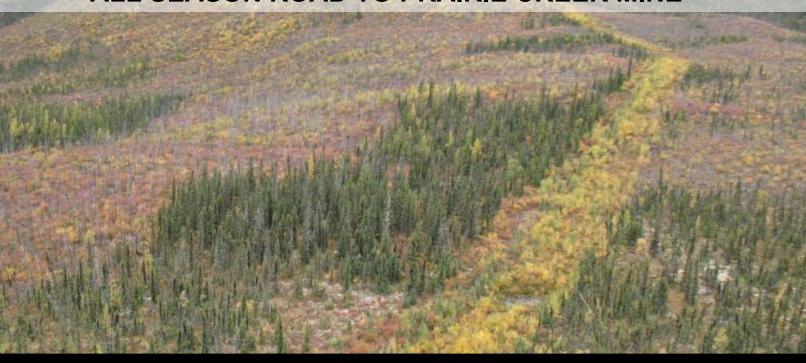


a wholly-owned subsidiary of NorZinc Ltd

POST-EA INFORMATION PACKAGE INCLUDING AN UPDATED PROJECT DESCRIPTION ALL SEASON ROAD TO PRAIRIE CREEK MINE



APPENDIX 1-4

SUBMITTED IN SUPPORT OF:

Water Licences MV/PC2014L8-0006, and Land Use Permits MV/PC2014F0013

SUBMITTED TO:

Mackenzie Valley Land and Water Board Yellowknife, NT X1A 2N7 Parks Canada, Nahanni National Park Reserve Fort Simpson, NT X0E 0N0

SUBMITTED BY:

Canadian Zinc Corporation Vancouver, BC, V6B 4N9

February 2019

Conditions Annexed to and Forming Part of Land Use Permit # MV2014F0013

Part A: Scope of Permit

- 1. This Permit entitles the Permittee to conduct the following land-use operation:
 - a) Construct and operate a winter road initially and an all season road subsequently.
- 2. This Permit is issued subject to the conditions contained herein with respect to the use of land for the activities and area identified in Part A, item 1 of this Permit.
- 3. Compliance with the terms and conditions of this Permit does not excuse the Permittee from its obligation to comply with the requirements of any applicable Federal or Territorial laws.

Part B: Definitions (defined terms are capitalized throughout the Permit)

Act - the Mackenzie Valley Resource Management Act.

All Season Road – a road bed consisting of granular material that is Durable Land.

Archaeological Overview - as defined by the Prince of Wales Northern Heritage Centre – *Guidelines for Developers* for the Protection of Archaeological Sites in the Northwest Territories.

Archaeological Impact Assessment - as defined by the Prince of Wales Northern Heritage Centre – *Guidelines for Developers for the Protection of Archaeological Sites in the Northwest Territories*.

Board - the Mackenzie Valley Land and Water Board established under Part 4 of the Act.

Borehole - a hole that is made in the surface of the ground by drilling or boring.

Borrow – material excavated in order to construct an All Season Road or Camp foundations.

Borrow Pit – an excavation made according to an approved Borrow Pit Development Plan in order to produce Borrow.

Borrow Pit Development Plan – a plan for the excavation of Borrow from a specific location.

Camp – a location for accommodation trailers and/or to store road construction or maintenance equipment or materials for the purpose of road construction or maintenance.

Concentrate – The mineral product emanating from the processing plant at the Prairie Creek Mine.

Detailed Designs – Construction drawings that show designs at a 100% completion level and incorporate the comments of the Independent Technical Review Panel.

Dogleg - the clearing of a line, trail, or right-of-way that is curved sufficiently so that no part of the clearing beyond the curve is visible when approached from either direction.

Drilling Fluids - any liquid mixture of water, sediment, drilling muds, chemical additives or other wastes that are pumped down hole while drilling and are specifically related to drilling activity.

Drilling Waste - all materials or chemicals, solid or liquid, associated with drilling, including drill cuttings and Drilling Fluids.

Durable Land - land that is able to withstand repeated use in all seasons, such as gravel or sand with minimal vegetative cover.

CZN Prairie Creek ASR Page 1 of 26

- Engagement Plan a document, developed in accordance with the Board's Engagement and Consultation Policy and the Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits, that clearly describes how, when, and which engagement activities will occur with an affected party during the life of the project.
- **Fuel Storage Container** a container for the storage of petroleum or allied petroleum products with a capacity of less than 230 litres.
- **Fuel Storage Tank** a closed container for the storage of petroleum or allied petroleum products with a capacity of more than 230 litres.
- **Geochemical Verification** a process of sampling and testing to verify that soil and/or rock to be blasted or borrowed does not have significant acid rock drainage or metal leaching potential, with or without appropriate mitigation, as determined by a qualified professional.
- **Geotechnical Investigations** borehole drilling, geophysics and test pit excavations to evaluate permafrost, soil and/or rock type and/or condition, carried out by qualified professionals.
- **Greywater** all liquid wastes from showers, baths, sinks, kitchens, and domestic washing facilities but not including toilet wastes.
- **Habitat** the area or type of site where a species or an individual of a species of wildlife naturally occurs or on which it depends, directly or indirectly, to carry out its life processes.
- **Independent Technical Panel** A group of at least three people, each of which are either a Professional Engineer or a Professional Geoscientist, and have northern road development experience.
- **Inspector** an Inspector designated by the Minister under the Act.
- **Minister** the Minister of Indian Affairs and Northern Development Canada or the Minister of the Government of the Northwest Territories Department of Lands, as the case may be.
- Ordinary High Water Mark the usual or average level to which a body of water rises at its highest point and remains for sufficient time so as to change the characteristics of the land. In flowing waters (rivers, streams) this refers to the "active channel/bank-full level" which is often the 1:2 year flood flow return level. In inland lakes, wetlands, or marine environments, it refers to those parts of the Watercourse bed and banks that are frequently flooded by water so as to leave a mark on the land and where the natural vegetation changes from predominately aquatic vegetation to terrestrial vegetation (excepting water tolerant species). For reservoirs, this refers to normal high operating levels (full supply level).

Permittee - the holder of this permit.

Permafrost - ground (soil or rock) that remains at or below 0°C for at least two consecutive years.

Preliminary Designs - Construction drawings that show designs at an approximate 50% completion level.

Secondary Containment - containment that prevents liquids that leak from Fuel Storage Tanks or containers from reaching outside the containment area and includes double-walled Tanks, piping, liners, and impermeable barriers.

Sewage - all toilet wastes and Greywater.

Sewage Disposal Facilities - Sump(s) and/or Sewage collection tank(s) and/or storage containers designed to hold Sewage.

Sewage Effluent Disposal Facilities - Sump(s) and/or barrel(s) and/or lagoon(s).

CZN Prairie Creek ASR Page 2 of 26

- **Spill Contingency Plan** a document, developed in accordance with Aboriginal Affairs and Northern Development Canada's *Guidelines for Spill Contingency Planning* (April 2007, that describes the set of procedures to be implemented to minimize the effects of a spill.
- **Sump** a man-made pit or natural depression in the earth's surface used for the purpose of depositing Waste that does not contain Toxic Material, such as non-toxic Drilling Waste or Sewage, therein.
- **Toxic Material** any substance that enters or may enter the environment in a quantity or concentration or under conditions such that it:
 - a) Has or may have an immediate or long-term harmful effect on the environment or its biological diversity;
 - b) Constitutes or may constitute a danger to the environment on which life depends; or
 - c) Constitutes or may constitute a danger in Canada to human life or health.
- **Waste** any garbage, debris, chemical, or Toxic Material to be used, stored, disposed of, or handled on land, and also as defined in section 51 of the Act.
- **Waste Management Plan** a document, developed in accordance with the Board's *Guidelines for Developing a Waste Management Plan*, that describes the methods of Waste management from Waste generation to final disposal.
- **Watercourse** a natural body of flowing or standing water or an area occupied by water during part of the year, and includes streams, springs, swamps and gulches but does not include groundwater.
- Winter Road, Non-Typical a road bed across side-slopes created by cut and fill.
- Winter Road, Typical a road bed created by using snow or ice, with or without chipped or mulched vegetation.

