

QUARTZ MINING LICENSE QML- 0011

Pursuant to section 141(2) (a) of the Quartz Mining Act, Quartz Mining License QML-0011, issued September 20, 2013 is withdrawn and replaced with the following.

Mining License No: QML-0011

Issued to: StrataGold Corporation
584 - 1055 Dunsmuir Street
Vancouver, British Columbia
V7X 1K8

Project Name: Eagle Gold Mine


Location: NTS 106D04 & 105M-13;
Latitude: 64° 1'12"N, Longitude : 135° 49'6"W
Mayo Mining District

Effective Date: The date upon which the signature of the Director is affixed

Expiry Date: September 20, 2040

Scope of Authorization: Development, production, reclamation and closure of an open pit mine and gold extraction through heap leaching involving ore crushing, cyanide leaching and a carbon adsorption desorption and recovery system.

Dated this 24th day of March, 2016.



Director, Mineral Resources
Energy, Mines and Resources

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PART I - GENERAL PROVISIONS

1.0 Definitions

1.1 In this License

"Act" means the *Quartz Mining Act*, S.Y. 2003, c.14;

"approved plan" means a plan listed in Schedule C and for greater certainty includes any terms and conditions specified by the Director as set out in the Schedule;

"borrow material" means rock, sand, gravel and other similar materials obtained by excavation, other than pre-existing surface materials, that is to be used for the construction of roads and other engineered structures, works and installations;

"day" means a calendar day;

"Director" means the Director of the Mineral Resources Branch;

"engineer" means a professional engineer as defined in, and licensed under, the *Engineering Profession Act*, R.S.Y. 2002, c.75;

"environmental management system" means the coordinated approach to managing environmental emergencies established by the Licensee as described in the Hazardous Materials Management Plan, the Spill Contingency Plan, the Emergency Response and Health and Safety Plan, and the Cyanide Management Plan, as each is described in Schedule B and listed in Schedule C of this License;

"environmental protection plans" means the plans prepared by the Licensee to manage the environmental effects of the Undertakings as described in the following: the Waste Management Plan, the Monitoring and Surveillance Plan, the Traffic Management Plan, the Wildlife Protection Plan, the Heritage Resource Protection Plan, the Spill Contingency Plan, the Hazardous Materials Management Plan, the Cyanide Management Plan, the Emergency Response and Health and Safety Plan, and the Erosion and Sediment Control Plan as each is described in Schedule B and listed in Schedule C of this License;

"Inspector" means an Inspector designated pursuant to the Act;

"License" means the Quartz Mining License QML-0011;

"Licensee" means the person to whom this License is issued;

"mine" includes

- (a) the open pits and all related mine infrastructure, as referenced in the Mine Development and Operations Plan described in Schedule B,
- (b) the waste rock and overburden storage facilities;
- (c) any roads required for the Undertaking; and

(d) all supporting infrastructure such as fuel tanks, repair and maintenance shops, and explosive storage buildings, as each may be described in an environmental protection plan or operations plan;

"Minister" means the Minister of Energy, Mines and Resources;

"open pit" means the surface workings open to daylight that will be excavated to extract waste rock and ore as identified in the Mine Development and Operations Plan described in Schedule B;

"operations plans" means any and all of the following: the Mine Development and Operations Plan, the Heap Leach and Process Facilities Construction and Operation Plan, and the Road Construction Plan, as each is described in Schedule B and listed in Schedule C of this License;

"ore" means rock containing minerals that will be extracted in the heap leach facility;

"overburden" means soil or other unconsolidated material that lies above the rock surface;

"permanent closure" means the closure of the Undertaking as evidenced by the cessation of development and production as authorized by this License for a period of time longer than two (2) consecutive months other than a temporary closure;

"Regulation" means the *Quartz Mining Land Use Regulation*, O.I.C. 2003/64;

"temporary closure" means the closure of the Undertaking as evidenced by the cessation of development and production authorized by this License for a period longer than two (2) consecutive months;

"Undertaking" means all development, production, reclamation and closure authorized by this License related to the extraction of gold from the mineral claims identified in Schedule A;

1.2 Any term not defined in this License that is defined in the Act has the same meaning as in the Act.

1.3 The following schedules form part of this License
(a) Schedule A - Listed Mineral Claims and Leases
(b) Schedule B - Plans to be Submitted for Review and Approval as Approved Plans
(c) Schedule C - Approved Plans and Authorized Activities
(d) Schedule D - Annual Reporting Requirements

2.0 Coming into Effect

2.1 The authorizations, obligations, and requirements set out in this License come into effect on the Effective Date.

3.0 Authorized Activities

- 3.1 The Licensee is authorized to carry out activities set out in Part 1 of Schedule C
(a) on the mineral claims listed in Schedule A; and
(b) in accordance with the terms and conditions set out in this License.
- 3.2 The Licensee must provide written notice to the Director of the date it intends on commencing the Undertaking. The notice must be provided no less than thirty (30) days prior to commencing development.

