

Department of Energy, Mines & Resources PO Box 2703, Whitehorse, Yukon Y1A 2C6



File No: LO00346b

March 22, 2018

Golden Predator Mining Corp. 250-200 Burrard St. Vancouver, BC V6C 3L6

Dear Adrian Bray:

Re: The assignment of a Class 3 Quartz Mining Land Use Approval

From: Jeffrey Wilson To:

Precipitate Gold Corporation Room 102-300 Main Street

Whitehorse, YT

Y1A 2B5

Fo: Adrian Bray

Golden Predator Mining Corp.

250-200 Burrard St. Vancouver, BC V6C 3L6

Your application for the assignment of a Class 3 approval has been approved subject to the attached conditions. The effective date of this assignment will be March 22, 2018. All work, including reclamation, must be completed by June 11, 2022 and inspected 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 ensure that pre-season and post-season reports are provided before and after each exploration season. Pre- and post-season reports assist the Mineral Resources Branch in monitoring exploration activity and reclamation. Not providing reports may result in additional security being required.

Please feel free to contact our office at (867) 536-7366 should you have any questions.

Regards,

Robert Savard

A/Chief, Mining Land Use

cc: EMR Natural Resources Officer, Compliance Monitoring and Inspections

ENV Environmental Affairs, Environmental Protection Branch

Operational Guidelines

Exploration activities

The Yukon Chamber of Mines has developed an informative Best Management Practices document that should be reviewed in the context of project activities. The Operator should reference the following document when planning and conducting project activities:

• Yukon Mineral and Coal Exploration Best Management Practices and Regulatory Guide (http://yukonminers.org/wp-content/uploads/2017/06/BMP RG Aug29 FINAL WebFile.pdf).

Human/Wildlife Conflict

To increase worker safety, reduce potential conflicts and prevent unnecessary wildlife mortality, the Operator should implement pertinent components of:

 Guidelines for Industrial Activity in Bear Country for the Mineral Exploration, Placer Mining and Oil & Gas Industries (http://www.env.gov.yk.ca/publications-maps/documents/bestpractes-water.pdf).

Wildlife

- The operator should contact the Regional Biologist for information on appropriate set back distances if raptor nests, dens, or mineral licks are encountered. These site-specific features shall not be disturbed.
- No new exploration activities, linear development, or helicopter flights should occur within 1km of known mineral licks during the period of heaviest use from April 15th to July 30th. Any deviation from this mitigation must be supported by monitoring data, confirming that known mineral licks are inactive, and approved by Yukon Government.
- The operator should contact the District Conservation Officer and/or Fisheries and Oceans Canada for advice in the event conflicts with beavers and/or beaver dams occur.
- The operator should contact the Yukon Conservation Data Centre for updated information on species of conservation concern that may be found in the project area. If these or any species of concern or their sign are identified/encountered in the project area, the proponent shall contact the Yukon Department of Environment's Conservation Data Centre (867-667-5331) for appropriate mitigation.

Invasive species

To minimize the risk and consequences of spreading invasive plant species the Operator should:

 Become familiar with the Yukon invasive species and how to manage them by referring to the Yukon Invasive Species Council document, "Why Should I Care About Invasive Species" (http://yukoninvasives.com/pdf_docs/WhyshouldIcare2011_sm.pdf)

Heritage Resources

To better understand how to manage potential impacts to heritage resources, the Operator should refer to the following document(s):

- Mineral Exploration Best Management Practices for Heritage Resources
 (http://www.tc.gov.yk.ca/pdf/Mineral Exploration BMP_for_Heritage_Resources.pdf)
- Best Management Practices for Burial Sites and Human Remains in Yukon (http://www.tc.gov.yk.ca/pdf/BurialSites_BMP_2014.pdf)

Work in/near water

Project activities have the potential to affect water quantity, quality and/or rate of flow. The Operator should provide for the protection of water by applying practices described in:

 Best Management Practices for Works Affecting Water in Yukon (http://www.env.gov.yk.ca/publications-maps/documents/bestpractes_water.pdf).

Aircraft use

Project activities are authorized in an area known to be inhabited by sheep and/or caribou. The Operator and/or aircraft pilots should plan flight paths and protocols based on the published guideline(s):

- Flying in Sheep Country: How to Minimize Disturbance from Aircraft (http://www.env.gov.yk.ca/publications-maps/documents/flying_in_sheep_country.pdf).
- Flying in Caribou Country: How to Minimize Disturbance from Aircraft (http://www.env.gov.yk.ca/publications-maps/documents/flying_caribou_country.pdf).

Other Resource Users

The operator should communicate plans and timing of activities to:

- Other resource users (trappers, outfitters, wilderness tourism operators, quartz/placer miners, First Nation(s) and known subsistence harvesters) that may be affected by the proposed project as soon as practicable, prior to the actual commencement of activities to reduce land use conflicts and any potential negative impacts on others.
- Other users in the area (e.g. other exploration companies) and work to reduce the number and frequency of flights in the area, particularly at times of the year when specific species (e.g. mountain goats and caribou) are vulnerable to noise disturbance.