CZN Prairie Creek ASR Page 3 of 26

Part C: Conditions Applying to All Activities (headings correspond to subsection 26(1) of the Mackenzie Valley Land Use Regulations)

	Condition	Category	Rationale
	26(1)(a) Location and Area		
1.	The Permittee shall not conduct any part of the land-use operation within 50 metres of any privately owned or leased land or structure, unless otherwise authorized in writing by the land owner/occupier or the Board.	PRIVATE PROPERTY	The condition is included in a Permit where there is a possibility that the land-use operation will infringe upon a person's private property. The infringement may be in the form of noise, vegetation disturbance, soil stability from borrow or quarry operation, etc. "Privately owned or leased land or structure" includes cabins used for traditional activities, such as trapping, hunting, or fishing.
			A setback of 300m has sometimes been used in the past, but any number may be used at the discretion of the Board.
2.	The Permittee shall not conduct any part of the land-use operation within 50 metres of a cabin used for traditional activities, including trapping, hunting, or fishing, unless otherwise authorized in writing by the cabin owner or the Board.	AVOID CABINS	This condition may not be fully covered by the Private Property condition. The intent here is to protect traditional cabins particularly in cases in which ownership of the land or structure is not clear. Note: land use plans may provide specific buffer/setback distances.
			A setback of 300m has sometimes been used in the past, but any number may be used at the discretion of the Board.
3.	The Permittee shall locate all camps on Durable Land or previously cleared areas, where possible.	CAMP LOCATION	The intent is to minimize disturbance by locating camps, which are heavy use areas, on Durable Land that will endure repeated use. In addition, sites that have no vegetative ground cover can better withstand surface disturbance without the Permafrost melting and the ground surface settling. Durable land is defined in the definitions section.
			This is consistent with best practices outlines in the Department of Fisheries and Ocean's Operational Statement on Mineral Exploration.
4.	The Permittee shall use an existing campsite, and not develop a new site, when possible.	EXISTING CAMP	The intent of this condition is to minimize land disturbance. Whenever possible, it is preferable to use an existing site rather than to disturb land for a new campsite. This condition could be used where old campsites are known to exist, for example, in an area where many historic exploration projects have occurred.
5.	Prior to the commencement of drilling, the Permittee shall submit the drill target locations on a 1:50,000-scale map with coordinates and map datum to the Board and an Inspector.	DRILL LOCATIONS	Final drill target locations are often not known at the time the Permit application is submitted, but an Inspector and the Board and an Inspector need to be informed of final drill target locations in order to: ensure that other conditions related to drilling are adhered to, keep a record on the public registry, and inspect drilling locations.

CZN Prairie Creek ASR Page 4 of 26

6.	The Permittee shall not conduct a quarry	QUARRY SETBACK	Inspector authorization as per MVLUR section 6(b).
	operation within 100 metres of the		
	Ordinary High Water Mark of any		The intent of this condition is to prevent the
	Watercourse, unless otherwise		deposition of sediment from quarrying that, if
	authorized in writing by an Inspector.		occurring near Watercourses, could affect water
			quality and fish Habitat. MVLUR paragraph 6(b)
			states that, "Unless expressly authorized by a Permit
			or in writing by an Inspector, no Permittee shall excavate land within 100 metres of a Watercourse at
			a point that is below its Ordinary High Water Mark". The wording of this condition is more protective
			since it includes all land within 100 m of a
			Watercourse, not only "points below its Ordinary
			High Water Mark."
			Note – quarrying near a Watercourse may require
			specific mitigation measures or authorization from
			DFO if there are potential impacts on fish.
7.	The Permittee shall not construct parallel	PARALLEL ROADS	This condition applies to both treed and barren
	lines or roads, unless an existing line or		ground regions to eliminate unnecessary parallel
	road cannot be used for the intended		roads. MVLUR paragraph 10(a) states that "Unless
	purpose.		expressly authorized by a Permit, no Permittee shall
			clear a new line, trail or right-of-way where an
			existing line, trail or right-of-way can be used." The
			Permittee may construct parallel detours, lines, or trails where the original detour, line, or trail cannot
			be used due to flooding, landslides, washouts,
			snowdrifts, etc. This condition is necessary, in
			addition to Location of Activities , because small
			lines or trails (particularly temporary winter roads)
			may not have precise locations defined at the time
			of the application.
			Inspector discretion can be used to evaluate
			whether or not an existing trail can be used.
8.	The Permittee shall locate all lines, trails,	PARALLEL	The intent of this condition is to avoid or reduce
	and right-of-ways to be constructed	WATERCOURSE	erosion of soil into Watercourses. Natural erosion
	parallel to any Watercourse a minimum		would be accelerated if trees and other vegetation
	of 100 metres from the Ordinary High		are cleared near shorelines, particularly for streams.
	Water Mark as much as possible, except		MV/LLD soction 10 addresses the clearing of lines
	at crossings, unless the terrain makes this infeasible and this was clearly		MVLUR section 10 addresses the clearing of lines, trails, and right-of-ways, but does not address
	understood from the complete		required distancing from water.
	application.		required distancing from water.
			MVLUR section 6 addresses excavations within 100m
			of a Watercourse (i.e. prohibited unless authorized
			by a Permit or in writing by an Inspector), but does
			not address removal of vegetation.
9.	The Permittee shall not conduct this	LOCATION OF	The Permittee must submit, for approval, a written
	land-use operation on any lands not	ACTIVITIES	request, along with maps, for an amendment to this
	designated in the complete application.		condition when changes to the area of operation are
			necessary. Private land, mineral claims, land claims,
			cultural sites, or other interests in land could be
			affected.

CZN Prairie Creek ASR Page 5 of 26

11.	Prior to the commencement of the land- use operation, the Permittee shall accompany an Inspector during an inspection of the proposed land use area, to the extent possible, unless the Inspector has seen the ground before or does not believe such an inspection to be necessary. The Permittee shall confine the width of	INSPECT LOCATIONS WIDTH RIGHT-OF-	Locations to be disturbed should be inspected to determine the condition of the land use area prior to disturbance [e.g. the locations for any new well sites, Sumps, campsites, quarries, and access road locations as described in the complete application]. This will help determine the appropriate level of cleanup and reclamation work that is necessary when the land-use operation is completed. This condition is only used after consultation with an Inspector. In order for the Proponent to be compliant
	the right of way to that identified in the application, unless otherwise authorized in writing by a Land Use Inspector.	WAY	with section 10(c) of the Mackenzie Valley Regulations, the scope of the issued land use permit must authorize the construction, use and maintenance of road right-of-ways up to 12 metres.
12.	26(1)(<i>b</i>) Time		
13.	At least 48 hours prior to the commencement of the land-use operation, the Permittee's Field Supervisor shall contact an Inspector at (867)	CONTACT INSPECTOR	An Inspector must be notified in order to facilitate inspections to ensure that the Permittee is in compliance with the Terms and Conditions of the Permit. This initial contact is important to establish regular communication between the Permittee and an Inspector, as well as to confirm contact information for numerous other conditions that will require communication between the Permittee and an Inspector. The Board should also be notified, but it may not always be possible for the Permittee to contact the Board (e.g. depending on office hours, weekends, etc.) within specific timelines. The Identify Agent condition requires notification in writing to both the Board and an Inspector.
14.	At least 48 hours prior to commencement of the land-use operation, the Permittee shall provide the following information, in writing, to the Board and an Inspector: a) the name(s) of the person(s) in charge of the field operation; b) alternates; and c) all methods for contacting the above person(s).	IDENTIFY AGENT	This condition would be used where the applicant has not given the contractor's or field supervisor's names on the application because he does not know who they will be at the time of placing the application. Sometimes contracts are awarded after the LUP is issued, so the operating conditions can become part of the contract. Also, this information may change and must be updated with the Board and an Inspector. This written notice must be provided to both the Board and an Inspector.
15.	At least ten days prior to the completion of the land-use operation, the Permittee shall advise an Inspector of: a) the plan for removal or storage of equipment and materials; and b) when final cleanup and reclamation of the land used will be completed.	REPORTS BEFORE REMOVAL	The intent of this condition is to inform an Inspector that the land-use operation is in the final stages of completion, as he/she may want to conduct an inspection before the Permittee leaves the work area and after final cleanup and restoration have been completed.