4.0 Extensions of Time Limits

- 4.1 If the Licensee submits a written request to extend a time limit imposed by this License no less than five days before the expiry of the time limit in question, the Director may extend the time limit. The new time limit will replace the time limit imposed in this Licence solely with respect to the written request.

5.0 Correspondence

- 5.1 Any written communication, notice or report required to be given by the Licensee pursuant to this License may be provided by personal delivery to the persons identified below, by facsimile, electronic mail or by registered mail to the addresses set out below.

To the Licensee: Executive Vice President, StrataGold Corporation
584 Bentall #4
1055 Dunsmuir Street Vancouver, BC
V7X 1K8
mayranto@vitgoldcorp.com
Fax: (604) 682-5232

To the Director: Director, Mineral Resources
Department of Energy, Mines and Resources
P.O. Box 2703 Whitehorse, Yukon
Y1A 2C6
Robert.Holmes@gov.yk.ca
Fax: (867) 456-3899

- 5.2 Either the Licensee or the Director may change its address for service while this License is in effect by notifying the other in writing. All written communications, notices or reports will be considered to have been received by the Licensee or the Director, as the case may be, 10 days after the mailing thereof, or if personally delivered or sent by facsimile or by electronic mail, on the day of delivery.

PART II - DEVELOPMENT AND IMPLEMENTATION OF PLANS

6.0 Approval and Amendment of Plans

- 6.1 When the Licensee is required to submit a plan under this License, the Licensee must
- (a) submit the plan in writing to the Director;
 - (b) ensure that the plan meets the requirements for that type of plan as directed by the Director in writing; and
 - (c) not undertake any of the activities described in the plan until the plan is approved in writing by the Director and Schedule C amended accordingly.
- 6.2 If the Licensee wants to amend an approved plan, it must submit the proposed amendment to the Director as if the amendment was a plan under paragraph 6.1 of this License. If the Director approves the amendment, the Licensee agrees that the amendment and any terms and conditions set out by the Director in his/her approval will be considered to be an approved plan or a part of an existing approved plan, whichever is appropriate in the circumstance.
- 6.3 If the Director directs in writing, and with reasons, that an approved plan be amended, the Licensee must prepare the required amendment and submit it to the Director as if it was a plan referred to paragraph 6.1 of this License.
- 6.4 All plans submitted by the Licensee with respect to the design or construction of any engineered structures, works or installations related to the Undertaking must be under the stamp or seal of an engineer.

7.0 Required Plans

- 7.1 The Licensee must submit to the Director the plans listed in Schedule B.
- 7.2 The Licensee must submit to the Director an updated reclamation and closure plan on or before October 1st, 2016 and every two (2) years thereafter, commencing after the Effective Date of this License.

8.0 Implementation of Plans

- 8.1 Unless otherwise indicated by a term of this Licence or in writing by the Director, the Licensee must implement each approved plan as of the date each plan becomes an approved plan and once the Undertaking has commenced.
- 8.2 The Licensee must undertake reclamation at the site in accordance with the approved closure plan.

PART III - DEVELOPMENT AND MINE OPERATIONS

9.0 Development and Mine Operations

- 9.1 The Licensee must immediately implement the relevant component of the environmental management system if a spill or release of dangerous or hazardous substances or materials occurs at site.
- 9.2 At least thirty (30) days prior to commencing any construction of an engineered structure, the Licensee must submit to the Director detailed designs of the structure stamped or sealed by an engineer.
- 9.3 The Licensee must follow the procedures for determining the acid rock drainage or metal leaching potential of all material that may be stored on surface or used for construction purposes as set out in the approved plan listed in Schedule C titled "Geochemical characterization of Proposed Excavation Areas and Borrow Sources from the Eagle Gold Project, Yukon", dated May 2013, or any amendment to this plan once the amendment becomes an approved plan.
- 9.4 Waste rock used for construction or fill purposes must have a pH of at least 5.0, a NP:AP ratio of at least 3:1, and a total sulphide sulphur content of no greater than 0.3%.
- 9.5 The Licensee must not remove more than 132 million tonnes of waste rock from the open pit, in total, during the term of this License.
- 9.6 The Licensee must not process ore at a rate exceeding 29,500 tonnes per day, based upon a 12-month average, during the term of this License.
- 9.7 The Licensee must not extract more than 92 million tonnes of ore from the mine over the term of this License.
- 9.8 The Licensee must not place more than 92 million tonnes of ore on the heap leach facility during the term of this Licence.

PART IV - PERMANENT AND TEMPORARY CLOSURE

10.0 Permanent Closure and Temporary Closure

- 10.1 The Licensee must provide written notice to the Director of its intention to permanently close the Undertaking at least sixty (60) days prior to the Licensee bringing about permanent closure and specify the intended date for permanent closure.
- 10.2 Immediately upon permanent closure, the Licensee must implement the approved closure plan as it relates to permanent closure.

