February 19, 2019

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act (File # NR-11-2019)

On February 5, 2019, the Department of Natural Resources received your request for access to the following records/information:

I am requesting access to all communications between this Department and a mining exploration company operating in Central Newfoundland, known as Marathon Gold Corporation - for the period covering all of this year (2019) to date.

I am pleased to inform you that a decision has been made by the Department of Natural Resources, confirmed by the Deputy Minister, to provide access to the requested records. The records are attached.

We are providing access to the most information possible but have made redactions in accordance with Sections 35(1)(d) and 40(1) of ATIPPA, 2015 as follows:

35. (1)(d) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to result in the premature disclosure of a proposal or project or in significant loss or gain to a third party;

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 be advised that you may ask the Information and Privacy Commissioner to review the processing of your access request, as set out in section 42 of the Access to Information and Protection of Privacy Act (the Act). 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

You may also appeal directly to the Supreme Court Trial Division 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 letter 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 letter posted to the Office of Public Engagement's website within one business day following the applicable period of time.

If you have any questions, please feel free to contact me at 709-729-0463 or rhynes@gov.nl.ca.

Sincerely,

Rod Hynes
ATIPP Coordinator
Thanks Matt.

I did hear back from Shabnam and all is OK. I should get the Water Usage Licence e-mail.

Sherry

On Mon, Jan 14, 2019 at 10:59 AM Snow, Matthew <MatthewSnow@gov.nl.ca> wrote:

Hey Sherry

Not on my end.

Cheers

Hi Matt,

Just making sure no issue and any additional information required.

Thanks Sherry

-------- Forwarded message --------
From: Sherry Dunsworth
Date: Sun, Jan 13, 2019 at 12:28 AM
Subject: Re: Approval E190001 for Marathon Gold Corp.
To: Mostofi, Shabnam <ShabnamMostofi@gov.nl.ca>

Hello Shabnam,
I wanted to touch base with you again and make sure there are no issues with the Marathon Gold Corporation - Water Usage permitting for 2019.

Is there any additional information required by your department?

Thank you, Sherry

On Fri, Jan 4, 2019 at 11:54 AM Mostofi, Shabnam <ShabnamMostofi@gov.nl.ca> wrote:

  Thanks Sherry for the confirmation.

  Regards,

  Shabnam

Shabnam Mostofi, M.Sc., M.Eng., EIT
Environmental Engineer
Water Rights, Investigations, and Modelling Section
Water Resources Management Division
Department of Municipal Affairs and Environment
Government of Newfoundland and Labrador

4th Floor, West Block, Confederation Building
PO Box 8700, St. John's, NL A1B 4J6
Phone: (709) 729-2657  Fax: (709) 729-0320
Email: ShabnamMostofi@gov.nl.ca
Hi Shabnam,

I am [REDACTED] and will call you to discuss the project. In the meantime, we never drill or trench in water bodies and always stay the required distance from water bodies. We have in the past obtained the appropriate water crossing permits when dealing with access.

I look forward to chatting with you about the Valentine project but in the meantime there is no work we are currently planning to do in this 2019 exploration that requires additional water crossing permits and so should not hold up our 2019 water permit.

Regards, Sherry

On Fri, Jan 4, 2019, 9:46 AM Mostofi, Shabnam, <ShabnamMostofi@gov.nl.ca> wrote:

Hi Sherry,

We are reviewing your Water Use Licence application with regards to Valentine Lake Property.

I noticed that some of your proposed drilling and trenching areas are near or in water bodies.

Please note that you require to apply for Permit to Alter a Body of Water under Section 48 of the Water Resources Act, SNL 2002 cW-4.01 for any work th.

Permit application can be find here:

https://www.mae.gov.nl.ca/waterres/regulations/appforms/index.html
Regards,

Shabnam

Shabnam Mostofi, M.Sc., M.Eng., EIT
Environmental Engineer
Water Rights, Investigations, and Modelling Section
Water Resources Management Division
Department of Municipal Affairs and Environment
Government of Newfoundland and Labrador

4th Floor, West Block, Confederation Building
PO Box 8700, St. John's, NL A1B 4J6
Phone: (709) 729-2657 Fax: (709) 729-0320
Email: ShabnamMostofi@gov.nl.ca

From: Sherry Dunsworth
Sent: Friday, December 14, 2018 12:12 PM
To: Mostofi, Shabnam <ShabnamMostofi@gov.nl.ca>
Cc: Snow, Matthew <MatthewSnow@gov.nl.ca>; Khan, Ali <akhan@gov.nl.ca>
Subject: Re: Approval E1900001 for Marathon Gold Corp.