CZN Prairie Creek ASR Page 6 of 26

16.	The Permittee shall adhere to the timing and/or distance restrictions, in the conduct of activities associated with the land-use operation, as defined in the complete application.	SHUT DOWN PERIOD	This condition could be used to prohibit all activity during certain periods in order to minimize impacts, for example, on Permafrost, critical wildlife, or fish Habitat.
17.	The Board, for the purpose of this operation, designates March 31, as spring break-up.	SPRING BREAK-UP	This condition is normally used in every Permit where other conditions refer to spring break-up, such as shut down dates or removal of snow fills.
			An Inspector does not have legal authority to change this particular condition, therefore, it does not state 'unless otherwise authorized in writing by an Inspector. However, as stated in conditions titled V-Notch Ice Bridges, Remove Snow Fills, and
			Sumps/Spring Break-up, an Inspector does have authority to waive or delay the requirement for debris removal (e.g. ice bridges/snow fills) and reclamation of Sumps, depending on the situation from year to year, as per MVLUR 9(2) and 8.
			The date should be set in consultation with an Inspector. A date of March 31 has sometimes been used in the past, but any date may be used at the discretion of the Board, considering the climate of the region and the local terrain.
18.	26(1)(c) Type and Size of Equipment		the region and the local terrain.
19.	The Permittee shall not use any equipment except of a similar type, size, and number to that listed in the complete application.	ONLY APPROVED EQUIPMENT	This condition ensures that the potential impact on the land with respect to equipment type, size, and number, as listed in the application, are considered when selecting the Permit conditions and approving the Permit.
			Board staff, an Inspector, and the applicant should work together to see how likely changes in equipment are and whether such changes in equipment would trigger any other requirements (e.g. a water licence), change the environmental impacts and mitigations, and/or change the scope of the project, etc. Board staff should consult with an Inspector and the applicant to decide whether it is appropriate to include "type" and/or "size" and/or "number" – e.g. it some cases it may not be practical to include "number". Using the word "similar" reduces enforceability (according to legal advice) but may be a practical solution for giving some amount of flexibility to Permittees, within reason, and relying on an Inspector's discretion.
20.	The Permittee shall use ramps to cross the Liard River of a form consistent with the designs contained in the complete application.	PORTABLE RAMPS	The intent of this condition is to minimize disturbance and erosion of stream banks. Portable ramps eliminate the need for dirt push-outs or earth ramps that may cause erosion and sedimentation into streams, harming fish or fish Habitat.
			Construction of earth ramps may require approval from the Department of Fisheries and Oceans.

CZN Prairie Creek ASR Page 7 of 26

21.	The Permittee shall maintain fire-fighting equipment at the site in accordance with the Government of the Northwest Territories' Forest Fire Prevention and Suppression Guidelines for Industrial Activities.	FIRE-FIGHTING EQUIPMENT	This condition is applicable where there is risk of a land use operation starting a fire. For example, . where the Permittee proposes to dispose of timber, brush, and/or debris by burning during the forest fire season (generally, May 15 to October 1, as described by GNWT). This condition or sections thereof should be used with discretion considering fire risk and fire priority zone, as well as risk to human life, property, natural resources, and cultural resources).
	26(1)(d) Methods and Techniques	DOCLEC	TI
23.	The Permittee shall Dogleg lines, trails and right-of-ways that approach Watercourses or public roads, to the extent practicable.	DOGLEG APPROACHES	The intent of this condition is to maintain and preserve aesthetic values along navigable streams and public roads. This may also be used as an erosion control technique.
24.	Prior to the movement of any vehicle that exerts pressure on the ground in excess of 35 kPa, the Permittee shall scout proposed lines and routes to select the best location for crossing streams and avoiding terrain obstacles.	DETOURS AND CROSSINGS	The intent of this condition is to eliminate the use of heavy machines, such as bulldozers, to explore for creek crossings and detours around other obstacles encountered on the proposed lines or routes, as considerable vegetation and trees are disturbed or destroyed in the process. Reconnaissance using light track vehicles, ATV's, aircraft, or by walking will result in less damage to the land and vegetation. It is also more cost effective for the operator.
25.	As the land-use operation progresses, the Permittee shall refill and restore any craters caused by explosives.	REFILL CRATERS	Craters resulting from the use of explosives can be a safety hazard to people and animals.
26.	Immediately upon completion of operations at each Borehole, the Permittee shall remove or cut off and seal each drill casing at ground level.	MINERAL EXPLORATION DRILL CASINGS	This condition applies to both small- and large-diameter mineral exploration drilling. The intent is to reduce the potential safety hazard for wildlife and humans, and to maintain aesthetic values. The wording "upon completion of operations at each drill hole" is intended to allow casing removal to be delayed if the Permittee intends to re-enter the drill hole.
27.	The Permittee shall remove all wire from the land as the land-use operation progresses.	REMOVE WIRE	The intent of this condition is to prevent obstructions to wildlife Habitat and injuries to wildlife. This condition is often used for activities such as seismic and road blasting.
28.	The Permittee shall construct and maintain the overland portion of winter roads with a minimum of 10 cm of packed snow and/or ice and/or chipped or mulched vegetation, unless the land being crossed is, or by cut and fill is made into, Durable Land, at all times during this land-use operation.	WINTER ROADS	The intent of this condition is to protect mosses, grasses, and small shrubs on the overland portions of winter roads. A layer of snow, packed in place, will help reduce the amount of winter kill of vegetation. Snow cover also adds to the life of the winter road by reflecting the sun's heat. Snow insulates the road surface preventing heat from penetrating the frost in the road bed. Ice may also be used, particularly where sufficient snow is not available.
29.	The Permittee shall not erect camps or store material, other than that required for immediate use, on the ice surface of a Watercourse.	STORAGE ON ICE	The intent of this condition is to reduce the risk of pollution of Watercourses by not allowing camps or stockpiling of materials on ice. 'Watercourse', as defined in the MVLUR, includes all moving and standing water bodies.

CZN Prairie Creek ASR Page 8 of 26

30.	Prior to the expiry date of this Permit, the Permittee shall backfill or grade all holes and excavations to render them safe, unless otherwise authorized in writing by an Inspector. The Permittee shall leave a buffer strip of	EXCAVATED MATERIAL	Inspector authorization as per MVLUR section 8, which requires excavated material to be replaced, unless otherwise authorized in a Permit or in writing by an Inspector. Safety for people and wildlife is the primary purpose of the condition. Backfilling all holes, including: Sumps, trenches, etc., eliminates the hazard that open holes pose. The primary reason for this condition is aesthetics,
	undisturbed vegetation at least 30 metres in width between cleared areas and public roads, except at the junction with a public road.		as well as reduced risk of snow blowing/drifting on the road. In some cases, an exception clause may be included in the condition, for example " 30 metres in width between cleared areas and public roads except at location, where a minimum buffer strip of 10 metres must be maintained."
32.	26(1)(e) Type, Location, Capacity, and Operation of All Facilities		
33.	The Permittee shall ensure that the land use area is kept clean at all times.	CLEAN WORK AREA	The intent of this condition is to instruct the Permittee to keep the land use area generally clean at all times. Cleanup should occur throughout the land-use operation, not only when the operation is complete.
34.	The Permittee shall not locate any Sump within 100 metres of the Ordinary High Water Mark of any Watercourse, unless contemplated in the complete application or otherwise authorized in writing by an Inspector.	SUMPS FROM WATER	Inspector authorization is as per Paragraph 6(b) of the MVLUR, which states that, "Unless otherwise authorized in writing by a Permit or an Inspectorno Permittee shall excavate land within 100 metres of a Watercourse at a point that is below its Ordinary High Water Mark". The intent of this condition is to prevent Waste from entering Watercourses and affecting water quality, fish and other aquatic life, and downstream users.
35.	26(1)(f) Control or Prevention of Ponding of Water, Flooding, Erosion, Slides, and Subsidence of Land		3, 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
36.	The Permittee shall install and maintain culverts such that scouring does not occur.	CULVERT SIZE	The installation of culverts, if not done correctly, can change the flow of water through and downstream of the culvert, resulting in scouring and erosion leading to the release of sediment into the water. Sediment deposited in water can affect water quality, fish, and other aquatic life. Elevated culvert entrances can cause scouring which may create an obstruction for migrating fish and result in destruction or fragmentation of fish Habitat. Wording of this condition is based on the DFO Fact Sheet on Culvert Installations.

