



File:14310-05-143

February 25th, 2021

BY REGISTERED MAIL AND EMAIL

Klondike Silver Corp.
804 – 750 West Pender Street
Vancouver, BC
V6C 2T7
dale.dobson@klondikesilver.com
tomkennedy@shaw.ca

Dear Klondike Silver Corp:

On November 23rd, 2020, you were served a notice pursuant to Section 10(1) of the *Mineral Tenure Act* (the Act) indicating that I was considering cancelling your Free Miner Certificate for the reasons detailed in the notice.

You requested a hearing, pursuant to Section 10(2) of the Act, which was held by teleconference on February 4th, 2021. During the hearing, you made submissions outlining the recent undertakings of a consultant, (Tetra Tech) who has been retained by Klondike Silver Corp. to address outstanding non-compliance with *Mines Act* orders. Submissions were also made detailing expenditures by various consultants who have been retained by Klondike Silver Corp. since 2017 to address non-compliance with *Mines Act* orders.

While I accept that Klondike Silver Corp. has been making progress to comply with the outstanding *Mines Act* orders that have been issued, I am not satisfied that sufficient progress has been made to date with respect to the outstanding orders that remain to be addressed, and for the reasons detailed in the notice.

For these reasons, I have decided to cancel Klondike Silver Corp.'s Free Miner Certificate numbered 110257836 as of the date of this letter.

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In the absence of a Free Miner Certificate, Klondike Silver Corp. and its agents are prohibited from engaging in the following:

- entering mineral lands to explore for minerals or placer minerals;
- registering a mineral title;
- registering exploration and development work under section 29 of the Act;
- registering cash in lieu of exploration and development under section 29 of the Act;
- revising an expiry date under section 33.1 of the Act, and;
- registering a bill of sale initiation event or completion event for a mineral title.

Renewal and reinstatement of Klondike's Free Miner Certificate is conditional on fulfillment of the of the following work tasks which are anticipated to be completed on or before October 31st, 2021:

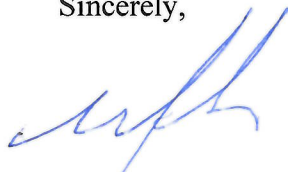
- 2020 Dam Safety Inspection report signed and sealed by a P.Eng. (target submittal date indicated: March 31st, 2021),
- Geotechnical Site Investigation factual report and geotechnical assessment signed and sealed by a P.Eng. (target date indicated: mid-late summer 2021),
- Erosion Protection As-builts signed and sealed by P.Eng. (target completion date indicated: October, 2021).

In the event that Klondike has completed these work tasks before October 31st, 2021, Klondike will be considered to have fulfilled the conditions for renewal and reinstatement of its Free Miner Certificate.

In the event that the prioritization of these work tasks changes over the next several months, this will be taken into consideration by the Chief Gold Commissioner with respect to renewal and reinstatement of Klondike's Free Miner Certificate.

If you have any questions, please contact me directly at mark.messmer@gov.bc.ca or 604-660-2814.

Sincerely,



Mark Messmer
Chief Gold Commissioner and Executive Director
Mineral Titles Branch