PROVINCE OF BRITISH COLUMBIA MINISTRY OF EMPLOYMENT AND INVESTMENT ENERGY AND MINERALS DIVISION

QUARRY PERMIT APPROVING WORK SYSTEM AND RECLAMATION PROGRAM

(Issued pursuant to Section 10 of the Mines Act S.B.C. 1989)

Permit:

Q-15-6 (Amendment to Q-11-1 dated July 8, 1980 and June 15, 1984.)

Issued to:

Western Industrial Clay Products Ltd.

714 East Sarcee Avenue

Kamloops, B. C.

V2H 1E7

for work located at the following property:

RED LAKE QUARRY

(NTS 92I/15W, Lat.: 50° 56', Long.: 120° 49'

Block A and B of the NW 1/4 of Sec. 1 and Block A of the SE 1/4 of Sec. 1 and Block A of the NE 1/4 of Sec. 2, Twp 23, Range 21, W of the Sixth Meridian, Kamloops Division of Yale District, gravel road from Tranquille to Red Lake.)

This approval and permit is subject to the appended conditions.

Issued this 3rd day of April in the year 1996.

F. W. Hermann, P.Eng.

Chief Inspector of Mines

PREAMBLE

Notice of intention to commence work on a quarry, including a plan of the proposed work system and a program for the protection and reclamation of the surface of the land and watercourses affected by the work dated August 25, 1995, was filed with the District Inspector on October 5, 1995. The requirement to publish notice of such filing in the local newspaper and the Gazette has been waived.

This permit contains the requirements of the Ministry of Employment and Investment, Energy and Minerals for reclamation. It is also compatible, to the extent possible, with the requirements of other provincial ministries for reclamation issues. The amount of security required by this permit, and the manner in which this security may be applied, will also reflect the requirements of those ministries. Nothing in this permit, however, limits the authority of other provincial ministries to set other conditions, or to act independently, under their respective permits and legislation.

Decisions made by staff of the Ministry of Energy, Mines and Petroleum Resources will be made in consultation with other ministries.

CONDITIONS

The Chief Inspector of Mines (Chief Inspector) hereby approves the work plan and the program for protection and reclamation of the land surface and watercourses subject to compliance with the following conditions:

1. Reclamation Security

- (a) The owner, agent or manager (herein called the Permittee) shall maintain with the Minister of Finance and Corporate Relations securities in the amount of SEVENTEEN THOUSAND dollars (\$17,000.00) and by September 30, 1996, shall deposit an additional amount of TEN THOUSAND dollars (\$10,000.00) bring the total security for this permit to TWENTY-SEVEN THOUSAND dollars (\$27,000.00). The security will be held by the Minister of Finance and Corporate Relations for the proper performance of the approved program and all the conditions of this permit in a manner satisfactory to the Chief Inspector.
- (b) The Permittee shall conform to all forest tenure requirements of the Ministry of Forests. Should the Permittee not conform to these requirements then all or part of the security may be used to cover the costs of these requirements.

Permit No. Q-15-6 Date: April 3, 1996

(c) The Permittee shall conform to all Ministry of Environment, Lands and Parks approval, licence and permit conditions, as well as requirements under the Wildlife Act. Should the Permittee not conform to these conditions, then all or part of the security may be used to fulfill these requirements.

2. Land Use

The surface of the land and watercourses shall be reclaimed to the following land use: forest and fields.

Productivity

The level of land productivity to be achieved on reclaimed areas shall not be less than existed prior to mining on an average property basis unless the Permittee can provide evidence which demonstrates, to the satisfaction of the Chief Inspector, the impracticality of doing so.

Revegetation

Land shall be revegetated to a self-sustaining state using appropriate plant species.

5. Use of Suitable Growth Medium

- (a) On all lands to be revegetated, the growth medium shall satisfy land use, productivity, and water quality objectives. Topsoil and overburden (to rooting depth) shall be removed from operational areas prior to any disturbance of the land and stockpiled separately on the property for use in reclamation programs, unless the Permittee can provide evidence which demonstrates, to the satisfaction of the Chief Inspector, that reclamation objectives can otherwise be achieved.
- (b) No topsoil shall be removed from the property without the specific written permission of the District Inspector.

Buffer Zones and Berms

Buffer zones and/or berms shall be established between the mine and the property boundary unless exempted in writing by the District Inspector.

Notice of Closure 15.

Pursuant to Part 10.5.1 of the Health, Safety and Reclamation Code for Mines in British Columbia, a Notice of Completion of Work shall be filed with the District Inspector not less than seven days prior to cessation of work.

