORGAN CHASE BANK N.A., AS ADMINISTRATIVE AGENT
JPMORGAN CHASE BANK, N.A. AS ADMIN. AGENT ATTN: DUYANNA GOODLET 10 S. DEARBORN, 7TH FLOOR CHICAGO, IL 60603	INTERCREDITOR AGREEMENT DATED AS OF MAY 20, 2013 AMONG MAGNETATION LLC, AS BORROWER, THE OTHER GRANTORS PARTY THERETO, JPMORGAN CHASE BANK N.A., AS CREDIT AGREEMENT COLLATERAL AGENT AND WELLS FARGO BANK NATIONAL ASSOCIATION, AS NOTES COLLATERAL AGENT, AND EACH ADDITIONAL COLLATERAL AGENT FROM TIME TO TIME PARTY THERETO.
JPMORGAN CHASE BANK, N.A. AS ADMIN. AGENT ATTN: DUYANNA GOODLET 10 S. DEARBORN, 7TH FLOOR CHICAGO, IL 60603	COLLATERAL AGENT JOINDER AGREEMENT NO. 1 DATED AS OF APRIL 17, 2015 TO THE INTERCREDITOR AGREEMENT DATED AS OF MAY 20, 2013, AMONG MAGNETATION LLC, THE GRANTORS PARTY THERETO, JPMORGAN CHASE BANK, N.A., AS CREDIT AGREEMENT COLLATERAL AGENT, WELLS FARGO BANK, NATIONAL ASSOCIATION, AS NOTES COLLATERAL AGENT, AND EACH ADDITIONAL COLLATERAL AGENT FROM TIME TO TIME PARTY THERETO.
JPMORGAN CHASE BANK, N.A. ATTN: DUYANNA GOODLET 10 S. DEARBORN, 7TH FLOOR CHICAGO, IL 60603	INTERCREDITOR AGREEMENT DATED AS OF APRIL 17, 2015 AMONG MAGNETATION LLC, THE OTHER GRANTORS PARTY THERETO, JPMORGAN CHASE BANK, N.A., AS CREDIT AGREEMENT COLLATERAL AGENT, AND WILMINGTON TRUST, NATIONAL ASSOCIATION AS SECOND-OUT LOAN COLLATERAL AGENT
WELLS FARGO BANK, NATIONAL ASSOCIATION AS COLLATERAL AGENT ATTN: LYNN M. STEINER 625 MARQUETTE AVENUE MINNEAPOLIS, MN 55479	11% SENIOR SEUCRED NOTES DUE 2018; INDENTURE DATED AS OF MAY 20, 2013 AMONG MAG FINANCE CORP., THE OTHER GRANTORS PARTY THERETO AS GUARANTORS, AND WELLS FARGO BANK, NATIONAL ASSOCIATION, AS SENIOR SECURED NOTES TRUSTEE, AS AMENDED
WELLS FARGO BANK, NATIONAL ASSOCIATION CORPORATE TRUST SERVICES ATTN: MAGNETATION ACCT. MANAGER MAC N9311-110 625 MARQUETTE AVENUE MINNEAPOLIS, MN 55479	COLLATERAL AGENT JOINDER AGREEMENT NO. 1 DATED AS OF APRIL 17, 2015 TO THE INTERCREDITOR AGREEMENT DATED AS OF MAY 20, 2013, AMONG MAGNETATION LLC, THE GRANTORS PARTY THERETO, JPMORGAN CHASE BANK, N.A., AS CREDIT AGREEMENT COLLATERAL AGENT, WELLS FARGO BANK, NATIONAL ASSOCIATION, AS NOTES COLLATERAL AGENT, AND EACH ADDITIONAL COLLATERAL AGENT FROM TIME TO TIME PARTY THERETO.

