



**Energy, Mines and Resources**  
Box 2703, Whitehorse, Yukon Y1A 2C6  
Mineral Resources Branch (K-9)  
Mining Lands

August 17, 2010

File No: LQ00250a

Selwyn Resources Ltd.  
700 – 509 Richards Street  
Vancouver, B.C. V6B 2Z6

Re: Amendment to LQ00250 Class 4 Approval

Dear Sir/Madam:

Your Class 4 Approval has been approved:

- As submitted.
- Subject to the attached conditions.
- Subject to security deposit as received.

The effective date of this approval will be August 17, 2010. All work must be completed by April 5, 2019, and inspected for restoration before full security and/or completion certificates can be applied for.

The attached 'Operational Guidelines' lists additional requirements that enable your program to satisfy the conditions of the decision document issued as a result of recommendations from the Yukon Environmental and Socio-economic Assessment Board designated office.

Please feel free to contact our office at (867) 456-3822 should you have any questions.

Yours truly,

Tim Smith  
Chief, Mining Land Use

**Selwyn Resources Ltd.**  
**LQ00250a**

**OPERATIONAL GUIDELINES**

- The proponent shall equip each camp with bear deterrent devices and maintain such devices in good working order throughout the duration of camp occupancy as per the "Guidelines for Industrial Activity in Bear Country".
- Should conditions warrant, the proponent shall equip each camp infrastructure including but not limited to kitchen/dining facilities, sleeping accommodations, daily solid waste storage, incinerator, and privy/wash house facilities, with an electric fence and ensure it is in good working order throughout the duration of camp occupancy.
- When aircraft is used for project activities, pilots shall avoid flying over raptor nesting sites whenever possible.
- No exploration activity within 1 km of known raptor nest, from April 1<sup>st</sup> to July 31<sup>st</sup>, where possible.
- Where possible, the project must be carried out in a manner so that any work carried out does not interfere with migration routes, and raptor populations living in their natural habitat in the surrounding area.
- Avoid helicopter flights over areas where caribou are concentrated on their winter range or during the fall rut where conditions permit.
- Where conditions permit, helicopters should remain 600m above ground level when flying over caribou or other wildlife.
- Proponent shall adopt policies that limit recreational use of the project area by employees, particularly around XY camp and during the caribou calving season in order to reduce unnecessary disturbance to caribou.
- The proponent and other resource users (trappers, big game outfitters, subsistence harvesters, wilderness tourism outfitters, placer/quartz miners) shall communicate plans and timing of activities to each other to reduce land use conflicts and any potential negative impacts on each other's interests.



Energy, Mines and Resources

**MINING LANDS**  
**MINERAL RESOURCES BRANCH**  
**GOVERNMENT OF YUKON**

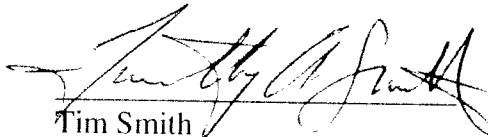
Selwyn Resources Ltd.  
#700-509 Richards Street  
Vancouver, BC  
V6B 2Z6

Pursuant to the *Quartz Mining Act* and Quartz Mining Land Use Regulation, the Chief, Mining Land Use hereby grants a Class 4 Approval:

APPROVAL NUMBER: LQ00250a  
UNDERTAKING: Quartz  
CLASS: Class 4 Approval  
EFFECTIVE DATE: August 17, 2010  
EXPIRY DATE: April 5, 2019

This permit shall be subject to the restrictions and conditions contained herein and to the restrictions and conditions contained in the *Quartz Mining Act* and the Quartz Mining Land Use Regulation made there under as proposed in Mining Land Use Application LQ00250a.

Dated this 17 August, 2010

  
Tim Smith  
Chief, Mining Land Use

**MINING LAND USE  
APPROVAL  
Class 4  
LQ00250a  
Selwyn Resources Ltd.**

**SCOPE OF APPROVAL:** As per Appendix "A"

**NTS:** 105-I-06 / 11 / 12

**PART ONE – GENERAL REQUIREMENTS**

**Definitions**

- “**Act**” means the *Quartz Mining Act*, S.Y. 2003, c.14;
- “**Operator**” means Selwyn Resources Ltd.;
- “**Chief**” means the Chief of Mining Land Use designated pursuant to the Act;
- “**Effective date**” means the date this Approval comes into force as evidenced by the date of the signature of the Chief;
- “**Site**” means the area bounded by the sum of the mineral claims described above under ‘Scope of Approval’;
- “**Inspector**” means an inspector designated pursuant to the Act;
- “**Corridor**” means a path from which trees and brush have been cut to accommodate a trail, water line, fuel line or power line;
- “**Access road**” means a road that provides access to a public highway or to a private road
- “**Isolated road**” means a road that does not provide access to a public highway directly or through a private road;
- “**Road**” means a pathway for vehicular traffic the construction of which requires the movement of rock or earth;
- “**Trail**” means an access to a site within a claim or lease that is constructed with little or no movement of rock or earth;
- “**Temporary Closure**” means any closure whose duration is more than 30 consecutive days.
- “**Final Closure**” means decommissioning of all facilities and structures, restoration, post-closure treatment and monitoring, and abandonment of the site.
- “**Undertaking**” means the development and implementation of the Advance undertaking at the location specified in this permit.

**Duration of Approval**

1. This Approval is valid upon signature of the Chief until the expiry date. In the event that claims lapse, or that agreements to operate on claims are dissolved, the Approval becomes null and void for that portion of the operating plan, where there is no right to the minerals.
2. All outstanding reclamation continues to be the responsibility of the operator.

### **Compliance with Operating Conditions**

3. All mineral exploration activities must comply with the *Operating Conditions* (appended) contained in Schedule 1 of the Quartz Mining Land Use Regulation. These Operating Conditions are enforceable.

### **PART TWO: Reporting Requirements**

#### **Contact Information/Planning and Communication**

4. Submissions and reports to the Chief should be made in duplicate to the following addresses:

Chief, Mining Land Use Box 2703, K-09 Whitehorse, Yukon Y1A 2C6	Mining Lands Officer Box 269, K-WL Watson Lake, Yukon Y0A 1C0
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5. The contact for the Operator will be:  
Selwyn Resources Ltd.  
#700-509 Richards Street  
Vancouver, BC  
V6B 2Z6
6. All spills must be reported immediately to the 24-Hour Yukon Spill Reporting Line (867)667-7244 and to the Mining Inspections Division (867)456-3882.
7. An operator who takes an emergency remedial measure shall, as soon as possible but not later than 10 days after taking it, send a written report to the Chief describing the duration, nature and extent of the emergency and the measures taken to respond to it.
8. A report shall be submitted, to the Chief, each calendar year by January 31, outlining the exploration activities planned for the season including the proposed locations.
9. A report shall be submitted each calendar year by November 31, indicating exploration activities completed that year. This report shall include detailed mapping of all areas worked, location of new construction, new areas of disturbance, areas of permafrost encountered, total disturbed area, reclamation activities, and documentation produced by environmental monitors.
10. The report referred to in sect. 9 shall be provided to Government of Yukon – Energy, Mines and Resources, Ross River Dena Council, and Liard First Nations.
11. Prior to commencing any burning operations, a Burning Permit must be obtained from the Fire Management Office in Watson Lake at (867)536-7335, as well as any other communications regarding wildfire management.
12. The operator shall contact Mining Inspections at (867)456-3882 at least 14 days prior to commencing the field season.

13. The operator shall contact Mining Inspections at (867)456-3882 at least 14 days prior to leaving the site at the end of the operation.

#### **Heritage**

14. All palaeontological resources uncovered during operations shall be reported to the Yukon Palaeontology Program, Government of Yukon in Whitehorse at (867) 667-8089 or (867) 667-5386.
15. All archaeological resources uncovered during operations shall be reported to the Yukon Archaeology Program, Government of Yukon in Whitehorse at (867) 667-3771 or (867) 667-5386.

