

Department of Energy, Mines & Resources P.O. Box 2703, Whitehorse, Yukon Y1A 2C6

March 29, 2019

Jillian Chown P.O. Box 60, Stope Way Whitehorse, Yukon Y1A 0B2



File No: LQ00513

Dear Sir/Madam:

Re: Class 3 Quartz Mining Land Use Approval

Your application for a Class 3 approval has been approved and is subject to the attached conditions. The effective date of this approval will be March 29, 2019. All work, including restoration, must be completed by March 28, 2024, 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, but are not approval conditions.

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) 667-3107 should you have any questions.

Regards.

Bobbie Milnes

Chief of Mining Land Use

EMR Natural Resources Officer, Compliance Monitoring and Inspections cc:

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:

Jillian Chown
P.O. Box 60, Stope Way
Whitehorse, Yukon
Y1A 0B2

APPROVAL NUMBER:

LQ00513

PROPERTY NAME:

Victoria Mountain

UNDERTAKING:

Quartz

CLASS:

Class 3 Approval

EFFECTIVE DATE:

March 29, 2019

EXPIRY DATE:

March 28, 2024

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 LQ00513.

Dated this March 29, 2019

Bobbie Milnes
Chief of Mining Land Use

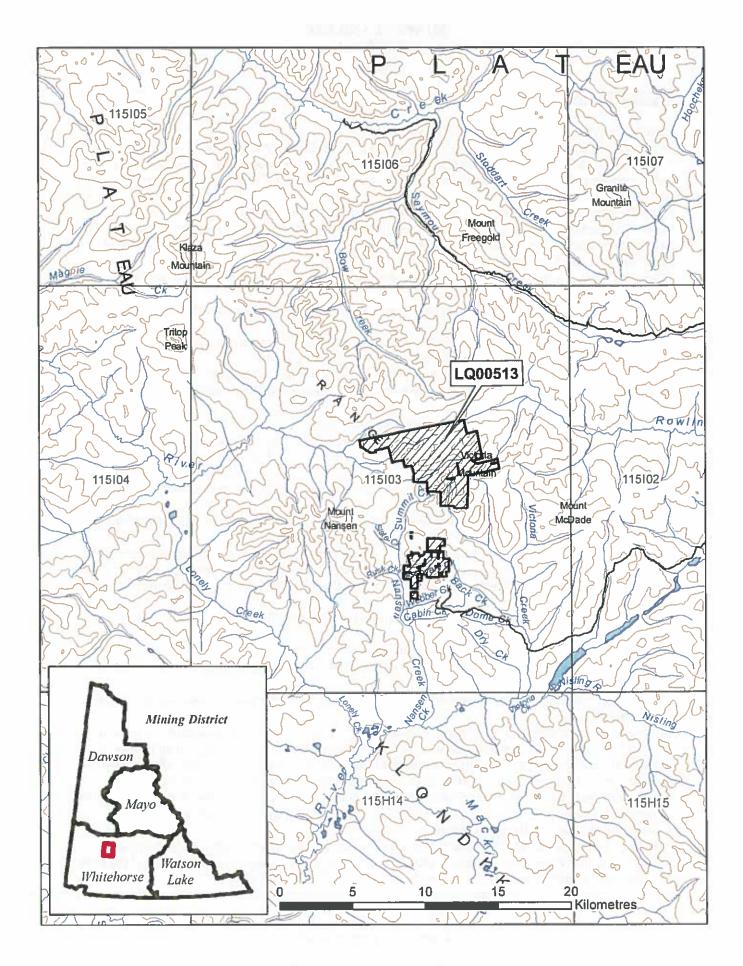
MINING LAND USE APPROVAL Class 3

| Claim Status Report | (Annendix A) | | | | LQ00 | 1513 | |
|--|---|--------------|--------------------|-------------------|----------------------------|------------------|----------------------------|
| Operating Season April 1 to November 1 | | | | Victoria Mountain | | | |
| | And the second second second second | | | | VICIO | nia Mounta | -111 -112000 = 02 -1120 |
| | THES (ON-CLAIM | 1): | | | | Jackson Sa | |
| USE OF VEHICLE | | 2 | | | | | o No • Yes |
| Use of vehicles on existing roads or trails Gross vehicle weight 3 Dump trucks (GVW 30T), 4x4 trucks (GVW <5000 | | | | Оп-го | ande: | On-trails: Less | |
| lbs), 1 lowboy (GVW 25T) skid mounted diamond drill (GVW 10T) | | | | | | | than 20 t |
| Off-road use of vehicles in summer | | | | | | • No o Yes | |
| Off-road use of vehicles in winter | | | | | | • No • Yes | |
| NEW & EXISTIN | G ACCESS | | | | | | |
| Upgrading of existing access | | | ○ No • | Yes | Length: 10 km | | Width: 5 m |
| New roads | | | • No o | Yes | Length: 0 km | | Width: 0 m |
| New trails | | | • No o | Yes | Length: 0 km | | Width: 0 m |
| New temporary trails | | | • No o | Yes | Leng | th: 0 km | Width: 0 m |
| Other new access: | | | | - 100 | | | |
| LINES & CORRII | DORS | | | | | | |
| Lines | | | • No o | Yes | Length: 0 km | | Width: 0 m |
| Corridors | | | • No o | Yes | Leng | th: 0 km | Width: 0 m |
| SITE PREPARAT | ION | | | | | | |
| Number of clearing | s per claim: 8 | | Area: 50- | 100 | m² | | |