In re: **MAG FINANCE CORP.**

Case No: **15-50309 (GFK)**

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES
(Continuation Sheet)

NAME AND MAILING ADDRESS, INCLUDING ZIP CODE, OF OTHER PARTIES TO LEASE OR CONTRACT	DESCRIPTION OF CONTRACT OR LEASE AND NATURE OF DEBTOR'S INTEREST. STATE WHETHER LEASE IS FOR NONRESIDENTIAL REAL PROPERTY. STATE CONTRACT NUMBER OF ANY GOVERNMENT CONTRACT.
WELLS FARGO BANK, NATIONAL ASSOCIATION CORPORATE TRUST SERVICES ATTN: MAGNETATION ACCT. MANAGER MAC N9311-110 625 MARQUETTE AVENUE MINNEAPOLIS, MN 55479	INTERCREDITOR AGREEMENT DATED AS OF MAY 20, 2013 AMONG MAGNETATION LLC, AS BORROWER, THE OTHER GRANTORS PARTY THERETO, JPMORGAN CHASE BANK N.A., AS CREDIT AGREEMENT COLLATERAL AGENT AND WELLS FARGO BANK NATIONAL ASSOCIATION, AS NOTES COLLATERAL AGENT, AND EACH ADDITIONAL COLLATERAL AGENT FROM TIME TO TIME PARTY THERETO.
WILMINGTON TRUST, NATIONAL ASSOCIATION ATTN: JOSH JAMES 50 SOUTH SIXTH STREET SUITE 1290 MINNEAPOLIS, MN 55402	GUARANTEE AND COLLATERAL AGREEMENT DATED AS OF APRIL 17, 2015 MADE BY MAGNETATION LLC AND CERTAIN OF ITS SUBSIDIARIES IN FAVOR OF WILMINGTON TRUST, NATIONAL ASSOCIATION, AS ADMINISTRATIVE AGENT
WILMINGTON TRUST, NATIONAL ASSOCIATION ATTN: JOSH JAMES 50 SOUTH SIXTH STREET SUITE 1290 MINNEAPOLIS, MN 55402	COLLATERAL AGENT JOINDER AGREEMENT NO. 1 DATED AS OF APRIL 17, 2015 TO THE INTERCREDITOR AGREEMENT DATED AS OF MAY 20, 2013, AMONG MAGNETATION LLC, THE GRANTORS PARTY THERETO, JPMORGAN CHASE BANK, N.A., AS CREDIT AGREEMENT COLLATERAL AGENT, WELLS FARGO BANK, NATIONAL ASSOCIATION, AS NOTES COLLATERAL AGENT, AND EACH ADDITIONAL COLLATERAL AGENT FROM TIME TO TIME PARTY THERETO.
WILMINGTON TRUST, NATIONAL ASSOCIATION ATTN: JOSH JAMES 50 SOUTH SIXTH STREET SUITE 1290 MINNEAPOLIS, MN 55402	INTERCREDITOR AGREEMENT DATED AS OF APRIL 17, 2015 AMONG MAGNETATION LLC, THE OTHER GRANTORS PARTY THERETO, JPMORGAN CHASE BANK, N.A., AS CREDIT AGREEMENT COLLATERAL AGENT, AND WILMINGTON TRUST, NATIONAL ASSOCIATION AS SECOND-OUT LOAN COLLATERAL AGENT

In re: MAG FINANCE CORP.

Case No: 15-50309 (GFK)

SCHEDULE H - CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address if the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m).

☐ Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR	NAME AND ADDRESS OF CREDITOR
MAG LANDS, LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	JPMORGAN CHASE BANK, N.A AS ADMIN. AGENT ATTN: DUYANNA GOODLET 10 S. DEARBORN, 7TH FLOOR CHICAGO, IL 60603
MAG LANDS, LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	WELLS FARGO BANK, NATIONAL ASSOCIATION AS COLLATERAL AGENT ATTN: LYNN M. STEINER 625 MARQUETTE AVENUE MINNEAPOLIS, MN 55479
MAG LANDS, LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	WILMINGTON TRUST, NATIONAL ASSOCIATION ATTN: JOSH JAMES 50 SOUTH SIXTH STREET SUITE 1290 MINNEAPOLIS, MN 55402
MAG MINING, LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	JPMORGAN CHASE BANK, N.A AS ADMIN. AGENT ATTN: DUYANNA GOODLET 10 S. DEARBORN, 7TH FLOOR CHICAGO, IL 60603
MAG MINING, LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	WELLS FARGO BANK, NATIONAL ASSOCIATION AS COLLATERAL AGENT ATTN: LYNN M. STEINER 625 MARQUETTE AVENUE MINNEAPOLIS, MN 55479
MAG MINING, LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	WILMINGTON TRUST, NATIONAL ASSOCIATION ATTN: JOSH JAMES 50 SOUTH SIXTH STREET SUITE 1290 MINNEAPOLIS, MN 55402
MAG PELLET LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	JPMORGAN CHASE BANK, N.A AS ADMIN. AGENT ATTN: DUYANNA GOODLET 10 S. DEARBORN, 7TH FLOOR CHICAGO, IL 60603