- 10.3 The Licensee must provide written notice to the Director of its intention to temporarily close the Undertaking at least seven (7) days prior to the Licensee bringing about temporary closure.
- 10.4 Immediately upon temporary closure, the Licensee must implement the approved closure plan as it relates to temporary closure.
- 10.5 The Licensee acknowledges that the Director may, after giving the Licensee a reasonable opportunity to be heard on the matter, declare the Undertaking to be in temporary closure. Immediately upon receiving notice of the Director's declaration the Licensee must implement the approved closure plan as it relates to temporary closure.
- 10.6 No production or development activities may be undertaken during temporary closure or permanent closure unless otherwise authorized in writing by the Director;
- 10.7 Within thirty (30) days of commencement of temporary closure, whether determined by notice under paragraph 10.3 or declaration under 10.5, the Licensee must provide to the Director:
- (a) written notice indicating for which engineered structures, works or installations at the site it has already provided as-built drawings to the Director; and
 - (b) copies of as-built drawings for those engineered structures, works or installations for which no such drawings have been previously provided to the Director.
- 10.8 The Licensee must provide written notification to the Director at least thirty (30) days in advance of its intention to end temporary closure and resume development and production and must receive the written authorization from the Director before development and production commences.
- 10.9 If temporary closure lasts longer than five continuous years from the date notice is given under paragraph 10.3 of this License or a declaration made under paragraph 10.5 of this License, permanent closure will automatically be determined to have occurred as of that date.

PART V - FINANCIAL SECURITY

11.0 Financial Security

- 11.1 The Licensee must furnish and maintain security with the Minister in the amount of \$17,131,052 (CDN) prior to the commencement of development.
- 11.2 The Licensee acknowledges that the amount of security to be furnished and maintained will be reviewed and adjusted by the Minister no less than once every two years in accordance with the *Security Regulation*, OIC 2007/77.
- 11.3 If the Minister determines that additional security must be provided during the term of this License, the Licensee must furnish and maintain the additional amount of security.

- 11.4 If the Licensee fails to furnish and maintain the security referred to in paragraph 11.1 or 11.3 of this License, the Licensee's authority to carry on operations under this License is suspended until the security is furnished as required unless otherwise agreed to by the Director in writing.
- 11.5 The Licensee acknowledges that the written notice of the Minister referred to in paragraph 11.3 of this License will, upon issuance, amend paragraph 11.1 of this License with respect to the amount of security and the requirement to furnish and maintain security in accordance with the payment schedule included in the notice will be considered a requirement of this License as of the date of the notice.

PART VI - AUDITS AND REPORTING

12.0 Environmental Audit

- 12.1 The Licensee must carry out an environmental audit, to be undertaken by an independent contractor acceptable to the Director, no later than October 1st in every second (2nd) year from the Effective Date, to determine if the environmental protection plans and regulatory controls set out in this License are sufficient to ensure that the environmental quality at, in and around the mine is being protected and that the environmental management systems and controls are functioning as intended.
- 12.2 The audit must review the management, operations and practices of the Licensee that are intended to ensure environmental protection during production and development. The audit must evaluate:
- (a) compliance with the approved plans;
 - (b) the adequacy of the environmental protection plans to meet the objectives and intent of each plan;
 - (c) compliance with the internal environmental policies and procedures of the Licensee;
 - (d) the progress and success of reclamation and closure efforts completed to date;
 - (e) the reliability and integrity of information relating to environmental reporting and compliance; and
 - (f) any other requirements, including the scope and focus of the audit, as directed by the Director in writing.
- 12.3 Within sixty (60) days of an environmental audit being completed, the Licensee must provide the Director with a copy of the audit and a report detailing any remedial action to be undertaken by the Licensee in response to the audit.

13.0 Reporting and Inspections

- 13.1 The environmental characterization report dated March 2015, and submitted by the Licensee with its application for this License, must be updated every three (3) years from the effective date of this license, unless the Director directs, in writing, that the report must be updated on a more frequent basis. Descriptions of the environmental conditions at the site must be accompanied by supporting data and analysis