| Number of clearing | s for helicopter pads | and camps: 0 | Area: 0 n | n ² | | | |
| Removal of the veg | etative mat | | | | | | ∘ No • Yes |
| EXPLORATION | TRENCHING & BI | ULK SAMPLING | | 11 | | | |
| Hand-dug | | | | | | | ∘ No ∘ Yes |
| Mechanized | | | | | | | ○ No • Yes |
| Number: 50 | mber: 50 Length: 50 m Width: 1 m Depth: 2 m Total | | | Total vol | olume: 5000 m ³ | | |
| Bulk sampling | | | ○ No • Yes Amount/ | | | year: 5000 tonne | |
| Explosives | | • No • Yes | Total amo | unt: (| 0 kg | Max. in 3 | 30 days: 0 kg |
| EXPLORATION | DRILLING | | | | | | |
| TY | PE | NUMBER OF | F HOLES | | | DEPT | H (m) |
| Dian | nond | 50 | | Total 10,000 m | | | |

MINING LAND USE APPROVAL Class 3

| FUEL STORAGE | | | | | | |
|------------------------------------|--|-------------------|---------------|------------|--|--|
| FUEL TYPE | The second secon | STORAGE TYPE & TO | | LUME | | |
| Diesel | 208 I | 208 L drums | | | | |
| Gas | 208 I | _ drums | 2000 L | | | |
| Propane | 10 | 100 lbs | | 1200 lbs | | |
| Jet Fuel | 208 I | 208 L drums | | 4 | | |
| FACILITIES & STRUCTURES | | | Markey Market | | | |
| Camp structures: RV's, truck camp | ers and tents | | | | | |
| Number of persons in camp at any | one time: 15 | Number of person | days: 3000 | | | |
| Construction of underground struct | ures | | | • No • Yes | | |
| Amount ner year: | | Amount per progra | ım' | | | |

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.



MINING LAND USE APPROVAL Class 3

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.

Compliance with Operating Conditions

1.1 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

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

Chief, Mining Land Use Box 2703, K-9 Whitehorse, Yukon Y1A 2C6 Mining Lands Officer
Room 102 - 300 Main Street
Whitehorse, YT Y1A 2B5
whitehorse.mining@gov.yk.ca

1.3 The contact for the operator will be:

Jillian Chown
P.O. Box 60, Stope Way
Whitehorse, Yukon
Y1A 0B2
Jillian Chown
chownjpc@gmail.com
867 333-3888

Pre-season and Post-season Reporting

- 1.4 A report shall be submitted at the beginning of each mining season outlining the exploration activities planned for the season including the proposed locations.
- 1.5 A report shall be submitted at the end of each mining season 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 Carmacks Mining Inspections Office (Compliance, Monitoring and Inspections) at (867) 863-5271 at least 14 days prior to commencing the field season.
- 1.7 The operator shall contact the Carmacks Mining Inspections Office (Compliance, Monitoring and Inspections) at (867) 863-5271 at least 14 days prior to leaving the site at the end of the operation.