#### **Wildlife**

16. All incidents with wildlife shall be reported to the District Conservation Officer in Watson Lake at (867)536-3210, as well as any other communication regarding wildlife.
17. The proponent shall maintain a detailed wildlife log for submission to the District Conservation Officer each year.
18. All caribou sightings shall be reported to the Regional Biologist (867-536-3214) as part of the annual wildlife log submission.

### **PART THREE – TERMS AND CONDITIONS**

#### **Removal of the Vegetative Mat**

19. If the vegetative mat must be removed to carry out exploration activities, it must be removed so as to protect the seed and root stock contained within the mat and be stored separately from other overburden or bedrock removed for use in re-establishing the vegetative mat when the exploration program ceases.

#### **Re-establishment of the Vegetative Mat**

20. All vegetated areas disturbed by exploration activities, including fuel and waste storage areas, clearings, corridors, temporary trails, camps and supporting infrastructure, and trenches and drill sites, must be left in a condition conducive to re-vegetation by native plant species or other species adaptable to the local environment to encourage re-vegetation comparable to similar, naturally occurring, environments in the area.
21. Conditions conducive to re-vegetation include provision of adequate soil layer with moisture retaining ability, no soil contamination by hydrocarbons or other hazardous substances, provision of adequate seed or root stock, and contoured or otherwise stable slopes.
22. If adequate seed or root stock is not naturally available, re-seeding or transplanting of vegetation is required. Only non-invasive species may be used for re-seeding or transplanting. Consult with the Mining Inspector prior to seeding.

### **Erosion Control and Permafrost**

23. All areas disturbed during an exploration program must be re-sloped, contoured or otherwise stabilized to prevent long-term soil erosion, slumping and subsidence.
24. All exploration activities must be carried out to avoid or minimize damage to and loss of permafrost.
25. In areas where continuous or discontinuous permafrost is present, the Operator must conduct the exploration program as follows:
  - a) Whenever reasonable, permafrost should be avoided such that, to the extent practicable, the Operator must relocate proposed trenches if permafrost is encountered;
  - b) If permafrost is encountered and cannot reasonably be avoided, the vegetative mat should be maintained where possible and insulated with granular material or geotextiles;
  - c) Areas of disturbed permafrost should be re-vegetated as soon as practicable, particularly in areas where runoff could impact water bodies;
  - d) Sediment fences and other erosion methods should be used to control runoff and reduce sedimentation into nearby water courses. Sediment control techniques should be progressively applied when required.

### **Historic Objects and Burial Grounds**

26. Exploration activities must not be carried out within 30m of a known archeological site unless the Chief indicates, in writing, that such activities may be carried out.
27. Any sites containing archeological objects, palaeontological objects or human remains or burial sites discovered in the course of carrying out an exploration program must be immediately marked and protected from further disturbance and, as soon as practicable, the discovery reported to the Chief. No further activities may be carried out within 30m of the site until the Chief indicates, in writing, that activities may be resumed.

### **Disposal of Wastes/Cleanliness**

28. All solid waste, including debris, equipment, barrels, drums, and scrap metal, must be safely stored on the site of the exploration program while the program is carried out and must be disposed of in accordance with the Solid Waste Regulations when the program ceases.
29. The proponent shall keep all garbage, including kitchen waste, in a container that prevents access by bears and other wildlife, until properly disposed of in accordance with the Solid Waste Regulations.
30. When burning kitchen waste on site it must be burned regularly to reduce odours that might attract wildlife and be burned to ash by forced air or fuel fired incineration.

