



August 9, 2018

Terry Brookes
GNWT - Department of Infrastructure
PO Box 1320
YELLOWKNIFE, NT X1A 2L9

Dear Mr. Brookes:

Quarry Permit No.: 2018QP0025
LUP No.: MV2017X0008
Location: Km 21.0 (R), NWT Highway No. 4

Further to your application dated June 12, 2018, enclosed is Quarry Permit No. 2018QP0025. This permit grants authorization to remove 500,000 cubic metres of granite bedrock from a portion of the location indicated in your application.

We have been advised by the Mining Recorder's Office that a portion of an active Mineral Lease (NT-3196) owned by Erex International Ltd. is located within the proposed quarry site. For your reference, also enclosed is a map titled Mineral Tenure Map View which clearly indicates where the mineral lease is located. As we cannot authorize activities within the mineral lease, please avoid this lease while conducting quarrying operations.

Please ensure that you also comply with all conditions annexed to this quarry permit and Land Use Permit MV2017X0008.

.../2

Prior to commencing your quarry operation, please contact our Inspectors, Clint Ambrose at (867) 767-9188 or Brandon Bradbury at (867) 767-9187, extension 24193.

Sincerely,

A handwritten signature in blue ink that reads "Scott Stewart".

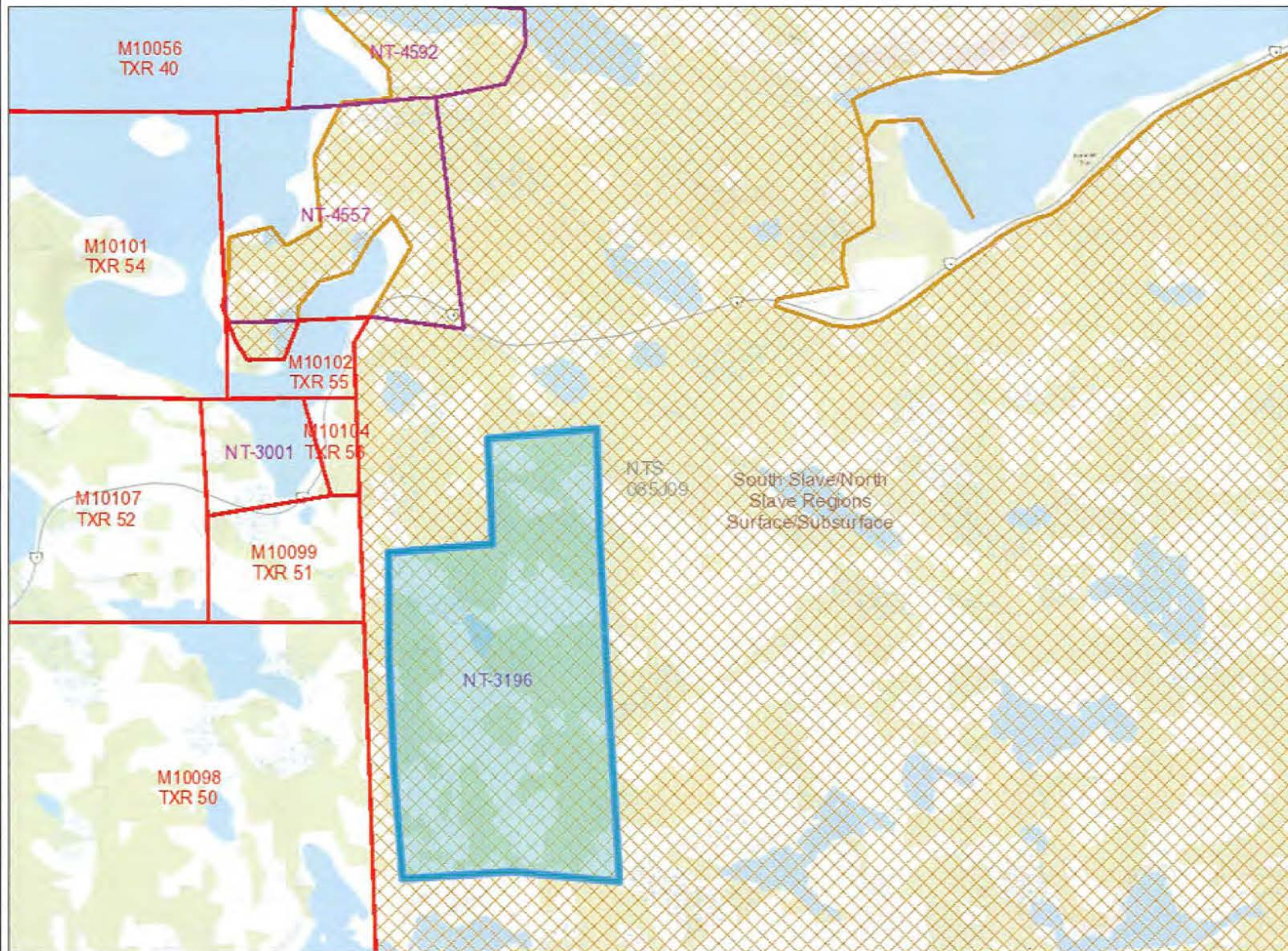
Scott Stewart
Regional Superintendent
North Slave Region