CZN Prairie Creek ASR Page 9 of 26

37.	The Permittee shall insulate the ground surface beneath all structures associated with this land-use operation to prevent: a) any vegetation present from being removed, unless this is required for the intended land use; b) the rapid melting of Permafrost; and c) the ground settling and/or eroding.	PERMAFROST PROTECTION	This condition applies especially to operations conducted during summer in Permafrost regions and particularly where there are unstable soils having a high ice content that are covered with vegetation. The intent is for a mat to be laid down to protect the ground on which buildings, equipment, and for materials to be placed or stored, particularly buildings or structures that are heated.
38.	The land-use operation shall not cause obstruction to any natural drainage, unless envisaged in the complete application.	NATURAL DRAINAGE	The intention of this condition is to prevent the impoundment of water, unless this is the intent of the undertaking for which a water licence has been obtained, such as in the case of construction of reservoirs to generate electricity, a water supply for towns and cities, or industrial use such as hydraulic mining. This condition is intended to prevent ponding, flooding, erosion, damage to fish Habitat, and other potential impacts of obstructed/modified drainages. It applies to any and all types of obstructions; for example, those caused by ice bridges, snow fills, inadequate erosion control measures, excessive vegetation clearing, and improper culvert design/installation, etc.
39.	The Permittee shall minimize erosion by installing erosion control structures as the land-use operation progresses.	PROGRESSIVE EROSION CONTROL	This requires the Permittee to prevent and mitigate erosion throughout the life of the project. Inspectors will use their discretion to determine whether the efforts of the Permittee are satisfactory and consistent with best practices - e.g. a focus on preventing erosion rather than trying to stop or clean up sediment that has already been eroded.
40.	The Permittee shall, where flowing water from a Borehole is encountered: a) plug the Borehole in such a manner as to permanently prevent any further outflow of water; and b) immediately report the occurrence to the Board and an Inspector.	FLOWING ARTESIAN WEL	Flowing artesian wells resulting from drilling programs may affect adjacent land owners or cause erosion. Water flowing from bore holes could transport sediment or additives to surrounding lands or water bodies. The groundwater level may be affected, which could affect vegetation and/or impact surrounding well water levels. Inspectors can take immediate action if necessary, such as a field inspection to ensure that LUP conditions are being adhered to and that any risk to people or the environment is mitigated. The Board must also be notified to ensure that information is posted to the public registry and is available to inform future Board decisions and/or LUP conditions regarding development in the area
41.	The Permittee shall not conduct off-road vehicle travel in areas that are not Durable Land or without snow-covered surfaces.	OFF-ROAD VEHICLE TRAVEL	This condition applies where repeated use of a single route will damage the surface of the land or vegetation during winter or summer.

CZN Prairie Creek ASR Page 10 of 26

42.	The Permittee shall prepare the Winter	PREVENTION OF RUTTING	The intent of this condition is to prevent damage to
	Road in such a manner as to prevent rutting of the ground surface.	KUTTING	vegetation and rutting of the ground with heavy machinery, especially during summer in Permafrost
	. accorded to the Broama can lace.		regions where there are unstable soils with high ice
			content. It requires the use of some type of
			supporting and insulating pad or mat or geotextile, or a snow/ice pad, and requires that the Permittee
			be proactive in preventing rutting.
43.	The Permittee shall suspend overland	SUSPEND	This condition would apply to land-use operations
	travel of equipment or vehicles on a Winter Road at the first sign of rutting.	OVERLAND TRAVEL	carried out during summer where machinery and vehicles make repeated trips over lines and trails,
	willter Road at the first sign of futting.		eventually rutting the ground and damaging the
			vegetation, especially in wet areas. This condition
			could also apply to spring break-up and fall freeze-up
			when the ground may not be sufficiently frozen for vehicles to travel without damaging the soil and
			vegetation.
44.	The Permittee shall not move any	VEHICLE	This condition puts the onus on the Permittee to
' ''	equipment or vehicles on a Winter Road	MOVEMENT	determine whether or not the ground is dry and firm
	unless the ground surface is in a state		enough or sufficiently frozen to support machinery
	capable of fully supporting the equipment or vehicles without rutting or		and vehicles. The intent is to prevent damage to the land surface and vegetation.
	gouging.		iana sarrace and vegetation.
45.	The Permittee shall not use any material	ICE BRIDGE MATERIALS	The intent of this condition is to keep Waste out of
	other than clean water and snow in the construction of ice bridges.	IVIATERIALS	Watercourses. Logs, planks, sawdust, soil, etc. are prohibited because when frozen into the ice bridge,
	construction of ice bridges.		they become difficult, if not impossible, to remove
			before spring break-up.
46.	The Permittee shall not use any materials other than clean snow and water in the	SNOWFILL MATERIALS	The intent of this condition is to keep Waste out of Watercourses. Logs, planks, sawdust, soil, etc. are
	construction of snow fills.		prohibited because they become difficult, to remove
			before spring break up. If not removed, they would
47.	Drier to spring break up or completion of	REMOVE OR V-	be deposited into the Watercourse.
47.	Prior to spring break-up or completion of the land-use operation, the Permittee	NOTCH	Inspector authorization as per MVLUR section 9, which also requires cleanup and restoration of
	shall clean up and either remove or v-	SNOWFILLS	natural drainage.
	notch all snowfills from stream crossings,		The intent of this condition is to prove the livition
	unless otherwise authorized in writing by an Inspector.		The intent of this condition is to prevent pollution and the alteration of drainage in streams. An
	an mopeston		Inspector can decide when and whether removal is
			necessary, or whether v-notching is preferable. In
			some cases, removal could damage the stream bank, thus v-notching would be preferable.
			and vinotening would be preferable.
			This condition is consistent with the DFO
			Operational Statement on Ice Bridges and Snow Fills, which recommends that: "Compacted snow should
			be removed from snow fills prior to the spring
			freshet".
			Timing of cleanup and v-notching is provided by the
			Spring Break – Up condition.

CZN Prairie Creek ASR Page 11 of 26

48.	Prior to spring break-up or completion of the land-use operation, the Permittee shall clean up and v-notch all ice bridges, unless otherwise authorized in writing by an Inspector.	V-NOTCH ICE BRIDGES	Inspector authorization as per MVLUR section 9, which also requires cleanup and restoration of natural drainage. The intent of this condition is to prevent pollution and the alteration of drainage in streams. V-notching of ice bridges is a best practice recommended by DFO. Timing of cleanup and v-notching is provided by the Spring Break – Up condition.
49.	The Permittee shall not cut any stream bank, unless contemplated in the complete application or otherwise authorized in writing by an Inspector.	STREAM BANKS	Inspector authorization as per MVLUR Paragraph 6(b), which requires any cutting of a stream bank to be authorized within a Permit or by an Inspector. If authorization to cut a stream bank is given to the Permittee, then mitigation of erosion and slumping should be coordinated with a Fisheries Officer and an Inspector. The intent of this condition is to ensure that stream crossings are established at locations where both banks are low in order to prevent bank-cutting and subsequent erosion. This is especially important where there is flowing water. This condition is consistent with best practices, as outlined in the DFO Operational Statement on Temporary Stream Crossings, which recommends that, "Grading of the stream banks for the approaches should not occur. If the stream bed and banks are steep and highly erodible (e.g., dominated by organic materials and silts) and erosion and degradation are likely to occur as a result of equipment fording, then a temporary bridge should be used in order to protect these areas".
50.	The Permittee shall minimize approach grades on all Watercourse crossings.	MINIMIZE APPROACH	The intent of this condition is to prevent erosion of stream banks and potential impacts to fish Habitat. The term "minimize" is somewhat vague, but it allows an Inspector to use his/her discretion to ensure that low-grade crossings are selected and erosion is prevented.
51.	The Permittee shall not ford wet streams, unless otherwise authorized by an Inspector, in which case the machinery and/or vehicles must be clean and free of oil and grease.	NO FORDING OF STREAMS	The intent of this condition is to prevent erosion of stream banks and stream beds and the deposition of sediment into streams. Sediment can affect water quality and harm fish and other aquatic life and their Habitat. DFO Operational Statement on Temporary Stream Crossings recommends: "The use of temporary bridges or dry fording is preferred over fording in flowing waters due to the reduced risk of damaging the bed and banks of the Watercourse and downstream sedimentation caused by vehicles."

