

THE MATOUSH PROJECT

In 2006, Strateco set up the Matoush uranium project, located in the Otish Mountains at about 275 km north of Chibougamau. It is now considered as one of the highest-grade uranium projects in the world. Strateco aspires to become the first company in Quebec and the first so-called junior company in Canada, during the present cycle, to advance a uranium exploration project involving underground exploration operations.

SITE REHABILITATION

WHAT IS SITE REHABILITATION?

The goal of a rehabilitation plan is to close a site in a way that protects the environment and public health. The plan describes the project closure, decommissioning and final environmental monitoring.

For uranium projects, a rehabilitation plan accompanied by a financial guarantee covering 100% of the rehabilitation cost is required for each stage of the project.

The costs associated with rehabilitation must be re-estimated each time a licence is renewed. If additional amounts are required, new financial guarantees must be provided.

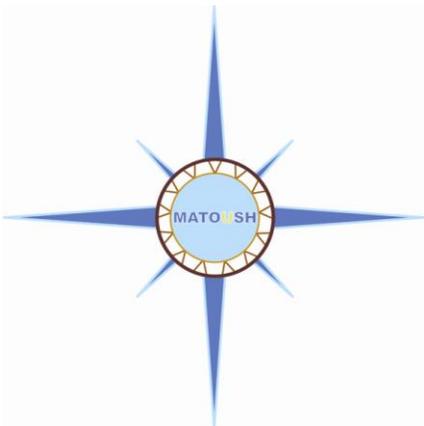
The Canadian Nuclear Safety Commission (CNSC) approves rehabilitation plans, ensures that the financial guarantees are paid and provides strict regulatory supervision.

REHABILITATION OF THE MATOUSH PROJECT SITE

For Strateco, it is paramount that the environmental impact of the project be minimized and the site be restored to the way it was before Strateco began exploration in 2006. Strateco took steps from the outset of the project to reduce the ecological footprint of its activities, which will facilitate site rehabilitation at the end of the project.

In preparation for an underground exploration phase, Strateco has prepared a rehabilitation plan that sets out the means and programs required to restore the site to its original state.

For each new stage of the project, Strateco must update its rehabilitation plan and have it approved by the CNSC. This ensures that closure, decommissioning and environmental monitoring activities at the Matoush project will be carried out in accordance with the applicable standards.



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Strateco believes that sustainable development means caring for the environment at every stage of exploration and production, actively involving the local populations in the project, ensuring the safety and health of our workers and local residents and providing safe and clean energy for the future.

REHABILITATION OF THE MATOUSH PROJECT UNDERGROUND EXPLORATION PHASE

Facilities and Equipment

- Buildings, facilities and equipment will be dismantled.
- Machinery will be transported or buried in accordance with applicable standards.
- Reusable material and equipment will be dispatched to various sites for recycling or resale.
- Material that cannot be reused (domestic waste) will be properly disposed of at an authorized landfill site.

Transportation Infrastructure

- Unless otherwise specified, culverts from the site and access roads will be dismantled to re-establish the original drainage conditions.
- Any ditches no longer required will be filled, and roads surfaces and shoulders will be scarified, levelled and seeded.

Electrical Infrastructure

- Above-ground electrical equipment and infrastructure will be dismantled.
- Underground infrastructure and equipment will be left in place.

Sanitary Installations and Plumbing

- Above-ground drinking water and wastewater pipelines will be dismantled.
- Underground pipes will be drained, blocked and left in place.
- The domestic wastewater treatment facility, which includes the septic tank and leaching bed, will be drained and dismantled.

Fuel Infrastructure

- Fuel tanks and lines will be dismantled by experienced workers.
- If necessary, the site will be decontaminated as required by the *Ministère du Développement durable, de l'Environnement et des Parcs*.

Waste Rock and Mine Runoff

- The slopes of the waste dump will be graded to blend with the surroundings, and a layer of earth will be added.
- Any weakly mineralized rock (special waste) encountered during ramp excavation will be returned underground.
- Mine runoff treatment ponds will be drained and graded.
- Effluent from the mine runoff ponds will be sampled until it is no longer generated, to confirm its quality and ensure that release standards are met.



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Ramp Access

- All mine openings, including the exploration ramp portal and ventilation raise, will be blocked off as required by the Mining Act.
- A fence will be installed around the raise to indicate its location.
- The ground around the portal will be graded to blend with the surrounding topography.

Soil Seeding

- All surfaces affected by mining exploration will be covered by vegetation to prevent erosion and restore the site's natural aspect.
- Previously-stored organic soil will be spread to promote vegetation growth.
- Vegetation suitable for Nordic conditions and poor soils will be used.

POST-RESTORATION MONITORING

- Post-restoration monitoring at the Matoush site would continue following the decommissioning period until such time that approval is obtained from the regulatory authorities to reduce the frequency of monitoring or to cease monitoring.
- Post-restoration monitoring will focus on surface water quality, ambient air quality and ongoing assessment of re-vegetation efforts.

RESTORATION SCHEDULE

- Work would start within six months of a decision by the Board of Directors to end the exploration program.
- If a positive decision is taken to continue developing the project and bring it into production, a new rehabilitation plan will be prepared and submitted during the mining permit application phase, as provided for by federal regulations.