## **Fuel and Chemical Storage and Handling**

31. If petroleum fuel storage capacity exceeds 4000L, a secondary containment structure must be constructed. The containment structure must be made of a material impervious to petroleum products and,
  - a) if there is a single storage tank, be of sufficient size to accommodate at least 110% of the capacity of the storage tank; or
  - b) if there is more than one storage tank, be of sufficient size to accommodate 110% of the capacity of the largest storage tank or 10% of the total capacity of all the tanks, whichever is larger.
32. All petroleum products, including waste petroleum products, and any other hazardous substances must be stored in a secure fashion no less than 30m from the ordinary high water mark of any water body.
33. Any fuel cache(s) must be protected with an earthen berm and flagged to prevent spills resulting from accidental contact with heavy equipment. Flags should be visible above the snow pack.
34. All petroleum products, including waste petroleum products, and any other hazardous substance, must be transferred and handled without spillage.
35. The proponent shall clearly mark the owners name on fuel drums to establish ownership and responsibility.

## **Spills and Spill Contingency Plans**

36. A spill contingency plan for petroleum products and other hazardous waste must be prepared and posted in the camp and at all fuel handling locations used in carrying out the exploration program.
37. All spill clean-up equipment and material must be maintained in a state of readiness sufficient at all times to contain and clean-up any hazardous material spills.
38. If a spill occurs, the spill contingency plan must be immediately implemented and notice given to the 24-hour Yukon Spill Report Line. As soon as practicable, an inspector must be contacted. Whatever remedial action is required to clean-up the spill and reclaim the affected land and water must be taken.

## **Use of Vehicles**

39. Vehicles must be maintained and operated to prevent spills of fuel, lubricants, coolants and oil.

## **Timber and Brush**

40. Cut brush must not be piled so that it blocks movement of wildlife or people.
41. Leaning trees created by cutting of lines, corridors, temporary trails, and clearings must be felled.

42. Any obstructions caused by their activities on trails used by trappers along the access routes shall be remediated by slashing any and all trees that may fall across these paths or trails and by removing any other obstructions that may be pushed across the trails.
43. When it is economically viable to do so, timber suitable for sale must be salvaged and stock piled.
44. All risk of fire hazard must be avoided.

### **Trenching**

45. Trenching carried out by hand or using hand-held tools must be methodical. All trenches must be stabilized and marked to minimize risk to the public.
46. Trenches must be back filled by first depositing any removed overburden and bedrock and then replacing the vegetative mat that was removed to construct the trench.
47. Trenches and ditches should be oriented horizontally across the slope of the ground to facilitate reclamation and reduce risks of effluent discharges due to erosion of disturbed areas.
48. The proponent shall backfill trenches, or, shall construct trenches in a manner that prevents the potential for wildlife entrapment.
49. The operator must ensure that all employees and contractors at trench sites are aware of the operating conditions for trenching.

### **Drilling**

50. All reasonable efforts must be made when drilling to minimize the impact on wildlife and the public.
51. Vegetation other than that within a drill sump, must not be covered with drill cuttings
52. Core must be stored in a stable fashion.
53. Drill mud must be re-circulated when possible.
54. All drill fluids must be contained in a sump.
55. All drill holes that pose a hazard or that lead to ground water must be plugged in a suitable manner.
56. The location of drill holes must be marked on the ground by flagging or other suitable means at the location of the drill hole.
57. Drilling waste, including fluid, cuttings and mud must not be left within 30m of a water body.

58. All drill sumps must be backfilled and any removed vegetative mat replaced in such a manner that drill cuttings and drill byproducts are contained underground and the site left in a stable condition suitable for natural revegetation or reclamation.
59. All means by which water is withdrawn must be screened or otherwise guarded to prevent the passage of fish from these waters.
60. The screen must be kept in a good and efficient state of repair. It must not be removed except for renewal or repair. No water is to be withdrawn during any period when the screen is removed.
61. The operator must ensure that all employees and contractors working at the drill sites are aware of the operating conditions for drilling.

### **Roads, Trails, and Off-road Trail Use**

62. All vehicles must be operated to avoid rutting and gouging of roads and trails.
63. Off road and trail routes must be reconnoitered and must be used in a way that minimizes ground disturbance, including damage to permafrost and sensitive wildlife habitat.
64. If rutting, gouging, ponding or permafrost degradation occurs off road or trail, vehicle use must be suspended or relocated to ground that is capable of bearing the weight of the vehicle without cause such damage.
65. Use of skids on permafrost or wet ground is only permitted outside of winter where it is not reasonable to use any other means of transporting equipment.
66. Routes for temporary trails must be reconnoitered and flagged.

