

DRAFT CONDITIONS ANNEXED TO AND FORMING PART OF LAND USE PERMIT NUMBER W2018X0006

Part A: Scope of Permit

1. This permit entitles Nighthawk Gold Corp. to conduct remediation work within the Indin Lake Gold Property.
2. The 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 absolve the Permittee from responsibility for compliance with the requirements of all applicable Federal, Territorial and Municipal legislation.

Part B: Definitions

“**Act**” means the *Mackenzie Valley Resource Management Act*,

“**Board**” means the Wek’èezhii Land and Water Board established under Section 57.1(1) of the *Mackenzie Valley Resource Management Act*,

“**Inspector**” means an Inspector designated by the Minister under the *Mackenzie Valley Resource Management Act*,

“**Sump**” means a man-made pit, trench hollow or cavity in the earth's surface used for the purpose of depositing waste material therein;

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

26(1)(a) LOCATION AND AREA

1. The Permittee shall not conduct this land use operation on any lands not designated PLANS in the accepted application.

26(1)(b) TIME

2. The Permittee's Field Supervisor shall contact an Inspector at (867) 669-2794 at least forty-eight (48) hours prior to the commencement of this land use operation. CONTACT INSPECTOR
3. The Permittee shall advise an Inspector at least ten (10) days prior to the completion of the land use operation of (a) the plan for removal or storage of equipment and materials, and (b) when final clean-up and restoration of the land used will be completed. REPORTS BEFORE REMOVAL
4. The Permittee shall provide in writing to the Inspector, at least forty-eight (48) hours prior to commencement of this land use operation, the following information: IDENTIFY AGENT
 - (a) person, or persons, in charge of the field operation;
 - (b) alternates; and
 - (c) all methods for contacting the above person(s).

26(1)(c) TYPE AND SIZE OF EQUIPMENT

5. The Permittee shall not use any equipment except of the type that is listed in the accepted application, unless otherwise authorized in writing by an Inspector. ONLY APPROVED EQUIPMENT

26(1)(d) METHODS AND TECHNIQUES

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| 6. | The Permittee shall not conduct vehicle travel in areas without snow-covered surfaces. All-terrain-vehicles and side-by-sides (utility-task-vehicles) can use existing trails and established mine roads and easements. | VEHICLE TRAVEL |
| 7. | The Permittee shall construct and maintain winter roads with a minimum of ten (10) centimetres packed snow at all times during this land use operation. If this cannot be done, then the Permittee shall construct <u>Ice Roads</u> in a manner authorized by an Inspector. | SNOW ROADS/
ICE ROADS |
| 8. | The Permittee shall not store material other than that required for immediate use on the ice surface of water bodies. During drilling on ice, materials are safely stored next to the drill and remain there until the hole is completed. This includes the items required to complete the hole safely. | STORAGE ON ICE |

26(1)(e) TYPE, LOCATION, CAPACITY AND OPERATION OF ALL FACILITIES

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| 9. | The Permittee shall not locate any sump within one hundred (100) metres of the ordinary high water mark of any water body, unless otherwise authorized in writing by an Inspector. | SUMPS FROM WATER |
| 10. | The Permittee shall ensure that the land use area is kept clean at all times. | CLEAN WORK AREA |

26(1)(f) CONTROL OR PREVENTION OF PONDING OF WATER, FLOODING, EROSION, SLIDES AND SUBSIDENCE OF LAND

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| 11. | The land use operation shall not cause obstruction to any natural drainage. | NATURAL DRAINAGE |
| 12. | The Permittee shall implement erosion control measures as the land use operation progresses. | PROGRESSIVE EROSION CONTROL |
| 13. | The Permittee shall prepare the site in such a manner as to prevent rutting of the ground surface. | PREVENTION OF RUTTING |
| 14. | The Permittee shall suspend overland travel of equipment or vehicles at the first sign of rutting. | SUSPEND OVERLAND TRAVEL |
| 15. | The Permittee shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging. | VEHICLE MOVEMENT FREEZE-UP |
| 16. | The Permittee shall slope the sides of waste material piles, excavations, and embankments - except in solid rock - to a minimum ratio of two (2) horizontal to one (1) vertical, unless otherwise authorized in writing by an inspector. | EXCAVATIONS AND EMBANKMENTS |

26(1)(g) USE, STORAGE, HANDLING AND ULTIMATE DISPOSAL OF ANY CHEMICAL OR TOXIC MATERIAL

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| 17. | The Permittee shall not use chemicals in connection with the land use operation that were not identified in the accepted application unless the MSDS sheets are provided to an Inspector and the Board and usage of the chemical(s) is authorized in writing by an Inspector. | APPROVAL OF CHEMICALS |
| 18. | The Permittee shall dispose of all toxic or persistent substances by removal to an approved disposal facility, unless otherwise described in the approved Closure and Reclamation Plans. | CHEMICAL DISPOSAL |
| 19. | The Permittee shall dispose of all combustible waste petroleum products by removal to an approved disposal facility, unless otherwise described in the approved Closure and Reclamation Plans. | WASTE PETROLEUM DISPOSAL |
| 20. | The Permittee shall report all spills immediately to the 24-hour Spill Report Line (867) 920-8130 in accordance with instructions contained in the "NT-NU Spill Report" form. | REPORT CHEMICAL AND PETROLEUM SPILLS |

26(1)(h) WILDLIFE AND FISHERIES HABITAT

21. The Permittee shall take all reasonable measures to prevent damage to wildlife and fish habitat during this land use operation. HABITAT DAMAGE