CZN Prairie Creek ASR Page 12 of 26

52.	The Permittee shall slope the sides of Waste material piles, excavations, and embankments — except in solid rock — to a minimum ratio of 2:1 vertical, unless otherwise authorized in writing by an Inspector.	EXCAVATION AND EMBANKMENTS	Inspector authorization as per MVLUR section 8, which requires that excavated material be replaced unless otherwise authorized by a Permit or Inspector. This condition is applicable on public roads and in areas accessible by the public. Safety, aesthetics, and erosion prevention are the main factors. Sloping the sides of cuts, fills, and piles aids in stabilizing the soil and reducing erosion.
53.	The Permittee shall not remove vegetation or operate heavy equipment within 100 metres of the Ordinary High Water Mark of any Watercourse, unless contemplated in the complete application or required for installation of a watercourse crossing structure.	WATERCOURSE BUFFER	The intent of this condition is to control erosion and to avoid sediment deposition into water-bodies where it can affect water quality and fish Habitat. It also protects sensitive riparian Habitat. The condition places additional requirements on the Permittee; in addition to MVLUR section 6 requirements regarding excavations. If activities within 100 metres of a Watercourse are an approved part of the project – for example at crossings – an exception should be added to this condition – e.g. "except as described in the application" or "except at crossings".
54.	The Permittee shall not excavate land within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.	EXCAVATE NEAR WATERCOURSE	Inspector authorization as per MVLUR section 6. The intent of this condition is to prevent erosion and sediment deposition within a Watercourse. This condition is based on MVLUR paragraph 6(b) which states that no Permittee shall, "Excavate land within 100 metres of a Watercourse at a point that is below its Ordinary High Water Mark". However, this condition is more stringent, since it prohibits excavation on all land within 100 metres of a Watercourse and not only land that is 'below its Ordinary High Water Mark'. Note: work in or near a Watercourse may require a water licence and/or DFO authorization.
55.	26(1)(g) Use, Storage, Handling, and Ultimate Disposal of Any Chemical or Toxic Material		, , , , , , , , , , , , , , , , , , , ,
56.	When drilling within 100 metres of the Ordinary High Water Mark of any Watercourse, and when drilling on ice, the Permittee shall contain all drill water and Drilling Waste in a closed circuit system for reuse, off-site disposal, or deposit into a land-based Sump or natural depression.	DRILLING NEAR WATER OR ON ICE	The intent of this condition is to prevent the deposit of Drilling Waste into Watercourses. These four conditions on drilling near water and Drilling Waste are always used together.

CZN Prairie Creek ASR Page 13 of 26

57.	The Permittee may deposit Drilling	DRILLING WASTE	The intent of this condition is to prevent drill Waste
37.	Waste that does not contain Toxic	DIVIDENTAL WASTE	from entering water bodies where it could affect
			water quality and fish Habitat. This condition states
	Material in a Sump or natural depression. Any Sumps or natural		that it is acceptable to dispose of non-toxic Waste on
	depressions used to deposit Drilling		the land; removal is not required. If it is safe to do
	Waste must be located at least 100		•
			so, an Inspector may authorize a Sump that is less
	metres from the Ordinary High Water		than 100 metres from a Watercourse, as per MVLUR
	Mark of any Watercourse, unless		section 6.
	otherwise authorized in writing by an		- Lui
	Inspector.		These four conditions on drilling near water and
	T	DDULING WASTE	Drilling Waste should always be used together.
58.	The Permittee shall remove all Drilling	DRILLING WASTE	Waste containing Toxic Material must be removed to
	Waste containing Toxic Material to an	DISPOSAL	prevent contamination of soil, groundwater, and
	approved disposal facility.		surface water. An approved facility means a facility
			that is certified by the relevant regulatory body (e.g.
			federal, provincial, territorial) to accept the
			Waste/substances that are to be removed.
			Those four conditions on drilling near water and
			These four conditions on drilling near water and Drilling Waste should always be used together
59.	The Permittee shall not allow any Drilling	DRILLING WASTE	The intent of this condition is to contain Drilling
59.		CONTAINMENT	Waste. If Drilling Waste is allowed to spread to
	Waste to spread to the surrounding	CONTAINMENT	
	lands or Watercourses.		adjoining lands or into streams, water quality,
			vegetation, and wildlife and fish Habitat could be
			seriously affected.
			These four conditions on drilling near water and
			Drilling Waste should always be used together.
60.	Prior to spring break-up, the Permittee	RECLAIM SUMPS	Inspector authorization is consistent with MVLUR
00.	shall reclaim all Sumps, unless associated	RECEARN SOWN S	section 8, which requires that excavated material be
	with long-term camps or otherwise		replaced, unless otherwise authorized by a Permit or
	authorized in writing by an Inspector.		Inspector.
	authorized in writing by an inspector.		inspector.
			This condition is intended primarily for Sumps
			associated with oil and gas drilling activities.
			Sump reclamation prior to spring break-up is of
			particular concern in Permafrost areas where melt-
			out of ground ice and snow may cause the Sump to
			overflow.
61.	Prior to the expiry date of this Permit or	BACKFILL SUMPS	Inspector authorization is consistent with MVLUR
	the end of the land-use operation		section 8, which requires that excavated material be
	whichever comes first, the Permittee		replaced, unless otherwise authorized by a Permit or
	shall backfill and restore all Sumps,		Inspector.
	unless associated with long-term camps		
	or otherwise authorized in writing by an		The intent of this condition is to have Sumps and pits
	Inspector.		backfilled so that:
	mapeotor.		a) buried materials remain in place and do not
			spread to surrounding lands or waters;
			=
			b) the land when restored is close to its original
			state; and
			c) aesthetics of the site are improved.

CZN Prairie Creek ASR Page 14 of 26

62.	The Permittee shall maintain a record of all spills. For all reportable spills, in accordance with the GNWT Spill Contingency Planning and Reporting Regulations, the Permittee shall: a) immediately report each spill to the 24-hour Spill Report Line (867) 920-8130; b) report each spill to an Inspector within 24 hours; and c) submit, to the Board and an Inspector, a detailed report on each spill within 30 days.	REPORT SPILLS	Spills must be reported in order to ensure adequate cleanup occur, necessary mitigation measures are implemented, and records are maintained. In addition to reporting spills to the spill report line, this condition also explicitly requires the Permittee to maintain records of all spills, to report each 'reportable' spill to an Inspector within 24 hours, and to submit reports to the Board and Inspector within 30 days regarding the spill and the Permittee's cleanup efforts.
63.	The Permittee shall dispose of all Toxic Material as described in the approved Waste Management Plan.	WASTE CHEMICAL DISPOSAL	The Permittee's Waste Management Plan must describe the disposal methods for all Toxic Material. The methods and techniques for disposal will be subject to the approval of the Board, and there should be consultation with other agencies. This is a general condition that refers to all Toxic Material, other than substances for which there are specific conditions (e.g. Drilling Waste). Toxic Material may include brine, antifreeze, equipment fluids, Drilling Fluids/additives, etc.
64.	The Permittee shall dispose of all Waste petroleum products by removal to an approved disposal facility or by incineration in a device designed for this purpose, as described in the approved Waste Management Plan.	WASTE PETROLEUM DISPOSAL	Petroleum products can pollute soil and streams if disposed of indiscriminately. This condition applies only if the Permittee has proposed to incinerate Waste petroleum in the Waste Management Plan submitted with the application, and if the Board has approved incineration as described in the plan – if so the Waste Petroleum Disposal condition above would not be used. Waste petroleum can be used in specially designed furnaces or boilers to heat buildings, thus reducing the need to ship and consume petroleum, while minimizing air emissions from incineration.
65. 66.	26(1)(h) Wildlife and Fish Habitat The Permittee shall take all reasonable measures to prevent damage to wildlife and fish Habitat during this land-use operation.	HABITAT DAMAGE	The intent of this condition is to instruct the Permittee to take care when using machinery and vehicles so as to do the least damage possible to vegetation and other Habitat components. This is a general condition that applies to all land-use operations; specific measures to protect Habitat are required under conditions for Waste management, erosion control, etc.
67.	26(1)(i) Storage, Handling, and Disposal of Refuse or Sewage		
68.	The Permittee shall adhere to the Waste Management Plan, once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval.	WASTE MANAGEMENT	A Waste Management Plan must be submitted with the application. This condition requires implementation of the plan. Any proposed changes to Waste management must be submitted to the Board for approval in a revised plan.