16. Annual Reclamation Report

Not dove By March 31 of each year, an annual reclamation report shall be submitted in a form and containing the information required by the Chief Inspector.

SPECIAL CONDITIONS:

- 1. A revised mining and reclamation plan shall be submitted by September 30, 1996 for the Red Lake (East) pit to the District Manager and Engineer for review and approval prior to commencing this phase of the operation.
- 2. Exploratory drilling, excavation and testing of the lower shale seam in the Red Lake (East) pit shall be carried out before September 30, 1996 to determine future mining potential and identify further shale reserves.
- 3. Progressive reclamation of the Red Lake (East) pit shall commence in accordance with the approved mine plan.
- 4. Reclamation shall include backfillling, re-placement of stockpiled soil and overburden material, grading, sloping and planting to approved tree species as per Ministry of Forests requirements.
- 5. A Licence-to-Cut shall be obtained from the Ministry of Forests in Kamloops and tree clearing restricted to a maximum of 10 hectares for the Red Lake (West) expansion, as per the October 4, 1995 mining plan submitted by Geotex Consultants Limited and the detailed logging plan as per Ministry of Forests requirements.

q-permit/92-12-15

103/4 ha

- (b) Individual roads will be exempted from the requirement for total reclamation under condition 9(a) if either:
 - (1) the Permittee can demonstrate that an agency of the Crown has explicitly accepted responsibility for the operation, maintenance and ultimate deactivation and abandonment of the road, or
 - (2) the Permittee can demonstrate that another private party has explicitly agreed to accept responsibility for the operation, maintenance and ultimate deactivation and abandonment of the road and has, in this regard, agreed to comply with all the terms and conditions, including bonding provisions, of this reclamation permit, and to comply with all other relevant provincial government (and federal government) regulatory requirements.

10. Disposal of Fuels and Toxic Chemicals

Fuels, chemicals or reagents which cannot be returned to the manufacturer/supplier are to be disposed of as directed by the Chief Inspector in compliance with municipal, regional, provincial and federal statutes.

11. Temporary Shutdown

If this quarry ceases operation for a period longer than one year the Permittee shall either continue to carry out the conditions of the permit or apply for an amendment setting out a revised program for approval by the Chief Inspector.

12. Safety Provisions

All safety and other provisions of the Mines Act shall be complied with to the satisfaction of the Chief Inspector.

13. Monitoring

The Permittee shall undertake monitoring programs, as required by the District Inspector, to demonstrate that reclamation objectives are being achieved.

14. Alterations to the Program

Substantial changes to the program must be submitted to the District Inspector for approval.

7. Treatment of Structures and Equipment

Prior to abandonment, and unless the Chief Inspector has made a ruling otherwise, such as heritage project consideration or industrial use,

- (a) all machinery, equipment and building superstructures shall be removed,
- (b) concrete foundations shall be covered and revegetated unless, because of demonstrated impracticality, they have been exempted by the Inspector, and
- (c) all scrap material shall be disposed of in a manner acceptable to the Inspector.

Watercourses

- (a) Watercourses shall be reclaimed to a condition that ensures
 - (1) long-term water quality is maintained to a standard acceptable to the Chief Inspector,
 - (2) drainage is restored either to original watercourses or to new watercourses which will sustain themselves without maintenance, and
 - (3) use and productivity objectives are achieved and the level of productivity shall not be less than existed prior to mining unless the Permittee can provide evidence which demonstrates, to the satisfaction of the Chief Inspector, the impracticality of doing so.
- (b) Water which flows from disturbed areas shall be collected and diverted into settling ponds.

9. Roads

(a) All roads shall be reclaimed in accordance with land use objectives unless permanent access is required to be maintained.



October 7, 1996

File: 14675-30-04

Q-15-6

Peter B. Aylen, President Western Industrial Clay Products Ltd. 714 East Sarcee Avenue Kamloops BC V2H 1E7

Dear Mr. Aylen:

Re:

Amendment to Reclamation Permit Q-15-6

Pursuant to the Mines Act

Property: RED LAKE QUARRY

As requested in your letter dated September 25, 1996, the above permit is hereby amended.

SPECIAL CONDITION 2)

Exploratory drilling, excavation and testing of the lower shale seam in the Red (East) pit shall be carried out before December 31, 1996 to determine future mining potential and identify further shale reserves.

Please attach this amendment to your permit dated April 3, 1996 as it becomes an integral part of it.

