



GWICH'IN LAND AND WATER BOARD
Box 2018 Inuvik NT X0E 0T0
Ph 867-777-7960
Fx 867-777-7970
www.glwb.com

Land Use Permit

Permit Number: G 08 J 003

Permit Class: A

Subject to the Mackenzie Valley Resource Management Act, the Mackenzie Valley Land Use Regulations and the conditions annexed to and forming part of this Land Use Permit, the Gwich'in Land and Water Board (hereinafter referred to as the Board) hereby grants authority to:

Bootleg Exploration Inc.
(hereinafter referred to as the Permittee)
200, 16 - 11th Avenue. S
Cranbrook BC V1C 2P1

To proceed with the land use operation described in the application of:

Permittee: Bootleg Exploration Inc.
Type of Land Use Operation: Camp for Mineral Exploration
Location: 300 kilometres southeast of Tsiigehtchic
64 degrees 59' 35" N - 132 degrees, 18' 11" W
Commencement Date: June 1st, 2006
Expiry Date: June 1st, 2011

It is a condition of this Land Use Permit that the Permittee comply with the conditions annexed to and forming part of this Land Use Permit, and with any and all other applicable Acts, Regulations, Ordinances, By-Laws or Orders. Default thereof may result in the suspension or cancellation of this Land Use Permit.

This Land Use Permit may be amended, renewed, suspended or cancelled pursuant to the Mackenzie Valley Land Use Regulations.

Signed and issued in Inuvik in the Northwest Territories this 28th day of April 2008.

Paul Sullivan
Acting Chair
Gwich'in Land and Water Board

CONDITIONS ANNEXED TO AND FORMING PART OF LAND USE PERMIT: G 08 J 003

PART A: SCOPE OF LAND USE PERMIT

1. This Land Use Permit entitles "Bootleg Exploration Inc." to conduct the following activities:

To establish a camp and conduct a grassroots exploration program approximately 300 kilometres southeast of Tsiigehtchic.
2. This Land Use 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 Land Use Permit.
3. Compliance with the terms and conditions of this Land Use 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.

"Artesian Aquifer" means a water-bearing stratum, which when encountered during drilling operations, produces a pressurized flow of groundwater that reaches an elevation above the ground surface.

"Board" means the Gwich'in Land and Water Board established under Part 3 of the Mackenzie Valley Resource Management Act.

"Dogleg" means clearing a line, trail or right-of-way that is curved sufficiently so that no part of the clearing beyond the curve is visible when approached from either direction.

"Drill Waste" means all materials or chemicals, solid or liquid, associated with the drilling of boreholes and includes borehole cuttings.

"Land Use Inspector" means an Inspector designated by the Minister under the Mackenzie Valley Resource Management Act.

"Oil Based Drilling Muds" means drilling fluids, which use naturally occurring solutions or refined hydrocarbons as a carrier fluid.

"Sewage" means all toilet wastes and grey water.

"Sewage Disposal Facilities" means sump(s) and/or sewage collection tank(s) designed to hold sewage.

"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 OF PERMIT

26 (1) (A) THE LOCATION AND AREA OF LANDS THAT MAY BE USED IN THIS LAND-USE OPERATION

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|---|---|
| 1. The Permittee shall not conduct this land use operation on any lands not designated in the accepted application, unless otherwise authorized in writing by the Board. | PLANS |
| 2. The Permittee shall not conduct any part of this land use operation within three hundred (300) metres of any privately owned land or structure, unless otherwise authorized in writing by a Land Use Inspector. | PRIVATE PROPERTY |
| 3. The Permittee shall remove from all lands all scrap metal, discarded machinery and parts, barrels and kegs, buildings and building materials. | REMOVE WASTE MATERIAL |
| 4. The Permittee shall not construct an adit or drill site within one hundred (100) metres of the normal high water mark of a water body, unless otherwise authorized in writing by a Land Use Inspector. | LOCATION OF ADITS AND DRILLSITES |
| 5. The Permittee shall locate all camps on gravel, sand or other durable land. | CAMP LOCATION |

26 (1) (B) THE TIMES AT WHICH ANY PORTION OF THIS LAND-USE OPERATION MAY BE CARRIED ON

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| 6. The Permittee's Field Supervisor shall contact or meet with a Land Use Inspector at the Inuvik office of the Department of Indian Affairs and Northern Development, – (867) 777-3361 – and the Gwich'in Land and Water Board, – (867) 777-7960 – at least forty-eight (48) hours prior to the commencement of this land use operation. | CONTACT INSPECTOR AND BOARD |
| 7. The Permittee shall provide, in writing, to a Land Use Inspector and the Board, at least forty-eight (48) hours prior to commencement of this land use operation, the following information:
(a) person, or persons, in charge of the field operation to whom notices, orders, and reports may be served;
(b) alternates; and
(c) all methods for contacting the above person(s). | IDENTIFY AGENT |
| 8. The Permittee shall advise a Land Use Inspector and the Board at least ten (10) days prior to the completion of this 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 |
| 9. The Permittee shall submit a progress report to a Land Use Inspector and the Board every ten (10) days during the course of this land use operation. | PROGRESS |
| 10. The Permittee shall complete all clean-up and restoration of the lands used prior to the expiration date of this Land Use Permit. | CLEAN-UP |
| 11. The Land Use Inspector and/or the Board reserve the right to impose closure of any area to the Permittee in periods when dangers to natural resources are severe. | CLOSURE |

