Manitoba

Conservation

Climate Change and Environmental Protection Division
Environmental Assessment and Licensing Branch
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CLIENT FILE NO.: 5212.10

September 29, 2011

Harri Ollila
CaNickel Mining Ltd.
PO Box 239
Wabowden MB R0B 1S0

Dear Mr. Ollila:

Enclosed is revised **Environment Act Licence No. 2808 RR** dated September 29, 2011 issued in accordance with The Environment Act to **CaNickel Mining Ltd.** for the construction, operation and eventual decommissioning of a proposed metal mining Development identified as the "Bucko Lake Nickel Project" at a location about 4 kilometres south of the community of Wabowden, on Mineral Lease ML-031 on Lot 3442 in Group 422 as shown on Director of Surveys Plan 1936.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with. A Notice of Alteration must be filed with the Director for approval prior to any alteration to the Development as licensed.

For further information on the administration and application of the Licence, please feel free to contact Jeff Fountain, Environmental Officer at 204-677-6703.

Pursuant to Section 27 of The Environment Act, this licensing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation within 30 days of the date of the Licence.

Yours truly,

Tracey Braun

Tracey Braun, M. Sc.
Director
Environment Act

Enc.
c: Don Labossiere, Director, Environmental Operations
Brian Shlachetka
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 2808 RR *(by the Licencee only)* is required by the Director of Environmental Assessment and Licensing. Please acknowledge receipt by signing in the space provided below and faxing a copy (letter only) to the Department by October 13, 2011.

_____ _____

On behalf of CaNickel Mining Ltd. **Date**

****A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES****

THE ENVIRONMENT ACT
LOI SUR L'ENVIRONNEMENT

Manitoba

LICENCE

Licence No./Licence n° 2808 RR

Issue Date/Date de délivrance : March 28, 2008

Revised : December 31, 2010

Revised : September 29, 2011

In accordance with The Environment Act (C.C.S.M. c. E125)/
Conformément à la Loi sur l'environnement (C.P.L.M. c. E125)

Pursuant to Sections 11(1) and 14(3)/Conformément au Paragraphes 11(1) et 14(3)

THIS LICENCE IS ISSUED TO:/CETTE LICENCE EST DONNÉE À:

CANICKEL MINING LIMITED; "the Licencee"

for the construction, operation and eventual decommissioning of a proposed metal mining Development identified as the "Bucko Lake Nickel Project" at a location about 4 kilometres south of the community of Wabowden, on Mineral Lease ML-031 on Lot 3442 in Group 422 as shown on Director of Surveys Plan 1936, and comprised of:

- a 1,200 tonne/day mine/ crusher/ mill/ concentrator to produce nickel concentrate as per an Environment Act Proposal submitted on May 15, 2006;
- an interim tailings storage facility (ITSF), located on land beside Bucko Lake as described in Notices of Alterations submitted on December 19, 2007, August 28, 2009 and December 1, 2010 pursuant to Section 14(1);
- a tailings management area (TMA) and associated facilities located adjacent to the ITSF as described in the Environment Act Proposal dated July 8, 2011;
- a paste backfill plant;
- a 2-cell lined pond for the treatment of underground mine water and mine site surface runoff before being released to Bucko Lake; and
- such other facilities and utilities identified in the Proposal as relating to the operation of the proposed mining Development, subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence:

"accredited laboratory" means an analytical facility accredited by the Standard Council of Canada (SCC), or accredited by another accrediting agency recognized by Manitoba Conservation to be equivalent to the SCC, or able to demonstrate, upon request, that it has the quality assurance/quality control (QA/QC) procedures in place equivalent to accreditation based on the international standard ISO/IEC 17025, or otherwise approved by the Director;

"AP" means the maximum acid-generation potential, expressed as tonnes of $CaCO_3$ per 1000 tonnes of a material tested, determined in accordance with a static Acid-Base Accounting method satisfactory to the Director;

"approved" means approved by the Director in writing;

"composite sample" means as defined in the MMER;

"contaminated soil" means soil which contains contaminant concentrations in excess of the applicable remediation criteria cited in the Canadian Council of Ministers of the Environment's "Canadian Environmental Quality Guidelines" report ISBN 896-997-34-1, update 5.0, 2006, and or any future amendment thereof;

"Director" means an employee of the department appointed as such by the Minister;

