



**Energy, Mines and Resources**  
**Box 2703, Whitehorse, Yukon Y1A 2C6**  
**Mineral Resources Branch (K-9)**  
**Mining Lands**

August 5, 2016

**File No. LP01118**

Bernard Kreft  
1 Locust Place  
Whitehorse, YT  
Y1A 5G9

**Re: Class 3 Placer Approval**

Dear Mr. Kreft:

Your application for a Class 3 approval has been approved:

- As submitted.
- Subject to the attached conditions.
- Subject to security deposit as received.

The effective date of this approval will be August 5, 2016. All work must be completed by August 4, 2026, and inspected for restoration before full security and/or completion certificates can be applied for.

The attached 'Operational Guidelines' offer additional mitigations that would enable you to maximize the environmental performance of your program.

Please feel free to contact our office at (867) 993-5343 should you have any questions.

Yours truly,

A handwritten signature in black ink, appearing to read "Briar Young". The signature is stylized and somewhat abstract.

**Briar Young**  
**Chief, Mining Land Use**

cc: EMR Natural Resources Officer, Compliance Monitoring and Inspections  
ENV Environmental Affairs, Environmental Protection Branch



**MINING LANDS**  
MINERAL RESOURCES BRANCH  
GOVERNMENT OF YUKON

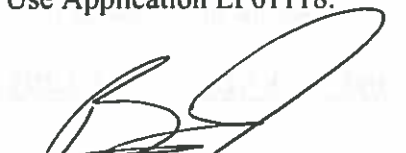
Pursuant to the *Placer Mining Act* and the Placer Mining Land Use Regulation, the Chief, Mining Land Use hereby grants a Class 3 approval to:

Bernard Kreft  
1 Locust Place  
Whitehorse, YT  
Y1A 5G9

APPROVAL NUMBER: LP01118  
UNDERTAKING: Placer  
CLASS: Class 3 Approval  
EFFECTIVE DATE: August 5, 2016  
EXPIRY DATE: August 4, 2026

This approval shall be subject to the restrictions and conditions contained herein and to the restrictions and conditions contained in the *Placer Mining Act* and the Placer Mining Land Use Regulation made thereunder as proposed in Mining Land Use Application LP01118.

Dated this 5<sup>th</sup> day of August, 2016

  
Briar Young  
Chief, Mining Land Use

**PLACER MINING LAND USE  
APPROVAL  
Class 3  
LP01118  
Bernard Kreft**

**SCOPE OF APPROVAL:** See Appendix C

**LOCATION:** 115010h, Sulphur Creek

**Definitions**

- “**Act**” means the *Placer Mining Act*, SY 2003, c.13; SY 2013, c.18;
- “**Operator**” means a person who is engaging in an operation;
- “**Chief**” means Chief of Placer Land Use, pursuant to the Act.
- “**Effective date**” means the date this Approval comes into force as evidence by the date of the signature of the Chief;
- “**Site**” means the area bounded by the sum of the mineral claims described above under ‘Scope of Approval’;
- “**Inspector**” means an inspector designated pursuant to the Act;
- “**Corridor**” means a path from which trees and brush have been cut to accommodate a trail, waterline, fuel line or power line.
- “**Access road**” means a road that provides access to a public highway or to a private road
- “**Isolated road**” means a road that does not provide access to a public highway directly or through a private road.
- “**Road**” means a pathway for vehicular traffic the construction of which requires the movement of rock or earth.
- “**Trail**” means an access to a site within a claim or lease that is constructed with little or no movement of rock or earth.
- “**Upgrading**”, in relation to road, means re-establishing a road that has not been useable for more than five years by vehicles of a type the road was originally designed to serve, modifying a road to provide usability for vehicles that are of a different type than those the road was originally designed to serve and any other upgrading or modifying of a road, other than for maintenance or erosion control.

**PART ONE – GENERAL REQUIREMENTS**

**Duration of Approval**

1. This Approval is valid upon signature of the Chief until the expiry date or until a Class 4 approval is issued. In the event that mineral titles lapse, or that agreements to operate on mineral titles are dissolved, the Approval becomes null and void for that portion of the operating plan, where there is no right to the minerals.

