



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

July 18, 2023

P2023_0219
By Email

Brandon Paton
3rd Floor, 4915 54 Street
Red Deer, Canada, T4N2G7
paton.brandon@gmail.com

Dear Brandon Paton,

Re: Class 1 Notification P2023_0219 - Phobos Allowed with additional terms and conditions.

This letter is to inform you that your Class 1 Notification P2023_0219 is valid as of July 18, 2023.

Your Class 1 Notification and proposed work program (July 18, 2023 - July 17, 2024) is allowed to proceed with the following terms and conditions:

1. You are 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. Please see the document attached for more information and appropriate setbacks. You are also reminded of the Schedule 1 Operating Condition that "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." Any deposit of waste (i.e. dirty water)

requires the activity to be licensed regardless of the quantity of water being disposed.

2. You are reminded of Schedule 1 Operating Condition #17 which states: "A spill contingency plan for petroleum products and other hazardous substances must be prepared and posted in the camp and at all fuel handling locations used in carrying out the operation."
3. Earthworks shall be sloped at one end to allow for wildlife escapement and shall be reclaimed as soon as the earthworks is no longer required for mining purposes, or prior to the end of the work program date identified in this Class 1, whichever occurs first.
4. If active bird nests are discovered, project activities shall be postponed in the nesting area until nesting is complete. Refer to avoidance measures link: <https://www.ceaa-acee.gc.ca/050/documents/p80054/121249E.pdf>
5. Off road use in the summer should be kept to a minimum, as much as possible.
6. The operator shall suspend exploration activities if caribou are observed within 1 km of active work areas, until they move off on their own accord.
7. 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).
8. 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), and the Heritage Department of Tr'ondëk Hwëch'in First Nation (867-993-7100), in addition to the Government of Yukon, Manager, Mining Lands and Heritage Department.
9. 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) and Tr'ondëk Hwëch'in First Nation (867-993-7100).
10. The claim included in the notification overlaps with wildlife key area for moose. To reduce impacts to moose, best management practices are encouraged and all wildlife should be given the right of way.

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 July 17, 2024 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,
Paul Inglis

A handwritten signature in blue ink that reads "Paul Inglis". The signature is written in a cursive style with a large, looping initial "P".

A/Manager, Mining Land Use

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