Spill Reporting

- 1.8 All spills must be reported immediately to the 24-Hour Yukon Spill Reporting Line (867) 667-7244 and to the Carmacks Mining Inspections Office (Compliance, Monitoring and Inspections) at (867) 863-5271
- 1.9 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

- 1.10 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.
- 1.11 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.
- 1.12 The report(s) developed for Section(s) 2.23 2.24, shall be submitted to Government of Yukon Heritage Resources Unit, Cultural Services Branch.

Wildlife Reporting

1.13 All incidents with wildlife shall be reported to the District Conservation Officer in Carmacks at (867) 863-2411.

PART TWO - PROJECT SPECIFIC OPERATING CONDITIONS

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.
- 2.3 The Operator shall backfill and reclaim all trenches as well as the surface footprint associated with the bulk sampling area as soon as completed and in such a manner that promoted revegetation.
- 2.4 If trenches are to be left exposed after the end of the mining season (November 1), the Operator shall conduct ARD/ML testing on the exposed areas prior to the end of the season. If these areas show ARD/ML potential, the Operator shall backfill the trenches prior to the end of the season.

Bulk Sampling

- 2.5 The proponent shall expedite the removal of bulk samples from the property within 12 months.
- 2.6 Bulk samples shall be stored in a way that acid rock drainage/metal leaching will not occur.
- 2.7 All rock and ore with the potential for acid generation or metal leaching shall be segregated and stored on liners and under covers to minimize interaction with air and water. Bulk samples must be stored on an impermeable liner at least 30 m from any waterbody, until removed from the site.
- 2.8 Any rock that has ARD/ML potential shall be tested and characterized to determine actual ARD/ML potentials. The operator shall provide this information to the Chief annually in the post season report. The operator shall apply additional mitigation measures to prevent exposure of ARD/ML material and associated adverse effects.

2.9 The Chief may at any time request the operator have a third party conduct metallurgical testing on aggregate material sourced from the area to confirm that material is not potentially acid generating by undergoing metal leaching and acid rock drainage testing.

Camp

2.10 The Operator shall install an electric fence around the grey water sump, in addition to the RVs and burn barrels.

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 the *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.

Petroleum Fuel and Hazardous Substances

- 2.13 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.
- 2.14 All fuel cache(s) must be protected with an earthen berm or suitable barrier and flagged to prevent spills resulting from accidental contact with heavy equipment. Flags should be visible above the snow pack.
- 2.15 The location of any spills shall be clearly marked until cleanup has taken place. Location markings shall not be removed until directed in writing by an Inspector.

Drilling

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

Rare Plant Species

- 2.17 The Operator shall contact the Yukon Conservation Data Center prior to activities for guidance to avoid the disturbance of Yukon Podistera, and to report all identified occurrences.
- 2.18 The Operator shall avoid reseeding alpine areas with identified locations of Yukon Podistera.
- 2.19 The Operator shall conduct pre-activity surveys for rare or/and endemic plant species in vegetated subalpine uplands prior to clearing activities. The Operator shall contact Environment Yukon for advice on how to conduct pre-activity surveys for rare or/and endemic plant species.

2.20 Where pre-activity surveys result in the identification of rare and/or endemic plant species, the Operator shall avoid ground disturbing activities where possible. All occurrences shall be reported to the Yukon Conservation Data Center (YCDC). In cases where avoidance is not possible, a record of the disturbance or destruction shall be sent to the YCDC.

Reclamation and Decommissioning

2.21 Reclamation and/or decommissioning of roads and trails shall be progressive in nature and shall be documented annually in the post-season report. Reclamation and/or decommissioning of roads and trails shall occur as soon as roads and trails are no longer needed for exploration activities unless the need is documented in the post and preseason reports. The status of roads and trails (i.e. active or inactive) and ongoing/completed reclamation activities shall be reported to the Chief, Mining Land Use annually via post-season reports.

Wildlife

- 2.22 The Operator shall suspend exploration activities if large groups of caribou (greater than 10 individuals) are within 1 km of active work areas until animals move off on their own accord.
- 2.23 The Operator shall suspend activities in Wildlife Key Areas identified as "caribou rutting" between September 15 and October 15 each year.
- 2.24 The Operator shall conduct pre-activity surveys, using appropriate methods, in areas that are likely to be inhabited by Collared Pika (i.e. talus slopes) prior to any ground disturbing activity. If Collared Pika or signs of Collared Pika are observed the Operator shall contact the Whitehorse Regional Biologist, (867) 667-5331, for advice on appropriate mitigation and to support survey planning. The guidance document can be found online at https://yukon.ca/en/protocol-detecting-collared-pika
- 2.25 The Operator shall report the results of pre-activity surveys and any rare wildlife species occurrences to the Yukon Conservation Data Centre at (867) 667-5331.
- 2.26 The Operator shall carry out all phases of the project in a manner that protects and avoids harming, killing or disturbing migratory birds or destroying or taking their nests or eggs.
- 2.27 If active bird nests are discovered, project activities should be postponed in the nesting area until nesting is completed.

