



Energy, Mines and Resources

March 24th, 2016

Mr. Mark Ayranto, Executive Vice President
StrataGold Corporation
584 Bentall #4
1055 Dunsmuir Street
Vancouver, BC
V7X 1K8

Dear Mr. Ayranto,

Re: Amendment to Eagle Gold Project Quartz Mining Licence QML-0011

In support of the development of the Eagle Gold Project, Victoria Gold Corporation filed an application to amend Quartz Mining License QML-0011. This request was received electronically in my office on March 25th, 2015.

The application submitted included a series of operational and environmental plans which were forwarded to the First Nation of Nacho Nyäk Dunn (FNNND) and Yukon Government (YG) departments for review. The comments received from FNNND and YG were incorporated into a draft license which was sent to StrataGold Corporation, FNNND and YG for review and comment on February 19th, 2016.

After review and consideration of all comments received on the application and draft license I have determined that an amendment to Quartz Mining License QML-0011 can be granted. I have attached one original license document for your records, and the second original will remain in our files.

In addition to the amendment application, Stratagold Corporation filed a Reclamation and Closure Plan for the proposed mine planning, development, and operation of the Eagle Gold project. This submission was a requirement of QML-0011 for the review of financial security every two years from the effective date of the License. SteveJan Consultants Inc. was retained by Mineral Resources to review the cost-estimates associated with the current liabilities on site, and the liabilities two-years after

commencement of construction activities. Paragraph 11.1 of the License requires that \$17,131,052 be furnished prior to the commencement of development. For greater clarity a table has been attached to this letter which shows the basis upon which security was calculated. This security will be held pursuant to both the Type A Water Licence QZ14-041, in the amount of \$2,433,471 and the Quartz Mining Licence QML-0011, in the amount of \$14,697,581.

Should you have any questions or require clarification on terms and conditions contained in this license, do not hesitate to contact me at (867) 667-3126.

Sincerely,



Robert Holmes
Director of Mineral Resources

cc. Chief Simon Mervyn, First Nation of Na-Cho Nyäk Dun
John Fox, Assistant Deputy Minister, Oil, Gas and Mineral Resources
William Leary, Natural Resources Officer
Heather Jirousek, Director, Water Resources
Roger Lockwood, Director, Yukon Water Board Secretariat

encl: Quartz Mining License QML-0011
Financial Security Determination

FINAL Security Determination
StrataGold Corporation QML-0011

3/24/2016

Item No.	Description of Cost	SGC (May 2015)	YG Security Determination
Closure Implementation			
3	General & Administration	\$1,375,462	\$1,375,462
4	Exploration Disturbances	N/A	N/A
5	Supporting Studies	\$260,000	\$760,000
6	Pit	\$55,358	\$666,341
7	Heap Leach Pad	\$934,553	\$934,553
8	Waste Dumps	\$752,046	\$752,046
9	Surface Facilities	\$2,936,606	\$2,936,606
10	Infrastructure	\$752,958	\$798,210
11	Waste Disposal and Remediation	\$103,295	\$103,295
12	Landfills	\$131,422	\$131,422
13	Roads & Trails	\$428,620	\$428,620
14	Water Management	\$185,324	\$1,039,883
	Sub-total	\$7,915,644	\$9,926,438
	Indirect Costs (%)	10%	15%
	Indirect Costs	\$791,564	\$1,488,965.70
	Cost Inflation	\$435,360	\$570,770.19
	Total Closure Implementation Costs	\$9,142,569	\$10,995,190
Care, Maintenance, Monitoring, IC&M & Mob & Demob Costs			
15	Post Closure Care, Maintenance and Monitoring		
15.1	Onsite Management (NPV)	\$1,680,000	\$1,680,000
15.2	Transport Costs (NPV)	\$69,375	\$69,375
15.3	Water Treatment Costs (Phase 6)		
	Active Treatment		
	Capital Costs	\$0	\$0
	Capital Replacement Costs	\$0	\$0
	Operating Costs	\$0	\$0
	Passive Treatment (Phase 7-8) - 15 years		
	Capital Costs	\$250,000	\$250,000
	Capital Replacement Costs (NPV)	\$22,500	\$22,500
	Operating Costs (NPV)	\$225,000	\$225,000
15.4	Reclamation & Closure Research Plan (Post Closure I-II)	\$75,000	\$75,000
15.5	Monitoring & Reporting (NPV)	\$3,856,428	\$3,856,428
15.6	Post Closure Maintenance (NPV)	\$112,500	\$112,500
	Sub-Total	\$6,290,803	\$6,290,803
	Sub-Total NPV (of Monit & Reporting table) (2.5% DROR)	\$3,546,707	\$3,546,707
	Indirect Costs (%)	10%	10%
	Indirect Costs	\$354,671	\$354,671
	Total (NPV)	\$3,901,377	\$3,901,377
	Total Closure Costs	\$13,043,947	\$14,896,567
	Contingency Allowance	15%	15%
	Contingency Amount	\$1,956,592	\$2,234,485.11
	Contingency Provision for an Active Treatment Plant		
	Total Closure Costs (Plus Contingency)	\$15,000,539	\$17,131,052

Notes

Yukon Government has reviewed the cost estimate prepared by StrataGold Corporation (SGC) dated May 14 2015 and the determinations made by the Yukon Water Board (YWB) when issuing Type A Water Use License QZ14-041. Yukon government (YG) has incorporated the determinations made by YWB in the final determinations made in this table. Where there are amendments to the tables provided by SGC, based upon the YWB determinations, the changes are detailed below.

This final determination includes the total amount of security payable pursuant to both the Waters Act and Quartz Mining Act.

Line Item 5: On June 2, 2015, SGC filed additional information with the YWB in response to questions on the cost-estimate provided with the Water Use License (WUL) Application QZ14-041. In this response SGC included an additional \$500,000 to their estimate for Closure Plan Development. Yukon has included this amount in Line Item 5 for consistency.

Line Item 6 through 8: Tables 6, 7 and 8 depict the reclamation and closure activities associated with reclaiming the heap leach area, waste rock area and open pit. In their determinations, the YWB used the disturbances that would have been created during Phase 1 construction (based upon the cost estimates provided in Appendix B of the Reclamation and Closure Plan submitted in support of WUL application QZ14-041) while SGC provided an estimate to Yukon Government for the Stage 2 construction which includes different activities and assumptions. In reviewing the YWB decision YG has determined that an additional \$610,983 for these three line items is required. This additional amount has been reflected in Line Item 6.

Line Item 14: The financial security determination by YWB included an additional \$854,559 for the reclamation and closure activities associated with water management. This includes \$590,419 for upgrading site diversions for the closure period and \$83,139 for the construction of new drainage channels, in excess of what was proposed by SGC And additional line items for the reclamation of the Platinum Gulch and Lower Dublin South Pond (\$201,151), and the installation of sediment and erosion control measures (\$26,074).