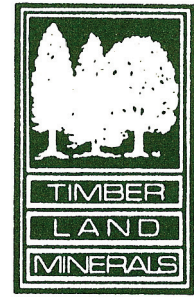


1801 E. Cloverland Dr.  
P.O. Box 188  
Ironwood, MI 49938  
Phone: (906) 932-3410  
Fax: (906) 932-5823  
Email: investors@Keweenaw.com



# KEWEENAW

LAND ASSOCIATION, LIMITED

& IRONWOOD MINES CORPORATION  
*a subsidiary of Keweenaw Land Association, Limited*

Dear Shareholders:

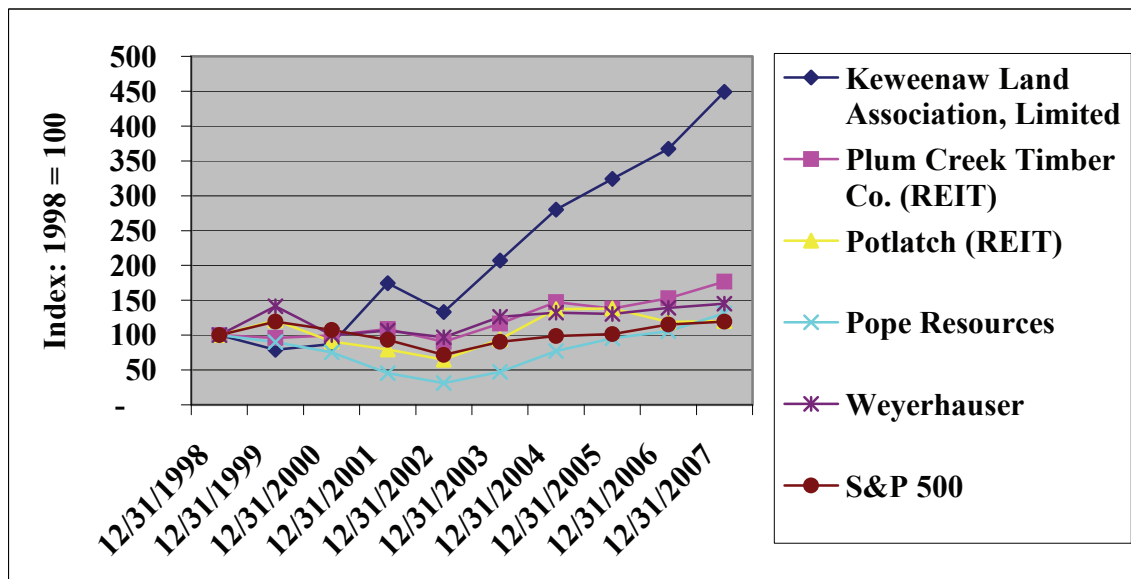
The objective of your Board of Directors has been to manage your Keweenaw assets, including timberlands, real estate, and minerals, for long-term growth and capital appreciation while creating shareholder value. To achieve this objective, the company has chosen to manage its timberlands utilizing sustainable forestry and harvest practices, in an environmentally acceptable manner. This management strategy has increased the quality, volume, and value of the standing timber inventory over time. In addition, the company's management practices have been certified as "well managed" by the Forest Stewardship Council, an independent third-party certification agency. Here is some information for you to consider.

### CREATING SHAREHOLDER VALUE

- **Appreciation of Keweenaw share price over the past nine years**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Share Price @ 12-31	\$48.75	38.50	42.50	85.00	65.00	101.00	136.50	158.00	179.00	219.00

- **Appreciation of Keweenaw share price compared to other forest product companies and the S&P 500**



- **Appreciation in Land Values <sup>1</sup>**

<u>Asset Appraisal Date</u>	<u>1998</u>	<u>2000</u>	<u>2003</u>	<u>2006</u>
Land Value Per Acre	\$403	\$550	\$660	\$750
Total Land Value	\$63,000,000	\$85,735,000	\$102,854,000	\$118,614,000

<sup>1</sup> Based on Appraisals by Steigerwaldt Land Services, Michigan Certified General Appraiser

- **Increased Timber Inventory**

<u>Asset Appraisal Date</u>	<u>1998</u>	<u>2000</u>	<u>2003</u>	<u>2006</u>
Standing Timber Inventory (in cord equivalents)	2,372,304	2,369,078	2,442,532	2,514,900
Timber Volume (cd-eq) per Acre	15.17	15.20	15.67	15.90

- **Management of Mineral Assets**

- Significant expertise in mineral lease development and related due diligence
- Two current mineral exploration leases on company lands
- Developed mineral resource map (available on web site [www.keweenaw.com](http://www.keweenaw.com))
- Recent contact made to 72 bona fide mineral exploration companies, with preliminary inquiries from several of these firms

- **Management of Higher-and-Better-Use Real Estate**

- Sales and like-kind exchanges to upgrade and consolidate timberlands
- Initiated lot development program, adding supplemental income

Your Keweenaw Board of Directors continues to work for you by upholding this long-term strategy. We will continue exploring new ideas that would enhance shareholder value and are consistent with the sustainable ethos of the company. Once again, we would like to thank our shareholders for their past confidence and continuing support.

**As with most investments, past results are not predictive of future performance.**

Sincerely,

YOUR KEWEENAW BOARD OF DIRECTORS

If your shares are registered in your own name, please sign, date and mail the enclosed **GREEN** Proxy Card to Georgeson Inc. in the self-addressed, stamped envelope provided today.

If your shares are held in the name of a brokerage firm, bank nominee or other institution, please sign, date and mail the enclosed **GREEN** Proxy Card in the self-addressed, stamped envelope provided.

If you have any questions or need assistance in voting your shares, please contact our proxy solicitor.

**Georgeson**

199 Water Street, 26<sup>th</sup> Floor  
New York, NY 10038  
Shareholders Call Toll Free (866) 432-2791