Pre/Post-Operation Contact

The operator should make best efforts to meet with the Liard First Nation and the Ross River Dena Council prior to undertaking activities in each year of operation and within 60 days of completing its field operations. The intent of these meetings is to inform the First Nations of the activities planned, to identify potential land use conflicts, and enhance overall communications between the First Nations and the operator.

Use of Explosives

Explosive work should not occur during the caribou calving and post-calving period (May to July) or when bears are denning (October to April).

Use of Vehicles

The operator should ensure that personnel:

- are aware of speed limits to, within, and from the property, and shall ensure that speed limits are strictly adhered to on the property; and
- that personnel transporting heavy supplies/materials are aware of the weight restrictions throughout the year on the Nahanni Range Road.

Pre-activity Surveys

- The operator should conduct pre-activity surveys, using appropriate methods, in areas that are likely to contain Collared Pika (talus slopes). Environment Yukon should be contacted for advice on this matter. The proponent should report the results of pre-activity surveys and any rare wildlife species occurrences to the Yukon Conservation Data Centre for advice on possible mitigation.
- When conducting the pre-activity aerial surveys, the proponent should incorporate the potential services of a wildlife monitor from the Liard First Nation or the Ross River Dena Council, where possible.



QUARTZ MINING LAND USE REGULATION ASSIGNMENT OF OPERATING PLAN

Agreement between: The Assignor: and The Assignee(s): NAME Precipitate Gold Corp. NAME (Added Precipitate Gold Corp. CITY (Adversaria By Corp. Postal Code (CITY (Adversaria By Code Precipitate Gold Code Precipitate Gold Code (CITY (Adversaria By Code Precipitate Gold Code (CITY (CIT		Approval #:	NTS #:	Class:	Expiry Date:
The Assignae(s) undertake to assume, on a joint and several liability basis, all obligations contained in operating plan # L Q O 3 4 a including all amendments thereto, a copy of which is attached to this instrument, to the same extent as if the operating plan approval had been originally granted to the Assignee(s). Further, the Assignee(s) unde to comply with all provisions in the Quartz Mining Act and the Quartz Mining Land Use Regulation, including, but no limited to, the operating conditions governing the reclamation of all areas affected by the mining activities conducted under the authority of operating plan # L Q O 3 + Lo. Effective Date As per subsection 16(1) of the Quartz Mining Land Use Regulation, both the Assignor and the Assignee(s) acknowle that this Assignment, signed and filed in the Mining Land Use office this 22 day of Feliphoral, 2018, the applicable less if approved, will be effective not less than 25 days of receipt, unless otherwise abvised by the C (Assignee) (Assignee) (Assignee) (Assignee) (Cate) Chief, Mining Land Use Access to Information and Protection of Privacy Act		Agreement between: The Assignor: and The NAME Precipitate Gold Corp. ADDRESS 1020 - 625 Howe St. CITY Vancouver POSTAL CODE V6C 2T6 TELEPHONE # 604-558-0335 FAX # EMAIL iwilson@precipitategold . Corp. This agreement acknowledges that in column and valuable consideration as paid by the Assignee(s) all interest in Operating 1.	Plan # L DCC 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Parad Staddress Burnd Staddress Bc CITY 316 POSTAL COD 260 0281 TELEPHONE: FAX # Dividal Market EMAIL 41,00 doll To the Assignor assigns, transfer	ar(s) and other good
that this Assignment, signed and filed in the Mining Land Use office this 22 day of February, 2018, with applicable tees if approved, will be effective not less than 25 days of receipt, unless otherwise advised by the Company of Chief, Mining Land Use Access to Information and Protection of Privacy Act		Undertaking by Assignee(s) The Assignee(s) undertake to assume, or plan # L Q OO 3 4 a including all amextent as if the operating plan approval to comply with all provisions in the Qual limited to, the operating conditions government to authority of operating plan #_ Effective Date	on a joint and several liability lendments thereto, a copy of had been originally granted to the Quartz Mining Act and the Quartz erning the reclamation of all a しりひろせる	which is attached to this instruot the Assignee(s). Further, the Mining Land Use Regulation, reas affected by the mining ac	iment, to the same Assignee(s) undertake including, but not tivities conducted
Dated this day 21 of March ,2018. Chief, Mining Land Use Access to Information and Protection of Privacy Act		that this Assignment, signed and filed in the applicable fees if approved, will be	the Mining Land Use office the effective not less than 25 day 21 12018	his 22 day of Felmass of receipt, unless otherwise	20_1 & , with advised by the Chief.
The personal information requested on this form is collected under the authority of and used for the purpose of administering the Quartz Mining A Questions about the collection and use of this information can be directed to the Mining Recorders Office. Mineral Resources, Department of End Mines and Resources, Yukon Government, Box 2703, Whitehorse, Yukon Territory, Y1A 2C6 (867) 667-3190. Office use only Security: Yes No Amount: S	4	Chief, Mining Land Use Access to Information and Protection of Privace The personal information requested on this form is Questions about the collection and use of this information and use of this information and use of this information and Resources, Yukon Government, Box 2	ey Act s collected under the authority of an armation can be directed to the Minis 703, Whitehorse, Yukon Territory, Y1	d used for the purpose of administering Recorders Office, Mineral Resource A 2C6 (867) 667-3190.	ng the <i>Quartz Mining Act</i> .