Hello Shabnam,

Please find attached the proof of payment for the Marathon Gold Corporation - 2019 WUL/P.

Please advise if anything else is required.
Thank you, Sherry

On Mon, Dec 10, 2018 at 11:00 AM Mostofi, Shabnam <ShabnamMostofi@gov.nl.ca> wrote:

Hi Sherry,

We are reviewing your Water Use Licence / Permit (WUL/P) with regards to Valentine Lake Property (Approval E190001).

Please submit WUL/P application fee **$400 plus HST** to the Central Cash.

Central Cash can be contacted via phone at (709) 729-3042 or (709) 729-3044. Please request them to send you the receipt via email.

After receiving the receipt, **please forward the payment receipt to us** so that we can issue/release your Water Use Licence/Permit.

Please note that if you need to cross any stream or water body to access the exploration site, you need to apply for a permit to install bridge, culvert or fording across the stream.

Regards,

Shabnam

Shabnam Mostofi, M.Sc., M.Eng., EIT
Environmental Engineer
Water Rights, Investigations, and Modelling Section
Water Resources Management Division
Department of Municipal Affairs and Environment
Government of Newfoundland and Labrador
Sherry

Please see attached approval for the 2019 exploration program at Valentine Lake.

Cheers

Matthew Snow

Mineral Exploration Site Inspector

Mineral Lands Division

NL Department of Natural Resources

telephone (709) 729-5634, cell (709) 649-0970

matthewsnow@gov.nl.ca

P.O. Box 8700, 50 Elizabeth Avenue, St. John’s A1B 4J7
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Sherry Dunsworth, M.Sc., P.Geo.

SVP Exploration

Marathon Gold Corporation

P.O. Box 160,

Pasadena, NL, A0L 1K0

Cell: [redacted]

Fax: 1.709.686.2317 S.40.1

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Marathon Gold Corporation
P.O.Box 160,

Pasadena, NL, A0L 1K0

Cell: [Redacted] [Redacted]

Fax: 1.709.686.2317

Sherry Dunsworth, M.Sc., P.Geo.
SVP Exploration

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P.O.Box 160,

Pasadena, NL, A0L 1K0

Cell: [Redacted] [Redacted]

Fax: 1.709.686.2317

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Hello Perry,

I unfortunately missed your call this morning. I did call back but your line was busy.

Please call me today when you have a free moment.

Thank you, Sherry

---------- Forwarded message ----------

From: Sherry Dunsworth
Date: Mon, Jan 14, 2019 at 8:27 PM
Subject: Fwd: Marathon Correspondence
To: Canning, Perry <perrycanning@gov.nl.ca>, Natural Resources Minister <NRMinister@gov.nl.ca>, Phil Walford <pwalford@marathon-gold.com>

Hello Perry,

I sent a number of e-mails to Chad Elliot asking if there was going to be any issue with Marathon Gold Corporation obtaining a 2019 commercial wood cutting permit in order that we can continue to have legal no hunting signs at the Valentine Lake advance exploration site.

As you can see from Chad’s response below, Department of Forestry now wants Marathon Gold Corporation to submit a 2019 wood harvesting plan.

Perhaps I was wrong, but my understanding from the meeting we had with Natural Resources and Forestry on Dec 5, 2018, was that we would receive the 2019 permit and thereby allow Department of Wildlife to visit and enforce the no hunting laws and provide a safe work site for our employees.

I am reaching out to you to ask for your assistance again in this ongoing matter. Perhaps there has been no communications with Chad Elliot or his immediate supervisor regarding this matter or perhaps this issue needs to be a discussion between Ministers.

I will give you a call tomorrow to discuss.

Thank you, Sherry

---------- Forwarded message ----------

From: Elliott, Chad <ChadElliott@gov.nl.ca>
Date: Mon, Jan 14, 2019 at 12:18 PM
Subject: Marathon Correspondence
To: 
Cc: Carroll, Colin <ColinCarroll@gov.nl.ca>, Carter, Brian <briancarter@gov.nl.ca>

Sherry,
It is our Department's direction that Marathon Gold, due to the fact that there is no history of wood cutting, will only be issued a harvest permit when a harvest plan, including areas and timelines specific to the activities. Upon review of the submitted plan we will determine if a permit will be issued and if so we will be monitoring any diversion from the plan.