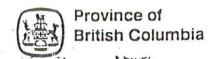
Yours truly,

F. W. Hermann, P.Eng. Chief Inspector of Mines

hw. Berenson

FWH/EWB/lm

C. Howell, Regional Operations, Health and Safety Branch, Victoria



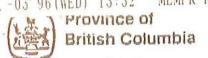
Ministry of Energy, Mines and Petroleum Resources Mineral Resources Division

9-15-6

NOTICE OF WORK AND RECLAMATION PROGRAM ON A MINERAL PROPERTY

ith	information requested on this form is collected under the authority of the Mines Act (S.B.C. 1989, the Freedom of Information and Protection of Privacy Act. The information is collected for the purple referred to other agencies as outlined in the Health. Safety and Rectamation Code for Mine arding the collection and use of this information, contact the Land Management and Policy Branch Policy Branch, 4th Floor, 1810 Blanshard Street, Victoria, British Columbia, V8V 1X4.	urpose of issuing a permit under the Mines Act and es in British Columbia. If you have any questions in Victoria at 952-0462; or write: Land Management
	X V V V V V V V V V V V V V V V V V V V	MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES KAMLOOPS, B.C.
	NAME OF PROPERTY: KITTY CLAIM	Rec'd. OCT 5 1995
	Previous Annual Work Approval Number (applicable only to those properties previously we	orked)
	(eg. SMI91-0100500-123)	
	Reclamation Permit Number, if previously issued (may be several years old)	
	Name of Claims:	
	LOCATION: Is any part of this Property in a Recreation Area or Park?Yes	s XNo
	Are any of the surface rights of this property privately owned? Yes XNo	(Operator responsible for contacting owner)
	Name and address of private land owner:	
	Mining division: All NTS map shee	els (e.g. 094L/02E) 092T/15W
	Latitude: 50 ° 56 ' Longitude: 120 ° 49 ' Min	file No. (if known)
	Access route (from nearest town to property): GRAVEL KOAD FROM TRA	ANQUILLE TO RED LAKE
	Mining division: Latitude: 50 ° 56 ' Longitude: 120 ° 49 ' Min. Access route (from nearest town to property): GRAVEL KOAD FROM TRA OPEN PIT AT EASTERN EDGE OF PROPOSED IN	JORK AREA
_		
_	OPERATOR/AGENT (Person or Company controlling property on behalf of the own	er):
	Name: WESTERN INDUSTRIAL CLAY PRODUCTS LID Tolo	phone No.: (604) 372 - 1600
	Company contact person: PETER 174LEN Fax	No. (604) 312 3+++
	Address 714 E. SARCEE AVE. City	KAMWOPS
1	Province B.C. Postal Code: V2H 1E7	0 - 1/0-1
A	Signature of Operator/Agent: Date	HUGUST 25/95
_		
	OWNER: (Title Holder)	4. 1. 2. 200
	Name: WESTERN INDUSTRIAL CLAY PRODUCTS LTD. Fax	No: (604) 372,3777
	Name: WESTERN INDUSTRIAL CLAY PRODUCTS LTO. Fax Address 714 E. SARCEE AVE. City	KAMLOOPS
	Name: WESTERN INDUSTRIAL CLAY PRODUCTS LTD. Fax Address 714 E. SARCEE AVE. Province B.C. Postal Code: V2H 1E7 Tele	phone No: (604) 372 - 1600
	Signature of Owner (or letter of Authorization from Owner):	phone No: (1894) Date: Au6, 25/95

REFERRED OCTICLES



Ministry of Energy, Mines and Petroleum Resources . Mineral Resources Division

9-15-6

NOTICE OF WORK AND RECLAMATION PROGRAM ON A AND PETROLEUM RESOURCES KAMLOOPS, B.C.