- demonstrating a suitable understanding of site-specific environmental conditions.
- 13.2 The Licensee must ensure that an inspection of the physical stability of all engineered structures, works and installations located at the site is conducted by an independent engineer by October 1st of each year of the term of this License, including the heap leach facility, the heap leach facility embankment, the waste rock storage areas, the open pit and any diversion structures or dams and any other engineered facilities or works associated with the Undertaking.
- 13.3 Within sixty (90) days of the inspection referred to in paragraph 13.2, the Licensee must submit to the Director and the Inspector a written report prepared by the engineer that conducted the annual inspection documenting the results of the inspection, including a:
- (a) summary of the stability, integrity and status of all of the inspected structures, works, and installations; and
 - (b) any recommendations for remedial actions made as a result of these investigations and evaluations.
- 13.4 The Licensee must take immediate steps to implement any of the recommendations for remedial action made as a result of the inspection referred to in paragraph 13.2 of this License and provide to the Director and the Inspector a written statement detailing how and when each of the recommendations for remedial action will be addressed.
- 13.5 The Licensee must
- (a) evaluate data gathered as a result of implementation of the monitoring and surveillance plan on a semi-annual basis;
 - (b) develop and implement a program to take immediate steps to address any results from the monitoring and surveillance activities that indicate any change in environmental performance of the Undertaking or non-compliance with the Act, the Regulation, this License or any of the approved plans; and
 - (c) provide the Director with a statement detailing the program referred to in paragraph (b) and summarizing the action taken to address the change or non-compliance.
- 13.6 Within sixty (60) days of completing construction of any engineered facilities the Licensee must submit a report to the Director containing
- (a) As-built drawings of all structures, works and installations constructed; and
 - (b) A summary of any quality assurance or quality control monitoring conducted by or for the Licensee in the course of constructing the structures, works and installations.
- 13.7 In the event of a cyanide release or exposure incident in Yukon related to the Project, the Proponent shall immediately notify the Director and Inspector, and make publicly available, the following information:
- (a) Notification to management, regulatory agencies, outside response providers and medical facilities of the cyanide emergency;
 - (b) Notification to potentially affected communities of the cyanide related incident and any necessary response measures;
 - (c) Communicate publicly any hospitalization or fatality related to cyanide exposure;
 - (d) Communicate publicly the nature of release on or off the mine site requiring

- response, remediation, or reporting under applicable regulations; and
- (e) Communicate publicly the nature of release that exceeds applicable cyanide limits or that causes applicable limits to be exceeded.
- 13.8 The Licensee must provide quarterly monitoring reports on wildlife observations and incidents to the Director and the Inspector, these reports are to be submitted on the first working day in March, June, September, and December of each year.
- 13.9 On or before March 31st of each year of the term of this License, the Licensee must submit an annual report, in writing, in accordance with Schedule D and any written direction of the Director, covering the period of January 1 to December 31 of the prior year.

SCHEDULE A - LISTED MINERAL CLAIMS AND LEASES

GRANT NUMBER	CLAIM NAME	GRANT NUMBER	CLAIM NAME
YA14987	DG 44	YA14989	DG 46
YA14992	DG 49	YA14993	DG 50
YA14994	DG 51	YA14995	DG 52
YA14996	DG 53	YA14997	DG 54
YA14998	DG 55	YA17930	SMOKY 1
YA17931	SMOKY 2	YA17932	SMOKY 3
YA17933	SMOKY 4	YA17934	SMOKY 5
YA17935	SMOKY 6	YA17937	SMOKY 8
YA17956	SMOKY 27	YA17958	SMOKY 29
YA17959	SMOKY 30	YA17968	SMOKY 39
YA17969	SMOKY 40	YA17973	SMOKY 48
YA17983	SMOKY 66	YA17984	SMOKY 67
YA30072	SMOKY 44	YA30073	SMOKY 45
YA30074	SMOKY 46	YA30075	SMOKY 47
YA30076	SMOKY 51	YA30077	SMOKY 52
YA30078	SMOKY 53	YA30079	SMOKY 54
YA30080	SMOKY 62	YA30081	SMOKY 63
YA30082	SMOKY 64	YA30083	SMOKY 65
YA43061	DG 100	YA43062	DG 101
YA43063	DG 102	YA43064	DG 103
YA43120	SMOKY 83	YA43121	SMOKY 84
YA43129	SMOKY 92	YA3132	SMOKY 95
YA43133	SMOKY 96	YA43134	SMOKY 97
YA43135	SMOKY 98	YA43144	SMOKY 107
YA43145	SMOKY 108	YB18935	WEST 168
YB18937	WEST 170	YB18939	WEST 172
YB18949	WEST 182	YB18951	WEST 184
YB64630	RONI 1	YB64631	RONI 2
YB64632	RONI3	YB64633	RONI 4
YB64638	RONI 9	YC02855	TIN DOME 12
YC10707	SUN 10	YC10882	SIN 45
YC10893	S N 56	YC11214	DUB 140
YC11254	DUB 180	YC11281	DUB 207
YC11282	DUB 208	YC11331	DUB 257
YC11332	DUB 258	YC11364	DUB 290
YC11364	DUB 290	YC11365	DUB 291
YC38832	DUB 1536	YC38833	DUB 1537
YC38835	DUB 1539	YC38837	DUB 1541
YC38839	DUB 1543	YC38841	DUB 1545
YF33531	VBS 401	YF33552	VBS 422
Yf33878	VBS 278	YF33879	VBS 279
YF33902	VBS 302	Yf33903	VBS 303

YF33967	VBS 367	YF33969	VBS 369
YF33987	VBS 387	Yf33989	VBS 389
YF33990	VBS 390	Yf33996	VBS 396
YF33997	VBS 397	YF33998	VBS 398
YF33999	VBS 399		

SCHEDULE B - PLANS TO BE SUBMITTED FOR APPROVAL AS APPROVED PLANS

Construction, Development and Operations Plans

Emergency Response and Health and Safety Plan - A plan that provides detailed procedures and responsibilities for response to emergency situations that may be encountered.

Mine Development and Operations Plan - A plan that details the activities for the construction, operation, maintenance and monitoring of the mine.