CZN Prairie Creek ASR Page 15 of 26

69.	The Permittee shall keep all garbage and	GARBAGE	This condition applies mainly to very small camps
	debris in a secure container until disposal.	CONTAINER	where the volume of garbage produced each day is not enough to warrant daily burning or removal. The purpose of containment is to stop wildlife from getting into the garbage. This condition can be used in conjunction with daily burning, but it is especially necessary if burning is not done every day. Examples of a secure container may include: any container inside a building, a covered metal container, etc. Inspector will use his/her discretion to determine whether a container is adequate or not.
70.	The Permittee shall dispose of all garbage, Waste, and debris as described in the approved Waste Management Plan, unless otherwise authorized in writing by an Inspector.	REMOVE GARBAGE	Inspector authorization as per MVLUR subsection 14(1), although the MVLUR refers specifically to garbage from a 'campsite'. The intent of this condition is to keep the land use area clean and to reduce pollution and associated impacts on land, water, fish, and wildlife.
71.	If Sewage, sewage effluent or Greywater is to be disposed of into a Sump, the Sump is to be at least 100 metres from the Ordinary High Water Mark of any Watercourse.	SEWAGE DISPOSAL - SUMP	The intent of this condition is to prevent contamination of land and water from Sewage and Greywater. If Sewage is not contained, it may affect water quality and be a risk to human health. Sewage is considered to degrade naturally over time in the environment; therefore, disposal in a Sump is often acceptable.
72.	The Permittee shall dispose of all Sewage and Greywater as described in the approved Waste Management Plan and/or complete application.	SEWAGE DISPOSAL – PLAN	The intent of this condition is to prevent contamination of land and water from Sewage and Greywater. If Sewage is not contained, it may affect water quality and be a risk to human health. This is a more generic version of the Sewage Disposal - Sump condition above, since some Permittees do not use Sump disposal (they may use incinerating toilets, dispose of Greywater and Sewage separately, etc.). If Sewage is to be deposited in a Sump, the general condition, Sumps From Water (in section e), would also apply; it specifies a 100-metre setback for all Sumps from any Watercourse.
73.	26(1)(j) Protection of Historical,		Samps nomany traceroodise.
	Archaeological, and Burial Sites		

CZN Prairie Creek ASR Page 16 of 26

74.	The Permittee shall not operate any vehicle or equipment within 150 metres of a known or suspected historical or archaeological site or burial ground, unless otherwise authorized by an Inspector.	ARCHAEOLOGICAL BUFFER	The intent of this condition is to protect cultural sites, whether known or suspected (pursuant to MVLUR section 6, which states that a buffer of 30 metres must be maintain ed). These archaeological conditions are all related to overlapping jurisdiction, but paragraph 26(1)(j) and section 6 of MVLUR give specific authority to the Board and the MVLUR to protect these sites. These three conditions (Archaeological Buffer, Site Disturbance, and Site Discovery and Notification) are normally included in all permits. The distance noted in this condition should be set in consultation with the PWNHC, land claim groups, and an Inspector. Minimum normal buffers established in regulations or recommended by PWNHC and land claim groups are as follows: MVLUR section 6 (30m), Sahtu Settlement Area (150m), Wek'eezhii (150m). Sahtu area requires 500m buffer for burial grounds. Exceptions can be added if there is an approved activity within the normal buffer – e.g. "The Permittee shall not operate any vehicle or equipment within 70 metres of sites x12 and x14."
75.	The Permittee shall not knowingly remove, disturb, or displace any archaeological specimen or site.	SITE DISTURBANCE	The intent of this condition is to protect cultural sites, whether known or suspected, consistent with condition below and with MVLUR paragraph 12(a).
76.	The Permittee shall, where a suspected archaeological or historical site, or burial ground is discovered: a) immediately suspend operations on the site; and b) notify the Board at (867) or an Inspector at (867), and the Prince of Wales Northern Heritage Centre at 767-9347 ext. 71250 or ext. 71251.	SITE DISCOVERY AND NOTIFICATION	This condition is intended to protect newly discovered archaeological sites and ensure they are registered with the Prince of Wales Northern Heritage Centre (PWHNC). MVLUR paragraph 12(a) requires notification of the Board or an Inspector but not direct notification of GNWT. Notification of PWHNC (GNWT) is an extra requirement, which is not in the MVLUR, that the Boards can use if desired. Inspectors are responsible for informing the Board if they are notified.
77.	Prior to disturbance in areas of high potential for archaeological or burial sites identified in the Archaeological Overview, the Permittee shall conduct an Archaeological Impact Assessment of the sites where disturbance is planned and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre.	AIA – HIGH POTENTIAL	See rationale for Archaeological Overview . Condition always used together with Archaeological Overview .
78.	Prior to any new land disturbance, the Permittee shall conduct an Archaeological Impact Assessment of the sites where disturbance is planned and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre.	AIA	For larger projects with significant land disturbance (i.e. a mine site, road, etc.), it is often appropriate to require an Archaeological Impact Assessment prior to any disturbance, rather than only an Overview to determine high/low potential.

CZN Prairie Creek ASR Page 17 of 26

79.	26(1)(/) Security Deposit		
80.	Prior to the commencement of winter road construction, the Permittee shall deposit with the Minister a security deposit in the amount of \$	SECURITY DEPOSIT	Security may be required by the Board and should be calculated based on the security spreadsheet formulas, which are intended to estimate the cost for a third party to access and restore the site if the Permittee abandons it (pursuant to MVLUR section 32).
81.	Prior to the commencement of all season road construction, the Permittee shall deposit with the Minister a security deposit in the amount of \$		
82.	All costs to reclaim the area under this Permit are the responsibility of the Permittee.	RESPONSIBILITY FOR RECLAMATION COSTS	This condition is a basic statement of responsibility for costs to restore site. It is in accordance with MVLUR sections 29 (final clearance requirements) and 15 (restoration of Permit area).
83.	26(1)(m) Fuel Storage		
84.	The Permittee shall: a) examine all Fuel Storage Containers and Tank for leaks a minimum [e.g. once per day]; and b) repair all leaks immediately.	CHECK FOR LEAKS	The frequency of checks would be designated by an Inspector or Board staff on the basis of quantity of fuel, type of container (e.g. top-fed vs. bottom-fed Tanks), location, etc. The frequency of checks for Fuel Storage Tanks/containers that are in use should be more often than for stored fuel, since they may be more likely to have leaks (due to being attached to hoses/fittings, container being temporarily out of Secondary Containment, etc). For example, checks could be required once per month for stored fuel that is not in use and once per day or week for fuel that is in use.
85.	The Permittee shall not place any Fuel Storage Containers or Tanks within 100 metres of the Ordinary High Water Mark of any Watercourse, unless they are within an impervious secondary containment or otherwise authorized in writing by an Inspector.	FUEL NEAR WATER	Inspector authorization as per MVLUR 6. The intent of this condition is to provide a buffer in order to prevent fuel spills from impacting surface water. This is consistent with MVLUR paragraph 6 (b); however, this condition is more protective since MVLUR only prohibits fuel within 100 metres of a Watercourse below its Ordinary High Water Mark. The Board, when considering the application, and an Inspector, during the operation, may authorize fuel storage within 100 metres of water under specific conditions (e.g. if moving fuel further poses a risk of leaks/spills, if there is a hill separating fuel from water, etc.).
86.	The Permittee shall ensure that all fuel caches have adequate Secondary Containment.	FUEL CACHE SECONDARY CONTAINMENT	The intent of this condition is to ensure that fuel does not contaminate surrounding lands and waters. Containers may leak, so Secondary Containment is meant to contain any leaks and protect the environment while repairs and cleanup take place. Secondary Containment for large caches of fuel drums (e.g. 500) may be impractical; however, such large amounts of fuel should be stored in a proper storage tank, which must meet Environment Canada regulations. An Inspector will determine what is "adequate" for any given project based on the type and amount of fuel, terrain, location and layout of fuel caches, etc.