"Director of Mines" means the Director of the Mines Branch of Manitoba Innovation, Energy and Mines;

"effluent" means any treated or untreated mine water released into the environment;

"EEM" means Environmental Effects Monitoring;

"Environment Officer" means an employee of the department appointed as such by the Minister;

"final discharge point", in respect of an effluent release, means an identifiable discharge point of a mine beyond which the Licencee no longer exercises control over the quality of the effluent, which for the purposes of this Licence, is the weir at the outfall from the 2-celled mine water treatment facility, unless any additional discharge point is identified in the course of the operation of this Development;

"grab sample" means a grab sample as defined in the MMER;

"**ITSF**" means the Interim Tailings Storage Facility located, designed and constructed as per the Notices of Alteration submitted by the Licencee to the Director on December 19, 2007, August 28, 2009 and December 1, 2010;

"**Metal Mining Effluent Regulations**" means the *Metal Mining Effluent Regulations* (SOR/2002-222), or any future amendments thereto, promulgated under the federal *Fisheries Act*;

"MMER" means the federal Metal Mining Effluent Regulations;

"mine" includes all the surface and connected underground workings, overburden, waste rock and ore stockpiles, portal, shaft, headframe, crusher, mill/concentrator, backfill plant, all ancillary buildings, wastewater treatment, impoundment or control facilities, and such other on-site infrastructure as may be located on the mine site and associated with the Development;

"mine site" includes the whole operational or disturbed area of land within the boundaries of those surface rights acquired and held by the Licencee for the operation of the Development, as generally depicted in Appendices 'A' and 'B' attached to this Licence;

"mine water" means fluids pumped to the surface from underground mine workings or from an open pit, or fluids used to transport tailings, or contaminated runoff or leachate from ore or waste rock stockpiles exposed to precipitation, or polluted mine site runoff, or seepage or runoff losses from tailings deposits stored on the surface of land, or any combination thereof;

"NP" means the maximum neutralizing potential, expressed as tonnes of $CaCO_3$ per 1,000 tonnes of a material tested, determined in accordance with a static Acid-Base Accounting method satisfactory to the Director;

"NPR" means the neutralizing potential ratio as determined from the ratio of NP/AP;

"**ore**" means a mineralized rock containing sufficient mineral value for the purposes of this Development.;

"potentially acid-generating" means having the potential or uncertain ability to generate acid as indicated by a NPR of 4 or less, until or unless an appropriate alternate NPR cut-off value is determined, to the satisfaction of the Director, through detailed characterizations, evaluations and interpretations, or through kinetic testing, carried out on representative test material by qualified individuals;

"sewage" means sewage as defined in *Manitoba Regulation 83/2003* respecting *Onsite Wastewater Management Systems*, or any future amendments thereto;

"slime sludges" means a flowable material that leaks out of paste used for mine stope backfilling operations, where the paste consists of a 1:10 binder mixture of cement and blast furnace slag (up to 10% of total material), combined with approximately 50% tailings material and 50% sand;

"solid waste" means solid waste as defined in *Manitoba Regulation 150/91* respecting *Waste Disposal Grounds*, or any future amendments thereto;

"Standard Methods for the Examination of Water and Wastewater" means the most recent edition of Standard Methods for the Examination of Water and Wastewater published jointly by the American Public Health Association, the American Waterworks Association and the Water Environment Federation;

"TMA" means Tailings Management Area;

"tailings" means those granular solids which are discarded as waste material in the process of milling and concentrating commercial minerals present in the milled ore; and

"undiluted" means free of extraneous unpolluted sources of water which could feasibly be prevented from mixing with the mine water or effluent prior to its discharge at a designated final

discharge point, or not having water added for the purpose of meeting any effluent quality limits specified in this Licence or in the MMER.

GENERAL TERMS AND CONDITIONS

1. Notwithstanding any of the following limits, terms and conditions specified in this Licence, the Licencee shall, upon the request of the Director:
   a) sample, monitor, analyze and/or investigate specific areas of concern regarding any segment, component or aspect of pollutant storage, containment, handling, treatment, and disposal or emission systems, for such pollutants or ambient quality, aquatic toxicity, leachate characteristics and discharge or emission rates, for such duration and at such frequencies as may be specified;
   b) determine the environmental impact associated with the release of any pollutant(s) from the Development; or
   c) provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, descriptions of sampling and analytical procedures being used, bioassay data, flow rate measurements and such other information as may from time to time be requested.