Any further questions can be forwarded to the Springdale Office at your convenience.

Sincerely,

Chad Elliott

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Hi Perry,

I am trying to get some resolution to this issue as we are currently drilling as per our 2019 exploration permit but in limbo regarding this 2019 commercial cutting permit.

Based on the Dec 5, 2018 meeting Marathon Gold had with yourself (and others from DNR) and Forestry, our lawyer, Tauna Staniland, was under the impression at the end of the meeting that we would have no issue with obtaining a 2019 commercial cutting licence. Tauna has now spoken with Tracey Pennell, lawyer for DNR who also attended the meeting, and Tracey also was under the impression that there would be no issue with obtaining our 2019 commercial cutting permit. It seems none of this information was transmitted from that meeting to the appropriate people. My concern at the moment is that we are drilling which is requiring us to cut a few scrubby trees as I mentioned in the e-mail I just sent to Gordon Macgowan (cc's you in that e-mail - see below) and we do not have a cutting permit as we are in limbo waiting for information from Gordon's department. We do not want to be found non-compliant in any way so should we be obtaining a domestic cutting permit? Looking for advice on how to proceed.

Thank you, Sherry

---------- Forwarded message --------

From: Sherry Dunsword
Date: Fri, Jan 18, 2019 at 1:26 PM
Subject: Re: Marathon Gold Corporation - Valentine Lake Gold Project - Permit Issue
To: MacGowan, Gordon <GordonMacGowan@gov.nl.ca>
Cc: Canning, Perry <perrycanning@gov.nl.ca>

Hello Gord,

I want to make sure that you understand the amount of cutting we need to do this year for resource drilling, condemnation drilling and line cutting for grids over some of the proposed infrastructure. This is not for harvesting or reporting as salable timber as we use any good timber for corduroy drill access paths roads and drill set ups and rest we do stack but most of this area is scrub woods which is why this area has not been included in the 5 year forestry plans since 2010. In fact, the road from Roebucks to our camp was slated to be decommissioned by forestry back in 2010 but Marathon had meetings with Forestry and NR so road was left open and we replaced the bridges that were of concern for safety. We have had commercial cutting licences in 2017 (# 17-09-01186) and 2018 (18-12-01283) and prior to that we has domestic cutting permits which were determined to be inappropriate for our more commercial-level presence. Now we are in a limbo as we are now drilling under our 2019 exploration permit, we are cutting a few small scrub trees as needed for drill set ups but we currently have no cutting permit as this is in limbo and we do not want to be fined for cutting even scrub brush without a 2019 permit. Do you suggest we get a domestic cutting permit now while waiting for a commercial cutting permit? The safety of our workers is critical as well as you are aware, and the commercial cutting licence is also the only way for us to have legal no hunting signs and this is what your Dept of Wildlife advised us to have for the past 3 years so they can do the enforcement they want to do.

Do you have a few minutes this afternoon so I can discuss further with you and advise on any additional information which you may require concerning our situation and particularly this issue of our current status of domestic or wait for commercial permit?

Thank you, Sherry
On Fri, Jan 18, 2019 at 1:06 PM MacGowan, Gordon <GordonMacGowan@gov.nl.ca> wrote:

Hello Sherry,

This situation is under review. You should hear from our department in the near future.

Sincerely,

Gord

GORDON MACGOWAN, MBA | Executive Assistant

Office of the Minister of Fisheries and Land Resources

Government of Newfoundland and Labrador

Petten Building

30 Strawberry Marsh Road PO Box 8700, St. John’s, NL A1B 4J6

709-729-7967 (office) | 709-729-0360 (fax)

GordonMacGowan@gov.nl.ca

From: Sherry Dunworth
Sent: Thursday, January 17, 2019 10:48 AM
To: MacGowan, Gordon <GordonMacGowan@gov.nl.ca>
Subject: Re: Marathon Gold Corporation - Valentine Lake Gold Project - Permit Issue

Hello Gordon,
Prior to my calling you later this morning or early afternoon, I thought it would be useful for you to see the attached photos and figures showing the scale of the Valentine project, the scale of cutting in the past and current for the advanced exploration and as we move towards a PFS study in the 3rd quarter of 2019, when we will then be in position to develop a clearing plan for mine and site development. We are not at that stage as yet but we are past a domestic cutting stage hence our previously granted commercial cutting permits granted in 2017 and 2018.

I look forward to discussing with you later this morning or early afternoon.