26 (1) (C) THE TYPE AND SIZE OF EQUIPMENT THAT MAY BE USED IN

THIS LAND-USE OPERATION

12. The Permittee shall not use any equipment except of the type, size, and number that is listed in the accepted application, unless otherwise authorized in writing by a Land Use Inspector. **ONLY APPROVED EQUIPMENT**

13. The Permittee shall ensure a garbage container is on site. **GARBAGE CONTAINER**

26 (1) (D) METHODS AND TECHNIQUES TO BE EMPLOYED BY THE PERMITTEE IN CARRYING OUT THIS LAND-USE OPERATION

14. The Permittee shall plug all boreholes as this land use operation progresses. **PLUG HOLES**

26 (1) (E) THE TYPE, LOCATION, CAPACITY AND OPERATION OF ALL FACILITIES TO BE USED BY THE PERMITTEE IN THIS LAND-USE OPERATION

15. The Permittee shall adhere to all mitigation measures in the accepted application. **MITIGATION MEASURES**

16. The Permittee shall ensure that the land use area is kept clean at all times. **CLEAN WORK AREA**

26 (1) (F) METHODS TO BE USED TO CONTROL OR PREVENT PONDING OF WATER, FLOODING, EROSION, SLIDES AND THE SUBSIDENCE OF LAND

17. The Permittee shall, where flowing water from bore holes (artesian aquifer) is encountered, plug the bore hole in such a manner as to permanently prevent any further outflow of water, and report the occurrence to a Land Use Inspector within forty-eight (48) hours. **PLUG ARTESIAN WELLS**

26 (1) (G) THE USE, STORAGE, HANDLING AND ULTIMATE DISPOSAL OF ANY CHEMICAL OR TOXIC MATERIAL TO BE USED IN THIS LAND-USE OPERATION

18. The Permittee shall not use chemicals in connection with this land use operation without the prior approval of a Land Use Inspector. **APPROVAL OF CHEMICALS**

19. The Permittee shall not, in any circumstances, deposit or allow the deposit of any deleterious substances (including but not limited to fuels, lubricants, hydraulics, and coolants) of any type into any waters, or in any place under any conditions where the deleterious substances may enter any waters. **DEPOSITING DELETERIOUS SUBSTANCES**

20. The Permittee shall remove all garbage and debris from the land use area as specified in the accepted application, or as authorized in writing by a Land Use Inspector. **REMOVE GARBAGE**

21. The Permittee shall immediately report all spills to the 24 hour Spill Report Line (867) 920-8130 in accordance with instructions contained in the NWT SPILL REPORT form NWT 1752/0202. **REPORT CHEMICAL AND PETROLEUM SPILLS**

22. The Permittee shall dispose of all sewage and grey water as proposed in the **SEWAGE**

accepted application, or in a manner approved by a Land Use Inspector.

DISPOSAL

26 (1) (H) PROTECTION OF WILDLIFE AND FISH HABITAT

- 23. The Permittee shall not unnecessarily damage wildlife habitat in conducting this land use operation.
- 24. The Permittee shall not feed or harass wildlife.
- 25. The Permittee shall use food handling and garbage disposal procedures that do not attract bears. Information about the latest bear detection and deterrent techniques can be obtained from Environment and Natural Resources in Inuvik at (867) 777-7308.

**HABITAT
DAMAGE**

**NO FEEDING OR
HARRASSING
WILDLIFE**

**BEAR/MAN
CONFLICT**

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

- 26. The Permittee shall remove all scrap metal, discarded machinery, parts, barrels and kegs, plastics, and buildings and building material to an approved waste disposal facility.

**REMOVE WASTE
MATERIAL**

26 (1) (J) PROTECTION OF HISTORICAL AND ARCHAEOLOGICAL SITES AND BURIAL GROUNDS

- 27. The Permittee shall not knowingly remove, disturb, or displace any known or suspected historical or archaeological site or specimen or burial ground.
- 28. The Permittee shall immediately cease any activity which disturbs an historical or archaeological site or specimen or burial ground, and shall contact the Gwich'in Land and Water Board at (867) 777-7960, or the Prince of Wales Northern Heritage Centre at (867) 920-6182, and shall not continue without written authorization from the Board.
- 29. The Permittee shall ensure that all persons working under authority of this Land Use Permit are aware of the conditions concerning historical or archaeological sites or specimens or burial grounds.

**DISTURBANCE OF
SITE**

CONTACTS

**NOTIFICATION
TO EMPLOYEES**

26 (1) (K) PROTECTION OF OBJECTS AND PLACES OF RECREATIONAL, SCENIC OR ECOLOGICAL VALUE

This section intentionally left blank.

26 (1) (L) POSTING OF SECURITY IN ACCORDANCE WITH SECTION 32

- 30. The Permittee shall deposit with the Minister a security deposit in the amount of \$0.00 pursuant to Section 32 of the Mackenzie Valley Land Use Regulations.

**SECURITY
DEPOSIT**

31. The Permittee shall be liable for any cost of damages over and above the amount of the security deposit.

LIABILITY FOR DAMAGES

32. The Permittee shall be responsible for all costs to remediate the land used in this Land Use Permit.

RESPONSIBILITY FOR REMEDIATION COSTS

26 (1) (M) THE ESTABLISHMENT OF PETROLEUM FUEL STORAGE FACILITIES

33. The Permittee shall not place any fuel storage containers within thirty (30) metres of the normal high water mark of any water body, unless otherwise authorized in writing by a Land Use Inspector.

FUEL BY STREAM

34. The Permittee shall not allow petroleum products to spread to surrounding lands or into water bodies.

FUEL CONTAINMENT

35. The Permittee shall ensure that adequate contingency plans and spill kits are in place, prior to commencement of this land use operation, to respond to any potential spills.

SPILL RESPONSE

26 (1) (N) METHODS AND TECHNIQUES FOR DEBRIS AND BRUSH DISPOSAL

This section intentionally left blank.

26 (1) (O) RESTORATION OF LANDS

This section intentionally left blank.

26 (1) (P) THE DISPLAY OF PERMITS AND PERMIT NUMBERS

36. The Permittee shall display a copy of this Land Use Permit in a conspicuous place in each campsite established to carry out this land use operation.

DISPLAY PERMIT

37. The Permittee shall, at all times during the course of this land use operation, keep on hand a copy of this Land Use Permit.

COPY OF PERMIT

26 (1) (Q) ANY OTHER MATTERS NOT INCONSISTENT WITH THE REGULATIONS, FOR THE PROTECTION OF THE BIOLOGICAL OR PHYSICAL CHARACTERISTICS OF THE LANDS

38. The Permittee shall ensure that all persons working under the authority of this Land Use Permit are aware of and will adhere to the conditions as stated herein.

NOTIFICATION TO ALL EMPLOYEES/ CONTRACTORS

FINAL PLAN

Every permittee shall, within 60 days after the completion of a land-use operation or the expiration of the permit, whichever occurs first, submit a final plan in duplicate to the Board and, where the land-use operation was carried out on private lands, to the landowner thereof, showing

- (a) the lands on which the land-use operation was conducted;
- (b) the location of
 - (i) lines, trails, rights-of-way and cleared areas that were used by the permittee during the land-use operation, specifying those that were cleared by the permittee and those that existed before the operation began,
 - (ii) buildings, structures, campsites, air landing strips, air navigation aids, fuel and supply storage sites, waste disposal sites, excavations and other works and places that were constructed or used by the permittee in the land-use operation, and
 - (iii) bridges, dams, ditches, railroads, roads, transmission lines, pipelines, survey lines, monuments, air landing strips, watercourses, traplines and cabins and all other features or works that were affected by the land-use operation; and
- (c) calculations of the area of the lands used in the land-use operation.

On receipt of a written request from a permittee for an extension of time for the filing of a final plan, the Board may extend the time for filing the final plan by not more than 60 days.

The Board shall reject any final plan that is not complete.

Within three weeks after receipt of written notice from the Board rejecting a plan, a permittee shall submit to the Board a final plan that is complete.

Notwithstanding the expiration or cancellation of a permit, the submission of a final plan or the giving of a notice of discontinuance, a permittee remains responsible for all obligations arising under the permit or under the Mackenzie Valley Land Use Regulations until such time as the Board issues a letter of clearance pursuant.

A final plan shall:

- (a) be drawn on a scale that clearly shows the lands that the applicant for a permit proposes to use or that the permittee has used;
- (b) show the scale to which the plan is drawn; and
- (c) show locations by geographic co-ordinates.

Within 30 days after the Board has approved the final plan, a permittee shall submit to the Board calculations of any applicable land-use fee payable, based on the actual area of land used in the land-use operation.

Where the calculated fee is less than the fee submitted with the application, the Board shall refund the difference to the permittee.

Where the calculated fee is greater than the fee submitted with the application, the permittee shall submit payment for the amount of the deficiency with the calculations.