MINERAL PROPERTY

Rec'd. APR 1 1 1996

Page 9

	MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES KAMLOOPS, R.C.				
NAME OF PROPERTY: KITTY CLAIM	Rec'd. OCT 5 1995				
Previous Annual Work Approval Number (applicable only to those properties pre	the state of the s				
(eg. SMI91-0100500-123)	• •				
Reclamation Permit Number, if previously issued (may be several years old)					
Name of Claims:					
LOCATION: Is any part of this Property in a Recreation Area or Park? Yes X No					
LOCATION: Is any part of this Property in a Recreation Area or Park? Yes XNo Operator responsible for contacting owner) Are any of the surface rights of this property privately owned? Yes XNo Operator responsible for contacting owner)					
Name and address of univers land owner:	Name and address of private land owner:				
Mining division: All NTS man sheets (e.g. 00.11 /02E) 092T/15W					
Mining division: Latitude: 50 ° 56 ' Longitude: 120 ° 49 ' Minfile No. (if known) Access route (from nearest town to property): GRAVEL KOAO FROM TRANQUILLE TO RED LAKE BPEN PIT AT EASTERN EDGE OF PROPOSED WORK AREA					
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OPEN PIT AT EASTERN EDGE OF PROPOSED WORK AREA					
OPERATOR/AGENT (Person or Company controlling property on behalf of	of the owner):				
OPERATOR/AGENT (Person or Company controlling property on behalf of	of the owner): Telephone No. (604) 372 -1600				
OPERATORIAGENT (Person or Company controlling property on behalf of Name: WESTERN INDUSTRIAL CLAY PRODUCTS LTD Company contact person: PETER AYLEN	Telephone No.: (604) 372 - 1600 Fax No.: (604) 372 - 3777				
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OPERATOR/AGENT (Person or Company controlling property on behalf of Name: WESTERN INDUSTRIAL CLAY PRODUCTS LTD Company contact person: PETER AYLEN Address 714 E. CARCEE AVE. Province B.C. Postal Code: V2H 1E7 Signature of Operator/Agent: Postal Code: V2H 1E7	Telephone No.: (604) 372-1600 Fax No.: (604) 372-3777 City KAMWOIS Date: AUGUST 25/95				
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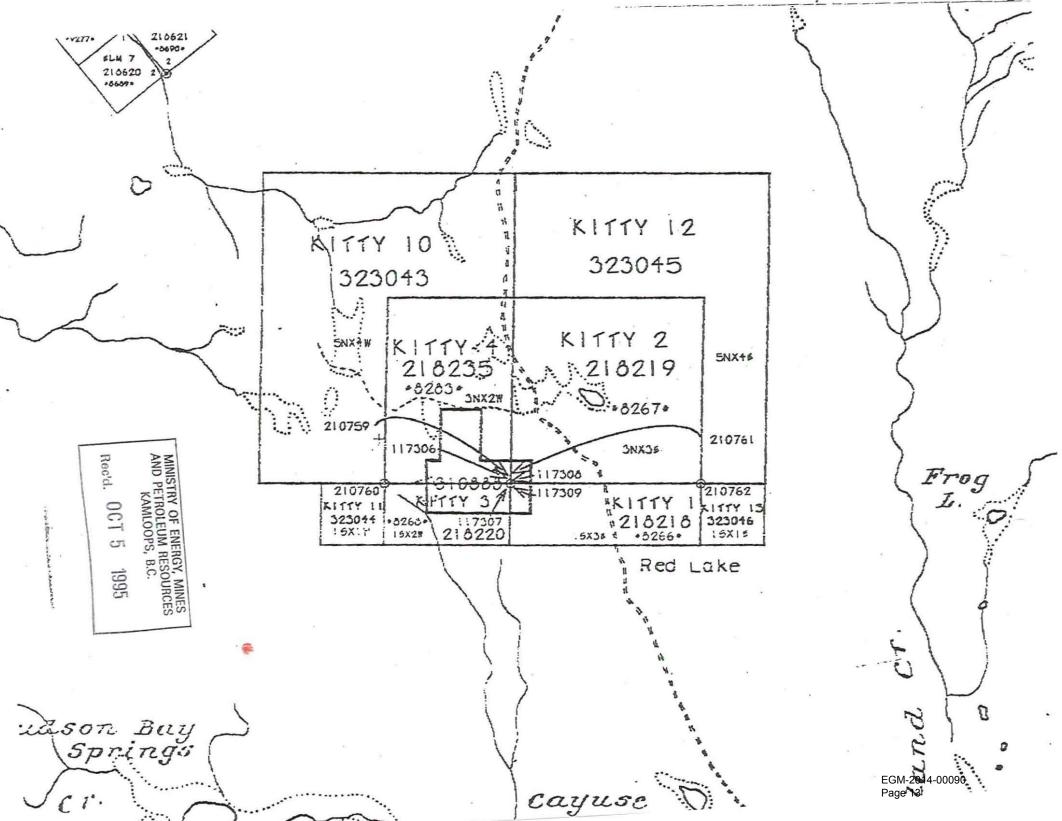
			11	11 - 34 1	/
NAME OF MANAGER: PETER	4YLEN	Manager's	ephone No.: / 60	04) 372-16	SOD
(Person responsible for management and operation	on of property)				
To whom is correspondence sent regarding this r	notice?	<u>X</u> Owner	_Operator		
DURATION: Duration of work: From	EPTEMBER	То.:	DETOBER,	1995	
EXPLORATION WORK (Non Mechanical) Geochemical Prospecting Flagging/Blazing	Geolog	rsicalical	AND PETROLEUM KAMLOOPS	, B:C:	
EXPLORATION WORK (Mechanical) Blasting	Drillin Trench	ging	yveriviiverive	nn sirkhwanniadad	
WATER SUPPLY (subject to approval under the Describe the source of water supply		water intake (show			
	VASTE WATER TREATMENT (subject to approval under the Waste Management Act) including disposal of drilling mud and sludge. Describe treatment and disposal facilities (size of settling pond. recycling, distance to nearest stream, etc). Show on plan.				
. ESTIMATED NUMBER OF WORKERS OF	SITE (including Contra	ctors):			
EQUIPMENT LIST Note: all motorized equipment to comply with t	-		,	616	
a) PS b) 2 TEREX SERAPEIS TO	Size/Capacity	Number and e)		Size/Capaci	ity
d) 1 GRADIER		g) h)			