Regards, Sherry

On Wed, Jan 16, 2019 at 4:33 PM MacGowan, Gordon <GordonMacGowan@gov.nl.ca> wrote:

Hello Sherry,

Thank you for your email. I can take your call on Friday, as I will not be in the office tomorrow. I currently have people looking into the challenges your company is facing in protecting your workers and hope to receive an update on Friday.

Thank you,

GORDON MACGOWAN, MBA | Executive Assistant

Office of the Minister of Fisheries and Land Resources

Government of Newfoundland and Labrador

Petten Building

30 Strawberry Marsh Road PO Box 8700, St. John's, NL A1B 4J6

709-729-7967 (office) | 709-729-0360 (fax)
From: Sherry Dunsworth
Sent: Wednesday, January 16, 2019 1:20 PM
To: MacGowan, Gordon <GordonMacGowan@gov.nl.ca>
Subject: Marathon Gold Corporation - Valentine Lake Gold Project - Permit Issue

Hello Gordon,

I understand that Perry Canning, ADM, Dept NR has reached out to you on behalf of Marathon Gold Corporation to advise of our ongoing issue of illegal hunting at our advanced exploration property in central NL and our recently denied request to renew our commercial cutting licence in order to provide legal no hunting signs that Dept Wildlife can then enforce.

I have attached 3 figures to provide you with some location, access and site plan information.

I will give you a call at 2:00 pm NL to discuss this matter in more detail. If there is a better time for you, then please advise and I will call when your schedule is clear.

Thank you, Sherry

--

Sherry Dunsworth, M.Sc., P.Geo.
SVP Exploration
Marathon Gold Corporation
P.O.Box 160,
Pasadena, NL, A0L 1K0
Cell: **********
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--
Sherry Dunsworth, M.Sc., P.Geo.
SVP Exploration
Marathon Gold Corporation
P.O.Box 160,
Pasadena, NL, A0L 1K0
Cell:
Fax:1.709.686.2317
Sherry Dunsworth, M.Sc., P.Geo.
SVP Exploration
Marathon Gold Corporation
P.O.Box 160,
Pasadena, NL, A0L 1K0
Cell: [redacted]
Fax: 1.709.686.2317
Hello Perry,

I wanted to personally thank you, Minister Coady as well as anyone else who assisted on our behalf in helping Marathon Gold Corporation obtain our 2019 commercial cutting licence.

As you are well aware, this is a very important permit for Marathon Gold and will allow us to continue with cutting timber required for our ongoing exploration work as well as early-stage site preparation work. It will also allow Marathon Gold to erect appropriate legal no hunting signs to advise hunters of the location of our operations and employees working in the woods.

Once again, sincere thanks.
Sherry

Sherry Dunsworth, M.Sc.,P.Geo.
SVP Exploration
Marathon Gold Corporation
P.O.Box 160,
Pasadena, NL, A0L 1K0
Cell: [Redacted]
Fax:1.709.686.2317
Please see attached Water Use Licence issued to Marathon Gold Corp which includes your name on the cc list.

Regards,
Shabnam

Shabnam Mostofi, M.Sc., M.Eng., EIT
Environmental Engineer
Water Rights, Investigations, and Modelling Section
Water Resources Management Division
Department of Municipal Affairs and Environment
Government of Newfoundland and Labrador

4th Floor, West Block, Confederation Building
PO Box 8700, St. John's, NL A1B 4J6
Phone: (709) 729-2657 Fax: (709) 729-0320
Email: ShabnamMostofi@gov.nl.ca
Pursuant to the Water Resources Act, SNL 2002 cW-4.01

Date of Issuance: JANUARY 15, 2019

Licensee/Holders: Marathon Gold Corp
10 King Street E., Suite 501
Toronto, ON M5C 1C3

Attention: Sherry Dunsorth

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

The Minister of Municipal Affairs and Environment (the "Minister") hereby grants a non-exclusive water right to Marathon Gold Corp (the "Licensee/Holders") to withdraw water from and use of bodies of water within the boundary of the property, as indicated in the map of exploration approval #E190001 in relation to the Licensee/Holder's Mineral Exploration project (Valentine Lake Property). This non-exclusive water right is granted in reference to the application received on December 7, 2018.

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 map for exploration approval (attached) form part and parcel of this Licence/Permit.

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

The Licensee/Holders shall complete and return the attached Notification of Acceptance of Water Use Licence/Permit (attached) to the Water Rights, Investigations, and Modelling Section of the Department of Municipal Affairs and Environment within thirty (30) days of receipt of this Licence/Permit.