MINING LANDS MINERAL RESOURCES BRANCH GOVERNMENT OF YUKON

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

Golden Predator Mining Corp. 250-200 Burrard St. Vancouver, BC V6C 3L6

APPROVAL NUMBER:

LQ00346b

PROPERTY NAME:

Reef

UNDERTAKING:

Quartz

CLASS:

Class 3 Approval

EFFECTIVE DATE:

March 22, 2018

EXPIRY DATE:

June 11, 2022

This approval shall be subject to the restrictions and conditions contained herein and to the restrictions and conditions contained in the *Quartz Mining Act* and the *Quartz Mining Land Use Regulation* made there under as proposed in Mining Land Use Application LQ00346b.

Dated this March 22, 2018

Robert Savard

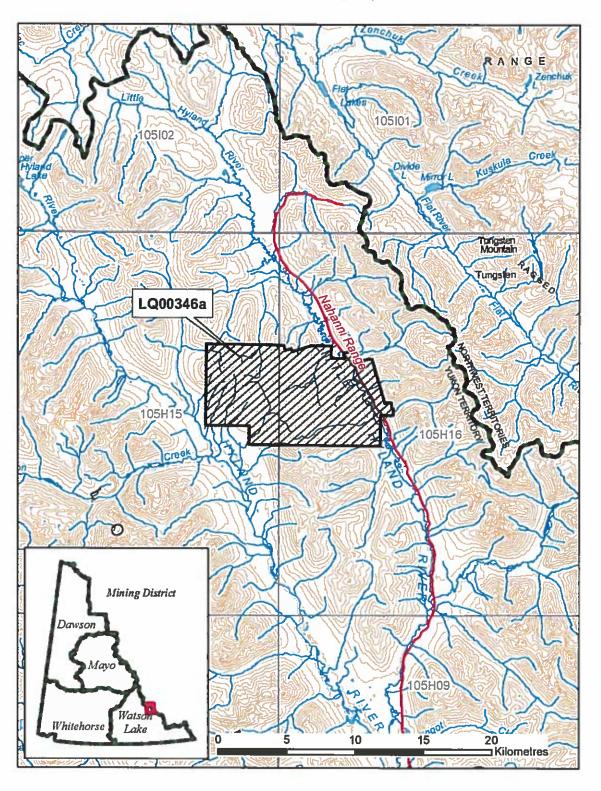
A/Chief, Mining Land Use

SCOPE OF APPRO	OVAL:		- 11	1. 83			
Claim Status Report	(Appendix A)			LQ003	46b		
Operating Season	1 June – 15	September (see #1.	1)	Reef			
PROJECT ACTIV	ITIES (ON-CLAIN	M):		1 10			
USE OF VEHICLE	S/EQUIPMENT						
Use of vehicles on e	xisting roads or trail	ls				• No	o Yes
Gross vehicle weigh	r i i i i i i i i i i i i i i i i i i i			On-roa	ds: >40t	On-tra	ils: <20t
Off-road use of vehic	cles in summer					• No	o Yes
Off-road use of vehic	cles in winter					• No	o Yes
NEW & EXISTING	GACCESS						
Upgrading of existin	g access		• No • Yes	Length	x km	Width	: x m
New roads			o No • Yes	Length	: 0.15 km	Width	: 5 m
New trails			• No • Yes	Length	x km	Width	: x m
New temporary trails	S		• No • Yes	Length	x km	Width	:xm
Other new access: H	elicopter Pads						
LINES & CORRID	ORS						
Lines			o No • Yes	Length	: 10 km	Width	: 1 m
Corridors			• No • Yes	Length	x km	Width	: x m
SITE PREPARATI	ON						
Number of clearings	per claim: 10		Area: 36 to 10	00 m ²			
Number of clearings	for helicopter pads	and camps: 6 and 1	Area: 100 m ²	(helipads) and 5000	m² (cam	p)
Removal of the vege	tative mat					o No	• Yes
EXPLORATION T	RENCHING & BU	ULK SAMPLING					
Hand-dug						o No	• Yes
Mechanized						o No	• Yes
Number: 50	Length: 75 m	Width: I m	Depth: 1 m		Total vol	ume: 37:	50 m ³
Bulk sampling			• No • Yes		Amount/	year: x to	onnes
Explosives		∘ No • Yes	Total amount:	400 kg	Max. in 3	0 days:	100 kg
EXPLORATION D	RILLING						
TYP	E	NUMBER OF	HOLES		DEPTI	H (m)	
Diamo	ond	200			500	00	

FUEL STORAGE			
FUEL TYPE		RAGE TYPE & APACITY	TOTAL VOLUME
Diesel	25	,000 L Tank	100,000 L
Jet B	10	,000 L Tank	10,000 L
Gasoline	20	05 L Drums	3,075 L
Propane	100 lbs.	and 20 lbs. Tanks	1,700 lbs.
Oil		20 L Pails	600 L
FACILITIES & STRUCTURES			
Camp structures: Tent frame camp			
Number of persons in camp at any one	time: 45	Number of person d	ays: 6750
Construction of underground structures			• No • Yes
Amount per year:		Amount per program	n:

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.