2. The Licencee shall, unless otherwise specified in this Licence:
   a) carry out all preservations and analyses of liquid samples in accordance with the methods prescribed in the "Standard Methods for the Examination of Water and Wastewater" or in accordance with equivalent preservation and analytical methodologies approved by the Director; and
   b) have all analytical determinations undertaken by an accredited laboratory.

3. The Licencee shall submit all information required to be provided to the Director under this Licence, in writing, in such form (including number of copies) and of such content as may be required by the Director, and each submission shall be clearly labelled with the Licence Number and Client File Number associated with this Licence.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Land Use and Construction Activities

4. The Licencee shall restrict surface construction activities related to the Development to only those lands for which the Licencee:
   a) possesses the surface rights or a mineral lease; and
   b) is in possession of applicable work permits or timber cutting permits.

Respecting Financial Assurance

5. The Licencee shall maintain at all times financial security posted with the Mines Branch of Manitoba Innovation, Energy and Mines in the form of:

a) a permit bond issued by a surety company licensed to do business in the Province of Manitoba; or
b) an irrevocable letter of credit; or
c) cash;

in an amount satisfactory to the Director of Mines, whereby the Licencee would be fully liable for the environmental restoration of any disturbed, developed or polluted areas at the mine site.

Respecting Water Diversion and Use

6. The Licencee shall not commence any well drilling or water diversion activities unless such activities are licensed under *The Water Rights Act*.

7. The Licencee shall construct and maintain the end-of-pipe of the process water intake line in Bucko Lake with a fitted fish screen that conforms to the "Freshwater Intake End-of-Pipe Fish Screen Guideline" published by the Department of Fisheries and Oceans.

Respecting Sewage

8. The Licencee shall, unless otherwise approved under *Manitoba Regulation 83/2003*, or any future amendment thereto, respecting *Onsite Wastewater Management Systems*:
   a) direct all sewage (exclusive of grey water) generated at the mine site into one or more on-site sewage holding tanks designed and installed in compliance with *Manitoba Regulation 83/2003*;
   b) dispose of any sewage and septage withdrawn from any on-site sewage holding tanks in accordance with *Manitoba Regulation 83/2003*; and
   c) direct the grey water from the Development to the mill for reuse as a component of the mill's or the backfill plant's over-all water requirements.

Respecting the Construction, Operation and Final Capping of the ITSF

9. The Licencee shall construct and maintain the ITSF during use in accordance with the specifications provided in the December 1, 2010 alteration request and the accompanying technical memorandum of November 26, 2010 from Wardrop Engineering Inc. and the Notice of Alteration of March 30, 2011 such that:
   a) the ITSF crest shall not be raised above an elevation of 241.0 metres; and
   b) the level of tailings and water in the ITSF shall not exceed an elevation of 240.0 metres.

10. The Licencee shall complete filling of the ITSF and cap the facility such that:
    a) the elevation of the tailings and capping material at the centre of the facility shall not exceed an elevation of 242.5 metres;
    b) the facility is capped with not less than 0.75 metres of compacted clay and silt within one year of the completion of the filling of the ITSF, unless otherwise required by the Director;
    c) the cap is graded to provide positive drainage of runoff from the centre of the facility to the perimeter;
    d) all runoff is collected in a perimeter collection drain within the dyke of the ITSF;
    e) all runoff from the ITSF cap is directed to the TMA; and
    f) the ITSF cap is vegetated with a mixture of native and introduced species to prevent surface erosion.

especting Mine and Mill Water and Tailings Solids Management

1. The Licencee shall, while mining and milling at the mine, manage the mine water and tailings solids such that:
   a) all net tailings and mine water from the mill/concentrator, which are not required for backfilling underground open stopes, are directed by pipeline to the ITSF or TMA sites so that the tailings are maintained in a saturated state during active deposition;
   b) no mine water is, at any time, released or lost from the ITSF and/or TMA to Bucko Lake;
   c) excess mine water from the ITSF and/or TMA is directed by pipeline back to the mill as make-up water;
   d) all net surplus mine water (which cannot be reclaimed to the mill as make-up water) is directed to the surface mine water settling ponds for treatment and release through the final discharge point of the surface settling ponds facility into Bucko Lake (without exceeding the effluent quality limits laid out in the MMER); and
   e) within one year of the date of this Licence, a scaled and updated "as built" site plan of the mine site is submitted to the Director. The site plan shall show a plan view of labeled features including the mine portal, the mill and concentrator, the boundaries of designated waste rock deposition sites, the surface mine water settling ponds, the final discharge point, the pipeline routes for the transfer of tailings to the ITSF and TMA and for the return of excess mine water to the mill relative to the shores of Bucko Lake, and a second scaled plan view showing Bucko Lake and the creek leading from Bucko Lake to the entrance to Rock Island Lake, and the locations of intended water quality monitoring stations.