Minister

MINISTER
Appendix A
Terms and Conditions for Water Use Licence/Permit

The Minister of Municipal Affairs and Environment (the "Minister") hereby grants a non-exclusive water right to: Marathon Gold Corp (the "Licencee/Holder") to withdraw water from and use bodies of water within the boundary of the property, as indicated in the map of exploration approval #E190001 in relation to the Licencee/Holder's Mineral Exploration project (Valentine Lake Property). This non-exclusive water right is granted in reference to the application received on December 7, 2018.

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

2. 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 Licencee/Holder.

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

4. This Licence/Permit shall expire on December 7, 2019 or earlier if suspended or modified or cancelled by the Minister due to reasons that include, but not limited to, non-compliance with the Water Resources Act, SNL 2002 c.W-4.01 and terms and conditions, reservations, exceptions, and provisions; lack of utilization of authorized water for the designated purpose or prompt reporting pursuant to this Licence/Permit. Also, this Licence/Permit may be renewed by the Minister for such renewal term as the Minister deems appropriate, on such terms and conditions as the Minister considers appropriate and in the public interest, provided the Licencee/Holder applies for a new Licence at least hundred and eighty (180) days before the expiry of this Licence/Permit.

5. The designated purpose of the water withdrawal and use is Industrial/Mineral Exploration.

6. The estimated annual water withdrawal from the said bodies of water shall not exceed 23,725 cubic meters (or 65,000 liters daily), 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 Licencee/Holder shall not at any time withdraw and use amounts of water in excess of the need for the Licencee/Holder's mineral exploration activities, irrespective of the amount of water authorized.

7. In case of drilling on the ice cover of the said bodies of water, the Licencee/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 logbook. More frequent inspections are required when there are sudden temperature changes.

8. The Licencee/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 mineral exploration 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 this Department must be informed if the mineral exploration 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 the mineral exploration activities must be removed from the mineral exploration activities areas and disposed at a site approved by the regional Government Service Centre of the Department of Service NL. This Department and Department of Service NL may require samples to be submitted for testing and analysis.

9. Water pumped or discharged from the mineral exploration activities, or any runoff or effluent directed out of the mineral exploration 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.

10. 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 Service NL. This site must not be within 100 meters of any body of water. The water in the system must be recycled.

11. The Licencee/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, Investigations, and Modelling Section of this Department on or before January 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.

12. The Licensee/Holder shall not construct any systems or 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.

13. The Licensee/Holder and its agent(s), subcontractor(s), and consultant(s) shall keep all systems, equipment, works and vehicles used for the mineral exploration activities in clean and good condition and repair, free of oil leaks, or other harmful substances that could impair water quality of any body of water in accordance with all laws, by-laws, directions, rules and regulations of any governmental authority. The Licensee/Holder or its agent(s), subcontractor(s), or consultant(s) shall notify the Minister immediately if any problem arises which may affect the systems, equipment and works, endanger public safety and/or the environment or adversely affect other existing users and/or any body of water either in or outside the mineral exploration activities area. Also, the Licensee/Holder shall restore all areas that may be affected by mineral exploration 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. The Licensee/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, equipment, works, or operational deficiencies/inadequacies.

14. 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.

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. Also, 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.

16. This Licence/Permit is subject to the Water Use Charges Regulations, NLR 60/16 under the Water Resources Act, 2002 and the Licensee/Holder shall upon receipt of an invoice stating the amount owing for water use charges, pay to the Minister the full amount within thirty (30) days of the receipt of the said invoice and if imposed by provincial legislation, fees, incentives, royalties or subsidies for water use.

17. The Licensee/Holder and its agent(s), subcontractor(s), and consultant(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 Management 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 mineral exploration activities.

18. The employees of this Department, 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, works, 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 and may exercise all other powers of inspection as provided for in the Water Resources Act, 2002.

19. The Licensee/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 Licence/Permit, systems and equipment, and works or in or outside the mineral exploration activities areas, or any act or omission of the Licensee/Holder in or outside the mineral exploration activities 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 or its agent(s), subcontractor(s), or consultant(s).

20. If the Licence/Permit Holder or its agent(s), subcontractor(s), or consultant(s) fails to perform, fulfills or observe any of the terms and conditions, or provisions of this Licence/Permit, and/or Ministerial orders and guidelines, as determined by this Department, the Minister may, after providing ten (10) day notice to the Licence/Permit Holder, amend, modify, suspend or cancel this Licence/Permit in accordance with the Water Resources Act, 2002.