2. Only the work identified in the prospecting lease “Work Program and Additional Information” form, approved by the Mining Recorder, can be carried out until such time as the prospecting lease is staked to claims.
3. All outstanding reclamation continues to be the responsibility of the operator.

#### **Compliance with Operating Conditions**

4. All operating activities must comply with the Operating Conditions contained in Schedule 1 of the Placer Mining Land Use Regulation. These Operating Conditions are enforceable.

### **PART TWO - REPORTING REQUIREMENTS**

#### **Contact Numbers/Planning and Communication**

5. Submissions and reports to the Chief should be made in duplicate to the following addresses:

Chief, Mining Land Use  
Box 2703, K-09  
Whitehorse, Yukon Y1A 2C6

Mining Lands Officer  
Box 249  
Dawson City, Yukon Y0B 1G0  
[dawson.mining@gov.yk.ca](mailto:dawson.mining@gov.yk.ca)  
(867) 993-5343

6. The contact for the Operator will be:

Bernard Kreft  
1 Locust Place  
Whitehorse, YT  
Y1A 5G9  
[bernie.kreft@gmail.com](mailto:bernie.kreft@gmail.com)  
(867) 668-7965

7. All spills must be reported immediately to the 24-Hour Yukon Spill Reporting Line (867) 667-7244 and to the Mining Inspections Division in Dawson (867) 993-7300.
8. An operator who takes an emergency remedial measure shall, as soon as possible, but not later than 10 days after taking it, send a written report to the Chief describing the duration, nature and extent of the emergency and the measures taken to respond to it.
9. The operator shall contact Mining Inspections in Dawson (867) 993-7300 at least 14 days prior to commencing the field season.

10. The operator shall contact Mining Inspections in Dawson (867) 993-7100 at least 14 days prior to leaving the site at the end of the operation.
11. The Proponent shall contact the trappers using the Registered Trapping Concessions that overlap with the Project to minimize land-use conflicts and to identify areas where there may be traps, snares and other trapping equipment in order to avoid any infrastructure during the Project. Contact YG Department of Environment at 867-667-5600 to acquire trapper contact information.

#### **Heritage**

12. All palaeontological resources uncovered during operations shall be reported to the Yukon Palaeontology Program, Government of Yukon in Whitehorse at (867) 667-8089 or (867) 667-5386.
13. All archaeological resources uncovered during operations shall be reported to the Yukon Archaeology Program, Government of Yukon in Whitehorse at (867) 667-3771 or (867) 667-5386.

#### **Wildlife**

14. The operator shall report any incidents involving wildlife to the Dawson District Conservation Officer at (867) 993-5492, and report when bears are frequenting the camp area for advice on further mitigation.
15. The operator shall maintain a detailed wildlife log for submission to the Chief of Mining Land Use each year.

### **PART THREE – TERMS AND CONDITIONS**

#### **Removal of Vegetative Mat**

16. If the vegetative mat must be removed to carry out an operation, it must be removed so as to protect the seed and root stock contained within the mat and be stored separately from any overburden or bedrock removed for use in re-establishing the vegetative mat when the operation ceases.

#### **Re-establishment of vegetative mat**

17. All vegetated areas disturbed by operation activities, including fuel and waste storage areas, clearings, corridors, camps and supporting infrastructure, and trenches and drill site, must be left in a condition conducive to re-vegetation by native plant species or other species adaptable to the local environment to encourage re-vegetation comparable to similar, naturally occurring, environments in the area.
18. Conditions conducive to re-vegetation include provision of an adequate soil layer with moisture retaining ability, no soil contamination by hydrocarbons or other hazardous substances, provisions of adequate seed or root stock and contoured or otherwise stable slopes.

19. If adequate seed or root stock is not naturally available, re-seeding or transplanting of vegetation is required. Only non-invasive species may be used for re-seeding or transplanting. Consult with the Mining Inspector prior to seeding.