Road Development and Operations Plan - A plan that details the construction and operations of roads developed for the purposes of the Undertaking

Waste Rock Management Plan - A plan that provides a description of the activities for the segregation of the various overburden and waste rock streams, including how the categories of waste rock will be managed throughout the mine life, details of the construction, operation and monitoring of the various waste rock and overburden storage facilities.

Cyanide Management Plan - A plan that provides details on the transportation, handling, storage and use of cyanide and any mitigation to limit exposure and prevent release to the environment including a cyanide specific monitoring program.

Heap Leach and Process Facilities Construction and Operations Plan - A plan that describes the construction, operation and monitoring of the process facilities, and the organizational roles and responsibilities, facility description, operation, maintenance and surveillance measures and any contingency measures for the heap leach pad and related infrastructure.

Environmental Protection and Environmental Management Plans

Adaptive Management Plan – A plan that provides detailed descriptions of procedures and actions that will be employed should negative effects on the environment be observed. The plan should demonstrate that actions can be taken prior to causing unacceptable effects.

Environmental Monitoring, Surveillance and Reporting Plan - A plan that describes methods and techniques for collecting and reporting monitoring information regarding conditions of engineered structures and environmental conditions at the Undertaking, as well as quantitative thresholds which trigger the implementation of adaptive management strategies.

Hazardous Materials Management Plan - A plan provides details of the storage and handling of various hazardous chemicals utilized in the Undertaking.

Schedule B - Plans to be Submitted for Approval as Approved Plans

Sediment and Erosion Control Plan - A plan that describes methods and techniques for protecting undisturbed lands, minimizing footprints and reducing erosion of soils due to land disturbance and weathering by wind and water.

Spill Contingency Plan - A plan that describes the measures designed to minimize the potential impact to the environment following a fuel or chemical spill.

Waste Management Plan - A plan that describes the mitigations and methods used to manage solid and liquid wastes and special wastes to ensure protection of the environment and human health.

Wildlife Protection Plan - A plan that describes the mitigation measures or practices pertaining to wildlife attractants, vehicle use, habitat management, wildlife harassment and wildlife health.

Socio-Economic Mitigation Plans

Heritage Resource Protection Plan - A plan that describes measures to identify and protect historic sites, historic objects, and works of archaeological, paleontological, pre-historic, historic, scientific or aesthetic value.

Traffic Management Plan - A plan that describes the mitigation measures or practices pertaining to the control of vehicle access, whether private or public vehicles, on the various roads included in the Undertaking.

SCHEDULE C - APPROVED PLANS AND AUTHORIZED ACTIVITIES

Part 1: Authorized Activities

The Licensee is authorized to carry out the following activities as set out below as directed by the approved plans set out in Part 2.

1. Access

The Licensee is authorized to access the Undertaking via gravel road to the site.

The location of the road must be as shown on Figure 2.1-1 of the "Road Construction Plan" dated May 2014 and prepared by StrataGold Corporation.

2. Camp

The Licensee is authorized to operate a camp for up to 400 people during construction, and 250 people during operations consisting of bunkhouse accommodation, mine dry, cooking facilities, water and sewage facilities, heating, and recreational facilities.

The location and components of the camp must be as described in Section 4.1 of the "Mine Development, Operations and Material Management Plan" dated July 2014 and prepared by StrataGold Corporation.

3. Industrial Complex

The Licensee is authorized to operate and maintain an industrial complex in support of the undertaking, including a transmission line and substation, explosives and magazine storage area and fuel containment facility.

The location and components of the industrial complex must be as shown in Figure 4.3-2 and 4.4-1 and as described in Section 4 of the "Mine Development, Operations and Material Management Plan" dated July 2014 and prepared by StrataGold Corporation.

4. Heap Leach Process Facilities and Ancillary Infrastructure

The Licensee is authorized to operate and maintain a heap leach and process facility consisting of equipment for crushing and conveying ore, ore stockpiles, cyanide leaching, carbon adsorption desorption and recovery, ore storage and transportation and ancillary infrastructure.

5. Open Pit Mining Operations

The Licensee is authorized to carry out production using conventional open pit truck, shovel and loader operations, including rotary drills, blasting and ancillary services.

6. Heap Leach Operations

The Licensee is authorized to construct, operate and maintain a valley fill heap leach including an embankment, in-heap pond, composite liner systems, solution recovery wells, solution collection, distribution and storage, a leak detection and recovery system and events ponds.

7. Waste Rock, Frozen Material, and Overburden Management

The Licensee is authorized to deposit waste rock from the open pit in the Platinum Gulch and

Eagle Pup Waste Rock Storage Areas. The Licensee is authorized to deposit overburden from the Undertaking in the Ice Rich Overburden Storage Area, and Reclamation Soil Stockpile.

Part 2: Approved Plans

The following plans are approved, subject to the listed conditions.

1.0 Construction, Development and Operations Plans

1.1 Emergency Response

- **"Emergency Response Plan, Version 2014-01"** dated April 2014 and prepared by StrataGold Corporation.