21. 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.
22. This Licence/Permit is subject to all provisions of the Water Resources Act, 2002 and any regulations in effect either at the date of this Licence/Permit or hereafter made pursuant thereto or any other relevant legislation enacted by the Province of Newfoundland and Labrador in the future.

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

24. This Licence/Permit shall remain in force and effect until such time as the Mineral Lands Division Approval is valid or until such time as it is revoked by the Minister of Municipal Affairs and Environment of the Province of Newfoundland and Labrador or his successor in office for failure to comply with one or more of the provisions of this Licence/Permit (as amended from time to time) or with the provisions of the Water Resources Act, SNL 2002 c.W-4.01 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.

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 of the Licensee/Holder is:

Marathon Gold Corp
10 King Street E., Suite 501
Toronto, ON M5C 1C3

The address and facsimile number of the Department of Municipal Affairs and Environment are:

Water Rights, Investigations, and Modelling Section
Department of Municipal Affairs and Environment
PO Box 8700
St. John's NL A1B 4J6
(709) 729-0320
GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF MUNICIPAL AFFAIRS AND ENVIRONMENT

APPENDIX B

Report to Department of Municipal Affairs and Environment

To: Water Rights, Investigations, and Modelling Section
       Water Resources Management Division
       Department of Municipal Affairs and Environment
       PO Box 8700
       St. John's, NL A1B 4J6

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

No: WUL/P-19-10073
File: 514
Authorized: JANUARY 15, 2019

This report must be completed and filed on or before January 31st of each year or upon the completion of activities for a temporary period. Provide the information required below:

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

2. Does the Licensee/Holder wish to continue the non-exclusive water right? 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? If yes, explain in the space below (use extra sheet to provide more information, if any).

In the table below, state the monthly water uses during last year or a temporary period and attach spreadsheet for daily water uses along with water quality report(s) as may be applicable:

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4. Is there any other matter on which the Licensee/Holder wishes to inform the Department of Municipal Affairs and Environment regarding this Licence/Permit and its terms and conditions? If yes, explain (use extra sheet to provide more information, if any).

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

Signature: ____________________________
Name/Title: __________________________
Date: __________________________

Marathon Gold Corp
10 King Street E., Suite 501
Toronto, ON M5C 1C3
NOTIFICATION OF ACCEPTANCE OF WATER USE LICENCE/PERMIT
Water Withdrawal and Use of Bodies of Water (Valentine Lake Property)

Water Use Licence/Permit No. WUL/P-19-10073 issued on JANUARY 15, 2019, and valid until December 07, 2019.

As a Licensee/Holder of Water Use Licence/Permit No WUL/P-19-10073, issued pursuant to the Water Resources Act, Marathon Gold Corp (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 map 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 Municipal Affairs and Environment.

Signed, sealed, and delivered by Marathon Gold Corp, in accordance with its rules and regulations in that behalf at , , this day of , 2019 in the presence of:

Per: Signing Officer

Witness

Seal:

Important: The attached Water Use Licence/Permit is not valid unless the Licensee/Holder completes and returns this notification to the address above within thirty (30) days of receipt.
Thank you Shabnam.

I will forward a scan of the signed and witnessed acceptance page to you later this morning.

Regards, Sherry

On Tue, Jan 22, 2019 at 9:31 AM Mostofi, Shabnam <ShabnamMostofi@gov.nl.ca> wrote:

Please see attached Water Use Licence issued to Marathon Gold Corp which includes your name on the cc list.

Regards,

Shabnam

Shabnam Mostofi, M.Sc., M.Eng., EIT
Environmental Engineer
Water Rights, Investigations, and Modelling Section
Water Resources Management Division
Department of Municipal Affairs and Environment
Government of Newfoundland and Labrador

4th Floor, West Block, Confederation Building
PO Box 8700, St. John's, NL A1B 4J6
Phone: (709) 729-2657 Fax: (709) 729-0320
Email: ShabnamMostofi@gov.nl.ca

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Sherry Dunsworth, M.Sc., P.Geo.
SVP Exploration
Marathon Gold Corporation
P.O.Box 160,
Pasadena, NL, A0L 1K0
Cell: ..........................  604.401
Fax: 1.709.686.2317  401
Thanks Justin.