In re: MAG FINANCE CORP.

Case No: 15-50309 (GFK)

SCHEDULE H - CODEBTORS
(Continuation Sheet)

NAME AND ADDRESS OF CODEBTOR	NAME AND ADDRESS OF CREDITOR
MAG PELLET LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	WELLS FARGO BANK, NATIONAL ASSOCIATION AS COLLATERAL AGENT ATTN: LYNN M. STEINER 625 MARQUETTE AVENUE MINNEAPOLIS, MN 55479
MAG PELLET LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	WILMINGTON TRUST, NATIONAL ASSOCIATION ATTN: JOSH JAMES 50 SOUTH SIXTH STREET SUITE 1290 MINNEAPOLIS, MN 55402
MAGNETATION LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	JPMORGAN CHASE BANK, N.A AS ADMIN. AGENT ATTN: DUYANNA GOODLET 10 S. DEARBORN, 7TH FLOOR CHICAGO, IL 60603
MAGNETATION LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	WELLS FARGO BANK, NATIONAL ASSOCIATION AS COLLATERAL AGENT ATTN: LYNN M. STEINER 625 MARQUETTE AVENUE MINNEAPOLIS, MN 55479
MAGNETATION LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS MN 55744	WILMINGTON TRUST, NATIONAL ASSOCIATION ATTN: JOSH JAMES 50 SOUTH SIXTH STREET SUITE 1290 MINNEAPOLIS, MN 55402

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

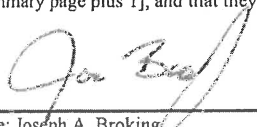
In re: MAG FINANCE CORP.

Case No. 15-50309 (GFK)
Chapter 11

DECLARATION CONCERNING DEBTOR'S SCHEDULES
DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A CORPORATION OR PARTNERSHIP

I, Joseph A. Broking, the Chief Financial Officer of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 15 sheets [total shown on summary page plus 1], and that they are true and correct to the best of my knowledge, information and belief.

Date: May 19, 2015

Signature: 
Name: Joseph A. Broking
Title: Chief Financial Officer

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years, or both.
18 U.S.C. §§ 152 and 3571.

UNITED STATES BANKRUPTCY COURT DISTRICT OF MINNESOTA

In re: MAG FINANCE CORP.,
Debtor

Case No: 15-50309 (GFK)
Chapter 11

STATEMENT OF FINANCIAL AFFAIRS

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs. To indicate payments, transfers and the like to minor children, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m).

Questions 1-18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19-25. **If the answer to an applicable question is "None", mark the box labeled "None"** If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

DEFINITIONS

"In business." A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within the six years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed full-time or part-time. An individual debtor also may be "in business" for the purpose of this form if the debtor engages in a trade, business, or other activity, other than as an employee, to supplement income from the debtor's primary employment.

"Insider." The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any persons in control of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; and any managing agent of the debtor. 11 U.S.C. § 101(2), (31).

Pursuant to Rule 1009 of the Federal Rules of Bankruptcy Procedure, the Debtor hereby reserves the right to amend this statement of financial affairs from time to time and at any time to, among other things, correct errors and/or omissions.

☒ None

1. Income from employment or operation of business

State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business, including part-time activities either as an employee or in independent trade or business, from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the two years immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

☒ None

2. Income other than from employment or operation of business

State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the two years immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

3. Payments to creditors

Complete a. or b., as appropriate, and c.