Enclosures (2)

c. North Slave Region (Yellowknife), Department of Lands, GNWT
Mackenzie Valley Land and Water Board (MVLWB)

cc

Mineral Tenure Map View



Legend

- 1:50 000 NTS Grid - 0-1:1M scale
- Active Mineral Claims**
 - Active
 - Pending
 - Cancelled (Pending Ground Opening)
- Active Mineral Leases**
 - Active
 - Pending
 - Cancelled (Pending Ground Opening)
- Active Prospecting Permits**
 - Active
 - Cancelled (Pending Ground Opening)
- Active Coal Exploration License**
 - Active
 - Pending
- Final Land Claims**
- Land Withdrawal Areas**
 - Subsurface
 - Surface
 - Surface/Subsurface
- Regulated Areas**
- Federally Managed Lands**
 - Subsurface
 - Surface
 - Surface/Subsurface
- Aboriginal and Inuit Owned Lands**
 - Surface
 - Surface/Subsurface
- Canadian Geopolitical Boundary

1: 25,000



August 9, 2018 - 11:00 AM

Projection: UTM Zone 11

The intellectual property rights in this map are protected, including copyright. This map is provided for illustrative purposes only on an "as-is" basis. It is a compilation of data obtained from many sources and the data is subject to change without notice.

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QUARRYING REGULATIONS

QUARRY PERMIT No. 2018QP0025

Free Permit Under

Section 9(2)(b) of the

Quarrying Regulations

Permittee: **GNWT - Department of Infrastructure**

Address: PO Box 1320
Yellowknife, NT X1A 2L9

Phone: (867) 767-9084

Is hereby authorized to take: **500,000 cubic metres of granite bedrock**
From the lands described as follows: **Km 21.0 (R), NWT Highway No. 4**

SUBJECT TO THE FOLLOWING CONDITIONS:

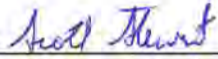
1. This permit shall expire when the quantity of material or substance mentioned in the permit has been quarried or removed, or on the expiry of three (3) years from the date of issue of the permit, whichever is the earlier.
2. This permit does not grant to the Permittee an exclusive right or leasehold 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 Quarry Operations 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. Pre- and post-surveys, if required, must be conducted by a certified Canada Land Surveyor or certified engineering technician or as approved by the Land Use Inspector.
7. Pre-surveys, if required, must be submitted to the Land Use Inspector 10 days prior to the commencement of operations for approval.
8. Post-surveys, if required, must be submitted to the Land Use Inspector within 60 days of completion of the operation.
9. Quarry operations in all pits, including multi-user pits, must be coordinated by the Land Use Inspector and be conducted as per the quarry permit application and/or Quarry Operations Plan.
10. The Permittee will not work any area worked by any other permittee except as coordinated by the Land Use Inspector.
11. Prior to the tenth day of each month, the Permittee shall submit a report to the North Slave Region - Yellowknife Land Use Inspector at **fax number (867) 873-9754** indicating the quantity of material quarried and the quantity of material removed from the site. Failure to submit the monthly report within indicated time frames may result in cancellation of this permit as per Section 9(6) of the Quarrying Regulations.
12. 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.
13. A permittee who over-quarries may be ineligible for future quarry permits for a 12-month period and additional legal action may be taken by the Land Use Inspector under the Quarrying Regulations.
14. This permit is subject to the provisions of the 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 Quarrying Regulations without prior notice to the Permittee.
15. Upon expiration of this Permit, as prescribed in Condition One, the Permittee shall carry out the reclamation activities within timelines as approved by the Land Use Inspector in the Quarry Operations 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 through 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 Yellowknife, this 9th day of August, 2018

Commencing on this 9th day of August, 2018
Expiring on the 8th day of August, 2021



Land Agent