#### **Erosion Control and Permafrost**

20. All areas disturbed during an operation must be re-sloped, contoured or otherwise stabilized to prevent long term soil erosion, slumping and subsidence.
21. All activities must be carried out to avoid or minimize damage to and loss of permafrost.
22. The operator shall insulate the ground surface beneath all temporary structures and temporary facilities used in the project where permafrost is present to:
  - a) Prevent any vegetation from being removed, and
  - b) Prevent the ground from settling or eroding

#### **Historic Objects and Burial Grounds**

23. Operations must not be carried out within 30m of a known archaeological, palaeontological or burial site unless the Chief indicates, in writing, that such activities may be carried out.
24. Any sites containing archaeological objects or human remains, or burial sites discovered in the course of carrying out an operation must be immediately marked and protected from further disturbance and, and as soon as practicable, the discovery reported to the Chief. No further activities may be carried out within 30m of the site until the Chief indicates, in writing, that the activities may be resumed.
25. Upon discovery of a heritage resource, the operator shall notify the Heritage Department of Tr'ondëk Hwëch'in in addition to Government of Yukon, Chief of Mining Lands and Yukon Heritage.

#### **Disposal of Wastes/Cleanliness**

26. All solid waste, including debris, equipment, barrels, drums, and scrap metal, must be safely stored on the site of the operation while the program is carried out and must be disposed of in accordance with the Solid Waste Regulations.
27. All attractants, including garbage, kitchen waste, and strained solids from grey water, shall be stored in a container that prevents access by bears and other wildlife, until properly disposed according to the Solid Waste Regulations.
28. All attractants, including garbage and kitchen waste, shall be transported to Dawson City for disposal prior to seasonal camp closure.
29. When burning kitchen waste on site it must be burned regularly to reduce odours that might attract wildlife and be burned to ash by forced air or fuel fired incineration.

30. Campsites must be kept clean and tidy.

### **Fuel and Chemical Storage and Handling**

31. If petroleum fuel storage capacity exceeds 4000L, a secondary containment structure must be constructed. The containment structure must be made of a material impervious to petroleum products and:

- a) if there is a single storage tank, be of sufficient size to accommodate at least 110% of the capacity of the storage tank; or
- b) if there is more than one storage tank, be of sufficient size to accommodate 110% of the capacity of the largest storage tank or 10% of the total capacity of all of the tanks, whichever is greater.

32. All petroleum products, including waste petroleum products, and any other hazardous substances must be stored in a secure fashion no less than 30m from the ordinary high water mark of any water body.

33. All fuel cache(s) must be protected with an earthen berm and flagged to prevent spills resulting from accidental contact with heavy equipment. Flags should be visible above the snow pack.

34. All petroleum products, including waste petroleum products, and any other hazardous substances, must be transferred and handled without spillage.

35. All waste petroleum products and any other special waste, as defined in the Special Waste Regulations, generated in the course of carrying out the operation must be disposed of in accordance with the Special Waste Regulations when the program ceases.

36. The operator shall clearly identify the owner, the contents and the date on fuel drums to establish and manage ownership and responsibility.

### **Spills and Spill Contingency Plans**

37. A spill contingency plan for petroleum products and other hazardous substances must be prepared and posted in the camp and at all fuel handling locations used in carrying out the operation.

38. All fuel spill equipment and materials must be maintained in a state of readiness sufficient at all times to contain and clean-up any hazardous materials spills.

39. If a spill occurs, the spill contingency plan must be immediately implemented and notice given to the 24-hour Yukon Spill Report Line. As soon as practicable, an inspector must be contacted. Whatever remedial action is required to clean-up the spill and reclaim the affected land and water must be taken.

40. The location of any spills shall be clearly marked with stakes or flags.



### **Use of Vehicles**

41. Vehicles must be maintained and operated to prevent spills of fuel, lubricants, coolants and oil.
42. The operator shall remove any foreign soil and plant material from equipment prior to moving it into the project area.

### **Timber and Brush**

43. Cut brush must not be piled so that it blocks movement of wildlife or people.
44. Leaning trees created by the cutting of lines, corridors and clearings must be felled.
45. When it is economically viable to do so, timber suitable for sale must be salvaged and stockpiled.
46. All risk of fire hazard must be avoided.

### **Trenching**

47. Trenching carried out by hand or using hand-held tools must be methodical.
48. All trenches must be stabilized and marked to minimize risk to the public.
49. Open trenches shall be sloped at one end to avoid entrapment of wildlife.
50. Trenches constructed with mechanized equipment must be back filled by first depositing any removed overburden and bedrock and then replacing the vegetative mat that was removed to construct the trench.
51. The operator must ensure that all employees and contractors working at the trench sites are aware of the operating conditions for trenching.

