

Date: August 27, 2017 Authorization Number: PE-105719

REGISTERED MAIL

Chieftain Metals Inc. c/o Grant Thornton, Ltd. (Court Appointed Receiver) 11th Floor, 200 King Street West, Box 11 Toronto, Ontario, M5X 1A4

By email and mail: Bruce.Bando@ca.gt.com

Dear Mr. Bando.

On July 12, 2017 Officer Neil Bailey conducted a planned, on-site inspection of Chieftain Metals Inc.'s Tulsequah Chief Mine located southwest of Atlin, BC to verify compliance with effluent discharge permit PE-105719. I was accompanied on this inspection by Michael Olsen, Inspector of Mines and Nathaniel Amann-Blake, Executive Lead of the Ministry of Energy, Mines and Petroleum Resources (EMPR) and Kelly Mills, Environmental Protection Technician of the Ministry of Environment and Climate Change Strategy.

I am aware that EMPR has issued orders, dated October 24, 2016 and July 4, 2017, as amended July 28, 2017, to Chieftain Metals Inc, Chieftain Metals Corp c/o Grant Thornton Ltd., receiver, to take immediate remedial action related to the exfiltration pond issues and to secure and remove hazardous materials from the site. The Ministry of Environment and Climate Change Strategy will monitor these remedial actions may take additional measures as necessary.

For your information, the Ministry of Environment and Climate Change Strategy referring Inspection Record 61132 from the July 12, 2017 inspection to the Conservation Officer Service for investigation.

Please see the attached inspection record for additional details regarding this inspection.

Yours truly,

Red Bailey

Neil Bailey, P. Eng.

Senior Environmental Protection Officer

Attachments: IR# 61132

Ministry of Environment and Environmental Protection Division

Climate Change Strategy

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