Heritage

2.28 A heritage resources overview assessment shall be completed in advance of ground disturbing activities. Areas with elevated potential for the presence of archaeological or historic sites shall be avoided until a heritage resources impact assessment can be completed.

- 2.29 A heritage resources impact assessment shall be completed in advance of ground disturbing activities in the areas with elevated potential for the presence of archaeological or historic sites.
- 2.30 Upon discovery of a heritage resource, the affected First Nation shall be contacted, in addition to Government of Yukon, Chief Mining Land Use.

Other Resource Users

2.31 The Operator shall contact the outfitter (Mervyn's Yukon Outfitting Ltd.) and affected First Nation, annually, at the beginning of the mining season to discuss timing of flights, mining activities and concerns over game animals and use of the land in order to resolve any potential conflicts.

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 or prior to the expiry of the approval, whichever comes first.
- 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 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.



Appendix A

Claim Status Report

26 February 2019

| Glaim Name and Nbr. | GrantiNo. | Expiry Date Registered Owner | % Owned | NTS#'s | Grouping | Permit |
|---------------------|-------------------|-------------------------------------|---------|--------|-----------|----------|
| BIT I | YA97733 | 2019/12/01 Aurchem Exploration Ltd. | 100.00 | L15103 | | LQ00513 |
| BIT 2 - 5 | YA97734 - YA97737 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| BULL 3 | YA81422 | 2020/12/01 Aurchem Exploration Ltd. | 100,00 | 115103 | | LQ00513 |
| BULL 4 | YA81423 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| BULL 5 | YA81424 | 2020/12/01 Aurchem Exploration Ltd. | 100,00 | 115103 | | LQ00513 |
| BULL 6 | YA81425 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| BULL 7 - 8 | YA81426 - YA81427 | 2020/12/01 Aurchem Exploration Ltd. | 100,00 | 115103 | | LQ00513 |
| BULL 9 - 10 | YA86288 - YA86289 | 2019/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| BULL 11 | YA86290 | 2020/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| BULL 13 | YA 86292 | 2024/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| BULL 15 | YA 86294 | 2020/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | HW03823 | LQ00513 |
| COURTLAND | 55836 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | L | LQ00513 |
| HAZEL ANNE | 04210 | 2019/11/27 Aurchem Exploration Ltd | 100,00 | 115103 | L | LQ00513 |
| IDA MAY | 39192 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | L | LQ00513 |
| J.D. 1 - 2 | YB54755 - YB54756 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | P HW06893 | 1.Q00513 |
| JBF 1 | YB36259 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| JBF 2 - 5 | YB36954 - YB36957 | 2019/11/27 Aurehem Exploration Ltd. | 100.00 | 115103 | p | LQ00513 |
| JBF 7 | YB36959 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115[03 | P | LQ00513 |
| JCS 4 | YC25919 | 2024/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| JCS 5 - 18 | YC25920 - YC25933 | 2025/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| JCS 19 - 26 | YC25998 - YC26005 | 2026/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| JCS 27 - 38 | YC26006 - YC26017 | 2023/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| JLZ 1 | YB36258 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| LGCS I | YA95014 | 2019/11/27 Aurchem Exploration Ltd. | 100,00 | 115103 | | ŁQ00513 |
| LGCS 3 | YA95016 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| MACK | 39134 | 2019/11/27 Aurchem Exploration Ltd. | 100 00 | 115103 | L | LQ00513 |
| MSL | YA95099 | 2021/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |

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: 180

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

Page 1 of 3



Claim Status Report

26 February 2019

| Claim Name and Nbr. | Grant:No. | Expiry Date Registered Owner | % Owned | NTS#'s Grouping | Permit |
|---------------------|-------------------|-------------------------------------|---------|-----------------|------------------|
| MYRTLE | 55602 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 L | LQ00513 |
| RAS 1 - 3 | YA93138 - YA93140 | 2021/12/01 Aurchem Exploration Ltd. | 100,00 | 115103 | LQ00513 |
| RAS 4 | YA93141 | 2019/11/27 Aurchem Exploration Ltd. | 100,00 | 115103 | LQ00513 |
| RICCO | 04209 | 2019/11/27 Aurchem Exploration Ltd. | 100 00 | 115103 L | LQ00513 |
| SUNSET | 04243 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115I03 L | LQ00513 |
| VIC 1 | YA86308 | 2027/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 3 - 6 | YA86310 - YA86313 | 2026/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 7 | Y 76007 | 2026/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 8 | YA86314 | 2026/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 9 | Y 76009 | 2029/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 10 | YA86315 | 2027/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | £Q00513 |
| VIC 11 | YA86316 | 2031/12/01 Aurchem Exploration Ltd. | 100,00 | 115103 | LQ00513 |
| VIC 12 | YA86317 | 2027/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 13 | YA86318 | 2029/12/01 Aurchem Exploration Ltd. | 100 00 | 115103 | LQ00513 |
| VIC 14 - 16 | YA86319 - YA86321 | 2025/12/01 Aurchem Exploration Ltd | 100 00 | 115103 | LQ00513 |
| VIC 17 - 18 | YA86322 - YA86323 | 2027/12/01 Aurchem Exploration Ltd. | 100 00 | 115103 | LQ00513 |
| VIC 19 - 20 | YA86324 - YA86325 | 2026/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 21 | YA86326 | 2027/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 22 | YA86327 | 2026/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 23 | YA86328 | 2027/12/01 Aurchem Exploration Ltd | 100.00 | 115103 | LQ00513 |
| VIC 24 | Y 76024 | 2025/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 25 | YA86329 | 2027/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 26 | Y 76026 | 2029/12/01 Aurchem Exploration Ltd. | 100,00 | 115103 | LQ00513 |
| VIC 27 | YA86330 | 2030/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00513 |
| VIC 28 | YA86331 | 2031/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00416, LQ00513 |
| VIC 29 - 30 | YA86332 + YA86333 | 2029/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | LQ00416, LQ00513 |
| VIC 31 - 32 | YA86334 - YA86335 | 2029/12/01 Aurchem Exploration Ltd. | 100,00 | 115103 | LQ00513 |
| | | | | | |

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: 180

D - Indicates Placer Discovery C - Indicates Placer Codiscovery

B - Indicates Placer Fraction

Page 2 of 3



Claim Status Report

26 February 2019

| Claim Name and Nbr | Grant No. | Expiry Date Registered Owner | % Owned | NTS#s | Grouping | Permit |
|--------------------|-------------------|---------------------------------------|---------|--------|----------|---------|
| VIC 33 - 50 | YA93037 - YA9305 | 2024/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| VIC 51 | YC19413 | 2025/12/01 Aurchem Exploration Ltd. | 100,00 | 115103 | | LQ00513 |
| VIC 52 | YA93056 | 2024/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| VIC 53 | YC19414 | 2025/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| VIC 54 | YA93058 | 2024/12/01 Aurchem Exploration Ltd. | 100 00 | 115103 | | LQ00513 |
| VIC 55 - 64 | YC19415 - YC1942 | 4 2025/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| VIC 71 - 74 | YC19425 - YC1942 | 8 2025/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| VIC 93 - 98 | YC19433 - YC1943 | 8 2028/12/01 Aurchem Exploration Ltd. | 100,00 | 115103 | | LQ00513 |
| VIC 99 - 106 | YC19439 - YC1944 | 6 2025/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| VIC 107 - 118 | YA93111 - YA93122 | 2 2024/12/01 Aurchem Exploration Ltd. | 100,00 | 115103 | | LQ00513 |
| WEDGE I - 7 | YA82167 - YA8217 | 3 2025/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| WEDGE 8 - 10 | YA82174 - YA82176 | 5 2021/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| WEDGE 15 | YA82181 | 2021/12/01 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |
| WEDGE 16 - 17 | YA93843 - YA9384 | 2019/11/27 Aurchem Exploration Ltd. | 100.00 | 115103 | | LQ00513 |

Criteria(s) used for search:

CLAIM DISTRICT: 1000004 CLAIM STATUS: ACTIVE & PENDING DOCUMENT NUMBER: LQ00513 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: 180