LQ00346b Reef Golden Predator Mining Corp.



DEFINITIONS

- "Act" means the Quartz Mining Act, S.Y. 2003, c.14;
- "Access road" means a road that provides access to a public highway or to a private road;
- "Adverse effects" of an exploration program means its adverse environmental or socio-economic effects and any adverse effects it may have on the existing or asserted aboriginal or treaty rights of any First Nation;
- "Chief" means the Chief of Mining Land Use designated pursuant to the Act;
- "Clearing" means an area that is cleared of trees, brush or vegetative mat for the purpose of establishing a campsite or carrying out mining exploration, but does not include an area cleared for the purpose of establishing a corridor or trail;
- "Corridor" means a path from which trees and brush have been cut to accommodate a water line, fuel line or power line;
- "Effective date" means the date this Approval comes into force as evidence by the date of the signature of the Chief;
- "Exploration program" means any activity or group of activities undertaken for the sole or principal purpose of assessing land for its suitability for the production of minerals;
- "Foundation" means the part of a structure that penetrates the ground and supports the structure;
- "Isolated road" means a road that does not provide access to a public highway directly or through a private road;
- "Inspector" means an inspector designated pursuant to the Act;
- "Line" means a line cut for the purpose of carrying out a geophysical, geological, or engineering survey;
- "Low ground pressure vehicle" means a vehicle that applies 35 kPa of pressure or less to the ground surface;
- "Operator" means a person who is engaging in an exploration program, or in development or production;
- "Person-day" in respect of the use of a campsite, means the use of the campsite by one person during a period of 24 hours;
- "Response" means a notice given by the Chief that indicates whether or not an exploration program may be carried out or that extends the time for the Chief's review of a Notification or operating plan;
- "Road" means a pathway for vehicular traffic the construction of which requires the movement of rock or earth;
- "Site" means the area bounded by the sum of the mineral claims described above under 'Scope of Approval';
- "Summer" means the period of a year that is not winter;
- "Trail" means an access to a site within a claim or lease that is constructed with little or no movement of rock or earth; and
- "Trenching" means excavation carried out on a mineral claim for the purpose of obtaining geological information:
- "Upgrading", in relation to a 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 for which the road was originally designed to serve and any other upgrading or modifying of a road, other than for maintenance or erosion control:
- "Vegetative mat" means the organic surface of soil, characterized by the accumulation of organic matter, or partly decomposed organic matter, derived mainly from leaves, twigs, and woody materials, and includes the root mass of living vegetation;
- "Winter" means the period of the year during which (a) the ground is frozen sufficiently to support a vehicle, other than a low ground pressure vehicle, without rutting or gouging of the surface; and (b) there is a sufficient amount of snow on the ground to produce a packed base of 10 cm.

PART ONE - GENERAL REQUIREMENTS

Duration of Approval

- 1.0 This approval is valid upon signature of the Chief until the expiry date. In the event that claims lapse, or that agreements to operate on claims are dissolved, the approval becomes null and void for that portion of the operating plan, where there is no right to the minerals.
- 1.1 The proponent shall complete exploration project activities on the Reef Property by September 15th of each year.

Compliance with Operating Conditions

1.2 All mineral exploration activities must comply with the Operating Conditions contained in Schedule 1 of the *Quartz Mining Land Use Regulation* and within the approval. Where there is a difference between the operating conditions and approval, the terms of this approval shall prevail. These Operating Conditions are enforceable.

Reporting Requirements

Contact Information

1.3 Submissions and reports to the Chief should be made to both the following addresses:

Chief, Mining Land Use Mining Lands Officer

Box 2703, K-9 Box 269

Whitehorse, Yukon Watson Lake, YT Y0A 1C0 Y1A 2C6 watson.mining@gov.yk.ca

1.4 The contact for the Operator will be:

Golden Predator Mining Corp.

250-200 Burrard St.

