



Dawson Mining District
Box 249 (K-DA)
Dawson City, YT, Y0B 1G0

August 03, 2022

P2022_0252
By Email

Hydra Mine Holdings Inc.

Dear Elden Curtis:

Re: Class 1 Notification P2022_0252 - Lease ID02003 - Allowed with additional terms and conditions.

This letter is to inform you that your Class 1 Notification P2022_0252 - Lease ID02003 is valid as of August 03, 2022.

Your Class 1 Notification and proposed work program (August 03, 2022 - August 03, 2023) is allowed to proceed with the following terms and conditions:

- The map provided identifies areas with elevated potential for heritage resources. The operator shall avoid ground disturbing activities within this/these area(s) unless prior approval has been granted by the Heritage Resources Unit. The operator may contact Holly Smith at the Heritage Resources Unit (867-332-4057 or holly.smith@yukon.ca) for more information on the areas of heritage potential to discuss potential mitigation options prior to conducting any ground disturbing activities.
- The notification area is in a fossil bearing drainage. As per the Schedule 1 Operating Conditions, all palaeontological resources uncovered during operations must be reported to the Yukon government.

- The proponent shall communicate plans and timing of activities to the First Nation of Na-Cho Nyäk Dun Lands and Resources Department (867-996-2265 ext. 141).
- The operator shall install and maintain safety fencing around all shafts deeper than two meters and install covers over the openings of all shafts with a material capable of preventing people or wildlife from inadvertently falling into the shafts.
- The operator shall backfill each shaft once a geological evaluation of the shaft has been completed or prior to the end of the work program date identified in this Class 1, whichever occurs first.
- Drill holes shall be decommissioned and backfilled or plugged to avoid wildlife entrapment.
- Upon discovery of a heritage resource the proponent shall notify the Heritage Department of First Nation Na-Cho Nyäk Dun (867-996-2265 ext.116) in addition to the Government of Yukon, Chief of Mining Lands and Heritage Department.
- You are reminded that you must comply with the Schedule 1 Operating Conditions, especially #33, which states: "All reasonable care must be taken in carrying out an operation near or adjacent to a water body to prevent sediment from entering a water body, unless otherwise permitted by law." You are also reminded that a leave strip is required for all placer streams for the protection of riparian areas, and its dimensions are dependent on the stream's habitat suitability classification as defined in the Fish Habitat Management System for Yukon's Placer Mining.
- The operator should share wildlife observation information with the First Nation of Na-Cho Nyäk Dun Lands and Resources Department (867-996-2265 ext. 141).

Security may be required at any time by the Chief. The operator must furnish security within thirty (30) days of receiving the written notice from the Chief of the requirement to post security.

To help improve the environmental performance of your program, you are encouraged to refer to the attached operational guidelines. In addition, you are encouraged to contact affected First Nations to further discuss your program.

Class 1 work cannot occur on claims/leases that have lapsed or pending claims/leases until they are granted by a Mining Recorder. Please ensure the claims/leases within your Class 1 Notification are in good standing prior to beginning your work program. Any work occurring on pending or lapsed claims/leases will be in contravention of the *Placer Mining Act* and *Territorial Lands (Yukon) Act* and representation work conducted will not be accepted by the Mining Recorder.

Please note: the notification will expire on August 03, 2023 and all reclamation must be completed at the end of the program or prior to the expiry of this notification, whichever comes first. All proposed activities must abide by Schedule 1 (Operating Conditions) of the *Placer Mining Land Use Regulation*. In the event that claims/leases lapse, a Class 3 or 4 authorization is issued, or that agreements to operate on claims/leases are dissolved, the Class 1 notification becomes null and void for that portion of the program, where there is no right to the minerals.

If you have any questions about this letter, please contact the district office by phone at

867-993-5343, fax at 867-993-6747, or email at dawson.mining@yukon.ca.

Sincerely,
Jennifer Walters

A handwritten signature in blue ink, appearing to read "Jennifer Walters". The signature is fluid and cursive, with the first name "Jennifer" being more prominent than the last name "Walters".

A/Chief of Placer Land Use

cc
Tourism and Culture
First Nation of Na-cho Nyäk Dun
Tr'ondëk Hwëch'in