



Energy, Mines and Resources

Box 2703, Whitehorse, Yukon Y1A 2C6

October 20, 2017

Mark Ayranto, Executive Vice President

StrataGold Corp.

910-1050 West Pender Street

Vancouver, BC V6E 3S7

Dear Mr. Ayranto:

Re: Eagle Gold Mine, Heap Leach Foundation Preparation

Pursuant to Section 6.2 of Quartz Mining License QML-0011 (the "License") for the Eagle Gold Mine, StrataGold Corporation ("SGC") submitted the following plans to the Director for review and approval:

1. *Frozen Materials Management Plan, Version 2017-01*, received on July 13, 2017;
2. *Heap Leach Facility Foundation Improvement Plan, Version 2017-01*, received on July 14, 2017;
3. *Construction and Operations Water Management Plan, Version 2017-01*, received on July 15, 2017; and
4. *Stage 1 Heap Leach Facility Preparatory Works Plan, Version 2017-01*, received on October 13 2017.

Foundation Preparation of the Heap Leach Facility

The submitted plans describe the foundation preparation activities for the heap leach facility (the "HLF"). The foundation preparation involves the excavation of unsuitable material from the HLF location, and the installation of underdrains to manage surface water runoff and maintain the integrity of the prepared foundation.

In addition to these activities, the preparation of the HLF will require the disposal of ice-rich material in the Ice Rich Overburden Storage Area, the construction of sediment control ponds and the management of surface water, and the stockpiling of material suitable for future reclamation purposes.

Plan Approvals

I approve the Frozen Materials Management Plan and the Heap Leach Facility Foundation Improvement Plan in their entirety. The best management practices for reducing erosion of soils due to land disturbance and weather by wind and water described in Section 4.2.1 through 4.2.12 and the implementation of these measures as described in Section 6.2.1 of the Construction and Operations Water Management Plan are approved. The 2017 construction activities outlined in Table 6.1-1 of the Stage 1 Heap Leach Facility Preparatory Works Plan are approved. For greater certainty, nothing in the Construction and Operations Water Management Plan or the Stage 1

Heap Leach Facility Preparatory Works Plan other than what is listed in this paragraph is approved and no action can be taken in relation to these items until these plans have been approved and Schedule C is updated.

The above-mentioned approvals are subject to the conditions listed in Schedule C of the Licence. Schedule C has been updated to reflect the approvals and is attached to this letter; this amended Schedule C replaces all earlier versions.

For greater certainty, approval of the plans is limited to the foundation improvement activities for the HLF and does not provide authorization to begin construction of any other aspect or component of the HLF.

Before closing, I wish to make three related points.

1. The HLF Foundation Improvement Plan, Frozen Materials Management Plan, Construction and Operations Water Management Plan, and Stage 1 Heap Leach Facility Preparatory Works Plan are all based upon design changes proposed by SGC. Approval of the identified plans does not provide or reflect any decisions on the part of the Government of Yukon ("Yukon") respecting the overall proposed design changes to the HLF proposed by SGC. An updated Heap Leach and Process Facilities Plan has not been provided to describe the redesign of the HLF and ancillary infrastructure. Until such time that this plan is submitted for review and approval, I cannot comment on the adequacy of the redesign, nor approve any activities associated with the facility other than the foundation preparation.
2. In reviewing and approving the submitted plans, neither I nor Yukon make any representations or warranties as to the sufficiency or adequacy of the plans or designs in the plans. The approval of the Director pertains only to the Director's responsibilities under the *Quartz Mining Act* and for greater certainty nothing in this approval should be construed as an approval of the work under any other statute or licence nor limits the application of federal or territorial laws, including the *Waters Act* or the *Occupational Health and Safety Act* and related regulations.
3. Section 6.2 of the Licence sets out the terms and conditions surrounding the submission of plans and amendments to plans. If SGC is required under the Licence to submit a plan or wishes to amend a plan, SGC is not authorized to undertake any of the activities described in the plan, or amended plan, until the plan or amended plan is approved in writing by the Director and Schedule C is amended.

To ensure that all approved plans reflect current design concepts and intentions, pursuant to Section 6.3 of the Licence, I am directing SGC to submit an updated Heap Leach and Process Facilities Construction and Operations Plan. This updated plan must include all of the activities SGC intends to undertake in the construction and operation of the HLF at the Eagle Gold Mine and must incorporate the updates to the HLF design. In addition to these requirements, the updated plan must also include

- a. an Emergency Response Plan and an Operations, Maintenance and Surveillance Manual specific to the operation of the HLF and ancillary infrastructure;

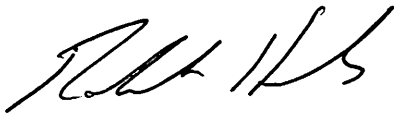
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- b. results of additional agglomeration test work on sample ore representative of the final crushing and processing outputs; and
- c. any measures required to ensure that the conditions set out in Schedule C are addressed in the plan.

This plan must be submitted for review and approval pursuant to Section 6.2 of the License before any action is taken by SGC to implement the plan.

Please do not hesitate to contact me at (867) 667-3126 if you have any questions or wish to discuss.

Sincerely,



Robert Holmes
Director, Mineral Resources

Enclosure: Schedule C - Approved Plans and Authorized Activities

cc: Chief Simon Mervyn, First Nation of Na-cho Nyak Dun
Paul Christman, Chief Mine Engineer, Mineral Resources
Robert Savard, Chief Mining Inspector
Russell McDiarmid, Natural Resources Officer
Roger Lockwood, Director, Yukon Water Board Secretariat
Heather Jirousek, Director, Water Resources