January 17, 2017

Dear [redacted]

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act [Our file #ENV/061/2016]

On December 16, 2016 the Department of Environment and Climate Change received your request for access to the following records/information:

"I am requesting information regarding the Environmental Studies Done, Permits Granted by the N.L Government, Restrictions placed on any permits granted, and Environmental Protection Plans - To Date, In regard to the "Marathon Gold Corporation" mining exploration in Central Newfoundland at / or in the area of, mining claims known as "Valentine" and also at a second Claim known as "Leprechaun". Any and all information regarding this operation is appreciated - particularly regarding the protection of the Caribou Herd in this area and also on the Two Major Watersheds located in the area of these operations. Thank you"

I am pleased to inform you that a decision has been made by the Deputy Minister of the Department of Environment and Climate Change to grant access in part to the requested information. Portions of the attached documents have been severed in accordance with the following exceptions to disclosure as specified in the Act:

Section 40(1): The head of a public body shall refuse to disclose personal information to an applicant where the disclosure would be an unreasonable invasion of a third party's personal privacy.

Please note that Marathon Gold Corporation was required to register a proposal for mineral exploration activities in 2016 in accordance with the Environmental Assessment Regulations. The registration document, appendices and the Minister’s letter releasing that project from further environmental assessment can be found on our departmental website: http://www.env.gov.nl.ca/env/env_assessment/projects/Y2016/1839/index.html

For your information, the Department of Natural Resources regulates and manages the staking of mineral claims and is responsible for issuing approvals for mineral exploration activity.

4th Floor, West Block, Confederation Building, P.O. Box 8700, St. John's, NL, Canada A1B 4J6
Section 42 of the Act provides that you may ask the Information and Privacy Commissioner to review the processing of your access request or you may appeal to the Supreme Court Trial Division. A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner.

The address and contact information of the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P. O. Box 13004, Stn. A
St. John’s, NL
A1B 3V8
Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

In the event that you choose to appeal to the Trial Division, you must do so within 15 business days after you receive the decision of the public body, pursuant to section 52 of the Act.

Please be advised that this response will be published following a 72 hour period after it is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the response posted to the Office of Public Engagement's website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

If you have any further questions, I can be reached by telephone at (709) 729-1589 or by e-mail at nicolerowsell@gov.nl.ca.

Sincerely,

NICOLE ROWSELL
Departmental ATIPP Coordinator
From: Keith, Debi L
Sent: Thursday, December 29, 2016 10:37 AM
To: Rowsell, Nicole
Subject: FW: REFERRAL: E150236 Marathon Gold Corp. - Valentine Lake Property
Attachments: WDComments_E150236.docx

From: Rafuse, Heather
Sent: Thursday, September 03, 2015 9:07 AM
To: Keeping, Brent
Subject: RE: REFERRAL: E150236 Marathon Gold Corp. - Valentine Lake Property

Heather Rafuse
Exploration Approvals and Land Use Geologist
Mineral Lands Division
Department of Natural Resources
P.O. Box 8700
St. John's, NL A1B 4J6
Ph: 709-729-6408
Fax: 709-729-6782
heatherrafuse@gov.nl.ca

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From: Keeping, Brent
Sent: Wednesday, September 02, 2015 4:33 PM
To: Rafuse, Heather
Subject: RE: REFERRAL: E150236 Marathon Gold Corp. - Valentine Lake Property

I left this with Bas before I left but I don’t know what his take was. I will check and get back to you but in the meantime, it is always helpful to know what WD said.

From: Rafuse, Heather
Sent: Wednesday, September 02, 2015 11:54 AM
To: Keeping, Brent
Subject: FW: REFERRAL: E150236 Marathon Gold Corp. - Valentine Lake Property

Hi Brent,

Just waiting to hear from you guys on this one. I have a response from WD if it would help....

Cheers,
REFERRAL: E150236 Marathon Gold Corp. - Valentine Lake Property

The Department of Natural Resources Mineral Lands Division has received an application for Exploration Approval from the individual for the activity listed below.

File E150236

Exploration Approval (20 Trenches) for Marathon Gold Corp. on the Valentine Lake Property, NTS 12A/06, 12A/07, Licences 010889M, 010943M

This e-mail and any transmitted files are considered confidential and for the use of the person(s) to whom they are addressed. The information attached (e.g. .pdf files) is confidential; please take the necessary steps to ensure the confidentiality of this information.

Your feedback regarding the above work is requested. If you have any questions or require further information, please contact the undersigned.

If we do not receive a reply within 14 days we will proceed on the assumption that you have no issues of concern or comments. If you require additional time to respond please advise with a brief email message.

Heather Rafuse
Exploration Approvals and Land Use Geologist
Mineral Lands Division
Department of Natural Resources
P.O. Box 8700
St. John's, NL A1B 4J6
Ph: 709-729-6408
Fax: 709-729-6782
heatherrafuse@gov.nl.ca

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WILDLIFE DIVISION COMMENTS RE 150236:

The Wildlife Division advises applicant to operate under established regulations and guidelines with respect to wildlife and its habitat to minimize additional impacts (in particular Section 106 of the *Wild Life Regulations* under the *Wild Life Act* (O.C. 96-809): [www.env.gov.nl.ca/env/wildlife/index.html](http://www.env.gov.nl.ca/env/wildlife/index.html)).

Pursuant to Section 106 of the *Wild Life Regulations*:

a) A person shall not operate an aircraft, motor vehicle, vessel, snow machine or all-terrain vehicle in a manner that will harass any wildlife;

b) You are advised that helicopter supported exploration programs must be conducted in a manner that does not disturb, harass or harm any animal life that you encounter. This can easily be accomplished by avoiding concentrations of wildlife by rescheduling the planned activities for another day.

c) [...] [omitted for brevity]

The proposed work falls within Newfoundland Marten critical habitat and core area. Newfoundland Marten are listed as Threatened under the Newfoundland and Labrador *Endangered Species Act* (NLESA). Section 16 (1) of NLESA states, “A person shall not disturb, harass, injure, or kill an individual of a species designated as threatened, endangered, or extirpated”.

Denning of female marten and young occurs from early April to the end of June and dens must be protected from damage and disturbance during this time period as dens are protected under the provincial *NL Endangered Species Act* and the federal *Species at Risk Act*.

Vegetation clearing in the area must be avoided during this time period as disturbance could result in negative impacts on survival or condition of young or denning females (Marten Recovery Plan 2010). For this reason, the Wildlife Division recommends that there be no vegetation clearing during the marten denning period (early-April to the end of June).

Activities, disturbance and habitat destruction must be minimized as much as possible in order to avoid causing harm to individuals or degrading important marten habitat. This includes not using snowmobiles, ATVs or other means of transportation for non-work travel as well as minimizing the number of trips. Ground personnel are reminded to travel with caution within the area at all times.

The proposed activities also take place within important waterfowl habitat. Any efforts must be taken by the contractor/ground personnel to avoid additional stress on waterfowls (e.g. noise from equipment, ATVs, helicopter etc.), especially during the brood rearing, breeding & staging periods, which run approx. from April to early July on the Island of Newfoundland.

The Wildlife Division strongly recommends that a minimum 50 m naturally vegetated buffer be maintained along all waterbodies and wetlands to protect sensitive riparian and aquatic species, and their habitat.

Habitat disturbance impacts wildlife (birds, small mammals etc) negatively and should be kept to a minimum. To help reduce any negative impacts on any species, the Wildlife Division recommends that any necessary vegetation clearing or excessive noise be undertaken outside of the nesting, breeding and brood rearing period (May to mid-July), when disturbance would be most critical.

Where vegetation clearing is not avoidable and a nest is found:

- The nest and neighbouring vegetation should be left undisturbed until nesting is completed; and
- Construction activities be minimized in the immediate area until nesting is complete.

The proponent should follow appropriate hunting and trapping protocols as set in the Hunting and Trapping Guide.
PERMIT TO ALTER A BODY OF WATER

Pursuant to the Water Resources Act, SNL 2002 cW-4.01, specifically Section(s) 48

Date: OCTOBER 27, 2016

Permit Holder: Marathon Gold Corporation
P.O. Box 160
Pasadena, NL A0L 1K0

Attention: Ms. Sherry Dunsworth, P.Geo.

Re: Central Newfoundland (Unnamed Bodies of Water) - Small Temporary Bridges

Permission is hereby given for: the installation of six (6) temporary timber bridges with spans that range from 3.0 metres to 4.0 metres on six (6) unnamed bodies of water in Central Newfoundland for mineral exploration project, as indicated in Appendices A and B of this Permit (attached), in reference to the application received October 24, 2016 and further information provided on or before October 26, 2016:

- This Permit does not release the Permit Holder from the obligation to obtain appropriate approvals from other concerned municipal, provincial and federal agencies.
- The Permit Holder must obtain the approval of the Crown Lands Administration Division if the project is being carried out on Crown Land.
- This Permit is subject to the terms and conditions indicated in Appendices A and B (attached).
- It should be noted that prior to any significant changes in the design or installation of the proposed works, or in event of changes in ownership or management of the project, an amendment to this Permit must be obtained from the Department of Environment and Climate Change under Section 49 of the Water Resources Act.
- Failure to comply with the terms and conditions will render this Permit null and void, place the Permit Holder and their agent(s) in violation of the Water Resources Act and make the Permit Holder responsible for taking any remedial measures as may be prescribed by this Department.

Minister
Small Bridges

1. The use of creosote treated wood is strictly prohibited within 15 metres of all bodies of fresh water in the province.

2. The crossing structure must provide adequate capacity to safely discharge flood flows without causing backwater effects upstream or increased flow velocity downstream.

3. Bridge abutments must be set back 0.5 metres from the normal edge of a watercourse to prevent constriction during high flow conditions.

4. The natural course of any stream must not be altered.

5. Infilling must not cause increased water elevation upstream or increase flow velocity downstream of the site. Reduction of the natural cross sectional area of any watercourse is not permitted.

6. The upstream and downstream sides of abutments must be protected with rip-rap, concrete or heavy timber to prevent erosion and scouring.

7. Where pumping is used to bypass flow, cofferdams must be installed both above and below areas of construction. The Permit Holder must provide pumps with sufficient capacity to prevent washout of cofferdams.

8. Cofferdams must be properly designed and constructed of suitable materials to prevent leakage and to resist loss of any material as a result of erosion. Cofferdams must be removed upon completion of their intended function. All material must be removed carefully to prevent disturbance of the water body and to prevent water quality degradation.

9. Abutments and piers must be constructed in the dry and during times of low flow.

10. The bridge(s) must have the following minimum dimensions:

<table>
<thead>
<tr>
<th>Crossing Name / No.</th>
<th>Span (m)</th>
<th>Waterway Opening (m²)</th>
<th>Freeboard (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>W1</td>
<td>3.0-4.0</td>
<td>3.0-4.0</td>
<td>0.5</td>
</tr>
<tr>
<td>W2</td>
<td>3.0-4.0</td>
<td>3.0-4.0</td>
<td>0.5</td>
</tr>
<tr>
<td>W3</td>
<td>3.0-4.0</td>
<td>3.0-4.0</td>
<td>0.5</td>
</tr>
<tr>
<td>W4</td>
<td>3.0-4.0</td>
<td>3.0-4.0</td>
<td>0.5</td>
</tr>
<tr>
<td>W5</td>
<td>3.0-4.0</td>
<td>3.0-4.0</td>
<td>0.5</td>
</tr>
<tr>
<td>W6</td>
<td>3.0-4.0</td>
<td>3.0-4.0</td>
<td>0.5</td>
</tr>
</tbody>
</table>

General Alterations

11. Any work that must be performed below the high water mark must be carried out during a period of low water levels.

12. Any flowing or standing water must be diverted around work sites so that work is carried out in the dry.

13. Water pumped from excavations or work areas, or any runoff or effluent directed out of work sites, must have silt and turbidity removed by settling ponds, filtration, or other suitable treatment before discharging to a body of water. Effluent discharged into receiving waters must comply with the Environmental Control Water and Sewage Regulations, 2003.
14. All operations must be carried out in a manner that prevents damage to land, vegetation, and watercourses, and which prevents pollution of bodies of water.