### **Drilling**

52. All reasonable efforts must be made when drilling to minimize impact on wildlife and the public.
53. Drill holes that pose a hazard or that lead to ground water must be plugged to prevent flow of water to the surface.
54. The location of drill holes must be marked by flagging or other suitable means at the location of the drill hole.
55. The operator must ensure that all employees and contractors working at the drill sites are aware of the operating conditions for drilling.

### **Waste Rock**

- 56. Waste rock piles must be located at least 30m from any water body and be physically stable.
- 57. Waste rock containing sulfides must be returned under ground cover.
- 58. Access to underground openings must be blocked to prevent access by wildlife and people.

### **Roads, trails, and off-road/trail use**

- 59. All vehicles must be operated to avoid rutting and gouging of roads and trails.
- 60. If rutting, gouging, ponding or permafrost degradation occurs off road or trail, vehicle use must be suspended or relocated to ground that is capable of bearing the weight of the vehicle without causing such damage and the former routes must be restored in compliance with the operating conditions for re-establishment of the vegetative mat and erosion control.
- 61. Off road and trail routes must be reconnoitered and must be used in a way that minimizes ground disturbance, including damage to permafrost and sensitive wildlife habitat.
- 62. Use of skids on permafrost or wet ground is only permitted outside of winter where it is not reasonable to use any other means of transporting equipment.
- 63. Routes for trails must be reconnoitered and flagged.

### **Release of sediment**

- 64. All reasonable care must be taken in carrying out activities near or adjacent to a water body to prevent sediment from entering a water body, unless otherwise permitted by law.

### **Security**

- 65. Security may be required at any time by the Chief.

### **Reclamation**

- 66. Reclamation shall be progressive in nature where possible and completed before expiry of the approval.

## **PART FOUR – FINAL DECOMMISSIONING**

- 67. All petroleum products and any other hazardous substances must be removed from the site when the operation ceases.
- 68. All waste petroleum products and any other special waste, as defined in the Special Waste Regulations, generated in the course of carrying out the operation must be disposed of in accordance with the Special Waste Regulations when the program ceases.

69. Debris, equipment, fuel barrels, scrap metal and other waste at the work site shall be completely disposed of, so as not to attract wildlife, by removal to an authorized disposal site as often as is practicable throughout the mining season and completely at the cessation of the operation.
70. Structures must be removed and the site restored at the end of the operation to a level of utility comparable to its previous level of utility.
71. Final reclamation will occur prior to the expiry of the operation, according to standards outlined in the operating conditions for re-establishment of vegetative mat and erosion control.

## **PART FIVE – OTHER MATTERS**

### **Applicable Laws**

72. All other applicable legislation, regulations, laws, by-laws and ordinances must be complied with. Additional authorizations or approvals may be required. Any doubt as to whether an additional authorization or approval is required should be verified by a duly authorized official at the appropriate government body or bodies.
73. Notice of Schedule III must be provided to the Yukon Water Board ten (10) days prior to use of water.
74. Attached (Appendix A) is a list of the approved activities.
75. Attached (Appendix B) are the commitments that form part of this operating plan.
76. Attached (Appendix C) lists the prospecting lease that delineates the project area.

Appendix A  
**MINING LAND USE**  
**EXPLORATION ACTIVITY REPORT**

July 15, 2016

LP01118

Class III

115-O-10h SE

Bernard Kreft  
1 Locust Place  
Whitehorse, YT Y1A5G9  
Canada

ELEMENT	CRITERIA	TERMS AND CONDITIONS
Upgrading of access roads per operation		Up to 2km * 6.0m
Establishing new access roads per operation		Up to 0.75km * 6m
Total length of corridors		Trails: up to 0.6km * 5m
Area stripped per claim per year		Up to 30,000m <sup>2</sup> for entire operation (not per claim)
Total volume of ditching and drains		Up to 400m <sup>3</sup> for entire operation (not per claim)
Height of overburden piles		Up to 2.3 m
Total volume of trenching		10 trenches, approx. 10m * 10m * 10m (total 10,000m <sup>3</sup> for entire operation)
Total length of corridors		Develop new trails. Up to .6km * 6m
Use of Vehicles on Existing Roads or trails		Within the design limits or tolerances of the road or, if design limits or tolerances of the roads or trails are not known, vehicles with a gross vehicle weight of less than 40t for roads, and less than 20t for trails.
Off Road Use of Vehicles in summer		Vehicles with a gross vehicle weight not exceeding 20t, that are used over a distance of not more than 15km per year, or with a gross vehicle weight not exceeding 50t that are used over a distance of not more than 2.5km per year
Construction of structures		Two trailers, one motor home and utility trailer
Nb of person days per camp		88 person days
Nb of persons in a camp at any one time		4 persons
Corridor Width		5m