On Wed, Jan 23, 2019 at 9:34 AM Lake, Justin W <JustinWLake@gov.nl.ca> wrote:

Hi Sherry,

Your amounts and dates are correct.

Justin

Hi Justin,

Could you please confirm to me that the 15-year mineral licence renewals for the Marathon Gold Corporation mineral licences 010899M and 010943M due April 27, 2019 are for the following amounts:

010899M – 246 claims (246 claims x $100 / claim = $24,600).

010943M – 256 claims (256 claims x $100 / claim = $25,600).

Thank you, Sherry

--

Sherry Dunsworth, M.Sc., P.Geo.

SVP Exploration

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

Cell: [redacted]  
Fax: 1.709.686.2317  
S.40.1

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Pasadena, NL, A0L 1K0

Cell: [redacted]  
Fax: 1.709.686.2317  
S.40.1
Thanks Matt,

This is just in case we drill into Dec further than Dec 7th. We will always have a skeletal crew (2-person) on site through Dec otherwise the exploration camp would perhaps be looted based on past experience.

Thank you, Sherry

On Wed, Jan 23, 2019 at 9:44 AM Snow, Matthew <MatthewSnow@gov.nl.ca> wrote:

I misunderstood your previous email. I thought you meant the WUL expired on 31st of December so aligning the approval to match would be straight forward.

Shabnam - See Sherry’s request below re: adjustment of the expiry of WUL. Is this possible? Current expiry for December 7, adjust to December 31.

Cheers

Matthew Snow
Mineral Exploration Site Inspector
Mineral Lands Division
NL Department of Natural Resources
telephone (709) 729-5634, cell (709) 649-0970
matthewsnow@gov.nl.ca
P.O. Box 8700, 50 Elizabeth Avenue, St. John’s A1B 4J7

Thank you Matt.
Sorry for the confusion.

Do you think I should advise Water Usage Licence as she has the Dec 7th closing date as well.

Sherry

On Wed, Jan 23, 2019 at 9:21 AM Snow, Matthew <MatthewSnow@gov.nl.ca> wrote:

Sherry

Thanks for the update. No problem with the 2019 approval, I’ll re-issue it to you for the 31st

Cheers

Matthew Snow
Mineral Exploration Site Inspector
Mineral Lands Division
NL Department of Natural Resources
telephone (709) 729-5634, cell (709) 649-0970
matthewsnow@gov.nl.ca
P.O. Box 8700, 50 Elizabeth Avenue, St. John’s A1B 4J7

S.40.1

From: Sherry Dunsworth
Sent: Tuesday, January 22, 2019 2:19 PM
To: Snow, Matthew
Subject: Re: Approval E190001 for Marathon Gold Corp.

Hello Matt,
I just noticed the 2019 exploration approval expires Dec 7, 2019 rather than Dec 31, 2019. I looked any my application and realized I had entered Nov 30, 2019 rather than Dec 31, 2019. As this is the possibility we could be drilling the first 1-2 weeks of Dec 2019, is there any opportunity to chance that date from Dec 7, 2019 to Dec 31, 2019. The other reason I ask is that, of course, the WUL for 2019 also expires Dec 7, 2019 rather than Dec 31, 2019.

Sorry for causing this small issue. Please let me know if I need to be concerned with the Dec 7 rather than Dec 31 expiry.

I also wanted to advise you that we have begun drilling with 1 drill at the Valentine property.

Thank you, Sherry

On Fri, Dec 7, 2018 at 4:13 PM Snow, Matthew <MatthewSnow@gov.nl.ca> wrote:

Sherry

Please see attached approval for the 2019 exploration program at Valentine Lake.

Cheers

---

**Matthew Snow**

Mineral Exploration Site Inspector

Mineral Lands Division

NL Department of Natural Resources

telephone (709) 729-5634, cell (709) 649-0970

matthewsnow@gov.nl.ca

P.O. Box 8700, 50 Elizabeth Avenue, St. John’s A1B 4J7
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--

Sherry Dunsworth, M.Sc., P.Geo.
SVP Exploration
Marathon Gold Corporation
P.O.Box 160,
Pasadena, NL, A0L 1K0
Cell: [redacted]
Fax: [redacted]
Great - thank you.

On Thu, Jan 24, 2019 at 10:50 AM Tracey, Sharon <sharontracey@gov.nl.ca> wrote:

Yes you can!

Thank you Sharon.

