

RECLAMATION SURETY BOND

BOND NO.
PERMIT NO.

AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS THAT <mining company> (the "Principal") and <Surety Company>, a corporation created and existing under the laws of Canada, and duly authorized to transact the business of Suretyship in Canada as Surety (the "Surety") are held and firmly bound unto HER MAJESTY THE QUEEN in Right of the Province of British Columbia as represented by the CHIEF INSPECTOR OF MINES, as Obligee (the "Obligee"), in the amount of _____ Dollars (\$ _____) lawful money of Canada (hereinafter called "the Bond Amount") for the payment of which sum, well and truly to be made, the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents.

WHEREAS, the Principal has filed or caused to be filed with an inspector under the *Mines Act* an operating plan ("the Operating Plan") outlining the details of the proposed work and a program for the conservation of cultural heritage resources and for the protection and reclamation of the land, watercourses and cultural heritage resources affected by the <name of mine> ("the "Mine").

WHEREAS, the Principal has applied for and the Obligee has granted to the Principal Permit Number _____ (the "Permit") which is subject at any time to amendment by the Obligee, to operate the Mine, subject to the terms and conditions and requirements of the Permit, the Operating Plan and the *Mines Act*.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, WHEREAS the Principal and Surety agree that, without notice to the Surety, the coverage of this bond, shall extend to and include performance of any conditions, obligations or requirements that are imposed under the laws of British Columbia relating to mines that in the opinion of the Obligee are related to reclamation or protection of, and mitigation of damage to, the land, watercourses or cultural heritage resources affected by the Mine, including but not limited to:

- 1) Such conditions, obligations or requirements imposed by or under the Permit as amended from time to time including any conditions, obligations or requirements in the Operating Plan or any modifications or replacements of the Operating Plan, that are required or approved under the Permit.
- 2) All orders and directions of the Obligee or an inspector under the *Mines Act* respecting mine reclamation, protection of, and mitigation of damage to, watercourses and cultural heritage resources affected by the Mine.

NOW THEREFORE if the Principal shall promptly and faithfully perform and fulfill all the reclamation provisions outlined in the Permit, the Operating Plan and the *Mines Act* and shall also promptly and faithfully perform and fulfill conditions, obligations or requirements that are imposed under the laws of British Columbia relating to mines that in the opinion of the Obligee are related to reclamation or protection of, and mitigation of damage to, the land, watercourses or cultural heritage resources affected by the Mine, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Provided always that if the Surety shall at any time give ninety (90) days notice in writing to the Principal and to the Obligee of its intention to put an end to the Suretyship hereby entered into then this bond and all accruing responsibility thereunder shall from and after the last day of such (ninety) 90 days aforesaid cease and terminate except insofar as the Principal has made default prior to the said last day of such period, and provided that, should the Principal fail, within sixty (60) days of receipt by the Obligee of the said notice of termination, to provide financial security in at least the same amount as this bond in a form acceptable to the Obligee, the Surety shall automatically and immediately pay the full Bond Amount to the Obligee.

Whenever the Principal shall be, and declared by the Oblige to be, in default of any obligation covered by this bond, the Surety shall promptly pay the Oblige the lesser of the Bond Amount or the Oblige's proposed cost of remedying the default.

The bond will be valid for the term of _____ to _____ and shall be automatically renewed, without further documentation from year to year thereafter unless terminated as aforesaid, provided that the Surety may, if it wishes, issue certificates evidencing such renewal.

The Surety shall not be liable for a greater sum than the bond amount.

IN WITNESS WHEREOF, the Principal and the Surety have Signed and Sealed this Bond this _____ day of _____.

Signed and Sealed in the presence of:

PRINCIPAL

_____ (seal)

_____ (address)

SURETY

_____ (seal)

Print Name
Attorney-in-fact

_____ (address)