CZN Prairie Creek ASR Page 18 of 26

87.	The Permittee shall set up all refueling points with Secondary Containment. The Permittee shall only use stands	SECONDARY CONTAINMENT – REFUELING FUEL CONTAINER	Purpose & Rationale: to prevent spills, leaks, and drips from impacting the land during refueling. Refueling is a situation when there is the potential for spills. Practical & Enforceable: it is only a small inconvenience for the Permittee to use secondary containment during refueling. This will assist with compliance with the Fuel Containment condition as well. The intent of this condition is to reduce the
	approved by an Inspector for supporting Fuel Storage Containers that are in use.	STANDS	likelihood of failure and spillage and to facilitate inspection of containers.
89.	The Permittee shall not allow petroleum products to spread to surrounding lands or Watercourses.	FUEL CONTAINMENT	The intent of this condition is to state a general requirement for the Permittee that protects the land and water from fuel contamination. Fuel or petroleum product spills, if allowed to spread to surrounding lands or into streams, could harm vegetation and pollute soil and water. Through a combination of appropriate Fuel Storage Containers/Tanks, storage locations, Secondary Containment, fuel transfer practices, spill prevention and Spill Contingency Planning, the Permittee must prevent the spread of petroleum products.
90.	The Permittee shall locate mobile fuel facilities on land when the facilities are stationary for more than 12 hours.	FUEL ON LAND	The intent of this condition is to protect ice and water from fuel spills when mobile fuel equipment is in use on ice-covered Watercourses. This condition commonly applies to seismic operations and winter road construction. Storage of non-mobile fuel on ice is not permitted, except for immediate use, as stated in the general Storage on Ice condition.
91.	The Permittee shall mark all Fuel Storage Containers and Tanks with the Permittee's name.	MARK CONTAINERS AND TANKS	The intent of this condition is to ensure that containers are marked so an Inspector can identify who is responsible for any containers both during operations and after cessation of operations. This condition normally applies to all activities, and particularly where two or more Permittees are carrying out operations using the same ground, such as winter roads, stockpiling/storage sites, etc.
92.	The Permittee shall mark all stationary fuel caches and fuel storage facilities with flags, posts, or similar devices so that they are at all times plainly visible to local vehicle travel.	MARK FUEL LOCATION	The intent of this condition is to mark fuel caches so they are visible to equipment operators so they won't run their machinery over the fuel containers. This is especially important in tundra and barren regions and particularly where bladders are used. Also, the marking of fuel caches makes inspections easier.
93.	Within ten days of the establishment of any fuel cache, the Permittee shall report the location and quantity of the cache in writing to the Board and an Inspector.	REPORT FUEL LOCATION	The intent of this condition is to inform an Inspector of all fuel caches the Permittee may have on the project site so that inspections can be conducted to ensure cleanup and restoration has been done when the operation is complete. MVLUR section 7 also requires small fuel caches to be reported to the Board.

CZN Prairie Creek ASR Page 19 of 26

94.	The Permittee shall seal all outlets of Fuel Storage Containers and store the containers on their sides with the outlets located at 3 and 9 o'clock, except for containers currently in use.	SEAL OUTLET	The intent of this condition is to prevent leaking of petroleum fuel from container outlets, valves and nozzles, particularly where fuel caches are unattended. Small containers such as kegs, barrels, and cylinders, when not being used, should be stored with openings facing upwards to help prevent leaks. Inspectors have recommended that best practice is to have outlets of fuel drums/barrels at 3 and 9 o'clock, so that a worst case scenario would be a spill of half the container.
95.	The Permittee shall adhere to the Spill Contingency Plan , once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval.	SPILL CONTINGENCY PLAN	A Spill Contingency Plan must be submitted with the application. This condition requires that the Spill Contingency Plan be implemented in order to prevent contamination of land and water in case of any fuel spill. Any changes in fuel storage locations, volumes, container/tank types, chemicals to be used, etc. must be reflected in an updated Spill Contingency Plan.
96.	Prior to commencement of the land-use operation the Permittee shall ensure that spill-response equipment is in place, as identified in the Spill Contingency Plan, to respond to any potential spills.	SPILL RESPONSE	In order to prevent contamination of land and water in case of any fuel spill, Spill Contingency Plans and spill cleanup kits must be in place prior to commencement of operations.
97.	All equipment that may be parked for two hours or more, shall have a hazmat/drip tray under it or be sufficiently diapered. Leaky equipment shall be repaired immediately.	DRIP TRAYS	The purpose of this condition is to prevent small leaks/drips from contaminating a site, especially parking areas used frequently at remote sites.
98.	The Permittee shall clean up all leaks, spills, and contaminated material.	CLEAN UP SPILLS	This is an explicit requirement to clean up all spills and leaks, whatever the size (e.g. drips on snow). This is a frequent item noted in inspection reports for drilling programs and winter roads. This is also related to the general requirement for adherence to a Spill Contingency Plan, as stipulated under the Spill Contingency Plan condition.
99.	26(1)(n) Methods and Techniques for Debris and Brush Disposal		
100.	Prior to the expiry date of this Permit, the Permittee shall progressively dispose of all brush and trees and shall complete all brush disposal, unless otherwise authorized by an Inspector.	BRUSH DISPOSAL/ TIME	Progressive disposal is necessary to keep a work area clean, particularly where there are aesthetic concerns, and it may assist with fire prevention. An Inspector will decide how much progressive disposal is necessary and satisfactory (in some cases disposal may be delayed), but final disposal is always required prior to the expiry of the Permit.

CZN Prairie Creek ASR Page 20 of 26

101.	The Permittee shall not clear areas larger	MINIMIZE AREA	This condition would apply:
	than identified in the complete application.	CLEARED	 a) In areas of unstable or high ice content soils where removal of vegetation may result in erosion or subsidence; b) In areas of merchantable or immature timber;
			and c) In areas visible to the public. d) The condition may also be used in a general way to minimize disturbed areas and impacts on environment.
102.	26(1)(o) Restoration of the Lands		
103.	All areas affected by construction or removal activities shall be stabilized and landscaped to their pre-construction profiles, unless otherwise contemplated in the approved Road Closure and Reclamation Plan or authorized in writing by an Inspector.	PRE- CONSTRUCTION PROFILES	Inspector authorization as per MVLUR section 8, which states that "Unless otherwise authorized by a Permit or in writing by an Inspector, every Permittee shall replace all materials removed by the Permittee in the course of excavating, other than rock trenching, and shall level and compact the area of the excavation".
			The intent of this condition is to restore the land use area in order to prevent erosion, improve aesthetics, and allow for future uses. Application of this condition includes construction activities and it provides additional detail to MVLUR 8 regarding stabilization and landscaping to pre-construction profiles.
104.	The Permittee shall dispose of or store all overburden as identified in the complete application or subsequently in an approved Borrow Pit Development Plan, or as instructed by an Inspector.	DISPOSAL OF OVERBURDEN	Inspector authorization as per MVLUR section 8, which states that "Unless otherwise authorized by a Permit or in writing by an Inspector, every Permittee shall replace all materials removed". Waste soil (overburden) removed to expose useable or needed material is generally deposited next to the quarry or borrow pit. The best arrangement is a sloped, round, or oblong pile. An Inspector should authorize placement of Waste piles where they are likely to cause the least damage to the environment and at the same time improve aesthetics. This condition is primarily for quarries, and it authorizes that excavated material need not be replaced, as per MVLUR section 8. This condition is an alternative to the Save and Place
			Organic Soil condition.

CZN Prairie Creek ASR Page 21 of 26

105.	The Permittee shall store overburden and use it for progressive reclamation or to recontour the site after operations are complete, unless otherwise authorized in writing by an Inspector.	SAVE AND PLACE ORGANIC SOIL	Inspector authorization as per MVLUR section 8, which states that "Unless otherwise authorized by a Permit or in writing by an Inspector, every Permittee shall replace all materials removed". The intent of this condition is to help restoration of
			the land and to facilitate plant re-growth. This condition is consistent with requirements to replace excavated material, as per MVLUR section 8, but also specifies that the soil be maintained separately from other material. This condition is not generally used for quarry operations but for pipelines, Sumps, trenching, etc.
			This condition is an alternative to the Disposal of Overburden condition.
106.	Prior to the expiry date of this Permit, the Permittee shall level all stockpiles of granular material located within the land use area, unless the stockpiles are to be used long-term regulated by renewed permits.	NO STOCKPILES	The intent of this condition is to maintain aesthetic values at quarrying sites; it may also improve safety and reduce mischief.
107.	Prior to the expiry date of this Permit, the Permittee shall complete all cleanup and restoration of lands not required for on-going use.	FINAL CLEANUP AND RESTORATION	The intent of this condition is to ensure that final cleanup and restoration are completed within the term of the Permit. Any material left for future work must be approved by the Board through a Storage Authorization. Ideally, cleanup and restoration are done progressively and are complete when the Permit expires. MVLUR section 15 requires restoration of the Permit area "after completion of a land-use operation". This condition clarifies the deadline for cleanup/restoration work.
108.	Prior to the expiry date of this Permit, the Permittee shall prepare lands not required for on-going use in such a manner as to facilitate natural revegetation.	NATURAL VEGETATION	As noted by Inspectors, preparing the site for natural revegetation is sometimes preferable to active replanting. Natural revegetation is recommended when (Yukon Revegetation Manual, 2012): it has been decided there should be no risk of introducing foreign seeds or plants to the region, including cultivars of native species. Usually this applies to sites in or near a natural preserve or park. a substantial layer of organic material can be spread on the site or when the organic soil has not been disturbed, such as when the site has been grubbed but not scraped. there is a natural source of seeds and colonizing plants immediately adjacent to the site or in the soil. Unless more specific criteria are specified by the Board in this condition, Inspector's discretion will be used to determine the adequacy of site preparation. This condition is an alternative to the Active Revegetation condition.

