



MINING LAND USE DIVISION
MINERAL RESOURCES DIRECTORATE
INDIAN and NORTHERN AFFAIRS CANADA

Pursuant to the Yukon Placer Mining Act and Regulations, the Chief, Placer Land Use hereby grants a Class IV approval to:

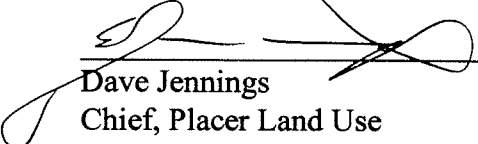
Duncan Creek Goldbusters Ltd.
20 Moonstone Lane
Whitehorse, Y.T. Y1A 5Z9

APPROVAL NUMBER: LP00113
UNDERTAKING: Placer
CLASS: IV
EFFECTIVE DATE: 15 April 2000
EXPIRY DATE: 14 April 2010

This permit shall be subject to the restrictions and conditions contained herein and to the restrictions and conditions contained in the Yukon Placer Mining Act and the Regulations made thereunder as proposed in Mining Land Use application LP00113.

Dated this 15th day of

April 2000


Dave Jennings
Chief, Placer Land Use



**PLACER LAND USE
APPROVAL
Operating Plan
LP00113
Duncan Creek Golddusters Ltd.**

PART ONE - GENERAL REQUIREMENTS

Water Licence # PM 94-093

Reporting Requirements

Contact Numbers

1. All spills must be reported to the 24-Hour Yukon Spill Reporting Line (867) 667-7244 immediately and to the Mining Inspections Division (867) 996-2566 no later than 10 days after its occurrence.
2. All environmental emergencies must be reported to the Chief of Mining Land Use (867) 667-3265 not later than 10 days after the situation has occurred.

Planning and Communications

3. The operator shall contact Mining Inspections, (867) 996-2566, at least 14 days prior to leaving the site at the end of every season of the operation.
4. The operator may apply for a certificate of completion at the termination of the operation, when all reclamation has been completed.

Wildlife

5. All incidents with wildlife shall be reported to the District Conservation Officer in Mayo (867) 996-2202, as well as any other communications with regard to wildlife.

Applicable Laws

6. All applicable federal, territorial and first nation law or local regulations, ordinances or by-laws must be conformed with at all times.

Compliance with Operating Conditions

7. All operating activities must comply with the Operating Conditions contained in Schedule 1 of the *Yukon Placer Mining Land Use Regulations*. These Operating Conditions are enforceable.

PART TWO - TERMS AND CONDITIONS

Vegetative Mat

8. All areas disturbed during an operation must be left by the operator in a condition conducive to successful revegetation by native plant species or other species adaptable to that environment.
9. In making a clearing, the vegetative mat must not be removed unless the purpose of the clearing is to remove the overburden.
10. All risk of fire hazard must be avoided.
11. Removed brush must not be piled so that it blocks movement of wildlife or people.
12. Leaning trees created by the removal of trees and brush from corridors and clearings must be felled. When it is economically viable to do so, timber suitable for sale must be salvaged and stockpiled.

Erosion

13. All areas disturbed during an operation must be resloped, contoured or otherwise stabilized by the operator to prevent long-term soil erosion, slumping and subsidence and to comply with the operating conditions for re-establishment of the vegetative mat.

Archaeological Sites

14. All archaeological sites and burial grounds must be avoided. If such a site is encountered in the course of an operation, it is to be marked, reported to the Chief and protected from further disturbance until authorization is given by the Chief.

Trenching

15. When trenching with mechanized equipment an operator shall segregate material into two piles:
 - a) Vegetative mat, and
 - b) overburden and bedrock;

to be conserved and used for backfilling trenches.

16. Trenches excavated during an operation with mechanized equipment must be backfilled by the operator. Overburden and bedrock shall be replaced first, followed by vegetative mat. The backfilled trench must comply with the operating conditions for re-establishment of the vegetative mat and erosion control.