1.2 Mine Development and Operations

- **"General Site Plan - Stage 1 Construction Plan, Version 2013-01"** dated September 2013
- **"Mine Development, Operations and Material Management Plan, Version 2014-01"** dated July 2014
- **"Explosives Management Plan, Version 2014-01"** dated August 2014 and prepared by StrataGold Corporation.

Subject to the following conditions:

- (a) an update to incorporate a detailed plan for management of nitrogen compounds associated with blasting, including:
 - i. measures to be taken to minimize the release of nitrogen compounds as a result of blasting activities

1.3 Cyanide Management

- **"Cyanide Management Plan, Version 2014-01"** dated May 2014 and prepared by StrataGold Corporation.

Subject to the following conditions:

- (a) prior to transportation of cyanide to the mine site, an updated Cyanide Management Plan shall be submitted for review and approval, this update must include:
 - i. an annual independent third-party audit (consistent with the International Cyanide Management Code) of the cyanide management plan and its execution; and
 - ii. a copy of all Standard Operating Procedures referred to in the plan.
- (b) cyanide transportation must be provided by a certified cyanide transporter compliant with the International Cyanide Code.

1.4 Road Construction

- **"Road Construction Plan, Version 2014-01"** dated May 2014 and prepared by StrataGold Corporation.
- **"Geochemical Characterization of Proposed Excavation Areas and Borrow Sources from the Eagle Gold Project, Yukon"** dated May 2013 and prepared

by SRK Consulting.

Subject to the following conditions:

- (a) prior to construction an updated plan with final designs shall be submitted to the Director for review and approval;
- (b) the updated plan must include designs for parking and staging areas that
 - i. where possible, avoids impacts to riparian vegetation within 30 m of the high water mark;
 - ii. where possible, avoids impacts to stream channels; and
 - iii. avoids the introduction of sediments into surface waters.

1.5 Waste Rock and Overburden Management

- **"Geochemical Characterization of Proposed Excavation Areas and Borrow Sources from the Eagle Gold Project, Yukon"** dated May 2013 and prepared by SRK Consulting.
- **"Waste Rock and Overburden Facility Management Plan, Version 2014-01"** dated July 2014 and prepared by StrataGold Corporation.
- **"Eagle Gold Project, Report of Metallurgical Test Work"** dated December 2013 and prepared by Kappes, Cassiday & Associates.
- **"Frozen Materials Management Plan, Version 2015-01"** dated March 2015 and prepared by StrataGold Corporation

Subject to the following conditions:

- (a) a Quality Assurance and Quality Control Plan and field screening report for geochemical characterization must be submitted to the Director for review prior to utilizing excavated rock for construction purposes;
- (b) the Licensee shall conduct further investigations on less durable rock considered for use in the rock drains beneath the waste rock storage area. Should the rock be incapable of maintaining long-term drainage due to mechanical degradation, the Licensee shall ensure additional measures are implemented to protect against reduced flow volumes and increased pore water pressure;
- (c) no later than six (6) months after the start of construction, the Licensee shall submit an updated Frozen Materials Management Plan to include:
 - i. re-assessment of the remaining volume of ice rich soil requiring engineered storage shall be identified as being required at the earlier of (1) 12 months from the start of the construction or (2) prior to the ice rich overburden storage area reaching 85% of its design capacity; and
 - ii. submissions of designs for any additional storage capacity at the ice rich overburden storage area must be submitted at least 30 days in advance of construction of that additional storage capacity.

1.6 Heap Leach and Process Facilities Construction and Operations

- **"Heap Leach and Process Facilities Plan, Version 2014-01"** dated August 2014 and prepared by StrataGold Corporation.
- **"Cyanide Destruction Column Studies Report"** dated March 13, 2014 and prepared by Tetra Tech.

Subject to the following conditions:

- (a) the Licensee shall ensure that additional agglomeration test work is completed on sample ore representative of final crushing/processing output prior to loading the heap leach facility;
- (b) the Licensee shall provide a detailed foundation improvement plan for the heap leach facility, 30 days prior to construction, including:
 - i. removal of all ice rich material;
 - ii. With the exception of the HLF embankment and the Events Pond, removal of all loose or unsuitable materials as directed by a suitably qualified engineer.
 - iii. where the means of locating ice-rich soil results in disturbance of in-situ foundation soils, ensure disturbance is corrected or not significant in terms of foundation performance;
 - iv. excavation of foundation to Type 3 bedrock or better at the location of the HLF embankment;
 - v. installation of geotechnical equipment to monitor performance.
- (c) the Licensee shall provide an update to the emergency response plan in the heap leach and process facilities plan, 30 days prior to operations, including:
 - i. alert levels for the leak detection and recovery system
- (d) the Licensee shall provide an update to the Operations, Maintenance and Surveillance Manual for the heap leach facility prior to loading ore in the facility.

2.0 Environmental Protection and Environmental Management Plans

2.1 Environmental Monitoring and Reporting

- **"Environmental Monitoring, Surveillance and Adaptive Management Plan, Version 2015-01"** dated March 2015 and prepared by StrataGold Corporation.