15. The use of heavy equipment in streams or bodies of water is not permitted. The operation of heavy equipment must be confined to dry stable areas.

16. All vehicles and equipment must be clean and in good repair, free of mud and oil, or other harmful substances that could impair water quality.

17. During the construction of concrete components, formwork must be properly constructed to prevent any fresh concrete from entering a body of water. Dumping of concrete or washing of tools and equipment in any body of water is prohibited.

18. Wood preservatives such as pentachlorophenol, CCA or other such chemicals must not be applied to timber near a body of water. All treated wood or timber must be thoroughly dry before being brought to any work site and installed.

19. Any areas adversely affected by this project must be restored to a state that resembles local natural conditions. Further remedial measures to mitigate environmental impacts on water resources can and will be specified, if considered necessary in the opinion of this Department.

20. The bed, banks and floodplains of watercourses, or other vulnerable areas affected by this project, must be adequately protected from erosion by seeding, sodding or placing of rip-rap.

21. All waste materials resulting from this project must be disposed of at a site approved by the Department of Service NL.

22. Periodic maintenance such as painting, resurfacing, clearing of debris, or minor repairs, must be carried out without causing any physical disruption of any watercourse. Care must be taken to prevent spillage of pollutants into the water.

23. The owners of structures are responsible for any environmental damage resulting from dislodgement caused by wind, wave, ice action, or structural failure.

24. Sediment and erosion control measures must be installed before starting work. All control measures must be inspected regularly and any necessary repairs made if damage is discovered.

25. Fill material must be of good quality, free of fines or other substances including metals, organics, or chemicals that may be harmful to the receiving waters.

26. The attached Completion Report (Appendix C) for Permit No. 8945 must be completed and returned to this Department upon completion of the approved works. Pictures must be submitted along with the completion report, showing the project site prior to and after development.

27. This Permit is valid for two years from the date of issue. Work must be completed by that date or the application and approval procedure must be repeated.

28. The location of the work is highlighted on the Location Map for this Permit attached as Appendix D.

29. All work must be carried out within the Permit Holder's legal property boundaries.

Special Conditions

30. The temporary bridges must be removed. The Permit Holder must remove all constructed works and restore each site to its original condition.
1. The Permit Holder and its agent(s), subcontractor(s), and consultant(s) shall keep all systems and works in good condition and repair and in accordance with all laws, by-laws, directions, rules and regulations of any governmental authority. The Permit Holder or its agent(s), subcontractor(s), or consultant(s) shall immediately notify the Minister if any problem arises which may threaten the structural stability of the systems and works, endanger public safety and/or the environment or adversely affect others and/or any body of water either in or outside the said Project areas. The Permit Holder and its agent(s), subcontractor(s), and consultant(s) shall be responsible for all damages suffered by the Minister and Government resulting from any defect in the systems and works, operational deficiencies/inadequacies, or structural failure.

2. The Permit Holder and its agent(s), subcontractor(s), and consultant(s) shall operate the said Project and its systems and works in a manner which does not cause any water related and/or environmental problems, including but not limited to problems of erosion, deposition, flooding, and deterioration of water quality and groundwater depletion, in or outside the said Project areas. The Permit Holder and its agent(s), subcontractor(s), and consultant(s) shall be responsible for any and all damages associated with these problems caused as a result of changes, deficiencies, and inadequacies in the operational procedures by the Permit Holder or its agent(s), subcontractor(s), or consultant(s).

3. If the Permit Holder or its agent(s), subcontractor(s), or consultant(s) fails to perform, fail, or observe any of the terms and conditions, or provisions of this Permit and/or Ministerial orders and guidelines, as determined by this Department, the Minister may, after providing ten (10) day notice to the Permit Holder, amend, modify, suspend or cancel this Permit in accordance with the Water Resources Act.

4. The Permit Holder and its agent(s), subcontractor(s), and consultant(s) indemnify and hold the Minister and Government harmless against any and all liabilities, losses, claims, demands, damages or expenses including legal expenses of any nature whatsoever whether arising in tort, contract, statute, trust or otherwise resulting directly or indirectly from granting this Permit, systems and works in or outside the said Project areas, or any act or omission of the Permit Holder or its agent(s), subcontractor(s), or consultant(s) in or outside the said Project areas, or arising out of a breach or non-performance of any of the terms and conditions, or provisions of this Permit by the Permit Holder or its agent(s), subcontractor(s), or consultant(s).

5. This Permit is subject to all provisions of the Water Resources Act and any regulations in effect either at the date of this Permit or hereafter made pursuant thereto or any other relevant legislation enacted by the Province of Newfoundland and Labrador in the future.

6. This Permit shall be construed and interpreted in accordance with the laws of the Province of Newfoundland and Labrador.
cc: Dr. Abdel-Zaher Kamal Abdel-Razek, Ph. D., P.Eng
Manager, Water Rights and Investigations Section
Water Resources Management Division
Department of Environment and Climate Change
P.O. Box 8700
4th Floor, West Block, Confederation Building
St. John's, NL A1B 4J6
aabdlerazek@gov.nl.ca

cc: Mr. Wayne Lynch
Regional Director (Central)
Service NL
P.O. Box 2222
Gander, NL A1V 2N9
wayne.lynch@gov.nl.ca

cc: Fisheries Protection Division
Ecosystem Management Branch
Fisheries and Oceans Canada
P.O. Box 5667
St. John's, NL A1C 5X1
FPP-NL@dfo-mpo.gc.ca
Appendix C - Completion Report

Pursuant to the Water Resources Act, SNL 2002 cW-4:01, specifically Section(s) 48

Date: OCTOBER 27, 2016

Permit Holder: Marathon Gold Corporation
P.O. Box 160
Pasadena, NL, A0L 1K0

Attention: Ms. Sherry Dunsworth, P.Geo.

Re: Central Newfoundland (Unnamed Bodies of Water) - Small Temporary Bridges

Permission was given for, the installation of six (6) temporary timber bridges with spans that range from 3.0 metres to 4.0 metres on six (6) unnamed bodies of water in Central Newfoundland for mineral exploration project, as indicated in Appendices A and D of this Permit (attached), in reference to the application received October 24, 2016 and further information provided on or before October 26, 2016.

I (the Permit Holder named above or agent authorized to represent the Permit Holder) do hereby certify that the project described above was completed in accordance with the plans and specifications submitted to the Department of Environment and Climate Change and that the work was carried out in strict compliance with the terms and conditions of the Permit issued for this project.

Date: ____________________________
Signature: _________________________

This completion report must be completed and forwarded to the following address upon completion of the approved work.

Department of Environment and Climate Change
Water Resources Management Division
PO Box 8700
St. John's NL A1B 4J6
GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
Department of Environment and Climate Change

APPENDIX D
Location Map for Permit

Excerpt from Map 12 A/6

Approximate Crossing Locations

Approximate Crossing Locations
PERMIT TO ALTER A BODY OF WATER

Pursuant to the Water Resources Act, SNL 2002 cW-4.01, Section(s) 48

Date: AUGUST 26, 2013

Proponent: Marathon Gold Corporation
PO Box 160
Pasadena NL A0L 1K0

Attention: Ms. Sherry Dunsword, P.Geo.

Re: Valentine Lake (Unnamed Stream) - Fording

Permission is hereby given for the fording and construction of temporary structures for stream crossings as required to allow access for geological exploration, with reference to the application dated July 12, 2013.

This permit does not release the proponent from the obligation to obtain appropriate approvals from other concerned provincial, federal and municipal agencies.

The proponent must obtain the approval of the Crown Lands Division of the Department of Environment and Conservation if the project is being carried out on Crown Land.

This permit is subject to the terms and conditions indicated in Appendix A (attached).

It should be noted that prior to any significant changes in the design or installation of the proposed works, or in event of changes in ownership or management of the project, an amendment to this permit must be obtained from the Department of Environment and Conservation under Section 49 of the Water Resources Act.

Failure to comply with the terms and conditions will render this permit null and void, place the proponent and their agent(s) in violation of the Water Resources Act and make the proponent responsible for taking any remedial measures as may be prescribed by this Department.

MINISTER
GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
Department of Environment and Conservation

APPENDIX A
Terms and Conditions for Environmental Permit

Valentine Lake (Unnamed Stream) - Fording

<table>
<thead>
<tr>
<th>Fording</th>
<th>Description of Streambed</th>
<th>Amount of Vegetation</th>
<th>Channel Width (m)</th>
<th>Channel Depth (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fording #1</td>
<td>cobble</td>
<td>moderate</td>
<td>3.0</td>
<td>0.30</td>
</tr>
<tr>
<td>Fording #2</td>
<td>sand</td>
<td>sparse</td>
<td>1.0</td>
<td>0.30</td>
</tr>
</tbody>
</table>

2. Except for single passenger all terrain vehicles. crossings by other vehicles or construction equipment shall be limited to one trip in and one trip out.

3. Timbers or rocks shall be placed in streams to facilitate crossing or to minimize damage to the channel sections provided the streams are not unnecessarily constricted or backed up.

4. Alteration of the natural minimum streamflow is not permitted in order to preserve aquatic life.

5. Stream banks at fording sites that contain loose or erodible material must be adequately stabilized before crossing to minimize any siltation of streams.

6. The natural course of any stream must not be altered.

7. Infilling must not cause increased water elevation upstream or increase flow velocity downstream of the site. Reduction of the natural cross sectional area of any watercourse is not permitted.

8. The fording sites must be located at shallow sections of the channels where there are low approach grades, and where the channels consists of stable non-erodible rock or cobbles.

9. Fording shall only be carried out during periods of low water levels.

10. When the fording sites are no longer required, the proponent must dismantle and remove all constructed works and restore the sites to their original condition. All material placed in streams must be completely removed.

11. A complete oil spill clean-up kit must be on site at all times when gasoline or fuel powered equipment is being used or refuelled. The kit must contain the following:
   - One hand operated fuel pump
   - One recovery container such as an empty 205 litre drum
   - One shovel
   - One pick ax
   - Five metres of containment boom
   - Five absorbent pads
   - Twenty-five litres of loose absorbent material

12. Within 30 days after expiry of this permit, the proponent must submit to the department a report confirming that each fording location was left in as good or better condition than prior to proponents fording activities. This report should include detailed pictures of each site before and after project activities.

General Alterations

13. Any work that must be performed below the high water mark must be carried out during a period of low water levels.

14. Any flowing or standing water must be diverted around work sites so that work is carried out in the dry.

15. Water pumped from excavations or work areas, or any runoff or effluent directed out of work sites, must have silt and
turbidity removed by settling ponds, filtration, or other suitable treatment before discharging to a body of water. Effluent discharged into receiving waters must comply with the Environmental Control Water and Sewage Regulations, 2003.

16. All operations must be carried out in a manner that prevents damage to land, vegetation, and watercourses, and which prevents pollution of bodies of water.

17. The use of heavy equipment in streams or bodies of water is not permitted. The operation of heavy equipment must be confined to dry stable areas.

18. All vehicles and equipment must be clean and in good repair, free of mud and oil, or other harmful substances that could impair water quality.

19. Wood preservatives such as penta, CCA or other such chemicals must not be applied to timber near a body of water. All treated wood or timber must be thoroughly dry before being brought to any work site and installed.

20. Any areas adversely affected by this project must be restored to a state that resembles local natural conditions. Further remedial measures to mitigate environmental impacts on water resources can and will be specified, if considered necessary in the opinion of the Department.

21. The bed, banks and floodplains of watercourses, or other vulnerable areas affected by this project, must be adequately protected from erosion by seeding, sodding or placing of rip-rap.

22. All waste materials resulting from this project must be disposed of at a site approved by the Department of Service NL.

23. Periodic maintenance such as painting, resurfacing, cleaning of debris, or minor repairs, must be carried out without causing any physical disruption of any watercourse. Care must be taken to prevent spillage of pollutants into the water.

24. The owners of structures are responsible for any environmental damage resulting from dislodgement caused by wind, wave, ice action, or structural failure.

25. Sediment and erosion control measures must be installed before starting work. All control measures must be inspected regularly and any necessary repairs made if damage is discovered.

26. Fill material must be of good quality, free of fines or other substances including metals, organics, or chemicals that may be harmful to the receiving waters.

27. The attached Completion Report (Appendix B) for Permit No. 7135 must be completed and returned to this Department upon completion of the approved works.

28. This Permit is valid for two years from the date of issue. Work must be completed by that date or the application and approval procedure must be repeated.

29. The location of the work is highlighted on the Location Map for this Permit attached as Appendix C.
cc: File Copy for Binder

cc: Manager, Water Investigations Section
Department of Environment and Conservation
Water Resources Management Division
P.O. Box 8700
St. John's NL A1B 4J6

cc: Fisheries Protection Division
Ecosystem Management Branch
Fisheries and Oceans Canada
P.O. Box 5667
St. John's NL A1C 5X1
Appendix B - Completion Report

Pursuant to the Water Resources Act, SNL 2002 cW-4.01, Section(s) 48

Date: AUGUST 26, 2013
File No: 527
File No: ALT7135-2013

Proponent: Marathon Gold Corporation
PO Box 160
Pasadena NL A0L 1K0

Permit No: ALT7135-2013

Attention: Ms. Sherry Dunsworth, P.Geo.

Re: Valentine Lake (Unnamed Stream) - Fording

Permission was given for: the fording and construction of temporary structures for stream crossings as required to allow access for geological exploration, with reference to the application dated July 12, 2013.

I (the proponent named above or agent authorized to represent the proponent) do hereby certify that the project described above was completed in accordance with the plans and specifications submitted to the Department of Environment and Conservation and that the work was carried out in strict compliance with the terms and conditions of the Permit Issued for this project.

Date: ___________________________Signature: ___________________________

This completion report must be completed and forwarded to the following address upon completion of the approved work.

Department of Environment and Conservation
Water Resources Management Division
PO Box 8700
St. John's NL A1B 4J6
APPENDIX C
Location Map for Environmental Permit
WATER USE LICENCE/PERMIT
(Industrial - Mineral Exploration)

Pursuant to the Water Resources Act, SNL 2002 cW-4-01

Date of Issue: June 21, 2013
No: WUL-13-049
File: 515

Licensee/Holder: Marathon Gold Corporation
357 Bay Street, Suite 800
Toronto ON M5H 2T7

Attention: Sherry Dunsworth, P.Geo., VP Exploration

Re: Water Withdrawal and Use of Bodies of Water (Valentine Lake Property)

The Minister of Environment and Conservation (the "Minister") hereby grants a non-exclusive water right to: Marathon Gold Corporation (the "Licensee/Holder") to withdraw water and use of bodies of water, as indicated in the maps for exploration approval (attached) and if so required the Licensee/Holder may withdraw water from and use other bodies of water within the boundary of the property, for the purpose of supplying and water and other purposes in relation to the Licensee/Holder's mineral exploration project (Valentine Lake Property) in reference to the application received on May 24, 2013 and further information provided on June 6, 11 and 21, 2013.

This Licence/Permit is subject to the terms and conditions, reservations, exceptions, and provisions stated herein and the Water Resources Act and regulations thereunder. Appendices A and B and the maps for exploration approval form part and parcel of this Licence/Permit.

This Licence/Permit does not release the Licensee/Holder from the obligation to obtain appropriate approvals, permits or licences from other concerned federal, provincial and municipal agencies.

The Licensee/Holder shall complete and return the attached Notification of Acceptance of Water Use Licence/Permit (attached) to the Water Rights Section of the Department of Environment and Conservation within thirty (30) days of receipt of this Licence/Permit.

Failure to comply with the terms and conditions, reservations, exceptions, and provisions set out herein will render this Licence/Permit null and void, place the Licensee/Holder and/or its agents in violation of the Water Resources Act, and cause the Licensee/Holder to be responsible for any and all remedial measures which may be prescribed by the Department of Environment and Conservation.
TERMS AND CONDITIONS FOR WATER USE LICENCE/PERMIT

1. In consideration of the terms and conditions, reservations, exceptions, and provisions herein contained, the Minister hereby grants the Licensee/Holder a non-exclusive right to withdraw water and use of bodies of water, as indicated in the maps for exploration approval (attached) and if so required the Licensee/Holder may withdraw water from and use other bodies of water within the boundary of the property, for the purpose of supplying and water and other purposes in relation to the Licensee/Holder’s mineral exploration project (Valentine Lake Property) in reference to the application received on May 24, 2013 and further information provided on June 6, 11 and 21, 2013.

2. Ownership of water rights remains with the Crown and is not transferred. The Water Use Licence/Permit only provides permission for the Licensee/Holder to use water for the purpose indicated in this Licence/Permit.

3. The non-exclusive rights and privileges hereby demised by this Licence/Permit shall not be sold, assigned, transferred, leased, mortgaged, sublet or otherwise alienated by the Licensee/Holder without obtaining prior written approval from the Minister.

4. The Licensee/Holder acknowledges and agrees that this Licence/Permit does not grant any interest in land.

5. This Licence/Permit shall expire on December 31, 2018 or earlier if suspended or cancelled by the Minister. The Licensee/Holder may apply for an extension at least ninety (90) days before the expiry of the initial term of this Licence/Permit. This Licence/Permit supersedes and cancels in whole and in part WUL-03-003.

6. The designated purpose of the water use is “Industrial/Mineral Exploration”.

7. The estimated daily water withdrawal from the said bodies of water shall not exceed 20,000 litres, subject to water availability without changing the hydraulic characteristics of or causing impact on fish and fish habitat in the said bodies of water or impact on other existing water users. The Licensee/Holder shall not at any time withdraw and use amounts of water in excess of the need for the Licensee/Holder’s mineral exploration activities, irrespective of the amount of water approved.

8. In case of drilling on the ice cover of the said bodies of water, the Licensee/Holder shall ensure that the ice is sufficiently thick and structurally sound and able to safely support the drilling rig and all associated equipment on the ice surface. The ice surface must be inspected daily as long as the equipment is on the ice and a written record of these inspections must be kept in a suitable log book. More frequent inspections are required when there are sudden temperature changes.

9. The Licensee/Holder shall not at any time impair, pollute or cause to be polluted the quality of water in the said bodies of water or any nearby body of water. Also, this Licence/Permit shall not be interpreted as granting any rights to cause adverse effect(s) on water in or outside the drilling activities areas and all operations must be carried out in a manner that prevents damage to land, vegetation, and bodies of water. The Water Resources Management Division of the Department of Environment and Conservation must be informed if drilling activities have a potential to impair water quality of the said bodies of water or any nearby body of water. In addition, any and all waste material that may result from drilling activities must be removed from drilling activities and disposed at a site approved by the regional Government Service Centre of the Department of Service NL. The Departments of Environment and conservation and Service NL may require samples to be submitted for testing and analysis.

10. Water pumped or discharged from drilling activities, or any runoff or effluent directed out of the drilling activities areas, must have silt and turbidity removed by settling ponds, filtration, or other suitable treatment before discharging to any body of water. Effluent discharged into receiving waters must comply with the Environmental Control Water and Sewage Regulations, 2003.
11. Used drilling mud and cuttings must be collected in a closed system of settling tanks and disposed of at a site approved by the regional Government Service Centre of the Department of Government Services. This site must not be within 100 metres of any body of water. The water in the system must be recycled.

12. The Licensee/Holder shall keep records for water withdrawals and uses and other relevant information and complete and file a form following the format of Appendix B with the Water Rights Section of the Department of Environment and Conservation on or before March 31st of each year during the mineral exploration activities. Also, the Licensee/Holder may be required to monitor, report and assess water quality and quantity of the water available and supplied to the Licensee/Holder’s mineral exploration activities in such manner as the Minister considers necessary such as flowmeter(s) for the said bodies of water.

13. The Licensee/Holder shall not construct any systems/works, make changes in the purpose, rates and amounts of water specified in this Licence/Permit, or divert the course or alter the physical features of the said bodies of water or any nearby body of water without the prior written permission of the Minister.

14. The Licensee/Holder shall keep all systems/equipment and vehicles used for drilling in clean and good condition and repair, free of oil, or other harmful substances that could impair water quality of any body of water and shall notify the Minister immediately if any problem arises which may adversely affect public safety or other existing water users. Also, the Licensee/Holder shall restore all areas that may be affected by drilling activities to a state that resembles local natural conditions. Further remedial measures to mitigate environmental impacts on water resources can and will be specified, if necessary in the opinion of this Department.

15. In case of drilling on the ice cover of the said bodies of water, a dyke or other suitable device must be placed around the immediate perimeter of the ice hole and around the perimeter of the drilling area to prevent any fluid, fuel or other foreign substance from entering the water or spreading across the ice surface.

16. When possible, drilling should take place using water alone. If this is not possible, then only environmentally approved drilling fluids shall be used and a mud recovery system must be used.

17. All fuels and lubricants must be stored in an approved manner on land, no closer than 30 metres to any body of water. Only sufficient fuel for one refueling shall be brought on the ice at one time.

18. The Licensee/Holder and the Licensee/Holder’s contractor(s) are responsible for reporting any environmental problem encountered in connection with the said bodies of water or any nearby body of water to the Water Resources Division and environmental monitors within 24 hours. This includes, but is not limited to, any spillage of fuel, lubricant, drilling mud or any other material, siltation of water or depletion of any source of water used for any purpose in connection with the drilling activities.

19. The employees of the Department of Environment and Conservation, authorized by the Minister, may at all reasonable times during the term created by this Licence/Permit enter into the mineral exploration activities areas and the Licensee/Holder’s designated place of business to inspect the systems/equipment, records, statements, and accounts, and shall be entitled to copy such information as may be required by the Minister in relation to this Licence/Permit.
GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
APPENDIX A (CONTINUED)

TERMS AND CONDITIONS FOR WATER USE LICENCE/PERMIT

20. The Licensee/Holder indemnifies and holds the Minister and Government harmless against any and all liabilities, losses, claims, demands, damages or expenses including legal expenses of any nature whatsoever whether arising in tort, contract, statute, trust or otherwise resulting directly or indirectly from the water rights granted under this Licence/Permit, systems/equipment in the mineral exploration activities areas, or any act or omission of the Licensee/Holder in the mineral exploration areas, or arising out of a breach or non-performance of any of the terms and conditions, and provisions of this Licence/Permit by the Licensee/Holder.

21. If the Licensee/Holder fails to perform, fulfill, or observe any of the terms and conditions, reservations, exceptions, and provisions of this Licence/Permit and/or Ministerial orders and guidelines, as determined by the Department of Environment and Conservation, the Minister may, after providing a ten (10) days notice by personal service or registered mail or facsimile to the Licensee/Holder at any time during the term created by this Licence/Permit, modify or cancel this Licence/Permit.

22. Should any provision of this Licence/Permit be unenforceable, it shall be considered separate and severable from the remaining provisions of this Licence/Permit which shall remain in force and be binding as though the provision had not been included.

23. This Licence/Permit is subject to the Water Resources Act and any regulations in effect thereunder from time to time and any other relevant legislation enacted by the Province of Newfoundland and Labrador in the future.

24. This Licence/Permit shall be construed and interpreted in accordance with all applicable laws of the Province Newfoundland and Labrador.

25. All notices to be given pursuant to the terms and conditions of this Licence/Permit shall be given in writing and delivered by facsimile with auto confirmation or registered mail. If a notice is delivered by facsimile, it is deemed to have been received on the day it was sent if that day is a normal business day, if not, it is deemed to have been received on the next normal business day. If a notice is sent by registered mail, it is deemed to have been received three days after the day it was mailed.

The address and facsimile of the Licensee/Holder is:

Marathon Gold Corporation
357 Bay Street, Suite 800
Toronto ON M5H 2T7
(709) 686-2317

The address and facsimile number of the Department of Environment and Conservation is:

Water Rights Section
Department of Environment and Conservation
PO Box 8700
St. John's NL A1B 4J6
(709) 729-0320
To: Water Rights Section  
Water Resources Management Division  
Department of Environment and Conservation  
PO Box 8700  
St. John's NL A1B 4J6

Re: Water Withdrawal and Use of Bodies of Water (Valentine Lake Property)

This report must be completed and filed on or before the end of March 31st of each year during the term created by this Licence/Permit. Provide the information required below:

1. Has the Licensee/Holder used water during last year?  
Yes ☐  
No ☐  
If no, explain (use extra sheet to provide more information, if any)

2. Does the Licensee/Holder wish to continue the non-exclusive water rights for next year?  
Yes ☐  
No ☐  
If no, explain (use extra sheet to provide more information, if any).

3. Has the Licensee/Holder exceeded the estimated maximum daily water withdrawal of that indicated in Appendix A during last year?  
Yes ☐  
No ☐  
If yes, explain in the space below (use extra sheet to provide more information, if any).

State the monthly of water used during last year:

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4. Is there any other matter on which the Licensee/Holder wishes to inform the Department of Environment and Conservation regarding this Licence/Permit and its terms and conditions?  
Yes ☐  
No ☐  
If yes, explain (use extra sheet to provide more information, if any).

I/we acknowledge that the information contained in this report is true and correct.

Marathon Gold Corporation  
357 Bay Street, Suite 800  
Toronto ON M5H 2T7

Signature: ____________________________  
Name/Title: ____________________________  
Date: ________________________________
Water Use Licence for Marathon Gold Corp. on the Valentine Lake Property, 20,000 L/day
Water Use Licence for Marathon Gold Corp. on the Valentine Lake Property, 20,000 L/day
Water Use Licence for Marathon Gold Corp. on the Valentine Lake Property, 20,000 L/day
Water Use Licence for Marathon Gold Corp. on the Valentine Lake Property, 20,000 L/day
Water Use Licence for Marathon Gold Corp. on the Valentine Lake Property, 20,000 L/day

Legend
- Water Source
- Property

Comments

Project
Water Use Licence for Marathon Gold Corp. on the Valentine Lake Property, 20,000 L/day

Legend
- Water Source
- Property

Comments
Water Use Licence for Marathon Gold Corp. on the Valentine Lake Property, 20,000 L/day

Legend
- Water Source
- Property

Comments
NOTIFICATION OF ACCEPTANCE OF WATER USE LICENCE/PERMIT
[Water Withdrawal and Use of Bodies of Water (Valentine Lake Property)]


As a Licensee/Holder of Water Use Licence/Permit No. WUL-13-049, issued pursuant to the Water Resources Act, Marathon Gold Corporation (the "Licensee/Holder"), agrees to accept this Licence/Permit for the stated duration and abide by all terms and conditions, reservations, exceptions and provisions stated therein. The Licensee/Holder acknowledges that failure to abide by the terms and conditions, reservations, exceptions and provisions indicated in Appendices A and B and the maps for Exploration Approval (attached) of the Licence/Permit and the Water Resources Act will render the Licence/Permit null and void, place the Licensee/Holder and/or their agent(s) in violation of the Water Resources Act and regulations thereunder and cause the Licensee/Holder to be responsible for any and all remedial measures which may be prescribed by the Department of Environment and Conservation.

Signed, sealed, and delivered by Marathon Gold Corporation, in accordance with its rules and regulations in that behalf at , this day of , 2013 in the presence of:

Witness

Per: Signing Officer

Seal:

[Important: The attached Water Use Licence/Permit is not valid unless the Licensee/Holder completes and returns the notification to the address above within thirty (30) days of receipt.]
Pursuant to the Water Resources Act, SNL 2002 cW-4-01

Date of Issuance: January 21, 2013

Licensee/Holder: Marathon Gold Corporation
357 Bay Street, Suite 800
Toronto ON M5H 2T7

Attention: Sherry Dunsworth

Re: Water Withdrawal and Use from Bodies of Water (Valentine Lake Property)

The Minister of Environment and Conservation (the "Minister") hereby grants a non-exclusive water right to: Marathon Gold Corporation (the "Licensee/Holder") to withdraw water from bodies of water, as indicated in the three maps for exploration approval including those within the boundary of property (attached), and use it for the purpose of supplying water to the Licensee/Holder's mineral exploration project (Valentine Lake Property) in reference to the application received on December 5, 2012 and further information provided on December 31, 2012.

This Licence/Permit is subject to the terms and conditions, reservations, exceptions, and provisions stated herein and the Water Resources Act and regulations thereunder. Appendices A and B and the three maps for exploration approval form part and parcel of this Licence/Permit.

This Licence/Permit does not release the Licensee/Holder from the obligation to obtain appropriate approvals, permits or licences from other concerned federal, provincial and municipal agencies.

The Licensee/Holder shall complete and return the attached Notification of Acceptance of Water Use Licence/Permit (attached) to the Water Rights Section of the Department of Environment and Conservation within thirty (30) days of receipt of this Licence/Permit.

Failure to comply with the terms and conditions, reservations, exceptions, and provisions set out herein will render this Licence/Permit null and void, place the Licensee/Holder and/or its agents in violation of the Water Resources Act, and cause the Licensee/Holder to be responsible for any and all remedial measures which may be prescribed by the Department of Environment and Conservation.
GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF ENVIRONMENT AND CONSERVATION

APPENDIX A

NO: WUL-13-003
FILE: 515

TERMS AND CONDITIONS FOR WATER USE LICENCE/PERMIT

1. In consideration of the terms and conditions, reservations, exceptions, and provisions herein contained, the Minister hereby grants the Licensee/Holder a non-exclusive right to withdraw water from bodies of water, as indicated in the three maps for exploration approval including those within the boundary of property (attached), and use it for the purpose of supplying water to the Licensee/Holder's mineral exploration project (Valentine Lake Property) in reference to the application received on December 5, 2012 and further information provided on December 31, 2012.

2. Ownership of water rights remains with the Crown and is not transferred. The Water Use Licence/Permit only provides permission for the Licensee/Holder to use water for the purpose indicated in this Licence/Permit.

3. The non-exclusive rights and privileges hereby demised by this Licence/Permit shall not be sold, assigned, transferred, leased, mortgaged, sublet or otherwise alienated by the Licensee/Holder without obtaining prior written approval from the Minister.

4. The Licensee/Holder acknowledges and agrees that this Licence/Permit does not grant any interest in land.

5. This Licence/Permit shall expire on December 31, 2017 or earlier if suspended or cancelled by the Minister. The Licensee/Holder may apply for an extension at least ninety (90) days before the expiry of the initial term of this Licence/Permit.

6. The designated purpose of the water use is "Industrial/Mineral Exploration".

7. The estimated daily water withdrawal from the said bodies of water shall not exceed 20,000 litres, subject to water availability without changing the hydraulic characteristics of or causing impact on fish and fish habitat in the said bodies of water or impact on other existing water users. The Licensee/Holder shall not at any time withdraw and use amounts of water in excess of the need for the Licensee/Holder's mineral exploration activities, irrespective of the amount of water approved.

8. In case of drilling on the ice cover of the said bodies of water, the Licensee/Holder shall ensure that the ice is sufficiently thick and structurally sound and able to safely support the drilling rig and all associated equipment on the ice surface. The ice surface must be inspected daily as long as the equipment is on the ice and a written record of these inspections must be kept in a suitable log book. More frequent inspections are required when there are sudden temperature changes.

9. The Licensee/Holder shall not at any time impair, pollute or cause to be polluted the quality of water in the said bodies of water or any nearby body of water. Also, this Licence/Permit shall not be interpreted as granting any rights to cause adverse effect(s) on water in or outside the drilling activities areas and all operations must be carried out in a manner that prevents damage to land, vegetation, and bodies of water. The Water Resources Management Division of the Department of Environment and Conservation must be informed if drilling activities have a potential to impair water quality of the said bodies of water or any nearby body of water. In addition, any and all waste material that may result from drilling activities must be removed from drilling activities and disposed at a site approved by the regional Government Service Centre of the Department of Service NL. The Departments of Environment and conservation and Service NL may require samples to be submitted for testing and analysis.

10. Water pumped or discharged from drilling activities, or any runoff or effluent directed out of the drilling activities areas, must have silt and turbidity removed by settling ponds, filtration, or other suitable treatment before discharging to any body of water. Effluent discharged into receiving waters must comply with the Environmental Control Water and Sewage Regulations, 2003.
11. Used drilling mud and cuttings must be collected in a closed system of settling tanks and disposed of at a site approved by the regional Government Service Centre of the Department of Government Services. This site must not be within 100 metres of any body of water. The water in the system must be recycled.

12. The Licensee/Holder shall keep records for water withdrawals and uses and other relevant information and complete and file a form following the format of Appendix B with the Water Rights Section of the Department of Environment and Conservation on or before March 31st of each year during the mineral exploration activities. Also, the Licensee/Holder may be required to monitor, report and assess water quality and quantity of the water available and supplied to the Licensee/Holder’s mineral exploration activities in such manner as the Minister considers necessary such as flowmeter(s) for the said bodies of water.

13. The Licensee/Holder shall not construct any systems/works, make changes in the purpose, rates and amounts of water specified in this Licence/Permit, or divert the course or alter the physical features of the said bodies of water or any nearby body of water without the prior written permission of the Minister.

14. The Licensee/Holder shall keep all systems/equipment and vehicles used for drilling in clean and good condition and repair, free of oil, or other harmful substances that could impair water quality of any body of water and shall notify the Minister immediately if any problem arises which may adversely affect public safety or other existing water users. Also, the Licensee/Holder shall restore all areas that may be affected by drilling activities to a state that resembles local natural conditions. Further remedial measures to mitigate environmental impacts on water resources can and will be specified, if necessary in the opinion of this Department.