Vancouver, BC

V6C 3L6

Adrian Bray

ABray@goldenpredator.com

604-260-0289

Pre-season and Post-season Reporting

- 1.5 A report shall be submitted at the beginning of each mining season outlining the exploration activities planned for the season including the proposed locations.
- 1.6 A report shall be submitted at the end of each mining season to the Chief of Mining Lands, Liard First Nation and Ross River Dena Council indicating exploration activities completed during that season. This report shall include but is not limited to:
 - detailed mapping of all areas worked;
 - location of new construction;
 - new areas of disturbance;

- map data, in the form of SHP files or GIS compatible, of all new roads and trails;
- map data, in the form of SHP files or GIS compatible, of all reclaimed roads and trails;
- areas of permafrost encountered;
- total disturbed area;
- pre-activity survey results, if applicable;
- reclamation activities; and
- documentation produced by environmental monitors.
- 1.6 The operator shall contact the Watson Lake Mining Inspections Office (Compliance, Monitoring and Inspections) at (867) 536-7335 at least 14 days prior to commencing the field season.
- 1.7 The operator shall contact the Watson Lake Mining Inspections Office (Compliance, Monitoring and Inspections) at (867) 536-7335 at least 14 days prior to leaving the site at the end of the operation.

Communications Reporting

1.8 Within 14 days of any meeting with First Nations, the operator shall provide a summary of the meeting to the Chief. This summary shall include details of any concerns identified by the First Nations and measures to be used to mitigate these concerns.

Spill Reporting

- 1.9 All spills must be reported immediately to the 24-Hour Yukon Spill Reporting Line (867) 667-7244 and to the Watson Lake Mining Inspections Office (Compliance, Monitoring and Inspections) at (867) 536-7335.
- 1.10 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.

Heritage Reporting

- 1.11 All paleontological resources uncovered during operations shall be reported to the Yukon Paleontology Program, Government of Yukon in Whitehorse at (867) 667-8089 or (867) 667-5386 and the Chief.
- 1.12 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 and the Chief.

Wildlife Reporting

- 1.13 All incidents with wildlife shall be reported to the District Conservation Officer in Watson Lake (Liard Region) at (867) 536-3210.
- 1.14 The proponent shall maintain a detailed wildlife log for submission to the Chief, Mining Land Use each year.

<u>PART TWO - PROJECT SPECIFIC OPERATING CONDITIONS</u>

Schedule 1 Operating Conditions (Appendix B)

The operator is bound by the Schedule 1 Operating Conditions per the *Quartz Mining Land Use Regulation*. In addition to the Schedule 1 Operating Conditions, the operator must also comply with the following terms and conditions:

Erosion Control and Permafrost

- 2.0 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.

Trenching

- 2.1 Open trenches shall be sloped at one end to avoid entrapment of wildlife.
- 2.2 The operator must ensure that all employees and contractors working at the trench sites are aware of the operating conditions for trenching.

Solid Waste

- 2.3 The operator shall keep all garbage, including kitchen waste, in a container that prevents access by bears and other wildlife, until properly disposed of in accordance with the *Solid Waste Regulations*.
- 2.4 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.

Petroleum Fuel and Hazardous Substances

- 2.5 The operator shall, with indelible marker or paint, clearly identify the owner, the contents and the date on fuel drums to establish and manage ownership and responsibility.
- 2.6 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.
- 2.7 The location of any spills shall be clearly marked with stakes or flags.

Drilling

2.8 The operator must ensure that all employees and contractors working at the drill sites are aware of the operating conditions for drilling.

Heritage Resources

- 2.9 The operator shall complete a Heritage Resources Overview Assessment of the Cirque Zone and the camp location with the objective of identifying areas that have elevated potential for the presence of heritage resources. Please contact Yukon Government, Heritage Resources for more information.
- 2.10 Subject to the results of the Heritage Resources Overview Assessment, areas with elevated potential for the presence of heritage resources are to be buffered from ground disturbing activities. If this is not possible, the operator shall complete a Heritage Resource Impact Assessment in advance of activities that disturb the ground surface within areas with elevated potential for the presence of heritage resources. Please contact Yukon Government, Heritage Resources for more information.

Solid Waste

- 2.11 The operator shall keep all garbage, including kitchen waste, in a container that prevents access by bears and other wildlife, until properly disposed of in accordance with *Solid Waste Regulations*.
- 2.12 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.

Road Use

2.13 The operator shall prevent the public from accessing the new road.

Wildlife

- 2.14 The operator shall submit an attractant management plan to the Chief for review and approval within 60 days from issuance of the approval.
- 2.15 The plan will detail wildlife deterrent measures, all related training, and measures to manage potential wildlife attractants, including, but not limited to:
 - Food:
 - Toiletries and first aid materials;
 - Kitchen waste;
 - Grey water;
 - Solvents and cleaning products;
 - Fuel, including fuel caches and small quantities of fuel at work sites;
 - Oil, lubricants and industrial wastes;
 - Seasonal shutdowns and mitigations for few and/or no people on-site;
 - Incinerator residue; and
 - Sanitary waste