13.	Describe methods of communication, emergency transportation	ntions) n. and type of first aid ki	, TELEPHONE,	TRUCK,
	REQUIACO KIT Location of nearest hospital: KAMDOPS -	Travel time to hospital:	1 HouR	,
	Location of nearest nospital:	Traver time to nospital.		
14.	SURFACE DISTURBANCE OFF MINERAL CLAIMS Campsite: # of people		AND PETROLEUM RE KAMLOOPS, 8 Rec'd. UCT 5 Arc	SOURCES .C.
			Section & *	
15.	SURFACE DISTURBANCE ON MINERAL CLAIMS			
	(a) Settling ponds: #	Lengthm	Width:m	Aṛea: m²
	(b) Road construction: Total	l length	Width:m	Area: m²
	(c) Drilling: # of sites: Depth:	Length: m	Width:m	Area: m ²
	(d) Trenching # of trenches: Depth:	Length: m	Width:m	Area: m ²
	(e) Test pits: # of pits:	Length: m	Width:m	Area: m²
	(f) Linecutting	Length:m	Width:m	Area: m²
	(g) Clearing Trees	Length: (LO) m	Width: 130a.m	Area: 92000 m ²
	(h) Campsite: # of people	Length: m	Width:m	Area m²
	(i) Underground work: area of surface disturbance	Length: m	Width:m	Arca: m ²
	(j) Rock dumps: area of surface disturbance	Length: m	Width:m	Area: m ²
	(k) Other: describe:			Area: m²
	TOTAL SURFACE AREA DIST	URBED ON MINERAL	CLAIMS THIS YEAR	A 100 m²
	PRIOR DISTURBANCE ON CLAIM	PLANNED RECLA	MATION THIS YEAR	m²
-	BALANCE OF UNRECLAIMED DISTURBAN	NCE AT THE END OF	PROJECT THIS YEAR	194,000m2
6.	PRESENT STATE OF LAND ON WHICH WORK IS PR			×
	Access roads (present use and condition) - OLD But U			
	Old workings (location, condition)			

RECLAMATION PROGRAM: (All work grams require a reclamation program whic .nust follow Guidelines for Mineral			
Exploration: Environmental, Reclamation and Approval Requirement)			
Proposed use of land after reclamation: FOREST OR FIELDS			
Describe protective measures and proposed site reclamation methods with reference to the items listed below.			
Topsoil handling (where applicable): REMOVED 4 PILED SEPARATELY			
Camp sites:			
Camp sites: Trenches, drill sites, major excavations: DPEN PIT TO BE BACKFILES			
Roads:			
Revegetation of disturbed areas: YCJ. MINISTRY OF ENERGY, MINES			
Waste dumps:			
Adits			
Drill core storage Rec'd. UCT 3 1552			
Other:			
- Signature - Sign			
·			
. URANIUM/THORIUM			
Is any part of this property designated as a Uranium/Thorium area? Yes No			
If yes - has a survey been completed? Yes No			

Note: if underground exploration or development is contemplated, an additional 'Underground Exploration Work Application for Approval' form must be completed.

his application will be returned if it is not accompanied by a legible map showing location of laim posts, property boundaries, location of property, access to property, location of work reas, roads, watercourses, proposed grid layouts, camps and other surface facilities. referred maps are: a) 1:50,000 topographic maps; b) claim maps; c) detailed map of area isturbed; or as required by the District Manager.



921/15

CANADA

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