

Province of British Columbia Water Act

CONDITIONAL WATER LICENCE

The holder of Placer Tenure 370281 to which this licence is appurtenant is hereby authorized to divert/use water as follows:

- a) The stream on which the rights are granted is Sawmill Creek.
- b) The point of diversion is located as shown on the attached plan, within Placer Tenure 370281, Liard Mining Division.
- c) The date from which this licence shall have precedence is April 15, 2010.
- d) The purpose for which this licence is issued is mining.
- e) The maximum quantity of water which may be diverted mining is 0.014 metres per second (0.5 c.f.s.).
- f) The period of the year during which the water may be used is March 1 to November 30.
- g) The mine upon which the water is to be used and to which this licence is appurtenant is Placer Tenure 370281, Liard Mining Division.
- h) The authorized works are diversion structure, screened intake, gravity feed pipe, wash plant and settling ponds, which shall be located approximately as shown on the attached plan.
- i) The construction of the said works has been completed and the water is being used. The licensee shall continue to make regular beneficial use of the water in a manner authorized herein.
- j) The works authorized under clause (h) herof shall be constructed and used in accordance with the approved "Notice of Work".
- k) All waste water generated from the washing of gravels must be directed through a settling pond system to remove suspended solids before returning to the stream.
- 1) All mined or otherwise disturbed ground surface including cut banks and fill slopes shall be stabilized to prevent tailings, forest cover, top soil and debris from entering water courses.
- m) The riparian (vegetation) zone adjacent to Sawmill Creek and McDame Creek shall be protected from all activities associated with placer mining. Placer operations within those aforementioned placer tenured property shall be prohibited within 10 metres of the high water mark measured from both sides of the stream, including the bed and banks of the creek.

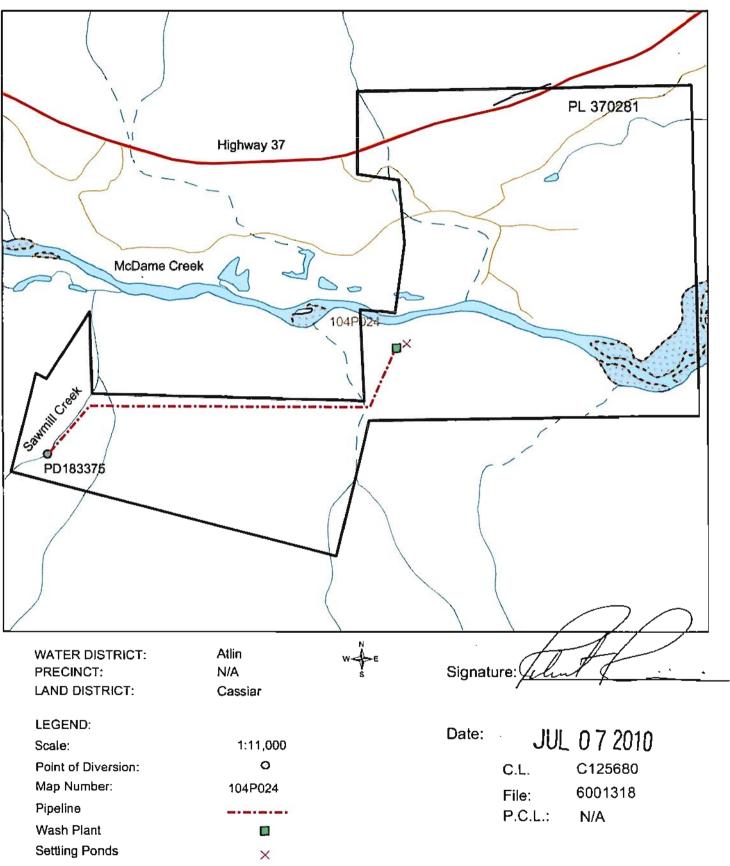




- n) The diversion of water authorized under this licence may be restricted at any time by an order in writing of an Engineer under the Water Act, in order to maintain minimum flow in the stream for the preservation of fish life.
- o) This licence terminates on November 30, 2012. Prior to the termination date, the licensee may apply to the Comproller of Water Rights or the Regional Water Manager in accordance with the provisions of the Water Act to ammend this licence to extend its term.

Robert M Piccini Assistant Regional Water Manager





The boundaries of the land to which this licence is appurtenant are shown thus: