



May 30, 2018

Notice of Work: 1641264-201802

Leslie (Mike) McKone  
New North Construction Ltd.  
PO BOX 5  
Manson Creek BC V0J 2H0

Dear Mike McKone:

**Re: Application for Amendment to Mines Act Permit  
Property: 20 Mile Creek**

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This will acknowledge receipt of your Notice of Work and Reclamation Program dated March 23, 2018 and received on May 02, 2018.

Your proposed program of placer exploration has been referred to other resource agencies. Moreover, consultation with First Nations has been initiated.

A re-assessment of the reclamation liability for this site has taken place. Please see the attached Reclamation Bond Calculation for site specific details. Also, see attached for the guidance document. The Province has developed a Reclamation Bond Calculator that is now being used for all regional mine sites. This helps to ensure that reclamation costs are calculated accurately, as well as consistently for all miners in BC. If you have any questions about the bond calculator in general, or about your specific site, please contact me to discuss further.

Based upon the above mentioned Reclamation Bond Calculation, the Reclamation Liability associated with your site is \$216,997. This is based on both existing and proposed disturbance, as well as with the assumption that 1.28ha of the 2.63ha mining area has been reclaimed (please send pictures to confirm) and that the riparian areas are now reclaimed. Opportunities to reduce this liability include, reducing existing disturbance through continuous reclamation, as well as a reducing proposed disturbance. You presently have \$20,000 in reclamation security associated with your permit.

Therefore, it will be a condition of your permit that you post a security deposit of \$196,997 prior to commencement of surface work. You may wish to take the opportunity to post your security at this time to avoid any delays. Letters of Irrevocable Credit or a certified cheque made payable to the Minister of Finance, at the undernoted address, are preferred. Please do not send cash.

Other legislation may be applicable to the operation and you (the Permittee) may be required to obtain approvals or permits under that legislation. It is your responsibility to comply with the terms and conditions of all other permits and authorizations which you may have been issued and other applicable legislation including the Wildfire Act and Wildfire Regulation.

You are reminded that no work may commence until you have an approved Notice of Work. Reclamation of previous work is allowed to continue at this time.

To clarify or discuss any of the above, please call my office.

Sincerely,



Brian Oke, RPF  
Inspector of Mines

Encl. Reclamation Bond Calculation;  
Reclamation Bond Calculation Guidance Report