15. In case of drilling on the ice cover of the said bodies of water, a dyke or other suitable device must be placed around the immediate perimeter of the ice hole and around the perimeter of the drilling area to prevent any fluid, fuel or other foreign substance from entering the water or spreading across the ice surface.

16. When possible, drilling should take place using water alone. If this is not possible, then only environmentally approved drilling fluids shall be used and a mud recovery system must be used.

17. All fuels and lubricants must be stored in an approved manner on land, no closer than 30 metres to any body of water. Only sufficient fuel for one refueling shall be brought on the ice at one time.

18. The Licensee/Holder and the Licensee/Holder’s contractor(s) are responsible for reporting any environmental problem encountered in connection with the said bodies of water or any nearby body of water to the Water Resources Division and environmental monitors within 24 hours. This includes, but is not limited to, any spillage of fuel, lubricant, drilling mud or any other material, siltation of water or depletion of any source of water used for any purpose in connection with the drilling activities.

19. The employees of the Department of Environment and Conservation, authorized by the Minister, may at all reasonable times during the term created by this Licence/Permit enter into the mineral exploration activities areas and the Licensee/Holder’s designated place of business to inspect the systems/equipment, records, statements, and accounts, and shall be entitled to copy such information as may be required by the Minister in relation to this Licence/Permit.
TERMS AND CONDITIONS FOR WATER USE LICENCE/PERMIT

20. The Licensee/Holder indemnifies and holds the Minister and Government harmless against any and all liabilities, losses, claims, demands, damages or expenses including legal expenses of any nature whatsoever whether arising in tort, contract, statute, trust or otherwise resulting directly or indirectly from the water rights granted under this Licence/Permit, systems/equipment in the mineral exploration activities areas, or any act or omission of the Licensee/Holder in the mineral exploration areas, or arising out of a breach or non-performance of any of the terms and conditions, and provisions of this Licence/Permit by the Licensee/Holder.

21. If the Licensee/Holder fails to perform, fulfill, or observe any of the terms and conditions, reservations, exceptions, and provisions of this Licence/Permit and/or Ministerial orders and guidelines, as determined by the Department of Environment and Conservation, the Minister may, after providing a ten (10) days notice by personal service or registered mail or facsimile to the Licensee/Holder at any time during the term created by this Licence/Permit, modify or cancel this Licence/Permit.

22. Should any provision of this Licence/Permit be unenforceable, it shall be considered separate and severable from the remaining provisions of this Licence/Permit which shall remain in force and be binding as though the provision had not been included.

23. This Licence/Permit is subject to the Water Resources Act and any regulations in effect thereunder from time to time and any other relevant legislation enacted by the Province of Newfoundland and Labrador in the future.

24. This Licence/Permit shall be construed and interpreted in accordance with all applicable laws of the Province Newfoundland and Labrador.

25. All notices to be given pursuant to the terms and conditions of this Licence/Permit shall be given in writing and delivered by facsimile with auto confirmation or registered mail. If a notice is delivered by facsimile, it is deemed to have been received on the day it was sent if that day is a normal business day, if not, it is deemed to have been received on the next normal business day. If a notice is sent by registered mail, it is deemed to have been received three days after the day it was mailed. The address and facsimile of the Licensee/Holder is:

Marathon Gold Corporation
357 Bay Street, Suite 800
Toronto ON M5H 2T7
(709) 686-2317

The address and facsimile number of the Department of Environment and Conservation is:

Water Rights Section
Department of Environment and Conservation
PO Box 8700
St. John’s NL A1B 4J6
(709) 729-0320
GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
APPENDIX B
Annual Report to Department of Environment and Conservation

To: Water Rights Section
Water Resources Management Division
Department of Environment and Conservation
PO Box 8700
St. John’s NL A1B 4J6

Re: Water Withdrawal and Use from Bodies of Water (Valentine Lake Property)

This report must be completed and filed on or before the end of March 31st of each year during the term created by this Licence/Permit. Provide the information required below:

1. Has the Licensee/Holder used water during last year? Yes ☐ No ☐
   If no, explain (use extra sheet to provide more information, if any)

2. Does the Licensee/Holder wish to continue the non-exclusive water rights for next year? Yes ☐ No ☐
   If no, explain (use extra sheet to provide more information, if any)

3. Has the Licensee/Holder exceeded the estimated maximum daily water withdrawal of that indicated in Appendix A during last year? Yes ☐ No ☐
   If yes, explain in the space below (use extra sheet to provide more information, if any)

State the monthly of water used during last year:

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<td>Use in litres or cubic meters</td>
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4. Is there any other matter on which the Licensee/Holder wishes to inform the Department of Environment and Conservation regarding this Licence/Permit and its terms and conditions? Yes ☐ No ☐
   If yes, explain (use extra sheet to provide more information, if any)

I/We acknowledge that the information contained in this report is true and correct.

Marathon Gold Corporation
357 Bay Street, Suite 800
Toronto ON M5H 2T7

Signature: ____________________________
Name/Title: ___________________________
Date: _________________________________
Water Use Licence for Marathon Gold Corp. on the Valentine Lake Property, 20,000 L/day

Legend
- Water Source
- DDH
- Property

Comments

GeoReference
UTM NAD 27 Zone 21
1:50,000

Kilometers
Water Use Licence for Marathon Gold Corp. on the Valentine Lake Property, 20,000 L/day

Legend
- Water Source
- DDH
- Property

Comments

E430008
NOTIFICATION OF ACCEPTANCE OF WATER USE LICENCE/PERMIT
[Water Withdrawal and Use from Bodies of Water (Valentine Lake Property)]


As a Licensee/Holder of Water Use Licence/Permit No. WUL-13-003, issued pursuant to the Water Resources Act, Marathon Gold Corporation (the "Licensee/Holder"), agrees to accept this Licence/Permit for the stated duration and abide by all terms and conditions, reservations, exceptions and provisions stated therein. The Licensee/Holder acknowledges that failure to abide by the terms and conditions, reservations, exceptions and provisions indicated in Appendices A and B and the three maps for Exploration Approval (attached) of the Licence/Permit and the Water Resources Act will render the Licence/Permit null and void, place the Licensee/Holder and/or their agent(s) in violation of the Water Resources Act and regulations thereunder and cause the Licensee/Holder to be responsible for any and all remedial measures which may be prescribed by the Department of Environment and Conservation.

Signed, sealed, and delivered by Marathon Gold Corporation, in accordance with its rules and regulations in that behalf at ______, ________, this ____ day of ________, 2013 in the presence of:

Witness

Per: 

Signing Officer

Seal:
PERMIT TO ALTER A BODY OF WATER

Pursuant to the Water Resources Act, SNL 2002 cW-4.01, Section(s) 48

Date: NOVEMBER 08, 2011

Proponent: Marathon Gold Corporation
PO Box 160
Pasadena NL A0L 1K0

Attention: Ms. Sherry Dunsworth, P.Geo.

Re: Millertown Area - Temporary Bridges and Decking

Permission is hereby given for: the installation and subsequent removal of five (5) temporary steel bridges and decking over existing bridges across five (5) unnamed streams between Millertown and Victoria Lake, with reference to the application dated October 18, 2011.

• This permit does not release the proponent from the obligation to obtain appropriate approvals from other concerned provincial, federal and municipal agencies.

• The proponent must obtain the approval of the Crown Lands Division of the Department of Environment and Conservation if the project is being carried out on Crown Land.

• This permit is subject to the terms and conditions indicated in Appendix A (attached).

• It should be noted that prior to any significant changes in the design or installation of the proposed works, or in event of changes in ownership or management of the project, an amendment to this permit must be obtained from the Department of Environment and Conservation under Section 49 of the Water Resources Act.

• Failure to comply with the terms and conditions will render this permit null and void, place the proponent and their agent(s) in violation of the Water Resources Act and make the proponent responsible for taking any remedial measures as may be prescribed by this Department.
GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
Department of Environment and Conservation

APPENDIX A
Terms and Conditions for Environmental Permit

Millertown Area - Temporary Bridges and Decking

Bridge Construction
1. All temporary bridges and decks installed under this permit must be removed by the November 10, 2013 in accordance with the terms and conditions of this permit.

2. The use of creosote treated wood is strictly prohibited within 15 metres of all bodies of fresh water in the province.

3. Bridge abutments must be set back 0.5 metres from the normal edge of a watercourse to prevent constriction during high flow conditions.

4. Infilling must not cause increased water elevation upstream or increase flow velocity downstream of the site. Reduction of the natural cross sectional area of any watercourse is not permitted.

5. The upstream and downstream sides of abutments must be protected with rip-rap, concrete or heavy timber to prevent erosion and scouring.

6. Roadside embankments near the watercourse must be adequately protected from erosion by sodding, seeding or placing of rip-rap.

7. Adequate erosion protection must be provided where roadside ditches discharge into watercourses near bridges.

General Alterations
8. Any work that must be performed below the high water mark must be carried out during a period of low water levels.

9. Any flowing or standing water must be diverted around work sites so that work is carried out in the dry.

10. Water pumped from excavations or work areas, or any runoff or effluent directed out of work sites, must have silt and turbidity removed by settling ponds, filtration, or other suitable treatment before discharging to a body of water. Effluent discharged into receiving waters must comply with the Environmental Control Water and Sewage Regulations, 2003.

11. All operations must be carried out in a manner that prevents damage to land, vegetation, and watercourses, and which prevents pollution of bodies of water.

12. The use of heavy equipment in streams or bodies of water is not permitted. The operation of heavy equipment must be confined to dry stable areas.

13. All vehicles and equipment must be clean and in good repair, free of mud and oil, or other harmful substances that could impair water quality.

14. During the construction of concrete components, formwork must be properly constructed to prevent any fresh concrete from entering a body of water. Dumping of concrete or washing of tools and equipment in any body of water is prohibited.

15. Any areas adversely affected by this project must be restored to a state that resembles local natural conditions. Further remedial measures to mitigate environmental impacts on water resources can and will be specified, if considered necessary in the opinion of the Department.

16. The bed, banks and floodplains of watercourses, or other vulnerable areas affected by this project, must be adequately protected from erosion by seeding, sodding or placing of rip-rap.

17. All waste materials resulting from this project must be disposed of at a site approved by the regional Government Service Centre of the Department of Government Services.
18. The owners of structures are responsible for any environmental damage resulting from dislodgement caused by wind, wave, ice action, or structural failure.

19. Sediment and erosion control measures must be installed before starting work. All control measures must be inspected regularly and any necessary repairs made if damage is discovered.

20. The attached Completion Report (Appendix B) for Permit No. 6098 must be completed and returned to this Department upon completion of the approved works.

21. This Permit is valid for two years from the date of issue. Work must be completed by that date or the application and approval procedure must be repeated.

22. The location of the work is highlighted on the Location Map for this Permit attached as Appendix C.
cc: File Copy for Binder

cc: Mr. Clyde McLean, P. Eng.
Manager, Water Investigations Section
Water Resources Management Division
Department of Environment and Conservation

cc: Mr. Leon W. King (C)
Area Habitat Biologist - Central
Department of Fisheries and Oceans
4A Bayley Street, Suite 200
Grand Falls-Windsor NL A2A 2T5

cc: Ms. Michelle Roberge
Section Head, Habitat Planning and Operations
Marine Environment and Habitat Management Division
Department of Fisheries and Oceans
PO Box 5667
St. John's NL A1C 5X1

cc: Mr. Dan Myles
Supervisor of Forest Engineering
Department of Natural Resources
Forest Engineering Division
PO Box 2006
Corner Brook NL A2H 6J8
Appendix B - Completion Report

Pursuant to the *Water Resources Act*, SNL 2002 cW-4.01, Section(s) 48

Date: NOVEMBER 08, 2011

Proponent: Marathon Gold Corporation
PO Box 160
Pasadena NL A0L 1K0

Attention: Ms. Sherry Dunsworth, P.Geo.