Respecting the Final Discharge Point and Effluent Quality Restrictions

12. The Licencee shall not discharge, or allow the release of any effluent from the Development into the aqueous environment except through the final discharge point as designated in accordance with the MMER.

13. The Licencee shall not release any effluent from the final discharge point if:
   a) the quality or toxicity of the effluent is in non-compliance with the MMER; or
   b) the effluent quality is resulting in, or is likely to directly or cumulatively result in, a downstream degradation of the water quality, immediately beyond a maximum 10% mixing zone (by volume) within Bucko Lake, relative to the Manitoba *Water Quality Standards, Objectives, and Guidelines* (dated July 4, 2011 or future versions thereof), and nutrient control strategies and regulations developed by Manitoba Water Stewardship.

Respecting Final Effluent and Receiving Aqueous Environment Monitoring, Record Keeping and Reporting

14. The Licencee shall, in accordance with the MMER:
   a) install, operate, maintain and annually calibrate a continuous effluent flow measuring device, at the final discharge point, rated to an accuracy within ± 15%; and
   b) measure and record each monthly volume (in cubic metres) of effluent released through the final discharge point.

15. The Licencee shall:
    a) in such a manner, and at such frequencies, as required by the MMER:
        i) collect sufficient and undiluted composite or grab samples, as the case may be, of effluent being released at the final discharge point, and have each sample analyzed for pH and each deleterious substance and characteristic as laid out in the MMER, including such additional parameters, characteristics and information as may otherwise be requested in writing by the Director; and
        ii) collect sufficient, undiluted and representative samples of effluent released from the final discharge point at such frequency as required by the MMER, and have each such obtained sample subjected to acute lethality tests and *Daphnia magna* toxicity tests; and
    b) unless otherwise requested by the Director, collect, at monthly intervals, composite samples of the final effluent, and have these samples analyzed for:
        i) total phosphorus as P;
        ii) total dissolved phosphorus as P;
        iii) ammonia nitrogen as N;
        iv) nitrate-nitrite nitrogen as N;
        v) total Kjeldahl nitrogen as N;
        vi) barium;
        vii) boron; and
        viii) strontium.

16. The Licencee shall, twice monthly, at approximately two week intervals, collect grab samples of water at the outfall from Bucko Lake, but upstream of the confluence with the receiving stream, and have the collected samples analyzed for all of the parameters required through Clause 15 of this Licence (but excluding the acute lethality, toxicity and the radium 226 tests).

17. The Licencee shall, consistent with the MMER, submit quarterly reports on all the required effluent quality analyses, flow rate measurements, and determinations recorded pursuant to Clauses 14, 15 and 16 of this Licence, to the Director, in writing and in electronic MS Word and Excel spreadsheet formats satisfactory to the Director, no later than 45 days after the end of each calendar quarter.

18. The Licencee shall, with respect to each month of production, determine and record:
    a) the tonnes of ore processed through the mill;
    b) the volume, in cubic metres, of tailings solids that were re-directed as backfill into underground mined out stopes;
    c) the volume of tailings solids that were directed into the ITSF and/or TMA; and
    d) the volume of slime sludges that were directed into the ITSF and/or TMA;

    and report each of these monthly determinations to the Director in writing and in electronic MS Word and Excel spreadsheet formats satisfactory to the Director, on a quarterly basis at the same time as the quarterly effluent monitoring results are submitted.

19. The Licencee shall, in the course of developing the program for the Environmental Effects Monitoring (EEM) studies required pursuant to the MMER, consult with Manitoba Water Stewardship for possible additional inclusions or considerations respecting site specific water quality and biological issues, prior to finalizing and undertaking the required EEM studies.

