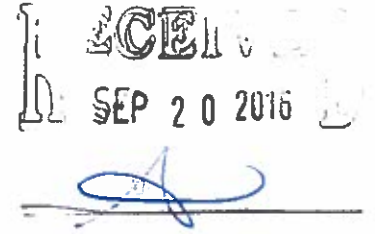




September 8, 2016

GNWT Department of Industry, Tourism & Investment
Bag Service #1
Inuvik, NT X0E 0T0



**Attention: Marta Paulino
Project Officer**

Quarry Permit: # 2016QP0025
Type of Operation: Quarrying
Location: Km 230 & Km 235 Dempster Highway

Dear Ms. Paulino,

Enclosed is the above mentioned Quarrying Permit issued this date.

Prior to the commencement of any activities under this new permit, a meeting with inspectors needs to be arranged to establish a time frame to work within, as well as the area the activities are to take place in the pit.

Please ensure your annual quarry return is received by this office no later than the 1st of October, as per condition # 12 of the Quarrying Conditions. Please note the material on this permit is for Blasted Shale and Blast Rock.

Should you have any other questions, please contact our office at (867) 777-8900.

Sincerely,

Conrad Baetz
Regional Superintendent
Beaufort Delta Region

Encl.

- c. Resource Management Officers, Inuvik
Gwich'in Land and Water Board



TERRITORIAL QUARRYING REGULATIONS

QUARRY PERMIT No. 2016QP0025

Free Permit Under Permittee: **GNWT Department of Industry, Tourism & Investment**

Section 9 (2)(b) of the Address: **Bag Service #1
Inuvik, NT X0E 0T0**

Territorial Quarrying Regulations Phone: **867-777-7263**

Is hereby authorized to take: **1708 cubic metres of Blasted Shale
1100 cubic metres of Blast Rock**

From the lands described as follows: **Km 230 Dempster Highway 1708 m³ of Blasted Shale
Km 235 Dempster Highway 1100 m³ of Blast Rock**

SUBJECT TO THE FOLLOWING CONDITIONS:

1. This permit shall expire when the quantity of material or substance mentioned in the permit has been quarried or removed, or on the expiry of three years from the date of issue of the permit, whichever is earlier.
2. This permit does not grant to the Permittee and exclusive right or leasehold interest in the land described herein.
3. This permit shall not be assigned.
4. All quarrying under this permit shall be carried out in accordance with the approved Pit Management/Development Plan, if applicable.
5. The Permittee will identify the work area to the satisfaction of the Land Use Inspector prior to the removal of any material and any change in location will require prior approval of the Land Use Inspector.
6. All surveyed data submitted (including pre and post blasts if applicable) shall be in a electronic format with waypoints, shape files and excel spreadsheets compatible with ArcGIS 9.3.
7. Pre and post surveys must be conducted by a certified Canada Land Surveyor or certified engineering technician or as approved by the land use inspector.
8. Pre-surveys must be submitted to the land use inspector, 10 days prior to the commencement of operations, for approval.
9. Post-surveys must be submitted to the land use inspector within 60 days of completion of the operation.
10. Quarry operations in all Territorial pits, including multi user pits, must be coordinated by the Land Use Inspector and be conducted as per the quarry permit application and/or Pit Management/Development Plan.
11. The Permittee will not work any area worked by any other Permittee except as co-ordinated by the Land Use Inspector.
12. Prior to October 1st of every year, the Permittee shall submit a report to the Land Use Inspector at (867) 777-2090, indicating the quantity of material quarried and the quantity of material removed from the site during the period of October 1-September 30. Failure to submit the monthly report within indicated time frames may result in cancellation of this permit as per section 9 (6) of the regulations.
13. Upon expiry of the permit, the Permittee must submit a Final Plan to the Land Use Inspector for reconciliation and approval. Failure to submit a Final Plan within 60 days of project completion may result in rejection of future Quarry Permit Applications until

rectified.

14. A permittee who over-quarries may be ineligible for future quarry permits for a twelve month period and additional legal action may be taken by the Land Use Inspector under the Territorial Quarrying Regulations.
15. This permit is subject to the provisions of the Territorial Quarrying Regulations and the conditions set out herein. Failure to comply with the provisions of the Regulations and the conditions prescribed in this permit may result in cancellation of the permit in accordance with Section 9 (6) of the Territorial Quarrying Regulations without prior notice to the Permittee.
16. Upon expiration of this Permit, as prescribed in Condition One, the Permittee shall carry out the reclamation activities within timelines as approved by the Inspector in the Pit Management/Development Plan.

Definitions:

- **Quarrying**: the acts of blasting, ripping, excavating and piling material
- **Work area**: that area designated in the quarry application to be used for the extraction of material or substance and for further processing thru screening or crushing.
- **Opening Up** - The preparation of a pit or quarry site from an undisturbed condition for the working and extraction of material and includes surface clearing and overburden removal and placement.
- **Quarry Material** - Material including limestone, granite, slate, marble, gypsum, loam, marl, gravel, sand, clay, stone, or volcanic ash.
- **Quarry Operation** - Means activities at a pit or quarry associated with the opening up of the site or any portion thereof, or the extraction, processing, stockpiling or removal of materials from the site, or the restoration of the site, and includes any works, machinery, plant, buildings and premises belonging to or used in connection with the pit or quarry.

Issued at Inuvik, this 8th day of September, 2016.



Land Agent