26(1)(i) STORAGE, HANDLING AND DISPOSAL OF REFUSE OR SEWAGE

22. The Permittee shall adhere to the approved Waste Management Plan and shall annually review the Plan and make any necessary revisions to reflect changes in operations, technology, or wastes on site. Revisions to the Plan shall be submitted to the Board for approval. WASTE MANAGEMENT PLAN
23. The Permittee shall dispose of all sewage and grey water as described in the approved Waste Management Plan, unless otherwise authorized in writing by an Inspector. SEWAGE DISPOSAL
24. The Permittee shall remove all non-combustible garbage and debris, including plastics from the land use area to a disposal site as described in the approved Waste Management Plan. REMOVE GARBAGE
25. The Permittee shall use a forced-air fuel-fired incinerator to burn non-hydrocarbon bearing, combustible garbage, except plastics, as described in the approved Incinerator Management Plan. The Permittee shall annually review the Plan and make any necessary revisions to reflect changes in operations, technology, or wastes on site. Revisions to the Plan shall be submitted to the Board for approval. INCINERATORS
26. The Permittee shall keep all garbage and debris in a secure container until disposed of. GARBAGE CONTAINER

26(1)(j) PROTECTION OF HISTORICAL, ARCHAEOLOGICAL AND BURIAL SITES

27. The Permittee shall not operate any vehicle or equipment within one hundred and fifty (150) metres of a known or suspected historical or archaeological site or burial ground. OPERATE VEHICLE
28. The Permittee shall not knowingly remove, disturb, or displace any archaeological specimen or site. DISTURBANCE OF SITE
29. The Permittee shall, where a suspected archaeological or burial site is discovered: (1) immediately suspend operations on the site; and (2) notify the Board at (867) 713-2500 or an Inspector at (867) 669-2794, and the Prince of Wales Northern Heritage Centre at (867) 920-6182 or 873-7688 CONTACTS

26(1)(m) FUEL STORAGE

30. The Permittee shall report in writing to an Inspector the location and quantity of all fuel caches within ten (10) days of their establishment. REPORT FUEL LOCATION
31. The Permittee shall not place any fuel storage containers within one hundred (100) metres of the ordinary high water mark of any watercourse, unless otherwise authorized in writing by an Inspector. FUEL NEAR WATERCOURSE
32. The Permittee shall locate mobile fuel facilities on land when stationary for any period of time exceeding twelve (12) hours. FUEL ON LAND
33. The Permittee shall mark all stationary petroleum products storage facilities with flags, posts or similar devices so that they are at all times plainly visible to local vehicle travel. MARK FUEL LOCATION
34. The Permittee shall seal all container outlets except the outlet currently in use. SEAL OUTLET
35. The Permittee shall mark all fuel containers, including 45-gallon drums, with the Permittee's name. MARK CONTAINERS
36. The Permittee shall install and maintain adequate secondary containment for all fuel caches having more than 20 containers. SECONDARY CONTAINMENT REQUIREMENT
37. The Permittee shall not allow petroleum products to spread to surrounding lands or into water bodies. FUEL CONTAINMENT
38. The Permittee shall ensure that spill-response equipment is in place, prior to commencement of operations, to respond to any potential spills. SPILL RESPONSE

39.	The Permittee shall adhere to the approved Spill Contingency Plan and shall, both annually and prior to the establishment of any fuel caches not described in the approved Plan, review the Plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels. Revisions to the Plan shall be submitted to the Board for approval.	SPILL PLAN
26(1)(n) METHODS AND TECHNIQUES FOR DEBRIS AND BRUSH DISPOSAL		
40.	The Permittee shall dispose of all brush and debris cleared from trails, drill pads and lines by: pushing or felling the material into the adjacent forest; and cutting the stems from the branches and cutting the branches into lengths so that all parts of the trees felled lie flat on the ground surface.	BRUSH DISPOSAL
41.	The Permittee shall progressively complete disposal of all debris and brush.	PROGRESSIVE DISPOSAL
26(1)(o) RESTORATION OF THE LANDS		
42.	The Permittee shall operate in accordance with the Closure and Reclamation Plans for the Diversified, and Spider sites, and shall adhere to the remedial options identified in the Technical Memorandum (dated February 10, 2012), as approved by the Board and in accordance with directives from the Board.	RECLAMATION PLANS
43.	Any changes to the remedial options identified in the Technical Memorandum (dated February 10, 2012) shall be submitted to the Board for approval.	RECLAMATION PLANS
44.	Prior to undertaking remediation work on the components listed below, the Permittee shall submit Final Closure and Reclamation Plans for this work to the Board for approval: areas of in-water sediment contamination; waste rock; and trenches These Final Closure and Reclamation Plans may be submitted as updates to the Interim Closure and Reclamation Plans submitted with the application, or as separate documents.	SEDIMENT REMEDICATION
45.	The Permittee shall remove all scrap metal, discarded machinery, parts, barrels and kegs, buildings and building material to an approved waste disposal facility, unless otherwise described in the approved Closure and Reclamation Plans.	REMOVE MATERIALS
46.	Prior to the expiry date of this Permit, the Permittee shall complete all clean-up and restoration as described in the approved Closure and Reclamation Plans.	FINAL CLEAN- UP
47.	The Permittee shall backfill and restore all sumps prior to the expiry date of this Permit.	BACKFILL SUMPS
26(1)(p) DISPLAY OF PERMITS AND PERMIT NUMBERS		
48.	The Permittee shall display a copy of this Permit in each campsite established to carry out this land use operation.	DISPLAY PERMIT
26(1)(q) BIOLOGICAL AND PHYSICAL PROTECTION OF THE LAND		
49.	The Permittee shall not commence any drilling or move any equipment within five hundred (500) metres of one or more caribou.	CARIBOU DISTURBANCE