20. The Licencee shall conduct all Environmental Effects Monitoring (EEM) studies, as required through the provisions of the MMER, and provide the Director, as well as Manitoba Water Stewardship, with a printed copy and electronic copy of each such completed EEM study.

Respecting Air Emissions

21. The Licencee shall:
    a) direct all vented air emissions from the surface rock/ore crushing facility through a baghouse facility;
    b) regularly maintain the operating efficiency of the filter bags in the baghouse facility;
    c) not emit particulate matter from the baghouse facility into the environment whereby the level of particulate matter in the air emitted into the environment exceeds 0.23 grams per dry standard cubic metre calculated at 25 degrees Celsius and 760 millimetres of mercury, corrected to 12 percent carbon dioxide;
    d) at least once every 12 months, arrange to have the air emissions released from the baghouse tested by a third party qualified technician for confirming the level of compliance with sub-Clause 21(c) of this Licence; and
    e) submit the findings of the air emission tests to the Director no later than one month after the completion of each annual air emission sampling.

Respecting Waste Rock and Contaminated Soil

22. The Licencee shall not use any contaminated soil, or potentially acid-generating rock as a construction material in the surface development of this mine site or at any other off-site location, nor release such material to any other person for off-site use, nor store such rock material on surface.

23. The Licencee shall, with respect to waste rock hoisted to surface for construction or storage purposes:
    a) collect sufficient representative bulked samples once every 10,000 tonnes of waste rock brought to surface, and have the newly collected samples evaluated by certified laboratory for acid generation potential (AP) using static acid-base accounting methods unless dynamic testing is warranted; and
    b) submit to the Director the analytical and interpretive laboratory results of the tests carried out on the tested bulk rock samples within two weeks after the data has been provided by the commissioned laboratory to the Licencee.

24. The Licencee shall dispose of any sludges other than slime sludges resulting from the clean-out of underground mine water sumps, or from the clean-out of the surface settling ponds, or from the chemical treatment of any mine water, into:
    a) a secure depository in the Development's underground mine workings; or
    b) a surface waste disposal ground permitted under *Manitoba Regulation 150/91*, or any future amendment thereto, subject to being appropriately dewatered at the site of the Development to meet the criteria of solid waste as defined in the said regulation and being accepted, in writing, by the operator of the waste disposal ground.

Respecting Solid Waste and Recyclable Waste

25. The Licencee shall not deposit any garbage or other solid waste into the environment except into a waste disposal ground operating under the authority of a permit issued pursuant to *Manitoba Regulation 150/91*, or any future amendment thereto.

26. The Licencee shall not deposit bulky metallic wastes, used tires, used oil and other fluid lubricants, and any other class of recyclable waste substances as may be specified by the Director, into the environment except to:
    a) a facility or infrastructure which accepts such materials for recycling; or
    b) a waste disposal ground operating under the authority of a permit issued pursuant to *Manitoba Regulation 150/91*, or any future amendment thereto, where these recyclable substances are grouped and kept distinctly segregated from each other and are not buried (unless otherwise specified by the Director) so as to readily facilitate their recycling.

27. The Licencee shall make reasonable efforts to initiate and maintain a recycling program for those substances identified in Clause 26 of this Licence.

Respecting Dangerous Goods or Hazardous Wastes

28. The Licencee shall not establish any petroleum fuel storage facility closer than 100 metres from the high water mark of the nearest shoreline of Bucko Lake.

29. The Licencee shall comply with all the applicable requirements of:
    a) *Manitoba Regulation 188/2001* or any future amendment thereto, respecting the *Storage and Handling of Petroleum Products and Allied Products*; and
    b) *The Manitoba Dangerous Goods Handling and Transportation Act*, and regulations issued thereunder, respecting the handling, transport, storage and disposal of any dangerous goods brought onto or generated at the Development.

30. The Licencee shall ensure that:
    a) all used oil and hydraulic fluids removed from on-site machinery and vehicles are collected, transported and stored in secure, properly labeled and non-leaking containers until recycled; and
    b) if the containers are temporarily stored on site, that the storage area is constructed with a base and containment dikes fully lined on the interior with an impermeable liner or is otherwise constructed with equivalent containment provisions satisfactory to the Director.

Respecting an Emergency Response Plan

31. The Licencee shall, within four months of the date of this Licence:
    a) submit to the Director a copy of the Emergency Response Plan as prepared pursuant to the requirements of the MMER, but also addressing chemical spills and potential industrial accidents, and consistent with the "Industrial Emergency Response Planning Guide" (MIAC, September, 1996); and
    b) continually maintain the Emergency Response Plan up-to-date, and provide the Director with any newly updated pages.