CZN Prairie Creek ASR Page 22 of 26

109.	Prior to the expiry date of this Permit, the Permittee shall initiate active revegetation of disturbed areas not required for on-going use.	ACTIVE REVEGETATION	 Active revegetation is preferred when (Yukon Revegetation Manual, 2012): there is an immediate or imminent threat of significant erosion at the site; this includes most sites with a slope over 15% grade; the site has little or no organic content; i.e., it is essentially bare mineral soil; the site is so large that the centre will be too far from seed sources and colonizing plants; it is not acceptable to wait 10-20 years for significant natural vegetation to develop; or populations of invasive plants are known to inhabit the area, because they will outcompete native colonizers; Unless more specific criteria are specified by the Board in this condition, Inspector's discretion will be used to determine whether this condition is
			satisfied. This condition is an alternative to the Natural Revegetation condition.
110.	The Permittee shall carry out progressive reclamation of disturbed areas as soon as it is practical to do so.	PROGRESSIVE RECLAMATION	The intent of this condition is to encourage progressive reclamation. 'As soon as practical' is vague, but an Inspector's discretion can be used to determine what is practical on a case-by-case basis.
111.	26(1)(p) Display of Permits and Permit Numbers		
112.	The Permittee shall display a copy of this Permit in each campsite established to carry out this land-use operation.	DISPLAY PERMIT	The intent of this condition is to inform the Permittee how and where permits or copies are to be displayed.
113.	The Permittee shall keep a copy of this Permit on hand at all times during this land-use operation.	COPY OF PERMIT	The intent of this condition is to inform the Permittee how and where permits or copies are to be displayed. This condition is commonly used when there is no camp established in conjunction with the land-use operation and/or when it is desirable for the Permittee to be able to consult the Permit immediately.
114.	The Permittee shall adhere to the Engagement Plan, once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval.	ENGAGEMENT PLAN	To ensure the Permittee follows through on the intent of the commitments made in the Engagement Plan.
115.	All revised plans submitted to the Board shall include a brief summary of the changes made to the plan.	SUMMARY OF CHANGES	To facilitate efficient review and tracking of different versions of Plans.
116.	The Permittee shall submit to the Board 60 days prior to construction of a Winter Road, Non-Typical, the applicable Detailed Designs showing all areas that will require cut and fill and the approximate amounts.	SUBMISSION OF NON-TYPICAL WINTER ROAD DETAILED DESIGNS	

CZN Prairie Creek ASR Page 23 of 26

117.	The Independent Technical Panel must	PANEL APPROVAL	
	approve the Winter Road, Non-Typical,	OF NON-TYPICAL	
	Detailed Designs before construction.	WINTER ROAD	
		DETAILED DESIGNS	
118.	Winter Road, Non-Typical, construction	APPROVAL OF	
	is not to commence before the Board has	NON-TYPICAL	
	approved the Detailed Designs.	WINTER ROAD	
		DESIGNS	
119.	Detailed Designs for All Season Road	ALL SEASON ROAD DETAILED	
	sections must incorporate the results of	DESIGNS	
120	Geotechnical Investigations. The Permittee shall submit to the Board	SUBMISSION OF	
120.	60 days prior to any excavation of	ALL SEASON ROAD	
	Borrow from a Borrow Pit for a particular	DETAILED	
	road section, the Detailed Designs for an	DESIGNS	
	All Season Road for that road section.		
121.	The Independent Technical Panel must	PANEL APPROVAL	
	approve the All Season Road Detailed	OF ALL SEASON	
	Designs for a specific road section before	ROAD DETAILED	
	that section can be constructed.	DESIGNS	
122.	All Season Road construction for a road	APPROVAL OF ALL	
	section is not to commence before the	SEASON ROAD	
	Board has approved the Detailed	DETAILED DESIGNS	
	Designs.		
123.	The Permittee shall submit to the Board	STREAM	
	60 days prior to the construction of	CROSSING DESIGNS	
	abutments for any permanent stream	באוטונזט	
	crossing structure, the Detailed Designs		
124	for that stream crossing structure.	PLANS FOR	
124.	The Permittee shall submit to the Board for approval 60 days prior to Winter	PLANS FOR WINTER AND ALL	
	Road construction, the following plans:	SEASON ROADS	
	Traffic Control Mitigation and		
	Management		
	Wildlife Management and		
	Monitoring		
	Engagement Plan		
	Invasive Species Management		
	Road Closure and Reclamation		
	Waste Management		
	Sediment and Erosion Control		
	Spill Contingency		
	Avalanche Hazard Management		
	Emergency Response		
125.	Winter Road construction is not to	APPROVAL OF	
	commence before the Board has	WINTER ROAD	
	approved the plans in 124.	PLANS	
126.	The Permittee shall submit to the Board	PLANS FOR ALL	
	for approval60 days prior to All Season	SEASON ROAD	
	Road construction, the following plans:		
	 Permafrost Management 		
	 Rare Plant Management 		
	 Sundog Creek Diversion* 		
127.	All Season Road construction is not to	APPROVAL OF ALL	
	commence before the Board has	SEASON ROAD	
	approved the plans in 126.	PLANS	

CZN Prairie Creek ASR Page 24 of 26

	<u> </u>		
128.	The Permittee shall submit to the Board	OPERATIONS AND	
	for approval60 days prior to Concentrate	MAINTENANCE	
	haulage an Operations and Maintenance	PLAN	
	plan.		
129.	The Permittee is not to haul Concentrate	APPROVAL OF	
	before the Board has approved the plan	OPERATIONS AND	
	in 128.	MAINTENANCE	
	111 120.	PLAN	
130.	The Permittee shall submit to the Board	BLASTING	
	for approval60 days prior to any blasting,		
	an Explosives Management Plan and		
	Geochemical Verification of the rock to		
	be blasted.		
131.	Borrow Pit Development Plans must	BORROW PIT	
131.	include reference to the results of	DEVELOPMENT	
		PLANS -	
	Geochemical Verification, and	GEOCHEMICAL	
	incorporate any necessary mitigation.	VERIFICATION	
132.	The Permittee shall submit to the Board	SUBMISSION OF	
132.	for approval60 days prior to	BORROW PIT	
	development of a Borrow Pit, a Borrow	DEVELOPMENT	
	Pit Development Plan for that Borrow	PLANS	
	Pit.		
133.	The Permittee shall not develop any	BORROW PIT	
	Borrow Pit until approved by the Board.	DEVELOPMENT	
	Borrow i it until approved by the Board.	PLANS -	
		APPROVAL	
134.	If any plan listed in 124, 126, 128 and	RESUBMIT PLAN	Condition to provide clarity on the process for
	130 is not approved by the Board, the		dealing with plans that are submitted after issuance
	Permittee shall revise the plan according		of an LUP, but are not approved by the Board.
	to the Board's direction and re-submit it		,
	to the Board for approval.		
135.	The Permittee shall follow the plans	FOLLOW PLANS	
133.	noted in 124, 126, 128 and 130 after		
	submittal to the Board.		
126	The Permittee shall adhere to the plans	PLAN UPDATES	To ensure the Permittee follows through on the
136.	•	FLAN UPDATES	_
	listed in 124, 126, 128 and 130, once		intent of the commitments made in Plans.
	approved, and shall annually review each		
	plan and make any necessary revisions to		
	reflect changes in operations or as		
	directed by the Board. Revisions to the		
	plan shall be submitted to the Board for		
	approval.		
137.	All revised plans submitted to the Board	SUMMARY OF	To facilitate efficient review and tracking of different
	shall include a brief summary of the	CHANGES	versions of Plans.
	changes made to the plan.		
138.	The Permittee will negotiate and	TLUA	
130.	conclude a Traditional Land Use		
	Agreement (TLUA) with the Naha Dehe		
	Dene Band before any management or		
	construction plans associated with		
	conditions in this permit can be		
	approved.		

CZN Prairie Creek ASR Page 25 of 26

139.	The Permittee will negotiate and	EMA	
	conclude an Environmental Management		
	Agreement (EMA) with the Naha Dehe		
	Dene Band and Liidlii Kue First Nation,		
	covering Indigenous participation in all		
	phases of the all season road		
	development and independent Dene		
	monitoring, before any management or		
	construction plans associated with		
	conditions in this permit can be		
	approved.		

^{*} Parks Canada LUP only

CZN Prairie Creek ASR Page 26 of 26