- 2.16 The following mitigations shall be included in the attractant management plan:
 - The camp shall be equipped with properly maintained wildlife deterrent devices consistent with the Guidelines for Industrial Activity in Bear Country (http://www.env.gov.yk.ca/mapspublications/documents/Guidelines for Industrial Activity in Bear Country.pdf).
 - The operator shall ensure that project personnel receive bear aware training. For guidance of training refer to the *Guidelines for Industrial Activity in Bear Country*.
 - If conditions are warranted, the camp area shall be enclosed with electric fencing with attention given to camp design (as outlined in the Guidelines for Industrial Activity in Bear Country for the Mineral Exploration, Placer Mining and Oil and Gas Industries) in order to avoid attracting bears. Warranted conditions are developed in consultation with the Conservation Officer and include site specific bear activity.
- 2.17 The Chief may require additional information and/or adopt additional mitigation as required.
- 2.18 The approved plan will be incorporated as a condition of approval LQ00346b.
- 2.19 Pre-activity aerial surveys shall be conducted in areas of planned activities to determine the presence of mountain goats and caribou.
- 2.20 The following details shall be included, but not limited to, in the survey (#2.19):
 - Global Positioning System (GPS) coordinates of wildlife;
 - Species;
 - Number(s) of wildlife; and
 - Operator's actions.
- 2.21 The results of the pre-activity aerial surveys shall be submitted annually to the Chief (see #1.5)
- 2.22 The operator shall contact the District Conservation Officer each season, prior to conducting the pre-activity aerial surveys.
- 2.23 Areas where mountain goats and caribou are present shall be avoided, particularly during the breeding/rutting, kidding/calving, and post kidding/calving periods.

Water

- 2.24 The proponent shall collect baseline hydrology information from creeks used for water withdrawal.
- 2.25 The hydrology results shall be submitted annually to the Chief (see #1.5)

PART THREE – RECLAMATION AND/OR DECOMMISSIONING

- 3.0 Reclamation and/or decommissioning shall be progressive in nature where possible and will occur prior to the expiry of the exploration program or prior to the expiry of this approval, whichever comes first, according to standards outlined in the operating conditions, unless otherwise specified by the Chief.
- 3.1 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 at the cessation of the exploration program.
- 3.2 Structures must be removed and the site restored at the end of the exploration program or prior to the expiry of this approval, whichever comes first, to a level of utility comparable to its previous level of utility.
- 3.3 The proponent shall remove any flagging tape used to carry out project activities once the activities are completed unless bio-degradable tape is utilized.
- 3.4 If an amendment to this approval or new approval is granted, for the claims within the scope of this approval (Appendix A), all outstanding reclamation continues to be the responsibility of the operator.

PART FOUR - OTHER MATTERS

- 4.0 Security may be required at any time by the Chief.
- 4.1 Notice of Schedule III must be provided to the Yukon Water Board ten (10) days prior to use of water.
- 4.2 Attached (Appendix C) are the commitments that form part of this operating plan.



LQ00346b Appendix A

Claim Status Report

Claim Name and Nbr.	Grant No.	Expiry Date Registered Owner	% Owned	NTS#'s	Grouping	Permit
BLOOM 1 - 100	YE41901 - YE42000	2022/12/15 PRECIPITATE GOLD CORP	100.00	105H16,		LQ00346
BLOOM 101 - 185	YE52441 - YE52525	2022/12/15 PRECIPITATE GOLD CORP	100.00	105H16		LQ00346
BLOOM 186	YE52526	2023/12/15 PRECIPITATE GOLD CORP	100.00	105H16		LQ00346
BLOOM 187 - 190	YE52527 - YE52530	2022/12/15 PRECIPITATE GOLD CORP	100.00	105H16		LQ00346
BLOOM 191 - 204	YE70861 - YE70874	2022/12/15 PRECIPITATE GOLD CORP	100.00	105H16		LQ00346
BLOOM 205	YE70875	2023/12/15 PRECIPITATE GOLD CORP	100.00	105H16		LQ00346
BLOOM 206 - 221	YE70876 - YE70891	2022/12/15 PRECIPITATE GOLD CORP	100.00	105H16		LQ00346
BLOOM 222 - 228	YD118362 - YD118368	YD118362 - YD118368 2023/12/15 PRECIPITATE GOLD CORP	100.00	105H16		LQ00346
BLOOM 229 - 231	YD118369 - YD118371	YD118369 - YD118371 2022/12/15 PRECIPITATE GOLD CORP	100.00	105H16		LQ00346
BLOOM 232 - 235	YDI18372 - YDI18375	YD118372 - YD118375 2023/12/15 PRECIPITATE GOLD CORP	100.00	105H16		LQ00346
BLOOM 236	YD118376	2022/12/15 PRECIPITATE GOLD CORP	100,00	105H16		LQ00346
BLOOM 237 - 262	YD118377 - YD118402	YD118377 - YD118402 2023/12/15 PRECIPITATE GOLD CORP	100.00	105H16		LQ00346
JAY 73 - 80	YD24873 - YD24880	2024/12/15 PRECIPITATE GOLD CORP	100.00	105H15		LQ00346
JAY 141 - 192	YD25941 - YD25992	2022/12/15 PRECIPITATE GOLD CORP	100.00	105H15		LQ00346
JAY 203 - 206	YD26003 - YD26006	2023/12/15 PRECIPITATE GOLD CORP	100.00	105H15		LQ00346
JAY 207 - 250	YD26007 - YD26050	2022/12/15 PRECIPITATE GOLD CORP	100.00	105H15		LQ00346
REEF 1 - 48	YD34701 - YD34748	2023/12/09 PRECIPITATE GOLD CORP	100.00	105H15		LQ00346