Re: Millertown Area - Temporary Bridges and Decking

Permission was given for: the installation and subsequent removal of five (5) temporary steel bridges and decking over existing bridges across five (5) unnamed streams between Millertown and Victoria Lake, with reference to the application dated October 18, 2011.

I (the proponent named above or agent authorized to represent the proponent) do hereby certify that the project described above was completed in accordance with the plans and specifications submitted to the Department of Environment and Conservation and that the work was carried out in strict compliance with the terms and conditions of the Permit issued for this project.

Date: ___________________________ Signature: ___________________________

This completion report must be completed and forwarded to the following address upon completion of the approved work.

Department of Environment and Conservation
Water Resources Management Division
PO Box 8700
St. John's NL A1B 4J6
GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
Department of Environment and Conservation

APPENDIX C
Location Map for Environmental Permit
Bridge #4
TEMPORARY WATER USE LICENCE/PERMIT
(Industrial - Mineral Exploration)

Pursuant to the Water Resources Act, SNL 2002 cW-4-01

Date of Issuance: February 3, 2011

Licensee/Holder: Marathon Gold Corporation
330 Bay Street, Suite 1505
Toronto, ON M5H 2S8

Attention: Sherry Dunsworth, Project Manager

Re: Temporary Water Withdrawal from Three Bodies of Water (Valentine Lake Property)

The Minister of Environment and Conservation (the "Minister") hereby grants a non-exclusive water right to: Marathon Gold Corporation (the "Licensee/Holder") to temporarily withdraw water from three bodies of water, as indicated in the maps for Exploration Approval E110010 (attached), and use it for the purpose of supplying water to the Licensee/Holder's mineral exploration project (Valentine Lake Property) in reference to the application received on December 3, 2010 and further information provided on February 2, 2011.

This Temporary Licence/Permit is subject to the terms and conditions, reservations, exceptions, and provisions stated herein and the Water Resources Act and regulations thereunder. Appendices A and B and the maps for exploration approval E110010 form part and parcel of this Temporary Licence/Permit.

This Temporary Licence/Permit does not release the Licensee/Holder from the obligation to obtain appropriate approvals, permits or licences from other concerned federal and provincial agencies.

The Licensee/Holder shall complete and return the attached Notification of Acceptance of Temporary Water Use Licence/Permit (attached) to the Water Rights Section of the Department of Environment and Conservation within ten (10) days of receipt of this Temporary Licence/Permit.

Failure to comply with the terms and conditions, reservations, exceptions, and provisions set out herein will render this Temporary Licence/Permit null and void, place the Licensee/Holder and/or its agents in violation of the Water Resources Act, and cause the Licensee/Holder to be responsible for any and all remedial measures which may be prescribed by the Department of Environment and Conservation.
TERMS AND CONDITIONS FOR TEMPORARY WATER USE LICENCE/PERMIT

1. In consideration of the terms and conditions, reservations, exceptions, and provisions herein contained, the Minister hereby grants the Licensee/Holder a non-exclusive right to temporarily withdraw water from three bodies of water, as indicated in the maps for Exploration Approval E110010 (attached), and use it for the purpose of supplying water to the Licensee/Holder's mineral exploration project (Valentine Lake Property) in reference to the application received on December 3, 2010 and further information provided on February 2, 2011.

2. Ownership of water rights remains with the Crown and is not transferred. The Temporary Water Use Licence/Permit only provides permission for the Licensee/Holder to use water for the purpose indicated in this Temporary Licence/Permit.

3. The non-exclusive rights and privileges hereby demised by this Temporary Licence/Permit shall not be sold, assigned, transferred, leased, mortgaged, sublet or otherwise alienated by the Licensee/Holder without obtaining prior written approval from the Minister.

4. The Licensee/Holder acknowledges and agrees that this Temporary Licence/Permit does not grant any interest in land.

5. This Temporary Licence/Permit shall expire on December 31, 2011 or earlier if suspended or cancelled by the Minister. The Licensee/Holder may apply for an extension at least fifteen (15) days before the expiry of the initial term for continuing use of water.

6. The designated purpose of the temporary water use is "Industrial/Mineral Exploration".

7. The estimated daily water withdrawal from the said bodies of water shall not exceed 5,000 litres, subject to water availability without changing the hydraulic characteristics of or causing impact on fish and fish habitat in the said bodies of water or impact on other existing water users. The Licensee/Holder shall not at any time withdraw and use amounts of water in excess of the need for the Licensee/Holder's mineral exploration activities, irrespective of the amount of water approved.

8. In case of drilling on the ice cover of any body of water, the Licensee/Holder/Holder shall ensure that the ice is sufficiently thick and structurally sound and able to safely support the drilling rig and all associated equipment on the ice surface. The ice surface must be inspected daily as long as the equipment is on the ice and a written record of these inspections must be kept in a suitable log book. More frequent inspections are required when there are sudden temperature changes.

9. The Licensee/Holder shall not at any time impair, pollute or cause to be polluted the quality of water in the said bodies of water or any nearby body of water. Also, this Temporary Licence/Permit shall not be interpreted as granting any rights to cause adverse effect(s) on water in or outside the drilling activities areas and all operations must be carried out in a manner that prevents damage to land, vegetation, and body of water. The Water Resources Management Division of the Department of Environment and Conservation must be informed if drilling activities have a potential to impair water quality of the said bodies of water or any nearby body of water. In addition, any and all waste material that may result from drilling activities must be removed and disposed at a site approved by the regional Government Service Centre of the Department of Government Services. The Department of Government Services may require samples to be submitted for testing and analysis.
10. Water pumped or discharged from drilling activities, or any runoff or effluent directed out of the drilling activities areas, must have silt and turbidity removed by settling ponds, filtration, or other suitable treatment before discharging to any body of water. Effluent discharged into receiving waters must comply with the Environmental Control Water and Sewage Regulations, 2003.

11. Used drilling mud and cuttings must be collected in a closed system of settling tanks and disposed of at a site approved by the regional Government Service Centre of the Department of Government Services. This site must not be within 100 metres of any body of water. The water in the system must be recycled.

12. The Licensee/Holder shall not construct any systems/works, make changes in the purpose, rates and amounts of water specified in this Temporary Licence/Permit, or divert the course or alter the physical features of the said bodies of water or any nearby body of water without the prior written permission of the Minister.

13. The Licensee/Holder shall keep all systems/equipment and vehicles used for drilling in clean and good condition and repair, free of oil, or other harmful substances that could impair water quality of any body of water and shall notify the Minister immediately if any problem arises which may adversely affect public safety or other existing water users. Also, the Licensee/Holder shall restore all areas that may be affected by drilling activities to a state that resembles local natural conditions. Further remedial measures to mitigate environmental impacts on water resources can and will be specified, if necessary in the opinion of this Department.

14. In case of drilling on the ice cover of any body of water, a dyke or other suitable device must be placed around the immediate perimeter of the ice hole and around the perimeter of the drilling area to prevent any fluid, fuel or other foreign substance from entering the water or spreading across the ice surface.

15. When possible, drilling should take place using water alone. If this is not possible, then only environmentally approved drilling fluids shall be used and a mud recovery system must be used.

16. All fuels and lubricants must be stored in an approved manner on land, no closer than 30 metres to any body of water. Only sufficient fuel for one refuelling shall be brought on the ice at one time.

17. In case of drilling on the ice cover of any body of water, all maintenance of the drill rig or other equipment, other than emergency repairs, must be carried out on land, no closer than 30 metres to any body of water.

18. The Licensee/Holder and the Licensee/Holder's contractor(s) are responsible for reporting any environmental problem encountered in connection with the said bodies of water or any nearby body of water to the Water Resources Division and environmental monitors within 24 hours. This includes, but is not limited to, any spillage of fuel, lubricant, drilling mud or any other material, siltation of water or depletion of any source of water used for any purpose in connection with the drilling activities.

19. The employees of the Department of Environment and Conservation, authorized by the Minister, may at all reasonable times during the term created by this Temporary Licence/Permit enter into the mineral exploration activities areas and the Licensee/Holder's designated place of business to inspect the systems/equipment, records, statements, and accounts, and shall be entitled to copy such information as may be required by the Minister in relation to this Temporary Licence/Permit.
TERMS AND CONDITIONS FOR TEMPORARY WATER USE LICENCE/PERMIT

20. The Licensee/Holder shall pay the applicable charges or royalties for the use of water, if imposed under the Water Resources Act, during the term of this Temporary Licence/Permit.

21. The Licensee/Holder indemnifies and holds the Minister and Government harmless against any and all liabilities, losses, claims, demands, damages or expenses including legal expenses of any nature whatsoever whether arising in tort, contract, statute, trust or otherwise resulting directly or indirectly from the non-exclusive water rights granted under this Temporary Licence/Permit, systems/equipment in the mineral exploration activities areas, or any act or omission of the Licensee/Holder in the mineral exploration areas, or arising out of a breach or non-performance of any of the terms and conditions, and provisions of this Temporary Licence/Permit by the Licensee/Holder.

22. If the Licensee/Holder fails to perform, fulfill, or observe any of the terms and conditions, reservations, exceptions, and provisions of this Temporary Licence/Permit and/or Ministerial orders and guidelines, as determined by the Department of Environment and Conservation, the Minister may, after providing a ten (10) days notice by personal service or registered mail or facsimile to the Licensee/Holder at any time during the term created by this Temporary Licence/Permit, modify or cancel this Temporary Licence/Permit.

23. Should any provision of this Temporary Licence/Permit be unenforceable, it shall be considered separate and severable from the remaining provisions of this Temporary Licence/Permit which shall remain in force and be binding as though the provision had not been included.

24. This Temporary Licence/Permit is subject to the Water Resources Act and any regulations in effect thereunder from time to time and any other relevant legislation enacted by the Province of Newfoundland and Labrador in the future.

25. This Temporary Licence/Permit shall be construed and interpreted in accordance with all applicable laws of the Province Newfoundland and Labrador.

26. All notices to be given pursuant to the terms and conditions of this Temporary Licence/Permit shall be given in writing and delivered by facsimile with auto confirmation or registered mail. If a notice is delivered by facsimile, it is deemed to have been received on the day it was sent if that day is a normal business day, if not, it is deemed to have been received on the next normal business day. If a notice is sent by registered mail, it is deemed to have been received three days after the day it was mailed. The address and facsimile of the Licensee/Holder is:

Marathon Gold Corporation
330 Bay Street, Suite 1505
Toronto, ON M5H 2S8
709-686-2317

The address and facsimile number of the Department of Environment and Conservation is:

Water Rights Section
Department of Environment and Conservation
PO Box 8700
St. John's NL A1B 4J6
(709) 729-0320
To: Water Rights Section
   Water Resources Management Division
   Department of Environment and Conservation
   PO Box 8700
   St. John's NL A1B 4J6

Re: Temporary Water Withdrawal from Three Bodies of Water (Valentine Lake Property)

This report must be completed and filed within thirty (30) days of the completion of the mineral exploration activities. Provide the information required below:

1. Has the Licensee/Holder used water during the approved temporary period?
   Yes ☐ No ☐
   If no, explain (use extra sheet to provide more information, if any)

2. Does the Licensee/Holder wish to extend the non-exclusive water rights for further temporary period?
   Yes ☐ No ☐
   If no, explain (use extra sheet to provide more information, if any)

3. Has the Licensee/Holder exceeded the estimated daily water withdrawal of that indicated in Appendix A during the approved temporary period?
   Yes ☐ No ☐
   If yes, explain in the space below (use extra sheet to provide more information, if any).
   If no, report exact water withdrawal in the space below (use extra sheet, if necessary).