Respecting Mine Closure, Decommissioning and Rehabilitation

32. The Licencee shall, in the course of developing the mine site area, collect and stock-pile for future re-vegetation purposes, any removed and suitable overburden material.

33. The Licencee shall, at all times following the completion of filling of the ITSF:
    a) maintain the vegetation cover established pursuant to Clause 10 (f) of this Licence;
    b) maintain the exterior toe drainage system of the ITSF, pumping collected water from the seepage collection ponds to the decant pond of the TMA; and
    c) undertake dyke stability and seepage water quality monitoring activities in accordance with the Proposal or as otherwise required by the Director with respect to parameters, frequencies and reporting.

34. The Licencee shall, upon the completion of filling of the first phase of the TMA (starter cell), direct water at the surface of the facility to the decant pond of the TMA.

35. The Licencee shall, within one year of the completion of filling of the first phase of the TMA:
    a) grade and cap the first phase area with a 0.75 metre layer of compacted clay to prevent infiltration to the tailings and maintain positive surface drainage to the decant pond of the TMA; and
    b) revegetate the cap with a mixture of native and introduced species.

36. The Licencee shall, at all times following the completion of filling of the first phase of the TMA:
    a) maintain the vegetation cover established pursuant to Clause 35 (b) of this Licence;
    b) maintain the exterior toe drainage system on the north and east sides of the first phase of the TMA, pumping collected water from the seepage collection pond to the decant pond of the TMA; and
    c) undertake dyke stability and seepage water quality monitoring activities in accordance with the Proposal or as otherwise required by the Director with respect to parameters, frequencies and reporting.

37. The Licencee shall, upon the completion of filling of the second phase of the TMA (ultimate tailings management area), direct water at the surface of the facility to the decant pond of the TMA.

38. The Licencee shall, within one year of the completion of filling of the second phase of the TMA:
    a) grade and cap the second phase area with a 0.75 metre layer of compacted clay to prevent infiltration to the tailings and maintain positive surface drainage to the decant pond of the TMA; and
    b) revegetate the cap with a mixture of native and introduced species.

39. The Licencee shall, at all times following the completion of filling of the second phase of the TMA:
    a) maintain the vegetation cover established pursuant to Clause 38 (b) of this Licence;
    b) maintain the exterior toe drainage system on the north, west and south sides of the second phase of the TMA, pumping collected water from the seepage collection pond(s) to the decant pond of the TMA; and

c) undertake dyke stability and seepage water quality monitoring activities in accordance with the Proposal or as otherwise required by the Director with respect to parameters, frequencies and reporting.

40. The Licencee shall provide future updates to decommissioning plans for any component of the Development for the approval of the Director, and only decommissioning activities approved by the Director shall be implemented.

41. The Licencee shall:
    a) provide the Director with:
        i) written notice three months in advance of any imminent permanent closure of this Development; or
        ii) provide the Director with an immediate notice of any sudden decision to temporarily close this Development whereby the Development would be placed in a mothballed state for re-opening in the foreseeable future;
    b) comply with *Manitoba Regulation 67/99*, being a regulation issued under *The Mines and Minerals Act* respecting Mine Closure Plans for mining developments, particularly in regards to addressing environmental issues or liabilities including, but not necessarily limited to:
        i) the decommissioning and rehabilitation of disturbed land areas;
        ii) the containment, or mitigation of any elevated pollutants in both the local soil and the local surface waterway and groundwater;
        iii) the decommissioning of access roads and any stream crossings;
        iv) the restoration or replacement of disturbed fish habitat; and
        v) the scope, frequency and strategy of post-closure environmental monitoring activities; and
    c) in the course of progressive rehabilitation, as well as upon the permanent or temporary closure of this Development, implement the environmentally related aspects of the Mine Closure Plan to the satisfaction of the Director.

REVIEW AND REVOCATION

A. This Licence replaces Environment Act Licence 2808 R, which is hereby rescinded.

B. If, in the opinion of the Director, the Licencee has exceeded or is exceeding, or has or is failing to meet the specifications, limits, terms, or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.