Criteria(s) used for search:

CLAIM DISTRICT: 1000005 CLAIM STATUS: ACTIVE & PENDING OWNER(S): PRECIPITATE GOLD CORPREGULATION TYPE: QUARTZ

Left column indicator legend

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

P - Indicates the claim is pending.

Right column indicator legend:

L - Indicates the Quartz Lease,

F - Indicates Full Quartz fraction (25+ acres)
P - Indicates Partial Quartz fraction (<25 acres)

C - Indicates Placer Codiscovery
B - Indicates Placer Fraction

D - Indicates Placer Discovery

Total claims selected: 418

APPENDIX B

Quartz Mining Land Use Regulation

Schedule 1 Operating Conditions

Removal of the Vegetative Mat

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

Re-establishment of the Vegetative Mat

- 2. (1) All vegetated areas disturbed by exploration activities, including fuel and waste storage areas, clearings, corridors, temporary trails, camps and supporting infrastructure, and trenches and drill sites, 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.
 - (2) Conditions conducive to re-vegetation include provision of adequate soil layer with moisture retaining ability, no soil contamination by hydrocarbons or other hazardous substances, provision of adequate seed or root stock, and contoured or otherwise stable slopes.
- 3. 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

- 4. All areas disturbed during an exploration program must be re-sloped, contoured or otherwise stabilized to prevent long-term soil erosion, slumping and subsidence.
- 5. All exploration activities must be carried out to avoid or minimize damage to and loss of permafrost.

Trenching

- 6. Trenching carried out by hand or using hand-held tools must be methodical. All trenches must be stabilized and marked to minimize risk to the public.
- 7. 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.

Historic Objects and Burial Grounds

- 8. Exploration activities must not be carried out within 30m of a known archeological site unless the Chief indicates, in writing, that such activities may be carried out.
- 9. Any sites containing archeological objects, paleontological objects or human remains or burial sites discovered in the course of carrying out an exploration program must be immediately marked and protected from further disturbance 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 activities may be resumed.

Solid Waste

- 10. All solid waste, including debris, equipment, barrels, drums, and scrap metal, must be safely stored on the site of the exploration program while the program is carried out and must be disposed of in accordance with the *Solid Waste Regulation* when the program ceases.
- 11. Camps must be kept clean and tidy.

Petroleum Fuel and Hazardous Substances

- 12. If petroleum fuel storage capacity exceeds 4000 L, 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 the tanks, whichever is larger.
- 13. 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.
- 14. All petroleum products, including waste petroleum products, and any other hazardous substance, must be transferred and handled without spillage.
- 15. All petroleum products and any other hazardous substances must be removed from the site of the exploration program when the program ceases.
- 16. All waste petroleum products and any other special waste, as defined in the *Special Waste Regulations*, generated in the course of carrying out the exploration program must be disposed of in accordance with the *Special Waste Regulations* when the program ceases.

Spills and Spill Contingency Plans

17. A spill contingency plan for petroleum products and other hazardous waste must be prepared and posted in the camp and at all fuel handling locations used in carrying out the exploration program.

- 18. All spill clean-up equipment and material must be maintained in a state of readiness sufficient at all times to contain and clean-up any hazardous material spills.
- 19. 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.

Use of Vehicles

20. Vehicles must be maintained and operated to prevent spills of fuel, lubricants, coolants and oil.

Timber and Brush

- 21. Cut brush must not be piled so that it blocks movement of wildlife or people.
- 22. Leaning trees created by cutting of lines, corridors, temporary trails, and clearings must be felled.
- 23. When it is economically viable to do so, timber suitable for sale must be salvaged and stockpiled.
- 24. All risk of fire hazard must be avoided.

Drilling

- 25. All reasonable efforts must be made when drilling to minimize the impact on wildlife and the public.
- 26. Vegetation other than that within a drill sump, must not be covered with drill cuttings.
- 27. Core must be stored in a stable fashion.
- 28. Drill mud must be re-circulated when possible.
- 29. All drill fluids must be contained in a sump.
- 30. Drill holes that pose a hazard or that lead to ground water must be plugged to prevent flow of water to the surface.
- 31. The location of drill holes must be marked on the ground by flagging or other suitable means at the location of the drill hole.
- 32. Drilling waste, including fluid, cuttings and mud must not be left within 30m of a water body.