☒ None

3a. Individual or joint debtor(s) with primarily consumer debts: List all payments on loans, installment purchases of goods or services, and other debts to any creditor made within 90 days immediately preceding the commencement of this case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$600. Indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed)

☐ None

3b. Debtor whose debts are not primarily consumer debts: List each payment or other transfer to any creditor made within 90 days immediately preceding the commencement of the case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$6,225. If the debtor is an individual, indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments and other transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

Name and Address of Creditor	Date of Payment/ Transfers	Amount Paid or Value of Transfers	Check # or Wire	Amount Still Owing
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FOOTNOTE: THE DEBTORS HAVE REPORTED ON A CONSOLIDATED DEBTOR BASIS, ALL PAYMENTS TO CREDITORS UNDER STATEMENT QUESTION 3B FOR MAGNETATION LLC.

☐

None

3c. All debtors: List all payments made within one year immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

Relationship to Debtor	Name and Address of Creditor	Date of Payment	Amount Paid	Check # or Wire	Amount Still Owning	Description
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FOOTNOTE: THE DEBTORS HAVE REPORTED ALL PAYMENTS TO INSIDERS UNDER STATEMENT QUESTION 3C FOR MAGNETATION LLC.

4. Suits and administrative proceedings, executions, garnishments and attachments

☒

None

4a. List all suits and administrative proceedings to which the debtor is or was a party within one year immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

☒

None

4b. Describe all property that has been attached, garnished or seized under any legal or equitable process within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

5. Repossessions, foreclosures and returns

☒

None

List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

6. Assignments and receiverships

☒

None

6a. Describe any assignment of property for the benefit of creditors made within 120 days immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

☒

None

6b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

7. Gifts

☒

None

List all gifts or charitable contributions made within one year immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

8. Losses



None

List all losses from fire, theft, other casualty or gambling within one year immediately preceding the commencement of this case or since the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

9. Payments related to debt counseling or bankruptcy



None

List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of a petition in bankruptcy within one year immediately preceding the commencement of this case.

10. Other transfers



None

10a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within two years immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)



None

10b. List all property transferred by the debtor within ten years immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

11. Closed financial accounts



None

List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within one year immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

12. Safe deposit boxes



None

List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

13. Setoffs



None

List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within 90 days preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

14. Property held for another person



None

List all property owned by another person that the debtor holds or controls.

15. Prior address of debtor



None

If the debtor has moved within three years immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

☒ None

16. Spouses and Former Spouses

If the debtor resides or resided in a community property state, commonwealth or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within eight years immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

17. Environmental Information

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law.

☒ None

17a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and if known, the Environmental Law:

☒ None

17b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

☒ None

17c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

18. Nature, location and name of business



None

18a. If the debtor is an individual, list the names and addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within six years immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within six years immediately preceding the commencement of this case.

If the debtor is a partnership, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within six years immediately preceding the commencement of this case.

If the debtor is a corporation, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within six years immediately preceding the commencement of this case.



None

18b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within **six years** immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership, a sole proprietor, or self-employed in a trade, profession, or other activity, either full- or part-time.

*(An individual or joint debtor should complete this portion of the statement **only** if the debtor is or has been in business, as defined above, within six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)*

19. Books, records and financial statements



None

19a. List all bookkeepers and accountants who within two years immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

Name and Address

Dates Services Rendered

HOPE WILSON
C/O MAGNETATION LLC
102 NE 3RD STREET, SUITE 120
GRAND RAPIDS, MN 55744

AUGUST 2010 TO PRESENT

JOSEPH A. BROKING
C/O MAGNETATION LLC
102 NE 3RD STREET, SUITE 120
GRAND RAPIDS, MN 55744

MARCH 2012 TO PRESENT

☐
None

19b. List all firms or individuals who within two years immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

Name and Address

Dates Services Rendered

MCGLADERY
227 WEST FIRST STREET
SUITE 700
DULUTH, MN 55802

2010 TO PRESENT

☐
None

19c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

Name and Address

Dates Services Rendered

HOPE WILSON
C/O MAGNETATION LLC
102 NE 3RD STREET, SUITE 120
GRAND RAPIDS, MN 55744

2010 TO PRESENT

JOSEPH A. BROKING
C/O MAGNETATION LLC
102 NE 3RD STREET, SUITE 120
GRAND RAPIDS, MN 55744

MARCH 2012 TO PRESENT

☐
None

19d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued by the debtor within two years immediately preceding the commencement of this case.