One more question - I will be submitting drilling invoices to help keep it simple. There are a lot of these invoices for Jan-Apr 2018, so can I show the proof of payment by attaching a signed letter from the drill company that lists the invoice numbers and states that ALL invoices have been paid in full? This I have done in the past.

Thank you, Sherry

On Thu, Jan 24, 2019 at 10:37 AM Tracey, Sharon <sharontracey@gov.nl.ca> wrote:

Hi Sherry:

Sorry, but its’s for office use only. This is your file # 265-701-18.

Sharon
Hello Sharon and Dale,

I have looked through all of the 2018 e-mail correspondence I have received from you regarding the 2018 MIP (JEA) and nowhere can I find reference to a 2018 file no for Marathon Gold Corporation - 2018 MIP.

In reviewing the reporting form there is reference to this file number:

“File No.:” - Enter the file number provided to you by Mineral Development Division – MIP Section.

You you please advise me on what number has been allocated to Marathon Gold Corporation - Valentine Project. I will then infill this number nto the form.

Thank you very much,

Sherry

--
Sherry Dunsworth, M.Sc., P.Geo.
SVP Exploration
Marathon Gold Corporation
P.O.Box 160,
Pasadena, NL A0L 1K0
Cell: [Redacted]
Fax: 1.709.686.2317
--

Sherry Dunsworth, M.Sc., P.Geo.
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Marathon Gold Corporation
P.O. Box 160,
Pasadena, NL, A0L 1K0
Cell: [redacted]
Fax: 1.709.686.2317

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Hi Sharon,

The Marathon Gold 2018 JEA (265-701-18) has been submitted as Part A and B (e-mailed to MineralIncentive@gov.nl.ca).

I have attached the cover letter here again for your information.

Please do advise if anything else is required.

Thank you, Sherry

---

Sherry Dunsworth, M.Sc., P.Geo.
SVP Exploration
Marathon Gold Corporation
P.O.Box 160,
Pasadena, NL, A0L 1K0
Cell: [REDACTED]
Fax: 1.709.686.2317
January 24, 2019

Attn: Sharon Tracey
Mineral Incentive Program
Department of Natural Resources

Re: Marathon Gold Corporation – MIP-JEA # 265-701-18 Submission

Dear Sharon,

Please be advised that the Marathon Gold Corporation – MIP-JEA # 265-701-18 – final report (Jan-Apr 2018 assessment report) plus all supporting documentation including checklist, spreadsheet financial submission form, and letter confirming payment in full for $1,645,124.24 in Jan-Apr 2018 drilling expenditures has been e-mailed to MineralIncentive@gov.nl.ca.

Note that none of these costs of the project have been fully or partially funded by any other government agency or department.

Please advise if you require any additional information.

Regards,

Sherry Dunsworth, M.Sc., P.Geo.
V.P. Exploration
Marathon Gold Corporation 
(cell) 1-709-686-2317 (fax)
Hello Perry,

We are just back from Round Up which was well attended this year and certainly a bit brighter regarding investment interest in significant properties.

I had looked around the NL booth but did not see you but was speaking with Ed. The Marathon talk on Wed. morning was well attended and seemed to generate some additional interest at our booth. I am attaching a diagram from the talk which places Newfoundland's Valentine Project in an interesting perspective versus other more advanced gold properties in Canada and the USA.

I also wanted to advise that I unfortunately will not be able to attend the meeting in St. John's on Tuesday.

Please do express my apologize to the Minister and group as this is the second meeting I will have missed.

Sincerely,
Sherry

On Wed, Jan 23, 2019 at 1:29 PM Canning, Perry <Perry.Canning@gov.nl.ca> wrote:

Purpose: Discuss Mining The Future 2030
Where: Lower Level Cafeteria Meeting Room

Minister Coady
Welcome
Safety Moment

- Mining The Future
Update action item planning path forward
- Roundtable
- Adjournment

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Sherry Dunsworth, M.Sc., P.Geo.
SVP Exploration
Potential copyright material

If you wish to obtain a copy please contact the ATIPP Office at (709) 729-7072 or atippoffice@gov.nl.ca.
Thank you Sherry. Unfortunately, I was not able to attend Roundup but will attend PDAC. Thank you for sharing the attachment.

Fully appreciate your situation and not being able to join the meeting in St. John’s.

Perry

From: Sherry Dunsworth
Sent: Saturday, February 2, 2019 6:56 PM
To: Canning, Perry <PerryCanning@gov.nl.ca>
Subject: Re: Follow-Up Meeting NL Mining The Future 2030

Hello Perry,

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