



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

May 24, 2023

Q2023_0095
By Email

Tyko Resources Inc. subsidiary of Palladium One Mining Inc.
Suite 3704-88 Scott Street
Toronto, Canada, M5E 0A9
info@palladiumoneinc.com

Dear Debbie James,

Re: Class 1 Notification Q2023_0095 - Canalask Allowed with additional terms and conditions.

This letter is to inform you that your Class 1 Notification Q2023_0095 is valid as of June 01, 2023.

Your Class 1 Notification and proposed work program (June 01, 2023 - May 31, 2024) is allowed to proceed with the following terms and conditions:

1. No alteration, disturbance or destruction shall occur to Kluane First Nation Heritage Route 10, as identified by the map provided.
2. There are documented archaeological sites within the notification area, as identified on the map provided. The operator shall not conduct any land-altering activities within 30 m of these sites unless prior approval has been granted by the Chief of Mining Land Use. The operator is encouraged to contact heritage.review@yukon.ca for information on the archaeological sites.
3. Please note that, due to the size of the notification area, the preliminary heritage

desktop review was limited to proposed work areas. If work locations change, the operator shall contact heritage.review@yukon.ca prior to conducting any land-altering activities, as additional heritage review may be required.

4. 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.
5. Where possible the operator should limit the development of new trails that provide access to the Miles ridge, in particular to non-vegetated areas on the ridge.
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. Since claims will be accessed by air, the operator shall review and follow applicable best management practices outlined in the publications "Flying in Caribou Country" (<https://yukon.ca/sites/yukon.ca/files/env/env-flying-caribou-country.pdf>) and "Flying in Sheep Country" (<https://yukon.ca/en/flying-sheep-country>).
8. The operator shall avoid temporary trail development and widening of existing linear features that facilitate increased access into or towards Pickhandle Lakes Habitat Protection Area or the Asi Keyi Natural Environment Park.
9. The operator shall avoid land clearing within 1 km of known or observed raptor nests between May 1 and August 15.
10. The operator shall not fly unmanned aerial vehicles (drones) within 500 m of a known or observed nest during the nesting period.
11. The operator shall report observed nest sites to Environment Yukon, Conservation Data Centre at yukoncdc@yukon.ca.
12. The operator shall plan flight routes to avoid flying over any observed active raptor nests, or if it cannot be avoided, fly at a minimum of 600 m above ground level when safe to do so.
13. The operator shall report any observations of sharp-tailed grouse to the Kluane Regional Biologist (867-634-2740). Information of grouse gathering at a lek is especially valuable in identifying important mating habitat.
14. The operator should plan activities to avoid use of the area in late winter (January 1 – April 1) as much as possible.
15. Any moose the operator encounters on the claim block shall be given the right-of-way until they move off on their own accord.
16. 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.
17. The operator shall backfill each trench/shaft once a geological evaluation of the trench/shaft has been completed or prior to the end of the work program date identified in this Class 1, whichever occurs first.
18. Upon discovery of a heritage resource, the proponent shall notify Kluane First Nation Lands, Resources and Heritage Department (867-841-5501) in addition to the Government of Yukon, Chief of Mining Lands and Heritage Department.
19. 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."

20. You are reminded that a leave strip is required for all placer streams for the protection of riparian areas. This creek has a [low] habitat suitability classification, as defined in the Fish Habitat Management System for Yukon's Placer Mining, requiring a [5] meter leave strip. Please see the document attached for more information and appropriate setbacks. You are also reminded of the Schedule 1 Operating Condition #33 that states "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.
21. The proponent shall communicate plans and timing of activities to Kluane First Nation Lands, Resources and Heritage Department (867-841-5501).
22. Any brushing for trails, cutlines or corridors should be done in such a way as to not hinder wildlife movement through the stockpiling of brush material.
23. The proponent should share wildlife observation information with Kluane First Nation Lands, Resources and Heritage Department at (867-668-3108).
24. The operator shall not conduct any land-altering activities within 30 m of a discovered heritage resource unless prior approval has been granted, in writing, by the Chief of Mining Land Use. The operator is encouraged to contact heritage@yukon.ca for information.
25. Drill holes shall be decommissioned and backfilled or plugged to avoid wildlife entrapment.
26. The notification area overlaps with a raptor nesting wildlife key area and mapped nest sites. The operator shall contact the regional biologist at 867-634-2740 for further information on the location of the nest(s) and appropriate setback distances.

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 *Quartz 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 May 31, 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 *Quartz 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,
Kelly Constable

A handwritten signature in cursive script that reads "Kelly Constable".

Chief of Mining Land Use

cc
Environmental Affairs Branch, Environment
Tourism and Culture
Kluane First Nation
White River First Nation