## **Appendix B**

### **Bernard Kreft LP01118**

#### **Proponent Commitments**

- Reclamation work on roads to include: scattering bucked wood along trails, construction of ditches to block access, and spreading of vegetative matter and soil onto the surface to ensure rapid re-growth.
- No access roads, trenching, or camp facility will be located within 30 m from the nearest watercourse
- All slopes will be maintained at 2:1 ratio
- All disturbed areas will have vegetation and overburden spread over them to support rapid revegetation
- All holes, pits, and any other exploration workings will be left in a stable manner
- Stripped overburden will be stockpiled in a stable manner to prevent erosion, and trenches will be immediately backfilled and contoured to natural topography
- Water withdrawal from groundwater in excavated sump, recirculated into another sump for settling, and reused.
- Blocking of access road to camp during winter
- All garbage or waste created during the course of the project will be removed from site and disposed of at the Quigley Solid Waste Facility
- Seasonal camp closure to consist of: tarping of trailers, all doors and windows locked, and road to camp blocked
- No fuel storage on site

**PROSPECTING LEASE STATUS REPORT**

14 July 2016

Title #	Expiry Date	Registered Holder	Start Date	Maximum Term	Location	# of Miles	NITS #'s
ID01375	2017/03/24	Bernard Kreft	2016/03/24	3	B(1)LL Sulphur Creek	1	115-O-10h

Criteria(s) used for search:

REGULATION TYPE: PROSPECTING LEASE STATUS: ACTIVE & PENDING

Left column indicator legend:

- R - Indicates the disposition is on one or more pending renewal(s).
- P - Indicates the disposition is pending.

Total claims selected : 1

**Bernard Kreft  
LP01118**

**OPERATIONAL GUIDELINES**

- The operator shall familiarize themselves with Yukon invasive species and how to manage them by referring to the Yukon Invasive Species Council (YISC) document "Why Should I Care About Invasive Species?", located here: [http://www.yukoninvasives.com/pdf\\_docs/WhyshouldIcare2011\\_sm.pdf](http://www.yukoninvasives.com/pdf_docs/WhyshouldIcare2011_sm.pdf)
- The operator should report the presence of any invasive plants that are listed on the website (<http://www.env.gov.yk.ca/wildlifebiodiversity/invasiveplants.php>) to the Yukon Conservation Data Centre (at 867-667-5331 or Toll free at 1-800-661-0408 local 5331), should they be encountered.
- The operator should follow best management practices outlined in Government of Yukon, Department of Environment Publication, Guidelines for Industrial Activity in Bear Country:  
[http://www.env.gov.yk.ca/publications-maps/documents/Guidelines\\_for\\_Industrial\\_Activity\\_in\\_Bear\\_Country.pdf](http://www.env.gov.yk.ca/publications-maps/documents/Guidelines_for_Industrial_Activity_in_Bear_Country.pdf)
- Road construction and placer exploration activities should follow acknowledged Best Management Practices for Heritage Resources, two relevant examples are:
  - a. Yukon Placer Mining Best Management Practices for Heritage Resources  
[www.tc.gov.yk.ca/pdf/Placer\\_Mining\\_BMP.pdf](http://www.tc.gov.yk.ca/pdf/Placer_Mining_BMP.pdf)
  - b. Tr'ondëk Hwëch'in Best Practices for Heritage Resources  
[www.trondek.ca/downloads/THBestPractices.pdf](http://www.trondek.ca/downloads/THBestPractices.pdf)
- The operator should incorporate the best management practices found in Environment Yukon's *Best Management Practices for Works Affecting Water in Yukon* ([http://www.env.gov.yk.ca/publications-maps/documents/bestpractes\\_water.pdf](http://www.env.gov.yk.ca/publications-maps/documents/bestpractes_water.pdf))