### **Construction, Use and Reclamation of New Access Routes**

67. Access routes shall be constructed and maintained in the following manner to minimize erosion and prevent permafrost degradation:
  - a) Routes shall be selected from contour maps and aerial photos and walked and flagged prior to earth moving.
  - b) Routes shall avoid creek crossings and will aim to minimize amount of earthmoving.
  - c) Leaning trees shall be felled and bucked with stumps and moss blanket returned as nearly as possible to original position
  - d) Routes shall be located on well drained ground.
  - e) Areas where ponding occurs shall be avoided.
  - f) Seeps, marshes and springs shall be avoided.
  - g) Disturbed areas shall be stabilized to prevent long term soil erosion, slumping and subsidence, and to provide conditions suitable to the re-establishment of the vegetative mat.
  - h) If rutting and gouging that could lead to ongoing erosion, ponding, or permafrost degradation occurs, vehicle use must be suspended or relocated to ground that is capable of bearing the vehicle and the former routes must be restored in compliance with the operating conditions for re-establishment of the vegetative mat and erosion control.

## **Use of Explosives**

68. Explosives must be set off in a manner to minimize impact on wildlife and the public to ensure that forest fires, unplanned landslides, or artificial damming of water bodies does not occur.

## **Construction of a Portal and Underground Excavation**

69. A professional engineer licenced to practice in Yukon must review and seal the design and plans for the underground structures and works.
70. Plans for the underground structures and works shall include the following elements:
- A. Elements pertaining to facilities and structures:
- a) Proposed dimensions of mine portal, decline and other workings;
  - b) Proposed location of portal collar confirming rock competence;
  - c) Proposed location relative to a laydown area outside the portal;
  - d) Description of mining methods to be used in the Undertaking, including a map showing all structures, works and installations associated with mining;
  - e) Description of blasting methods, including handling of explosives and primers and any centralized blasting system;
  - f) Description of mine services such as power, communications, compressed air and dewatering;
- B. Elements pertaining to occupational health and safety:
- Ground support design within the portal:
- a) Proposed ground support methods, including support types and density for the backs and walls;
  - b) Instrumentation and monitoring program designed to ensure the adequacy of the proposed ground support program;
  - c) Quality assurance and quality control plans and procedures for ground support
- Emergencies:
- a) Underground emergency response procedures;
  - b) Procedures to deal with medical emergencies on site, with urgent and non-urgent protocols, as well as procedures to evacuate personnel for medical treatment;
  - c) emergency response and disaster management communications protocols;
  - d) Protocols identifying contacts and specific duties required to deal with emergency duties,
  - e) descriptions of emergency response and disaster management roles and responsibilities;
  - f) A safety plan for underground emergencies, that identifies emergency warning and egress procedures, refuge station locations and procedures, emergency ventilation systems, and ground failure and equipment fire emergency response measures.
71. Plans for the underground structures and works including the elements set out in 70A shall be submitted to the Chief for review and approval. The approved plans will be incorporated as a condition of Approval LQ00250a. Plans including the elements set out in 70B shall be submitted to the Chief for review. The Chief may require any additional information deemed necessary.

72. As-built drawings will be supplied in the year-end report immediately following construction of the portal.
73. The operator shall notify Client Services and Inspections within 7 days of commencement of portal development.
74. A heavy screen will be placed at the entrance of the portal at seasonal decommissioning to prevent animals and people from entering the adit.
75. Final decommissioning will be as outlined in the Closure Plan.

### **Bulk Sample Facility**

76. Bulk sample material must be located at least 30m from any water body and be physically stable.
77. The bulk sample will be located on an impermeable liner.
78. Run-off from the bulk sample will be contained or diverted to the treatment ponds.
79. The bulk sample will be stored in a fashion that poses no risk from ARD/ML concerns, and will be removed from the property as per proposal.