State the total volume of water used during the approved temporary period: ____________________________

4. Is there any other matter on which the Licensee/Holder wishes to inform the Department of Environment and Conservation regarding this Temporary Licence/Permit and its terms and conditions?
   Yes ☐ No ☐
   If yes, explain (use extra sheet to provide more information, if any).

I/We acknowledge that the information contained in this report are true and correct.

Marathon Gold Corporation
330 Bay Street, Suite 1505
Toronto, ON M5H 2S8

Signature: ____________________________
Name/Title: ____________________________
Date: ____________________________

Page 5 of 5
Water Use Licence for Marathon Gold Corporation on the Valendue Lake Property.

Legend

- Property
- Water Source

Mineral Interests
- Mining Leases
- Mineral Impost Lands
- Mineral Claims

Comments

WUL-11-010

E110010
NOTIFICATION OF ACCEPTANCE OF TEMPORARY WATER USE LICENCE/PERMIT

[Temporary Water Withdrawal from Three Bodies of Water - Valentine Lake Property]

Temporary Water Use Licence No. **WUL-11-010** issued on **February 3, 2011**, and valid until **December 31, 2011**.

As a Licensee/Holder of Temporary Water Use Licence/Permit No. **WUL-11-010**, issued pursuant to the *Water Resources Act*, Marathon Gold Corporation (the "Licensee/Holder"), agrees to accept this Licence for the stated duration and abide by all terms and conditions, reservations, exceptions and provisions stated therein. The Licensee/Holder acknowledges that failure to abide by the terms and conditions, reservations, exceptions and provisions indicated in Appendices A and B and the maps for Exploration Approval E110010 of the Licence and the *Water Resources Act* will render the Licence/Permit null and void, place the Licensee/Holder and/or their agent(s) in violation of the *Water Resources Act* and regulations thereunder and cause the Licensee/Holder to be responsible for any and all remedial measures which may be prescribed by the Department of Environment and Conservation.

Signed, sealed, and delivered by Marathon Gold Corporation, in accordance with its rules and regulations in that behalf at __, __________, this ____ day of __________, 2011 in the presence of:

Witness

Per: Signing Officer

Seal:

**Important:** The attached Water Use Licence is not valid unless the Licensee/Holder completes and turns this notification to the address above within ten (10) days of receipt.
PERMIT TO CONSTRUCT A NON-DOMESTIC WELL
Pursuant to the Water Resources Act SNL 2002 cW-4.01, Section 58

Date: April 4, 2011

Permit No.: ND11-013

Proponent: Marathon Gold Corporation
36 Birchview Drive
Pasadena NL A0L 1K0

Attention: Sherry Dunsworth

Re: Well water supply for a mineral exploration camp at Victoria Lake

Permission is given for the construction of one (1) water well in accordance with the description provided in the application dated March 20, 2011, for the purpose of a water supply for a mineral exploration camp at Victoria Lake.

This permit is subject to the terms and conditions indicated in Appendix A (attached). A Completion Report, Appendix B (attached), must be submitted upon completion of the permitted work.

This permit does not release the proponent from the obligation to obtain appropriate approvals from other provincial, federal and municipal agencies.

Failure to comply with the terms and conditions will render this permit null and void, place the proponent in violation of the Water Resources Act SNL 2002 cW-4.01 and make the proponent responsible for taking any remedial measures as may be prescribed by this department.

MINISTER

PO Box 8700, St. John's NL A1B 4J6 Tel: 709.729.2563 Fax: 709.729.0320 www.gov.nl.ca/env/water
Drilled well water supply for a mineral exploration camp at Victoria Lake

The construction of one (1) water well in accordance with the description provided in the application dated March 20, 2011, for the purpose of a water supply for the exploration camp at Victoria Lake, is approved subject to the following conditions.

1. The well must be drilled by a water well driller licenced by the Government of Newfoundland and Labrador, and constructed according to the Water Resources Act and the Well Drilling Regulations under that Act.

2. The well must be located outside the right-of-way, or 30 metres from the centre line, which ever is greater, of any road, street or highway.

3. The well must not be located within 100 metres of another well water supply.

4. Water disinfected by a National Sanitation Foundation (NSF) certified chlorine product must be used for the drilling and clean up operations.

5. Construction of the well must include carbon steel casing to a minimum depth of 6 metres below ground surface, or to a further depth, whichever is greater, that ensures contaminated surface water and/or shallow groundwater is sealed out.

6. Casing joins must be of continuous weld.

7. The well annulus must be grouted from the bottom of the well casing to the ground surface.

8. In the course of drilling the well and during the development stage, if salty, sulphurous, or other water that might impair the quality of potable water is encountered, the well driller must seal off that water by a method approved by the Minister.

9. The well driller must take all other reasonable measures necessary to ensure that contaminated surface water, shallow groundwater, and/or other water that might impair the quality of potable water will not enter the well.

10. The area immediately surrounding the well must be sloped away from the well and grass covered to a minimum distance of 5 metres in all directions.

11. The wellhead must be completed to a minimum height of 0.6 metres above finished grade.

12. The wellhead must be completed with a double vented screened vermin proof metal well cap.

13. Electrical access to the well must be through a double vented screened vermin proof metal well cap.
GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
Department of Environment and Conservation

Form A-96

Permit No: 11-013

APPENDIX A
Terms and Conditions for Non-Domestic Well Construction Permit

Drilled well water supply for a mineral exploration camp at Victoria Lake

14. Water supply from the well must utilize a pitless adaptor installed below the frost line.

15. There must be no holes, slots, or other openings made in the well casing except for the attachment of the pitless adapter.

16. If an electrical ground wire or other such attachment to the well casing is necessary, it must be attached to a steel anchor that has been welded to the outside of the well casing.

17. If the well pump is to be suspended it must be done from a stainless steel cable attached to an industry approved well hanger inside the wellhead.

18. The well casing and finished wellhead must be sealed (water tight) except for the screened vent.

19. If finished outside, the wellhead must not be enclosed in a protective enclosure, finished below ground level, in a concrete pit, or any other such enclosure unless the method of enclosure is approved by this department.

20. The well must not be located inside, under, or too close to a building unless provision is made in the construction of the building to allow access to the well for cleaning, treatment, repair, testing and inspection of the well.

21. A wellhead located inside a building must be finished in the same manner as an outside well; i.e., to a minimum height of 0.6 metres above floor level, utilizing a pitless adaptor (installed above floor level), and utilizing a double vented screened vermin proof metal well cap.

22. A permanent smooth nose sampling port must be located in the discharge from the well, before chlorination and/or treatment is applied, for the purpose of source water quality monitoring.

23. A 24 hour aquifer pumping test is required for the well in accordance with the Water Resources Management Division document Guidelines for Aquifer Pumping Tests. A final report, written by a hydrogeologist or qualified person and providing the information as stated in the guidelines, including chemical analyses of the water, must be forwarded to this department.

24. During the pump test, discharge water must be monitored continually for salinity.

25. A minimum of two water samples must be collected from the well at the wellhead during the aquifer pumping test utilizing proper sampling protocol. The first water sample must be
APPENDIX A
Terms and Conditions for Non-Domestic Well Construction Permit

Drilled well water supply for a mineral exploration camp at Victoria Lake
collected not less than 30 minutes or more than two hours into the pumping period, and the
second or last water sample must be collected during the last hour of the pumping period.
Water samples must be submitted to an accredited water analysis laboratory for testing as per
the attached parameter list. A copy of the analytical results must be sent to this department.

26. After the well has been completed as a source water supply, and not within 10 days after well
disinfection, a bacteriological water sample must be collected from the well before
chlorination and/or treatment is applied, utilizing proper sampling protocol, and submitted to
the Department of Government Services for analysis. A copy of the bacteriological results
must be submitted to this department.

27. The completed well must not be utilized as a source water supply until all required water
quality analytical results have been received and approved by this department.

28. If the completed well can not meet its intended purpose as stated in the application, at any
time after it has been drilled or in service, for any reason including poor water quality or
insufficient yield, the well must be sealed as per the Water Resources Management Division
document Guidelines for Sealing Groundwater Wells, available on our web site at

29. A Completion Report must be forwarded to this department within 30 days after well
construction is complete.

30. Water well construction data for the well must be attached to the Completion Report.

31. Water well construction data must include the precise location of the newly completed well
taken in latitude/longitude format.

32. Deviation from the application information will require further approval from this
department.

33. This permit is valid for one (1) year from the date of issuance.

34. The well owner is responsible for compliance with this permit.
APPENDIX B – Completion Report
Pursuant to the Water Resources Act SNL 2002 cW-4.01, Section 58

Date: April 4, 2011
Permit No.: ND11-013

Proponent: Marathon Gold Corporation
Pasadena NL A0L 1K0

Attention: Sherry Dunsworth

Re: Well water supply for a mineral exploration camp at Victoria Lake

Permission was given for the construction of one (1) water well in accordance with the description provided in the application dated March 20, 2011, for the purpose of a water supply for a mineral exploration camp at Victoria Lake.

I (the proponent named above) do hereby certify that the project described above was completed in accordance with the application submitted to the Department of Environment and Conservation and that the work was carried out in strict compliance with the terms and conditions of the Permit issued to construct the non-domestic well(s).

Date __________________________ Signature __________________________

This Completion Report must be completed and forwarded to the following address upon completion of the permitted work.

Department of Environment and Conservation
Water Resources Management Division
PO Box 8700
St. John’s NL A1B 4J6
NOTE TO USERS

The information on this map was compiled from land surveys registered in the Crown Lands Registry.

Since the Registry does not contain information on all land ownership within the Province, the information depicted cannot be considered complete.

The boundary lines shown are intended to be used as an index to land titles issued by the Crown. The accuracy of the plot is not sufficient for measurement purposes and does not guarantee title.

Users finding any errors or omissions on this map sheet are asked to contact the Crown Titles Mapping Section, Howley Building, Higgins Line, St. John's, Newfoundland.

Users finding error or omissions can contact the Crown Titles Mapping Section by telephone at 729-0061.

Some titles may not be plotted due to Crown Lands volumes missing from the Crown Lands registry or not plotted due to insufficient survey information.

The User hereby indemnifies and saves harmless the Minister, his officers, employees and agents from and against all claims, demands, liabilities, actions or cause of actions alleging any loss, injury, damages and matter (including claims or demands for any violation of copyright or intellectual property) arising out of any missing or incomplete Crown Land titles, and the Minister, his or her officers, employees and agents shall not be liable for any loss of profits or contracts or any other loss of any kind as a result.

