



Whitehorse Mining District
102 - 300 Main Street (K-102)
Whitehorse, YT, Y1A 2B5

September 26, 2023

P2023_0290
By Email

Zongshan Mining Co. Ltd.
50 - 10489 Delsom Crescent
Delta, Canada, V4C 0B9
tyler@fargoexploration.com

Dear Tyler Tian,

Re: Class 1 Notification P2023_0290 - SUN Allowed with additional terms and conditions.

This letter is to inform you that your Class 1 Notification P2023_0290 is valid as of September 26, 2023.

Your Class 1 Notification and proposed work program (September 26, 2023 - September 25, 2024) is allowed to proceed with the following terms and conditions:

1. The map provided identifies areas with elevated potential for heritage resources. The operator shall not conduct land-altering activities within these areas unless prior approval has been granted by the Heritage Resources Unit. The operator may contact heritage.review@yukon.ca for more information on the areas of heritage potential or to discuss potential mitigation options.
2. 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 Government of Yukon and the Yukon First Nation on whose traditional territory the resources are uncovered.

3. The operator shall install an electric fence around the food preparation and storage area, grey water sump, and incinerator.
4. The operator shall store all attractants, including garbage, kitchen waste and strained solids from grey water in a container that prevents access by bears and other wildlife, until properly disposed of according to the Solid Waste Regulation or burned daily to ash by forced air and fuel fired incineration according to the Air Emissions Regulations.
5. 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.
6. Since claims will be accessed by air, the operator shall review and follow applicable best management practices outlined in the publication "Flying in Caribou Country" (<https://yukon.ca/en/flying-caribou-country>).
7. Drill holes shall be decommissioned and backfilled or plugged to avoid wildlife entrapment.
8. The operator shall allow unimpeded access through the project site to First Nation citizens undergoing traditional pursuits.
9. The operator shall share wildlife observation information (i.e. a wildlife log) with the affected First Nations, by the expiry of this Notification.
10. 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. Please also note, Schedule 1 Operating Condition "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.
11. The operator shall communicate plans and timing of activities to Little Salmon / Carmacks First Nation Lands and Resources Department 867-393-5083 and other land and resource users (i.e. outfitters, trappers) as soon as practicable and prior to the commencement of project activities to identify potential land use conflicts and any other potential negative effects on other users. The operator shall make best efforts to resolve these issues.
12. Upon discovery of a heritage resource, the operator shall notify Little Salmon Carmacks First Nation Heritage Manager at (867) 863-5831 or toni.blanchard@lscfn.ca.

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 September 25, 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 867-667-3190, fax at 867-667-5150, or email at whitehorse.mining@yukon.ca.

Sincerely,
Paul Inglis

A handwritten signature in blue ink that reads "Paul Inglis". The signature is fluid and cursive, with the first name "Paul" and last name "Inglis" clearly legible.

A/Manager, Mining Land Use

cc
Environmental Affairs Branch, Environment
Tourism and Culture
Little Salmon/Carmacks First Nation
Selkirk First Nation
White River First Nation