Drilling

17. All drill holes that pose a hazard or that lead to ground water must be plugged in a suitable manner. All drilling must be done in a way that minimizes its impact on wildlife and the public.
18. The location of drill holes must be marked on the ground by flagging or other suitable means.

Disposal of Wastes

19. All garbage and debris will be kept in a covered container until disposed of.
20. Sewage shall not be allowed to spread to surrounding land or water bodies.
21. Campsites must be kept clean and tidy.
22. Debris, equipment, fuel barrels, scrap metal and other waste at the work site shall be disposed of safely, so as not to attract wildlife, by removal, or incineration, as often as is practicable throughout the mining season and completely at the cessation of the operation.

Use of Vehicles on Existing Roads and Trails

23. All vehicles must be operated within the design limits or tolerances of the road or trail. If design limits or tolerances are unknown, the operation of vehicles must not cause significant rutting or gouging to the road or trail.

Use of Vehicles Off the Road or Trail

24. Routes for off the road or trail use by vehicles must be reconnoitered and used in a way that minimizes ground disturbance.
25. If rutting and gouging that could lead to ongoing erosion, ponding or permafrost degradation occurs, vehicle use must be suspended or relocated to ground that is capable of bearing the vehicle, and the former routes must be restored in compliance with the

operating conditions for re-establishment of the vegetative mat and erosion control.

Petroleum Products

26. Fuel and other petroleum products and chemicals shall be stored and transferred in such a manner as to prevent spillage into a body of water or onto the surrounding land.
27. When the quantity of fuel in storage exceeds 4000L, a secondary containment facility must be constructed that is of material impervious to petroleum products and that is of sufficient size to accommodate at least 110% of the fuel, in the case of a single storage tank. If there is more than one storage tank, the secondary containment facility must be of sufficient size to accommodate 110% of the capacity of the largest tank or 10% of the total capacity of all the tanks, whichever is greater.
28. All waste petroleum products must be safely stored on-site or be removed to a waste disposal facility approved under the *Special Waste Regulations* of the *Environment Act* of the Yukon.
29. All fuel spills must be immediately contained, cleaned up and reported to an inspector and the fuel spill hot line.
30. Sufficient oil spill clean-up equipment and material must be in a state of readiness at all times in order to clean-up all petroleum spills.
31. A Spill Contingency Plan shall be submitted for approval to the Chief of Mining Land Use prior to commencing operations and, the approved plan shall be posted on site. The plan should provide for the response and clean-up of any spill of fuel and/or hazardous materials.
32. For fuel spill clean ups, if the secondary containment contains water then the contaminated water must be removed with the contaminated fuel.
33. All vehicles must be maintained and operated in a manner designed to prevent spills of fuel or oil.

Mining Cuts

34. Pit walls will be left in a stable, safe condition for post-mining return to a productive habitat.

Wildlife

35. Caution shall be used when encountering wildlife.

36. Removed brush must not be piled so that it blocks movement of wildlife or people.

Seasonal Closure

37. The property shall be left in a stable condition at the end of each mining season.

Reclamation

38. Reclamation shall be progressive in nature where possible.

PART THREE - FINAL DECOMMISSIONING

39. Final reclamation will occur prior to expiry of the operation, according to standards outlined in the operating conditions for re-establishment of vegetative mat and erosion control.

40. All waste rock piles, tailings piles and other relocated material will be re-contoured as per Water Licence # PM 94-093 and, where necessary to ensure natural revegetation, covered with conserved topsoil.

41. Debris, equipment, fuel barrels, scrap metal and other waste at the work site shall be completely disposed of, so as not to attract wildlife, by removal or incineration at the cessation of the operation.

42. Structures must be removed and the site restored at the end of the operation to a level of utility comparable to its previous level of utility.

PART FOUR - OTHER MATTERS

43. This Approval is valid conditional to the operator holding a valid Water Licence, pursuant to the *Yukon Waters Act*.
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