For Inquiries please contact a Regional Lands Office.
Gander - 256-1400
Clarenville - 466-4074
St. John's - 729-2654
Goose Bay - 896-2488
Corner Brook - 637-2387

Legend
- Active
- Non Active
- Grants
- Leases
- Licences
- Permissions
- Transfers

Scale 1:15,000
Compiled on Feb 14, 201
General Water Quality Parameter List
for Groundwater

Alkalinity
Aluminum
Ammonia
Antimony
Arsenic
Barium
Boron
Bromide
Cadmium
Calcium
Chloride
Chromium
Colour (true)
Conductivity
Copper
Dissolved Organic Carbon
Fluoride
Hardness
Iron
Kjeldahl Nitrogen
Lead
Magnesium
Manganese
Mercury
Nickel
Nitrate/Nitrite
pH
Potassium
Selenium
Sodium
Sulphate
Total Dissolved Solids
Total Phosphorus
Turbidity
Uranium
Zinc
Notification List for Non-Domestic Well Permit ND11-013

Krista Rebello, Water Resources Engineer
Water Resources Management Division
Department of Environment and Conservation
PO Box 8700
St. John's NL A1B 4J6

Bob Picco, Manager
Water Resources Management Division
Department of Environment and Conservation
PO Box 8700
St. John's NL A1B 4J6

Reginald Garland, Director
Land Management Division
Department of Environment and Conservation
PO Box 8700
St. John's NL A1B 4J6

Fred Kirby, Manager
Quarry Materials Section
Department of Natural Resources
PO Box 8700
St. John's NL A1B 4J6

Kenneth Andrews, Director
Mineral Lands Division
Department of Natural Resources
P.O. Box 8700
St. John's, NL
A1B 4J6

Northeast Well Drilling Company Limited
407 Little Bay Road
Springdale NL A0J 1T0

Roger Ledrew, Regional Director
Department of Government Services
P.O. Box 2222
Gander NL A1V 2N9

Butch Vardy, Regional Director
Department of Government Services
PO Box 2006
Corner Brook NL A2H 6J8
Hi

Attached please find your permit for hair snag work as issued under the NLESA. I will send the hard copy home with Bruce. Please note the conditions of the permit and remember that you are responsible for any additional permits that might be required to carry out this work. Feel free to contact me if you have any questions. In future, please try to have permits submitted at least 2 weeks in advance of work starting. I know this is not always possible but there are times when we are not able to make these quick turnarounds.

Emily

Hi Emily,

Yes, for sure we can discuss the placement of the hair snag traps. Are you able to send us the blocks for that area of the province around Valentine Lake?

I will double-check, but yes I believe the plan is to send the hair samples to the CREAT lab for analyses.

We have a helicopter booked for Thursday- weather permitting. If it does not look like we will have a permit by then- can you let us know?

Thanks,

Hi

I'm doing up a permit for the hair snags on the Marathon Gold property. The permit shouldn't be a problem and we should be able to get it to you by the end of the week/early next week assuming John Blake is in the office. Will you be sending hair collected to CREAT at MUN for analysis?
I wanted to follow up though and ask that we discuss the placement of the hair snags. We are using a standard grid system across the Island for hair snag work done by us, our partners, and as a result of EA/EIS requirements. If I provide a grid for the area of exploration, would it be possible to try to get snags as close as possible to the centre points of the grids? We can have a chat about it if you want further explanation or if I am being confusing. It shouldn't add significantly to the work being proposed under this permit but will allow for consistency in how we maintain data.

Thanks,
Emily

Emily Herdman, PhD
Senior Wildlife Biologist
Endangered Species and Biodiversity/ Wildlife Division Department of Environment and Conservation
117 Riverside Drive
P. O. Box 2007
Corner Brook, NL A2H 7S1
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A PERMIT TO CONDUCT RESEARCH ON, AND POSSESS SPECIMENS OF A THREATENED SPECIES UNDER THE ENDANGERED SPECIES ACT OF NEWFOUNDLAND AND LABRADOR

Date: February 25, 2013
Endangered Species Permit Number: 2012/13-24
Issued To: Stantec Consulting Ltd., 19 Union St. Corner Brook, NL A2H 6G7
Permit To: Collect and possess hair specimens from American marten (Martes americana atrata)
Expiry Date: May 1, 2013

CONDITIONS:

1. The permit holder may designate other individuals to collect and possess hair specimens on his/her behalf. The permit holder is responsible for the training of any designated individuals and must ensure designated individuals follow all regulations related to this permit.

2. Nominees under this permit include: Scott McCrindle, Tony Parr, Stacey Camus

3. Information about the location of collection and any other relevant information must be transferred to the Wildlife Division, Department of Environment and Conservation as soon as possible following hair collection.

4. All marten hair samples are to be transferred to the Wildlife Division, Department of Environment and Conservation or to the CREATI Laboratory at Memorial University of Newfoundland. Any remaining hair samples after analysis are to be transferred to the Wildlife Division, Department of Environment and Conservation.
5. A final report including the methods and results of the study and including full genetic results must be provided to the Wildlife Division, Department of Environment and Conservation by May 1, 2013.

6. Names and contact information for all individuals participating in hair snagging activities must be provided to the Wildlife Division, Department of Environment and Conservation once activities are completed for the year.

The permit holder may at any time request the permit be amended to allow for the loan, exchange or donation of specimens covered under this permit to other institutions or individuals for the purposes of conservation, identification or study.

JOHN BLAKE
Director
OPINION REQUEST FORM

DATE (yyyymm/dd): 2016/04/21
File Ref. No. 2.2131.0010
Reg. No. 1839

NAME & AGENCY:

Kirsten Miller
Senior Wildlife Biologist - Habitat Management/GIS
Wildlife Division & on behalf of Parks & Natural Areas
Division, Department of Environment & Conservation

RE: Valentine Lake Mineral Exploration & Access Rd.
BY: Marathon Gold Corporation
AT: Central NL, Victoria Lake

Please check one of the following: (Record comments on attached sheet)

☐ a) An Environmental Impact Statement is recommended.

☐ b) An Environmental Impact statement may be required and an Environmental Preview Report is recommended.

☒ c) The Undertaking may be released from environmental assessment.

☐ d) Recommend undertaking be rejected due to unacceptable effects.

ENVIRONMENTAL ASSESSMENT COMMITTEE NOMINATION:

Please complete the appropriate section:

☒ 1) I nominate Kirsten Miller to represent this department on an Assessment Committee if one is needed.

I also nominate Thomas Friesen as an alternate in the event that the above nominee is unavailable.

☐ 2) I do not think it is necessary for this Department to be represented in this case and therefore will make no nominations.

Screening Representative Date(yyyy/mm/dd): 2016/05/31
Deputy Minister: Date(yyyy/mm/dd): MAY 2 7/2016

NOTE: OPINION IS DUE ON May 12, 2016
Wildlife Division and Parks & Natural Areas Division Comments EA 1839:

What are your agency's regulatory requirements relevant to this proposal?

The Wildlife Division advises applicant to operate under established regulations and guidelines with respect to wildlife and their habitats (e.g. nesting birds, caribou, waterfowl, wetlands, inland fish, rare plants, riparian species) to minimize adverse impacts (Section 106 of the Wild Life Regulations under the Wild Life Act (O.C. 96-809)).

Provide details of any additional information that you require on the proposal and/or the environmental planning of the proposal.

The proposed work falls within the current Newfoundland Marten critical habitat. Newfoundland Marten are listed as Threatened under the Newfoundland and Labrador Endangered Species Act (NLESA). Section 16 (1) of NLESA states, "A person shall not disturb, harass, injure, or kill an individual of a species designated as threatened, endangered, or extirpated".

The denning period for marten occurs from early April to the end of June. Disturbance to dens could result in negative impacts on survival or condition of young or denning females (Marten Recovery Plan). To help reduce any negative impacts on wildlife species, including marten, the Wildlife Division recommends that vegetation clearing or excessive noise be undertaken outside of the nesting, breeding and brood rearing period, which runs from early-April to mid-July.

Activities, disturbance and habitat destruction must be minimized as much as possible in order to avoid causing harm to individuals or degrading important marten habitat. Ground personnel are reminded to travel with caution within the area at all times.

The proposed takes part within a designated waterfowl area. The Wildlife Division recommends that a minimum 50 m naturally vegetated buffer be maintained along all waterbodies and wetlands to protect sensitive riparian and aquatic species, and their habitat.

Does your agency require that the proponent conduct original environmental or impact research before proceeding with this proposal? If so, provide details:

Additional comments based on your experience and expertise, but not directly related to your agency's mandate:
Re: Decommission Strategy – Condition of Release for Marathon Gold Corporation’s Valentine Lake Exploration Project - 2016 Access Road Development

Dear Mr. Keeping,

As per the request for a Decommissioning Strategy for the 2016 Road Access Development at the Marathon Gold Corporation’s, please find attached a document outlining Marathon Gold Corporation’s strategy for addressing the concern of decommissioning the access roads once they are no longer in active usage for the ongoing mineral exploration at the Valentine Lake Property.

Regards,

Sherry Dunsworth, M.Sc., P.Geo.
V.P. Exploration
Marathon Gold Corporation
Decommission Strategy – 2016 Access Road Development, 
Valentine Lake Exploration Project

Potential Concerns:
The principle concerns associated with the access gravel road development at the Valentine Lake exploration property are: (1) the potential for adverse effects on freshwater ecosystems and water quality through the release of sediment into watercourses, and (2) the potential for increased access into areas potentially used by the outfitting industry such that there may be a potential crowding of angler and hunting experiences.

Decommission of Mineral Exploration Access Roads
The decommissioning of the 2016 mineral exploration access roads in the Valentine Lake Property will be completed once it is determined that the access roads are no longer required for the ongoing mineral exploration work at Marathon Gold Corporation's mineral property. The intent of the road decommissioning is to prevent the potential for future erosion and sediment release into any watercourses and to prevent any motorized vehicle access into the road areas. The road decommissioning will return the road surface to a natural vegetation state. It should also be noted that the access road will be gate to prevent general public access as per the Marathon Gold Corporation work site safety policy.

Decommission Procedure:
1. Removal of any water crossings (i.e.: culverts) to maintain natural hydrology and acceptable re-contouring of road approaches to prevent erosion (typically 2:1 gradient of smoothed side slopes)
2. Re-contouring and smoothing of any road banking
3. De-compaction (deep ripping) of road surface (soil de-compaction) to prevent vehicle travel and eliminate surface water runoff
4. Re-vegetation to restore natural vegetative cover by ripping road surface, returning stockpiled grubbed organic vegetation and/or upper soil horizon, addition of straw mulch where applicable and grass seeding (highway approved)
Reg. 1839

Ms. Sherry Dunsworth  
VP Exploration  
Marathon Gold Corporation  
PO Box 160  
Pasadena NL A0L 1K0

Dear Ms. Dunsworth:

RE: Decommissioning Strategy for the Valentine Lake Mineral Exploration and Access Roads

On July 5, 2016, the Valentine Lake Mineral Exploration and Access Roads Project was released from further environmental assessment subject to a number of conditions. One of those conditions required Marathon Gold to submit and receive Ministerial approval for a Road Decommissioning Strategy.

An interdepartmental review of the Decommissioning Strategy was conducted in accordance with Section 69 of the Environmental Protection Act. It has been determined that the strategy is acceptable and is therefore approved.

Please be aware that you must abide by all commitments made in the plan and that any significant changes will be subject to additional review and approval.

If you have any questions concerning these matters, please contact Mr. Bas Cleary, Director, Environmental Assessment Division at (709) 729-0673 or Mr. Brent Keeping at (709) 729-4223 or by email at bkeeping@gov.nl.ca.

Sincerely,

PERRY TRIMPER, MHA  
District of Lake Melville  
Minister

P.O. Box 8700, St. John's, NL, Canada A1B 4J8  t 709.729.2574 f 709.729.0112
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