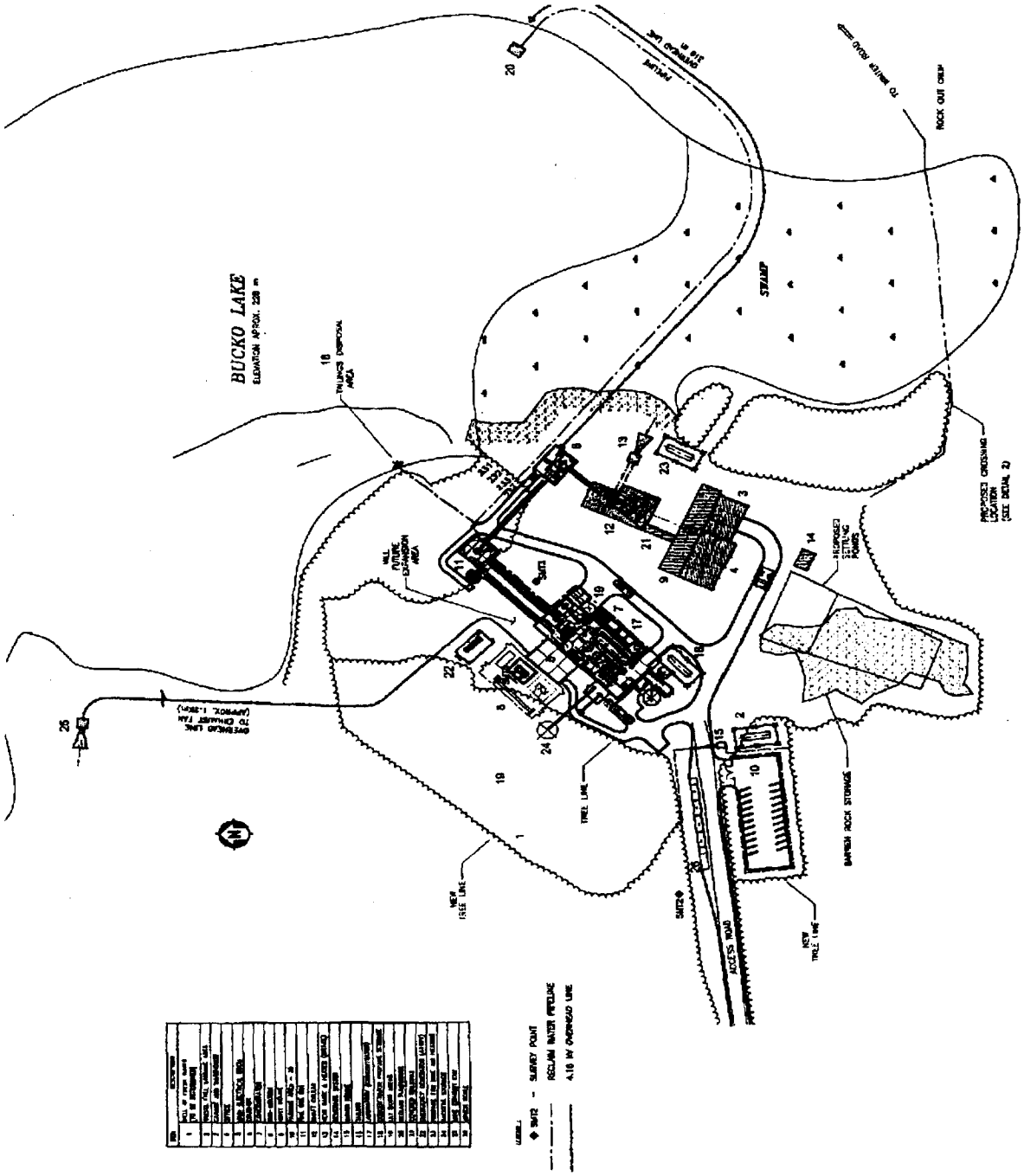
C. If, in the opinion of the Director, new evidence warrants a change in the specifications, limits, terms or conditions of this Licence, the Director may require the filing of a new proposal pursuant to Section 11 of *The Environment Act*.

Tracey Braun

Tracey Braun M. Sc.
Director
Environment Act

File: 5212.10

APPENDIX ' A' Bucko Lake Nickel Project Mine Site



APPENDIX ' B' Bucko Lake Nickel Project Interim Tailings Storage Facility (ITSF) and Tailings Management Area (TMA) Site