

April 21, 2016

Wek'èezhii Land and Water Board

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**Re: Assignment of Platinum Group Metals Ltd. Land Use Permit to Benton Resources Inc.**

This letter is to inform your group that Benton Resources Inc. ("Benton") is applying for the assignment of the Land Use Permit W2015C0008 currently assigned to Platinum Group Metals Inc. ("PTM")

Benton is an exploration company focused on exploring for the platinum group metals, Nickel, Copper and Gold. The company has recently acquired 11 leases and 1 claim from PTM who currently hold an active land use permit with the Wek'èezhii Land and Water Board (W2015C0008). Benton is applying for the Assignment of that Land Use Permit and its remaining time to allow for the same type of exploration to continue on the relatively small land package. Benton will be the soul operator of this work.

**History**

The Credit Lake property was originally held De Beers Canada. In 1994, Kennecott Canada Exploration ("Kennecott") took over the rights. In 2004, Arctic Star entered into a joint venture with Kennecott having a 60% back-in right. During the entire life of the project thus far, extensive geophysics have been conducted and over 3,500 soil samples analyzed.

During the diamond exploration described above, an occurrence of Nickel, Copper and PGMs was discovered by Arctic Star in 2008 with an associated 20 kilometer long east-west belt of rocks favorable for this type of mineral occurrence now known as the Providence Belt. Thus far exploration programs have taken soil samples, completed numerous ground and airborne geophysics surveys and nearly 40 drill holes.

**Project Description:**

Benton has acquired 11 leases and 1 claim from PTM totaling 12,262 hectares.

There is no planned change to the permitted exploration work that PTM conducted. Benton intends to carry on with the exploration of the Providence Belt in the same scale and manner that PTM has.

The primary area of interest for Benton is located approximately 70km west of the Diavik Mine site on the southern side of Providence Lake. The intention is to continue the type and scale of exploration work that PTM has been performing over the last few years in that area. Helicopter and snow machines with skimmers will transport crews between camp and work sites.

Providence PGM Project location:

64° 15' 9.3" N to 64° 38' 36.2" N and 111° 16' 34.6" W to 112° 27' 10.8"

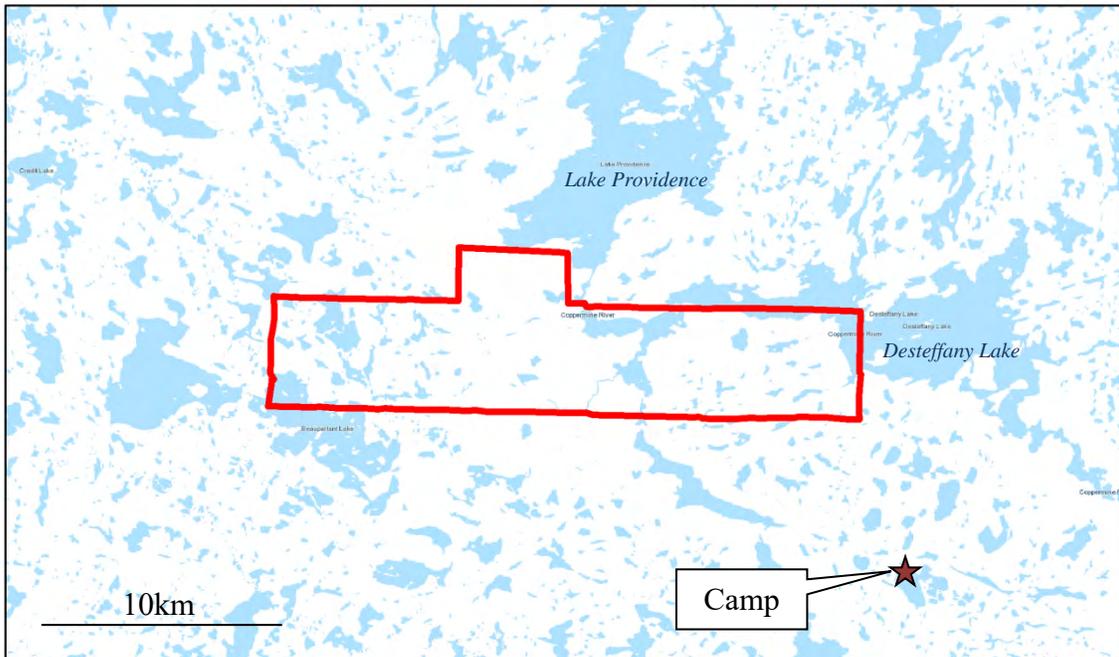


Figure 1: Providence PGM Property outline

**Existing Camp Description:**

Benton has also acquired the Credit Lake camp from PTM. The camp location, size and layout will remain the same as permitted under the current Land Use Permit. Current camp location is; - 111° 40' 27.48", 64°31', 32.16" (see Figure 1)

All operations for the Providence PGM project will be out of the Credit Lake camp. There will be no relocation of camp closer to the work area 18km to the north.

