



Watson Lake Mining District
Box 269 (K-WL)
Watson Lake, YT, Y0A 1C0

April 23, 2025

Q2024_0389
By Email

Arcus Resources PTY Ltd.
34A Laberge Road
Whitehorse, Canada, Y1A 5Y9
john.delgaty@aurorageosciences.com

Dear John Delgaty,

Re: Class 1 Notification Q2024_0389 - ICE Project Allowed with additional terms and conditions.

This letter is to inform you that your Class 1 Notification Q2024_0389 is valid as of April 23, 2025.

Your Class 1 Notification and proposed work program (July 05, 2025 - August 14, 2025) is allowed to proceed with the following terms and conditions:

1. The operator shall avoid exploration and exploration related activities in wetlands, if avoidance is not possible, the operator shall minimize disturbance to wetlands.
2. All reclamation must be completed prior to the end of the work program date identified in this Class 1 notification, including but not limited to: closure of all test pits, trenches, hand shafts, removal of camps, removal of vehicles and equipment, etc. Reclamation must be completed to the standards listed in the Operating Conditions, Schedule 1 of the Quartz Mining Land Use Regulation. In areas where wetlands have been disturbed, reclamation shall be done in a manner that supports

the return of wetland benefits to those areas.

3. 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.
4. The operator shall not restrict access, availability, or use of the area for traditional harvest or ceremonial purposes.
5. The operator shall communicate plans and timing of activities to the Liard First Nation Lands and Resources Department (867-536-5200), and Ross River Dena Council Lands and Resources Department (867-969-2277 ex.204). The operator shall make best efforts to resolve any potential concerns identified.
6. The operator shall take all necessary precautions to minimize disturbance to caribou specific habitat (lichen) within the project area. Where disturbance is unavoidable, the lichen mat shall be separately stored and replaced as soon as exploration activities are complete.
7. The operator shall cease work when any caribou, sheep or goats are observed from active work sites until the animal moves off on their own accord.
8. 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.
9. If active bird nests are discovered, project activities shall be postponed in active nesting area until nesting is completed.
10. Where possible, land clearing and stripping of the surface layer should take place outside of the nesting season, May 1 to August 31.
11. The operator shall submit a summary of project activities to Yukon Environment (traci.morgan@yukon.ca, Regional Biologist), Liard First Nation and Ross River Dena Council at the end of the season. The summary shall include (1) shape files of Class 1 land disturbance and reclamation activities and (2) wildlife log detailing wildlife interactions and mitigations to minimize interaction with wildlife.
12. 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>).
13. Since claims will be accessed by air, the operator shall review and follow applicable best management practices outlined in the publication "Flying in Sheep Country" (<https://yukon.ca/en/flying-sheep-country>).
14. The operator shall not conduct drilling and exploration activities within 50 m of a campsite, or cabin.
15. The operator shall not alter, disturb or destroy any existing roads or trails.
16. If ungulates or bears are present within the active work area, project activities shall cease until the wildlife have left the area on their own accord.
17. The operator shall contact the Wildlife Key Area Program (wka@yukon.ca), for information on identifying mineral licks. If a mineral lick is identified within the project area, the operator shall maintain a 100m no-disturbance buffer around the location of the mineral lick.

18. The operator shall avoid straight lines where possible to reduce long visual lines. This will limit the use of trails as 'wolf highways' which can increase predation of ungulates by wolves.
19. Any brushing for trails/cutlines should be done in such a way as to not hinder wildlife movement through the stockpiling of brush material.
20. Linear disturbance shall be kept to a minimum whenever possible. The operator shall reclaim all corridors/lines, by blocking access to corridors/lines, replacing cut brush on top, and considering line-of-site barriers at intervals, as soon as they are no longer required for mining purposes, or by the expiry of this Notification whichever occurs first.
21. Upon discovery of a heritage resource the proponent shall notify the Heritage Departments of Liard First Nation (867-536-5200) and the Ross River Dena Council (867-969-2277), in addition to the Government of Yukon, Manager, Mining Lands and Heritage Department. A 30m buffer shall be maintained around any discovered or known heritage resource.

For greater certainty, the conditions contained in this Notification pertain only to my authorities under the *Quartz Mining Act* and do not limit the authorizations, prohibitions, or restrictions in other federal, territorial or municipal laws.

Security may be required at any time by the Manager, Mining Land Use. The operator must furnish security within thirty (30) days of receiving the written notice from the Manager, Mining Land Use 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 April 22, 2026 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 867-536-7366, fax at 867-536-7842, or email at watson.mining@yukon.ca.

Sincerely,

Tamera Johnson

A handwritten signature in purple ink, appearing to be 'Tamera Johnson', written in a cursive style.

A/Manager, Mining Land Use

cc
Tourism and Culture
BC Kaska
Ross River Dena Council
Liard First Nation