D - Indicates Placer Discovery

C - Indicates Placer Codiscovery B - Indicates Placer Fraction

Page 3 of 3

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

Operator Commitments

- No new trails or roads will be built (YOR 2018-0165-018-1)
- Where possible, natural clearings should be used to avoid the necessity of clearing vegetation (YOR 2018-0165-011-1)
- The Operator will implement progressive reclamation of trails, roads, and other clearings that are no longer required for exploratory/operational purposes (YOR 2018-0165-011-1)
- Food kept at camp includes canned non-perishable goods, frozen food, dry goods and perishables. Food is kept indoor in camp kitchen tent in locked fridges/freezers and/or bear-proof containers (YOR 2018-0165-011-1)
- All camp facilities will be kept clean at all times. Leftover food at the end of each
 meal is burned, eliminating any odor buildup. If food is taken out into the field, all
 field crews are required to pack food and drinks in airtight containers and ensure
 garbage is packed and brought back to camp for disposal in the burn barrels (YOR
 2018-0165-011-1)
- Feeding of bears or other wildlife is prohibited and strictly enforced (YOR 2018-0165-011-1)
- Wastes to be burned include kitchen waste, putrescible and other general garbage, which are burned daily to avoid accumulation and odor buildup. Due to the small camp size, food and kitchen waste is burned in drums located in the camp area (YOR 2018-0165-011-1)
- The Operator will notify the Regional Biologist and District Conservation
 Officer if any bears or other carnivores are frequenting the camp or exploration
 areas for advice on further mitigation (YOR 2018-0165-011-1)
- The Operator will conduct daily inspections of drill sites to ensure proper waste management practices are adhered to (no garbage/attractants at drill sites) (YOR 2018-0165-011-1)
- Special waste such as anti-freeze and batteries are stored on pallets inside a wall tent.
 This waste is transported out to Whitehorse, YT for disposal and the end of the season (YOR 2018-0165-011-1)
- All the RV's and the burn barrels will be surrounded by the portable electric fence (YOR 2018-0165-018-1)
- Follow best practices. "Flying in Caribou Country" Environment Yukon. 2008 (YOR 2018- 0165-020-1)

- Prepare a helicopter flight plan that limits the area of operation to the minimum required to complete the exploration activities (YOR 2018-0165-011-1)
- Keep all equipment in good working condition and regularly inspect for leaks (YOR 2018-0165-009-1)
- Flag fuel caches with markers that will be visible above the snow pack to prevent accidental rupture (YOR 2018-0165-009-1)
- All full, partial and empty drums will be removed prior to expiry of the land use approval. Storage sites will be thoroughly cleaned and if any minor spillage has occurred, high nitrogen fertilizer or some other product recommended by Yukon Environmental Programs Branch will be mixed with the soil to promote fuel breakdown (YOR 2018-0165-010-1)
- Waste oil will be removed from the site in specially marked drums and taken to an approved disposal site. An application will be filed with Yukon Environmental Programs Branch regarding special wastes removal and storage (YOR 2018-0165-010-1)
- All excavator trenches will be backfilled in a manner that approximates the original soil profile (YOR 2018-0165-010-1)
- Any brush that was cut will be scattered atop the trenches to promote revegetation and minimize potential for erosion (YOR 2018-0165-010-1)
- Vegetative mat and soil will be set-aside during construction and later used to recontour and top dress the road bed (YOR 2018-0165-010-1)
- Sumps will be constructed downhill from each drill site (YOR 2018-0165-010-1)
- Where organic matter and vegetative mat have been disturbed during construction of a camp site, drill site, trench, road or trail, the organic material will be set aside and later spread across the site when it is decommissioned (YOR 2018-0165-010-1)
- Vegetative mat and soil will be set-aside during construction and later used to recontour and top dress the road bed (YOR 2018-0165-010-1)
- Where organic matter and vegetative mat have been disturbed during construction of a camp site, drill site, trench, road or trail, the organic material will be set aside and later spread across the site when it is decommissioned (YOR 2018-0165-010-1)

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).

Bears and other wildlife

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/Guidelines for Industrial Activity in Bear Country.pdf
- If an electric fence is an appropriate precaution, or a requirement, the operator should reference the following comprehensive and highly informative guide: Reducing Wildlife Conflict with Electric Fencing: A Beginner's Guide (http://www.env.gov.yk.ca/publications-maps/documents/ElectricFencing.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).