Name and Address

Date Issued

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FOOTNOTE: THE DEBTORS HAVE PROVIDED FINANCIAL STATEMENTS IN THE ORDINARY COURSE OF THEIR BUSINESSES TO NUMEROUS FINANCIAL INSTITUTIONS, CREDITORS, AND OTHER PARTIES WITHIN TWO YEARS IMMEDIATELY BEFORE THE PETITION DATE. CONSIDERING THE NUMBER OF SUCH RECIPIENTS AND THE POSSIBILITY THAT SUCH INFORMATION MAY HAVE BEEN SHARED WITH PARTIES WITHOUT THE DEBTORS' KNOWLEDGE OR CONSENT, THE DEBTORS HAVE NOT DISCLOSED ANY PARTIES THAT MAY HAVE RECEIVED SUCH FINANCIAL STATEMENTS FOR THE PURPOSES OF STATEMENT 19D.

20. Inventories

☒
None

20a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

☒
None

20b. List the name and address of the person having possession of the records of each of the two inventories reported in a., above.

21. Current Partners, Officers, Directors, and Shareholders



None

21a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.



None

21b. If the debtor is a corporation, list all the officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls or holds 5 percent or more of the voting or equity securities of the corporation.

Name, Address and Title	Nature of Stock Ownership	Percentage of Stock Ownership
DANILO BIBANCOS BOARD MEMBER C/O MAGNETATION INC. 102 NE 3RD STREET, SUITE 120 GRAND RAPIDS, MN 55744	N/A	
JOE BROKING CFO & BOARD MEMBER C/O MAGNETATION INC. 102 NE 3RD STREET, SUITE 120 GRAND RAPIDS, MN 55744	N/A	
KIRK REICH BOARD MEMBER C/O AK IRON RESOURCES, LLC 9227 CENTRE POINTE DRIVE WEST CHESTER, OH 45069	N/A	
LARRY LEHTINEN CEO & BOARD MEMBER C/O MAGNETATION INC. 102 NE 3RD STREET, SUITE 120 GRAND RAPIDS, MN 55744	N/A	
MAGNETATION LLC 102 NE 3RD STREET SUITE 120 GRAND RAPIDS, MN 55744	WHOLLY OWNED SUBSIDIARY	100.00%
MATT LEHTINEN PRESIDENT & COO & BOARD MEMBER C/O MAGNETATION INC. 102 NE 3RD STREET, SUITE 120 GRAND RAPIDS, MN 55744	N/A	
MO REED BOARD MEMBER C/O AK IRON RESOURCES, LLC 9227 CENTRE POINTE DRIVE WEST CHESTER, OH 45069	N/A	
ROGER NEWPORT BOARD MEMBER C/O AK IRON RESOURCES, LLC 9227 CENTRE POINTE DRIVE WEST CHESTER, OH 45069	N/A	

22. Former partners, officers, directors and shareholders



None

22a. If the debtor is a partnership, list each member who withdrew from the partnership within one year immediately preceding the commencement of this case.



None

22b. If the debtor is a corporation, list all officers or directors whose relationship with the corporation terminated within one year immediately preceding the commencement of this case.



None

23. Withdrawals from a partnership or distributions by a corporation

If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during one year immediately preceding the commencement of this case.



None

24. Tax Consolidation Group

If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within six years immediately preceding the commencement of the case.

Name of Parent Corporation

MAGNETATION LLC

Taxpayer Identification Number

27-2911462



None

25. Pension Funds

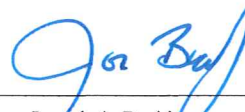
If the debtor is not an individual, list the name and federal taxpayer identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within six years immediately preceding the commencement of the case.

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information and belief.

DATE May 19, 2015

SIGNATURE



Name: Joseph A. Broking
Title: Chief Financial Officer

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571