Roads, Trails, and Off-road Trail Use

- 33. All vehicles must be operated to avoid rutting and gouging of roads and trails.
- 34. 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.
- 35. 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.
- 36. 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.
- 37. Routes for temporary trails must be reconnoitered and flagged.
- 38. In addition to any remedial action required in relation to item 2 of this schedule, temporary trails must be blocked to prevent further vehicular access.

Release of Sediment

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

Use of Explosives

40. Explosives must be set off in a manner to minimize impact on wildlife and the public to ensure that forest fires, unplanned landslides, or artificial damming of water bodies does not occur.

Waste Rock

- 41. Waste rock piles must be located at least 30m from any water body and be physically stable.
- 42. Waste rock containing sulfides must be returned underground.
- 43. Access to underground openings must be blocked to prevent access by wildlife and people.

APPENDIX C

Proponent Commitments

Wildlife

- Helicopter flights to drilling/trenching sites will be conducted based on the following best practices:
 - o avoid hovering over or following wildlife;
 - o prohibit flights for viewing and photographing wildlife;
 - o avoid nesting raptors and maintaining a distance of 300 m from nesting raptors during period of May 1 to July 31; and
 - o routes and drop off/pickup locations will avoid sensitive wildlife areas and raptor nests.
- All flight operators will be familiar with the documents "Flying in Sheep Country" and "Flying in Caribou Country".
- Enforce a no hunting policy for project personnel within the project area.
- Trenches will be backfilled and progressively reclaimed prior to excavating the next trench to avoid entrapment of wildlife.
- Sumps created to collect drilling waste water will be covered with the source material that was removed to build the sump.
- Camp will be equipped with bear deterrent devices as per the Guidelines for Industrial Activity in Bear Country.
- All attractants, including waste, shall be kept in an animal proof metal container that prevents access by bears and other wildlife, until properly disposed of.
- Notify the Regional Biologist and Conservation Officer if any bears are frequenting the camp or exploration areas for advice on further mitigation measures.
- To the extent possible, trenches will be located either on ridge tops or cut to follow contour lines. All trenches will be back-filled after sampling, and covered with organic material. Trenches will be sloped at a low angle on one end to prevent wildlife entrapment.

Environmental Quality

- All diamond drilling will occur at least 30 meters away from any water body.
- Sumps will be established near the drill equipment to catch drilling effluent, and allowed to dry before being covered once the drill is moved.
- Drill sites will be decommissioned throughout the exploration season.
- Sumps created to collect drilling waste water will be covered with the course material that was removed to build the sump
- To the extent possible, trenches will be located either on ridge tops or cut to follow contour lines. All trenches will be back-filled after sampling, and covered with organic material. Trenches will be sloped at a low angle on one end to prevent wildlife entrapment.
- All fuel will be stored in certified double wall tanks and in bermed/lined area.
- Storage location will be more than 30 m away from the nearest water course and checked regularly for leaks. If a leak is detected it will be rectified immediately.

- Wobble pumps or small electric pumps at drill sites or in camp will be used for refueling.
- Spill kits will be located at each fueling station at all times.
- Spill Contingency Plan will be kept at camp and fueling stations at all times.
- Any contamination from fuel will be cleaned up according to the spill response plan. All
 personnel will be aware of and knowledgeable of the spill response plan and procedures
 contained within.
- All personnel tasked with transportation of fuels will be WHIMS certified.
- All fuel transfer will occur in a safe manner, at least 30 meters from any water course or body.
- All fuel drums will be removed prior to expiry of the mining land use approval. All fuel storage sites will be thoroughly cleaned and inspected for leaks and spills.
- Grey water from kitchen and wash tents will be discharged into sumps. All sumps will be located more than 30 meters away from any water body and fitted with screens and grease traps, which will be cleaned on a regular basis. Upon camp closure, all sumps will be filled in as part of reclamation work.

Aquatic Resources

- All diamond drilling will occur at least 30 meters away from any water body.
- Water will only be withdrawn from creeks with adequate flow and in accordance with department of Fisheries and Oceans' Freshwater Intake End-of-Pipe Fish Screen Guide.
- Storage location will be more than 30 m away from the nearest water course and checked regularly for leaks. If a leak is detected it will be rectified immediately.
- All fuel transfer will occur in a safe manner, at least 30 meters away from any water course or body.
- Trenching will be carried out by light weight helicopter supported Can Dig trenching hoes and located at least 30 m away from any watercourses.
- No blasting will take place within 50 m of a watercourse.
- Grey water from kitchen and wash tents will be discharged into sumps. All sumps will be located more than 30 meters away from any water body and fitted with screens and grease traps, which will be cleaned on a regular basis. Upon camp closure, all sumps will be filled in as part of reclamation work.

Heritage Resources

- Upon discovery of an archaeological site and/or heritage resource, company staff will stop work, flag the area and establish a 30m buffer unless otherwise instructed by the appropriate authorities.
- Yukon Government Heritage Resources Branch will be contacted, as well as representatives from Liard First Nation and Ross River Dena Council.