



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

July 4, 2017

File No: **LQ00469**

Strategic Metals Ltd.  
1016 – 510 W. Hastings Street  
Vancouver, B.C.  
V6B 1L8

Dear Sir/Madam:

**Re: Class 3 Quartz Mining Land Use Approval**

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 July 4, 2017. All work, including restoration, must be completed by July 3, 2022, and inspected before full security and/or completion certificates can be applied for.

Please feel free to contact our office at (867) 667-3107 should you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Judith St Amand".

Judith St Amand  
A/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 *Quartz Mining Act* and Quartz Mining Land Use Regulation, the Chief, Mining Land Use hereby grants a Class 3 Approval to:

**Strategic Metals Ltd.  
1016-510 West Hastings Street  
Vancouver, B.C.  
V6B 1L8**

APPROVAL NUMBER: LQ00469  
PROPERTY NAME: Salloon Property  
UNDERTAKING: Quartz  
CLASS: Class 3 Approval  
EFFECTIVE DATE: July 4, 2017  
EXPIRY DATE: July 3, 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 LQ00469.

Dated this 4<sup>th</sup> day of July, 2017

  
\_\_\_\_\_  
Judith St. Amand  
A/Chief, Mining Land Use

## **PART TWO - REPORTING REQUIREMENTS**

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

4. 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	Room 102 - 300 Main Street
Whitehorse, Yukon Y1A 2C6	Whitehorse, YT Y1A 2B5
	867-667-3107
	<a href="mailto:whitehorse.mining@gov.yk.ca">whitehorse.mining@gov.yk.ca</a>
  
5. The contact for the Operator will be:

Strategic Metals Ltd.	
Dylan Wallinger	
1016-510 West Hastings Street	
<a href="mailto:dwallinger@archercathro.com">dwallinger@archercathro.com</a> or <a href="mailto:info@nordacres.com">info@nordacres.com</a>	
(604) 688-2568	
  
6. All spills must be reported immediately to the 24-Hour Yukon Spill Reporting Line (867) 667-7244 and to the Mining Inspections Division Watson Lake & Whitehorse (867) 456-3882 .
  
7. 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.
  
8. A report shall be submitted at the beginning of each mining season outlining the exploration activities planned for the season including the proposed locations.
  
9. A report shall be submitted at the end of each mining season indicating exploration activities completed during that season. This report shall include but not be 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;
  - reclamation activities and,
  - documentation produced by environmental monitors.
  
10. The operator shall contact Compliance, Monitoring and Inspections at (867) 456-3882 at least 14 days prior to commencing the field season.

20. 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**

21. All areas disturbed during an exploration program must be re-sloped, contoured or otherwise stabilized to prevent long-term soil erosion, slumping and subsidence.
22. All exploration activities must be carried out to avoid or minimize damage to and loss of permafrost.
23. 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**

24. A heritage resource impact assessment shall be completed in advance of ground disturbing activities in all areas of the project claims that have elevated potential for the presence of archaeological sites, heritage sites, or heritage resources. The results of any heritage resource impact assessments shall be reported to the Chief, Mining Lands.
25. 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.
26. 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.

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

27. 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.
28. 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.
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. Camps must be kept clean and tidy.

### **Use of Vehicles**

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

### **Timber and Brush**

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

### **Trenching**

46. Trenching carried out by hand or using hand-held tools must be methodical.
47. All trenches must be stabilized and marked to minimize risk to the public.
48. Open trenches shall be sloped at one end to avoid entrapment of wildlife.
49. 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.
50. The operator must ensure that all employees and contractors working at the trench sites are aware of the operating conditions for trenching.

### **Drilling**

51. All reasonable efforts must be made when drilling to minimize the impact on wildlife and the public.
52. Vegetation other than that within a drill sump, must not be covered with drill cuttings.
53. Core must be stored in a stable fashion.
54. Drill mud must be re-circulated when possible.
55. All drill fluids must be contained in a sump.
56. Drill holes that pose a hazard or that lead to ground water must be plugged in a suitable manner.
57. The location of drill holes must be marked on the ground by flagging or other suitable

whether an additional authorization or approval is required should be verified by a duly authorized official at the appropriate government body or bodies.