Description of camp is taken from Arctic Star report;

The camp area is approximately 0.4 Ha, located on an esker, on the North end of an unnamed lake (Figure 2). There are five sleep tents, an office, and core shack/storage. Please refer to Fig.2 for an aerial view of the camp. Note the photo was taken prior to the latrine construction. It

resides between the back of the kitchen/dry and generator shack. In addition, Arctic Star built a wood logging shack located beside the old Storage and Core Shack (also not in photo). All buildings except the generator shack are heated with oil stoves and equipped with smoke detectors and fire extinguishers.



Fig. 2: Aerial view of Credit Lake camp

The fresh water system consist of an electric pump that draws fresh filtered water from the lake to the kitchen through a heat-trace insulated pipe, housed by a long wooden box. The grey water outflow is away from the lake into a covered settling sump. There are no other water bodies nearby.

PTM had phased out pit toilets replacing them with a latrine where “Pacto” waterless toilets are in use with daily incineration of waste. The Pactos are emptied daily and burned, eliminating the waste. Benton will continue with this practice under the assignment.

Combustible garbage is also burned, leaving ashes and some scrap. The ashes are flown via fixed-wing to Yellowknife where it is disposed. The incinerator has been upgraded to ensure for complete burning of all combustible waste thus only leaving metal scraps for transport back to Yellowknife. New air fans are being installed to ensure the continued efficient burn of waste.

### **Exploration Field Work:**

Benton intends to continue with the same field work as currently permitted. This work is described below.

### **Drilling**

All project data is reviewed to determine locations for drill targets on the project. At least four weeks prior to the program mobilization date, Benton submits a drill plan outline, which includes drill hole coordinate information, to Indian and Northern Affairs Canada. Drilling has historically taken place between March and May. Land-based targets are theoretically drillable in summer months. The model of drill used is generally a Hydracore 2000. Biodegradable, non-toxic substances are used for drilling additives. Water is required for drilling. For land based drill targets the drill and sumps are located at a minimum distance of 31m from the normal high water mark of any water body. For on-ice drilling the sumps are located at a minimum distance of 31metres from the normal high water mark of any water body. All evidence of drilling on ice will be scraped up and located in the sumps after the hole is complete.

Standard drill-pad size is 15m x 15m. Snow is shoveled away and shoveled back after the hole is complete. This practice does not disturb the soil. Average depth per hole is 250 metres +/- 150 metres. Careful cleanup, which requires removal of all man made materials, is strictly enforced.

The program is supported by helicopter. Fuel needs and approved storage for drilling and helicopter support will not change from what is allowed under the current Land Use Permit.



Fig. 3 Aerial view of spring drilling process.

### **Environmental/Resource Impacts**

Low level air traffic noise is a concern in the arctic. All helicopter flights adhere to height restriction rules and guidelines to ensure that wildlife is not harassed and/or disturbed.

Areas where wildlife is sighted, including dens, are avoided. Bear encounters will be reported immediately.

Environmentally friendly drilling practices include use of non-toxic and bio-degradable additives whenever possible. Enough fuel to complete the drill hole is moved to the drill setup; usually less than 4 drums.

### **Restoration Plans**

All exploration activity and site reclamation will adhere to the AANDC regulations and inspected by an AANDC inspector.

All man-made materials are removed from drill sites. Prior to de-mobilization of the drill program, all drill sites are inspected by the camp manager and any miscellaneous debris is collected and removed.

For land-targets, snow is shoveled off to build the drill pad. Once the drill hole is complete, the snow is pushed back over the area. Casings are cut as close to the ground as possible, so to match the topography wherever possible. Drill sumps are carefully inspected to ensure there is no run-off. There is no digging in soil to create sumps. Drill water is held in natural depressions and backfilled, if necessary.

Platinum Group Metals diligently consulted with AANDC during the course of the programs and Benton will do the same. AANDC conducts drill site inspections to ensure acceptable land restoration has been achieved.

Benton has employees and directors that have extensive experience working in the North. It is the company policy to respect the land during operation periods, carefully abiding by land use regulations. Our goal is to leave a minimal footprint where we operate, continuing a harmonious relationship with organizations that have an interest and helping ensure a positive future for the land and all that thrives on it.

Please let me know as soon as possible, should you require community consultation further to this letter.

Yours sincerely,

**BENTON RESOURCES INC.**

per:

A handwritten signature in black ink, appearing to read 'Stephen Stares', with a stylized, flowing script.

Stephen Stares  
President & CEO