### **Waste Rock Storage Facility (WRSF)**

80. Plans for a waste rock storage facility shall be submitted to the Chief no less than thirty (30) days prior to the date the operator intends to begin construction. The Chief may require any additional information he/she considers necessary. The operator may not proceed with this work until such approval is granted. The approved plan will be incorporated as a condition of Approval LQ00250a.
81. The Waste Rock Storage Plan will include but not be limited to the following
  - a) Details of types and amounts of material to be used;
  - b) Specifications for liners;
  - c) Details of the containment methods for drainage off the waste rock;
  - d) Treatment methods for any for drainage dangerous to the environment;
  - e) Methodology used for placement;
  - f) Plans must be reviewed and sealed by a Professional Engineer licenced to practice in Yukon;
  - g) Plans must account for site-specific conditions and environmental factors.
82. As-built drawings will be supplied in the year-end report immediately following construction of the WRSF.
83. Plans cited in section 80 will include details for decommissioning the WRSF.
84. The decommissioning plans for WRSF will include but not be limited to the following:
  - a) Alternative options for decommission;
  - b) A response plan to address water quality threshold exceedences;
  - c) A procedure for implementing mitigations;
  - d) Methodology for demonstrating long term efficiency of preferred option.

## **ARD/ ML**

85. Rock extracted will be characterized for ARD/ML potential prior to long-term storage on the surface.
86. Rock that is characterized as having ARD/ML potential will:
  - a) Not be utilized for construction purposes;
  - b) Be managed to minimize exposure to air and water and prevent potential adverse effects to aquatic resources.
87. Precautions and procedures must be taken to eliminate any potential of rock stockpiles stored on surface becoming geochemically active.
88. All potentially ARD or ML waste rock will be disposed of in accordance with an approved WRSF Plan.

## **Water Treatment / Site Water Management / Sludge Stabilization**

89. All plans required by the Yukon Water Board for this project shall be submitted to the Chief.

## **Release of Sediment**

90. All reasonable care must be taken in carrying out exploration activities near or adjacent to a water body to prevent sediment from entering a water body, unless otherwise permitted by law.

## **Adaptive Management Plan**

91. An Adaptive Management Plan shall be submitted to the Chief no later than thirty (30) days prior to the date the operator intends to begin underground work. The Chief may require any additional information he/she considers necessary. The operator may not proceed with work at the site until such approval is granted.
92. The Adaptive Management Plan will detail operating procedures during emergency events including but not be limited to the following:
  - a) Mechanical failure;
  - b) Extreme inflows and artesian conditions, including:
    - water flow and water quality triggers for diverting water toward storage, treatment and release to the environment;
    - emergency flow response to non-compliant waters.
  - c) Additional storage and/ or treatment capacity.
93. The above-noted plan will demonstrate that the water management infrastructure provides adequate capacity and/ or redundancy to respond to extreme flows.

## **Security**

94. The operator must furnish and maintain security in the amount of four hundred and twenty thousand five hundred dollars (\$420,500.) as required under Section 139 of the *Quartz Mining Act*.

95. Security in the amount of one hundred and fourteen thousand five hundred dollars (\$114,500.) will be paid within thirty (30) days of issuance of approval LQ00250a, unless otherwise notified by the Chief.
96. Security in the amount of three hundred and six thousand dollars (\$306,000.) will be paid within thirty (30) days of issuance of a water use license.
97. Adjustments to the initial security, provided in Sections 94 to 96, may be required at any time by the Chief.
98. Any changes to the security requirements as a result of Section 97 shall become a term of the approval and the operator must furnish security within thirty (30) days of receiving the written notice from the Chief of the requirement to post additional security.
99. Security will be retained as per Section 139 of the *Quartz Mining Act* and section 18 of the Quartz Mining Land Use Regulation.

#### **Reclamation**

100. Reclamation shall be progressive in nature where possible and completed before expiry of Approval LQ00250a.
101. Details of the ongoing reclamation plans must be submitted in the annual post-season report.