Subject to the following conditions:

- a) An updated Environmental Monitoring, Surveillance and Adaptive Management Plan must be submitted for review and approval 60 days prior to commencement of construction. This update must include the following:
 - i. an update to include the latest results from the baseline data collection program;
 - ii. an update to the geochemical monitoring program to include metal leaching monitoring and classification for construction grade waste rock;
 - iii. an update to include a Dam Safety Review for the heap leach facility no later than five years after construction;
 - iv. an update to include any results of adaptive management plan assessments
 - v. an update to the soil metal monitoring program to include mitigation measures for elevated arsenic;
 - vi. an update if any additional studies to measure uptake in plants growing in soils with elevated arsenic have been conducted;
 - vii. an update to the air quality model to include emissions related to the gold recovery process, such as SO₂, PM, and metals such as arsenic, cadmium, chromium, mercury, and lead;
- b) The use and management of the South McQuesten Road and the Haggart Creek Road must be regularly monitored. If warranted, amendments to the traffic and access management plan must be made to reflect changing conditions or uses of the

- roads;
- c) Long-term column tests must be developed and maintained to study the effect to stability and permeability of the Heap Leach Facility, focusing on:
- i. the migration of fines; and
 - ii. behavior of saturated ore in the in-heap pond

2.2 Sediment and Erosion Control

- **"Operations Water Management Plan, Revision R2"** dated February 24, 2015.

2.3 Hazardous Materials Management

- Incorporated into Waste Management

2.4 Waste Management

- **"Solid Waste and Hazardous Materials Management Plan, Version 2014-01"** dated May 2014 and prepared by StrataGold Corporation; and
- **"Mine Water Treatment Solids Management Plan, Version 2014-01"** dated July 15, 2014 and prepared by Engineering Analytics Inc.

Subject to the following conditions:

- (a) an update to the Solid Waste and Hazardous Materials Management Plan must be provided in the 2016 Annual Report, this updated plan must include the following information
- i. an update to the permit and disposal requirements consistent with the *Environment Act* and regulations.

2.5 Spill Contingency

- **"Spill Response Plan, Version 2014-01"** dated June 2014 and prepared by StrataGold Corporation.

Subject to the following conditions:

- (a) an update to the Spill Contingency Plan must be provided in the 2016 Annual Report, this updated plan must include the following information
- i. an update to section 2.2 and Appendix C of the Plan to include all reportable thresholds for special wastes substances consistent with section 3(1)(b) of the *Special Waste Regulations*;
 - ii. spill response steps for each category of material that may be spilled; and
 - iii. an update to the reporting requirements to include the requirement to report all spills on site.

2.6 Wildlife Protection

- **"Wildlife Protection Plan, Version 2014-01"** dated March 2014 and prepared by StrataGold Corporation.

Subject to the following conditions:

- (a) opportunities must be made available for Na-Cho Nyak Dun participation in the identification and definition of areas to be banned for hunting;
- (b) all bear den locations must be identified and recorded, and the proponent must

avoid these areas until they are no longer in use.

3.0 Socio-Economic Mitigation Plans

3.1 Dust Control

- **"Dust Control Plan, Version 2013-01"** dated September 2013.

Subject to the following conditions:

- (a) an update to the Dust Control Plan must be provided in the 2016 Annual Report, this updated plan must include the following information
 - i. an update to the permit requirements consistent with the *Environment Act* and regulations.

3.2 Heritage Resource Protection

- **"Heritage Resource Protection Plan, Version 2014-01"** dated March 2014 and prepared by StrataGold Corporation.

3.3 Traffic Management

- **"Traffic Management Plan, Version 2015-01"** dated March 2015 and prepared by StrataGold Corporation.

Subject to the following conditions:

- a) update radio protocols to include the notification for Haggart Creek Road users in the event of blasting;
- b) must install signs on the Haggart Creek Road at points outside of the 1.5 km boundary identified in the Noise Assessment Report, signs should include warnings and information relating to blasting activities including:
 - i. time of day; and
 - ii. frequency.

4.0 Reclamation and Closure

4.1 Reclamation and Closure

- **"Reclamation and Closure Plan, Version 2014-01"** dated August 2014 and prepared by StrataGold Corporation;
- Revised excel costing sheet entitled **"Copy of Eagle Gold Closure Cost Estimate for EMR Review"** dated May 14, 2015 and provided in an e-mail from Hugh Coyle to Erin Dowd.

Subject to the following conditions:

- (a) The updated reclamation and closure plan, required pursuant to paragraph 7.2 of the License, must include, but not be limited to, the following:
 - i. a phased program to verify the proposed biological detoxification of the heap, comparing data gathered through the operation of the heap leach facility and similar technology at facilities operated in related climatic conditions;
 - ii. a phased program for the proposed in-heap bioreactor treatment system;
 - iii. a research program to demonstrate suitability of mine water treatment solids

- for use as heap cover material;
- iv. a native plant rooting depth study to determine optimal requirements for cover thickness;
- v. development of cover system designs for waste management facilities;
- vi. details on caustic sludge disposal in the heap leach facility and a final closure cap to minimize or avoid vegetation uptake of contaminants.

