



Mayo Mining District
Box 10 (K-MA)
Mayo, YT, Y0B 1M0

July 14, 2026Q2026_0194
By Email

Argyle Resources Corp.
suite 701- 36 Toronto St.
Toronto, Canada, M5C 2C5
bbkrause43@gmail.com

Dear Robert Krause,

Re: Class 1 Notification Q2026_0194 - McKay Hill Silver Allowed with additional terms and conditions.

This letter is to inform you that your Class 1 Notification Q2026_0194 is valid as of July 14, 2026.

Your Class 1 Notification and proposed work program (July 14, 2026 - July 13, 2027) 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 Placer Mining Land Use Regulation/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. 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."
4. The Operator shall store all attractants, including garbage, food, food waste and strained solids from grey water in a container that prevents access by bears and other wildlife until attractants have been removed from the project site.
5. 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.
6. The operator shall communicate plans and timing of activities to the First Nation of Nacho Nyak Dun Lands and Resources Department (867-996-2265). The operator shall make best efforts to resolve any potential concerns identified.
7. 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, or prior to the end of the work program date identified in this Class 1, whichever occurs first.
8. 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>) and "Flying in Sheep Country" (<https://yukon.ca/sites/yukon.ca/files/env/env-flying-sheep-country.pdf>). When possible flights should be consolidated to reduce the overall disturbance to wildlife from flights.
9. Upon discovery of a heritage resource the proponent shall notify the Heritage Department of the First Nation of Nacho Nyak Dun (867-996-2265 ext.133) 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.
10. Please note, Schedule 1 Operating Condition #39 "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.
11. A heritage resources impact assessment (HRIA) was conducted on portions of Q2026_0194 which encompasses parts of the identified activity areas in this Class 1 (Permit 21-20ASR). The recommendations from the HRIA should continue to be adhered to. The operator may contact heritage.review@yukon.ca for more information if required.
12. Please note that, due to the size of the notification area, the preliminary heritage desktop review was limited to proposed trenching areas, as identified in the mapping provided as "Assessed Area". Any changes to the proposed work locations submitted in this Class 1 Notification will require an amendment. Please contact your district Mining Records office for more information.
13. The operator shall suspend exploration activities if ungulates are observed from active work areas, until they move off on their own accord.
14. If active bird nests are discovered, project activities shall be postponed in the nesting area until nesting is complete. Refer to avoidance measures link:

aeic.gc.ca/050/documents/p80054/121249E.pdf.

15. The notification area overlaps with a moose late-winter range wildlife key area. The operator should plan activities to avoid use of the area in late-winter (February 1 – April 30).
16. 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.
17. The operator shall share fish and wildlife observation information (e.g. wildlife logs, seasonal reports etc.), shared with other agencies (e.g. YG biologists, Yukon Conservation Data Center etc.), with the First Nation of Nacho Nyak Dun's Land and Resources Department (867)996-2265, prior to the expiry of this Notification.

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 July 13, 2027 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 867-996-2256, fax at 867-996-2617, or email at mayo.mining@yukon.ca.

Sincerely,
Trevor Ellis



A/Manager, Mining Land Use

cc

Tourism and Culture

First Nation of Nacho Nyak Dun