### **PART FOUR – CLOSURE PLANS AND FINAL DECOMMISSIONING**

#### **Temporary Closure Plan**

102. Temporary closure plans shall be submitted to the Chief with the first post-season report after issuance of the approval. The Chief may require any additional information he/she requires. The approved plan will be incorporated as a condition of Approval LQ00250a.
103. For greater certainty, the plan (sect. 102) will be required by January 31, 2011.

#### **Final Exploration Closure Plan**

104. A Final Closure Plan shall be submitted to the Chief within twelve (12) months of the issuance of the approval. The Chief may require any additional information deemed necessary. The approved plan will be incorporated as a condition of Approval LQ00250a.
105. For greater certainty, the plan (sect. 104) will be required by August 17, 2011.
106. Closure plans require updating and submission to the Chief within three months of issuance of a production license.

### **Final Decommissioning**

107. Final reclamation will occur prior to the expiry of the operation, according to standards outlined in the operating conditions for re-establishment of vegetative mat and erosion control.
108. All petroleum products and any other hazardous substance must be removed from the site of the exploration program when the program ceases.
109. All waste petroleum products and any other special waste, as defined in the Special Waste Regulations, generated in the course of carrying out the exploration program must be disposed of in accordance with the Special Waste Regulation when the program ceases.
110. Debris, equipment, fuel barrels, scrap metal and other waste at the work site shall be completely disposed of, so as not to attract wildlife, by removal to an authorized disposal site as often as is practicable throughout the mining season and completely at the cessation of the operation.
111. New road reclamation will include but not be limited to sloping, contouring, and scarifying in consultation with the mining inspector.
112. Structures must be removed and the site restored at the end of the operation to a level of utility comparable to its previous level of utility.

### **PART FIVE – OTHER MATTERS**

#### **Applicable Laws**

113. All applicable laws and regulations, ordinances or by-laws must be conformed with at all times. Additional authorizations or approvals may be required. Any doubt as to whether an additional authorization or approval is required should be verified by a duly authorized official at the appropriate government body or bodies.
114. Use of water is subject to the *Waters Act* and Waters Regulation.
115. Attached is a list of the exploration activities for which you are approved.

**MINING LAND USE  
EXPLORATION ACTIVITY REPORT**

August 18, 2010

LQ00250

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SELWYN RESOURCES LTD.  
700 - 509 Richards Street  
Vancouver, BC  
V6B 2Z6

ELEMENT	CRITERIA	TERMS AND CONDITIONS
Establishing new access roads per program		30km over 10 years
Lines		recovery of vegetation to be started within 1-year of abandonment
Establishment of trails per program	reconnoitured; all trees brush cut with hand tools; brush laid down as a mat; recovery of veg within 1 yr of abandonment	approximately 80 km of trail to be built over 5-year life
Nb of clearings per claim, including existing clearings		no more than 2 of the 8 to be helipads or camp
Nb of person days per camp	Total person days 58,400	(Don Camp =60, XY Camp = 100 x 365)
Nb of persons in a camp at any one time		Approx. 160 persons in two camps
Off Road use of vehicles in summer		vehicles >20t and not to exceed 40km/yr
Off Road use of vehicles in winter		any vehicle; unlimited distance
Surface area of each clearing		helipads > 500m <sup>2</sup> ; clearings with veg mat removed > 1000m <sup>2</sup>
Total length of corridors		< 1.5m wide; cleared with hand tools
Total volume of trenching		reclaimed as sampling complete; revegetated within 1 year of decommissioning
Upgrading of access roads per program		reclaimed at decommissioning; restore natural drainage; remove culverts and bridges
Use of vehicles on existing roads or trails		> 40t on roads; < 20t on trails
Corridor Width		cutlines < 1.5m wide; unlimited length
Fuel Storage in a stationary container		750,000 Litres per camp in bladder and tanks
Construction of underground structures		up to 200,000 tonnes moved to surface
Use of explosives		