**69.** Notice of Schedule III must be provided to the Yukon Water Board ten (10) days prior to use of water.

**70.** Attached (Appendix C) are the commitments that form part of this operating plan.

### Claim Status Report

Claim Name and Nbr.	Grant No.	Expiry Date	Registered Owner	% Owned	NTS #'s	Grouping	Permit
SALLOON 1 - 16	YF47076 - YF47091	2027/06/24	Archer, Cathro & Associates (1981) Limited	100.00	105E01	HW07644	LQ00469
SALLOON 17 - 52	YF41357 - YF41392	2027/06/24	Archer, Cathro & Associates (1981) Limited	100.00	105E01	HW07644	LQ00469

**Criteria(s) used for search:**

CLAIM DISTRICT: 1000004 CLAIM NAME: SALLOON CLAIM STATUS: ACTIVE & PENDING REGULATION 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)

Total claims selected : 52

D - Indicates Placer Discovery  
 C - Indicates Placer Codiscovery  
 B - Indicates Placer Fraction



**Appendix 'B'**  
**MINING LAND USE**  
**EXPLORATION and RELATED ACTIVITIES REPORT**

July 4, 2017

**LQ00469**  
**Class III**

Strategic Metals Ltd.  
 1016 - 510 W. Hastings St.  
 Vancouver, BC V6B1L8

ELEMENT	CRITERIA	TERMS AND CONDITIONS
Fuel Storage in a stationary container		Fuel storage (8 000 L diesel, 600 L gasoline, 2000 lbs propane, 4 000 L jet fuel)
Lines		1m wide by 10,000m length
Nb of clearings per claim, including existing clearings		Up to 25 clearings per claim
Nb of person days per camp		Approximately 3000 person days
Total volume of trenching		400                      cubic                      meters
Nb of persons in a camp at any one time		Approximately 20 persons in camp at any one time
Surface area of each clearing		5m x 5m for drill sites, up to 400 sq m for trenches, 500sq m for camp



**Strategic Metals Ltd.  
LQ00469**

**Appendix C  
Proponent Commitments**

- The proponent contracted Ecofor to perform a heritage resources overview assessment on the Salloon property which was completed on March 13, 2017. The proponent is committed to performing additional heritage studies prior to beginning drilling activities. The proponent's exploration focus is on higher elevations, not valley bottoms, nor in proximity to the Settlement Land parcel. Additional heritage studies will help to identify the exact location of the TKC Indian River Heritage Route and any additional sensitive areas. (YOR 2017-0076-005-1)
- Upon discovery during operations, the Proponent will contact the heritage office(s) of the local First Nation(s). (YOR 2017-0076-003-1)
- Helicopter activity will be closely monitored and when necessary, routes will be modified to reflect concerns of First Nations and Outfitters. During the program, flights will be conducted at elevations that should not startle animals and, if animals are encountered, flight paths will be redirected. (YOR 2017-0076-001-1)
- Flight paths and general helicopter practices will be consistent with prescribed procedures outlined in brochures published by the Government of Yukon Department of Environment. (YOR 2017-0076-001-1)
- Guidelines to be referenced will include: Flying in Sheep Country: How to minimize disturbance from aircraft. MERG Report 2002-6 and Flying in Caribou Country: How to minimize disturbance from aircraft. MPERG Report 2008. Copies will be provided to personnel, pilots, and contractors.
- All wildlife sightings and encounters must be reported to the camp manager and entered into the project wildlife log.
- The local outfitter will be contacted prior to commencing the program so that flight routes can be adjusted to avoid active hunting areas wherever possible. (YOR 2017-0076-001- 1)
- If hunters or hiking groups are unexpectedly observed, helicopters will be rerouted to avoid repeated disturbance. (YOR 2017-0076-001-1)

- Helicopter operations will be minimized during lambing, calving and rut seasons, and flight lines will be routed well clear of sensitive areas, including mineral licks. (YOR 2017- 0076-001-1)
- Information regarding caribou and sheep distribution in the area has been reviewed and routes will be established to minimize disturbances while maintaining flight safety. No-fly buffer zones will be established around any mineral licks that are identified. (YOR 2017- 0076-003-1)
- On June 28, 2016 the Proponent signed a security agreement with the Government of Yukon stating no work will be performed within the TKC Settlement Land. (YOR 2017- 0076-005-1)
- Further discussions with the First Nation would need to occur to determine whether a buffer is recommended around the Settlement Land parcel, although the focus of exploration is not on valley bottoms, and is north of the Settlement Land parcel. (YOR 2017-0076-005-1)
- The Proponent provided a Spill Contingency Plan with further details regarding the prevention of fuel spills as well as mitigations for contamination from fuel (YOR 2017- 0076-003-1).