SCHEDULE D - ANNUAL REPORTING REQUIREMENTS

The Annual Report must include:

Site Activities

- (a) a summary of construction activities associated with the Undertaking;
- (b) a summary of mining activities;
- (c) a summary of proposed development and production for the coming year;
- (d) a map showing the status of all structures, works, and installations associated with the Undertaking;
- (e) the total amount of ore and waste removed from the open pit for the year and for the life of the Undertaking;
- (f) the total amount of gold produced and removed from the undertaking;
- (g) the total amount of waste rock removed from the Undertaking and deposited into each deposit location;
- (h) the total amount of waste rock stored in each waste rock storage facility;
- (i) details respecting any action taken as a result of the recommendations made by the engineer in relation to the inspection referred to in 13.2 of QML-0011;
- (j) a summary of any update to estimates of ore reserves and the life of the mine, including reserve category, tonnage and grade;
- (k) the total amount and the average grade of ore stockpiled;
- (l) the remaining reserve life of the mine;
- (m) results and interpretation from all QA/QC programs for the site;
- (n) a summary of heap leach facility construction including:
 - i. the total amount and the average head grade of ore placed on the heap leach pad for the year and the life of the Undertaking;
 - ii. the mass/volume and end of year configuration of ore lifts placed in the heap leach facility with the identification of any final benches or slopes achieved during the year;
 - iii. the records of ore properties for ore placed on the heap and records of any of agglomeration conducted; and
 - iv. report on metallurgical performance of the heap leach facility

Environmental Monitoring

- (a) a summary of the programs undertaken for environmental monitoring and surveillance as outlined in the *Environmental Monitoring, Surveillance and Adaptive Management Plan* and the *Wildlife Protection Plan*, including an analysis of these data and any action taken or adaptive management strategies implemented to monitor or address any changes in environmental performance;
- (b) a summary of operating procedures for cyanide-related tasks and their implementation, including the review of proposed process and operational changes and modifications deemed necessary for potential impacts on personnel health and safety and the incorporation of personnel protection measures;
- (c) a summary of all safety measures taken (signs, etc.) to identify the presences of cyanide to all personnel;
- (d) a summary of all tests and calibration records for HCN monitoring equipment;
- (e) a summary of the results of the waste rock quality assurance/quality control monitoring for the past year;

- (f) a summary of invasive plants that have been identified on site and measures taken to control or remove invasive plants;
- (g) a summary of ambient air quality monitoring and modelling (which includes emissions related to the gold recovery process) and mitigation measures taken;
- (h) a summary of spills and accidents that occurred at the site and measures taken respond to any spills or accidents;
- (i) a summary of the level of traffic, access control issues, wildlife incidents and other accidents, and any upgrade or maintenance work planned for the upcoming year;
- (j) a summary of sound-levels associated with blasting activities;
- (k) a summary of any site improvements undertaken to address sediment and erosion control;
- (l) a summary and interpretation of humidity cell or other geochemical tests undertaken on materials on site, including
 - a. geochemical characterization of the expanded open pit, including kinetic testing to predict metal leaching potential;
 - b. assumptions and conclusions of geochemical predictions and the effectiveness of mitigation measures;
 - c. the segregation of waste rock based on metal leaching potential; and
 - d. results of long-term column tests to study the effects to stability and permeability of the heap leach facility;
- (m) a summary of cyanide release or exposure that occurred at the Undertaking, including:
 - i) any hospitalization or fatality related to cyanide;
 - ii) the nature of release and the response or remediation required; and
 - iii) any exceedances to cyanide limits in permits or authorizations.

Physical Monitoring

- (a) a summary of any heap leach, waste rock, or open pit stability incidents;
- (b) a summary of data collected to date as part of the Physical Monitoring Program;
- (c) details of results, including data collected, for the Physical Monitoring Program;
- (d) a summary report on the performance of Engineered structures in service during the reporting year including but not limited to:
 - a. any operational deficiencies or failures to achieve operational requirements;
 - b. records of any leakage into the LDRS of the HLF;
 - c. a detailed record of any major maintenance work carried out;
 - d. plans to conduct major maintenance work for the following year; and
 - e. status report on any backup equipment and supplies for emergency management of the heap leach facility including records of exercising such equipment.

Reclamation and Closure

- (a) any temporary closure or permanent closure that has occurred during the year;
- (b) a summary of activities related to care and maintenance of the Undertaking, including any temporary closure activities if applicable;
- (c) a summary of progressive and ongoing reclamation activities;
- (d) a summary of proposed development and production and reclamation activities for the coming year; and
- (e) a summary of reclamation research and results.

Socio-economic Monitoring

- (a) a summary of action taken by the Licensee with respect to development and

implementation of a joint committee that will confirm socio-economic indicators, reporting and responding to monitoring results.