



June 3, 2011

Attention: Mr. Bas Cleary

VIA EMAIL

Director – Environmental Assessment Division
Government of Newfoundland and Labrador
Department of Environment and Conservation

Dear Mr. Cleary

Re: Kamistiatuset (Kami) Property Exploration 2011

Please be advised that Alderon Resource Corp. is submitting a Registration document pursuant to Part X of The Environmental Protection Act for a planned Exploration program on its Kamistiatuset Property in western Labrador.

The principle contact for the purpose of this environmental assessment will be Mr. Ken Brophy, Director of Aboriginal & Community Affairs. We request any correspondence which is to be mailed to Alderon or Mr. Brophy, be additionally faxed or emailed immediately to avoid any delays due to the current postal situation. It is important to Alderon to ensure the environmental assessment process be completed within the 45 day review period.

Mr. Brophy works out of Alderon's Vancouver office, the mailing address for which you will find below. Direct contact information for Mr. Brophy is as follows: email – kbrophy@alderonmining.com, phone – 604-681-8030 ext. 233 and fax – 604-681-8039.

Please do not hesitate to contact us with any questions or concerns.

Yours very truly,

ALDERON RESOURCE CORP.

Ken Brophy
Director of Aboriginal and Community Affairs

cc: Brian Penney, COO
Mark Morabito, President and CEO

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REGISTRATION PURSUANT TO

PART X of

THE ENVIRONMENTAL PROTECTION ACT

FOR

KAMISTIATUSSET PROPERTY EXPLORATION 2011

Labrador City Area, NL

ALDERON RESOURCE CORP.

Vancouver, British Columbia



June 3, 2011

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Kamistiatusset Property Exploration

NAME OF UNDERTAKING: **Kamistiatusset (Kami) Property Exploration 2011**

PROPONENT:

(i) Name of Corporate Body: **Alderon Resource Corp.**

(ii) Address: 1140 West Pender Street, Suite 1240
Vancouver, BC, V6E 4G1

(iii) Chief Executive Officer: Mr. Mark Morabito
President and Chief Executive Officer
1140 West Pender Street, Suite 1240
Vancouver, BC, V6E 4G1
(604) 681-8030

(iv) Principal Contact Person for purposes of environmental assessment:

Mr. Ken Brophy,
Director of Aboriginal and Community Affairs
1140 West Pender Street, Suite 1240
Vancouver, BC, V6E 4G1
(604) 681-8030

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Kamistiatusset Property Exploration

1.0 INTRODUCTION

1.1 The Proponent

Alderon Resource Corp. (Alderon) is a resource development company and the holder of Mineral Licenses Nos. 15980M and 17926M in western Labrador known as the Kamistiatusset (Kami) Property (the Property). On November 2, 2009, Alderon entered into an option agreement with Altius Minerals Corporation (Altius) to acquire a 100% interest in the Property. In June of 2010, Alderon began conducting exploration programs on the Property which consisted of diamond drilling, ground and airborne geophysics, and general prospecting.

Alderon plans to conduct a third exploration drill program within the portions of the current Mineral Licenses as identified on Figure 1 and as further described below. Alderon continues its full commitment to conduct all work in such a manner to minimize the potential for environmental impact.

1.2 Purpose/Rationale/ Nature of Undertaking

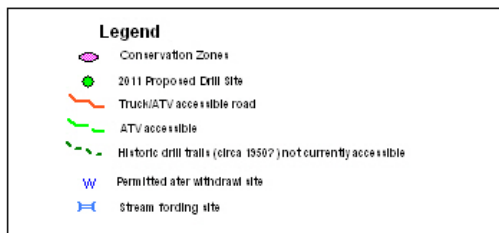
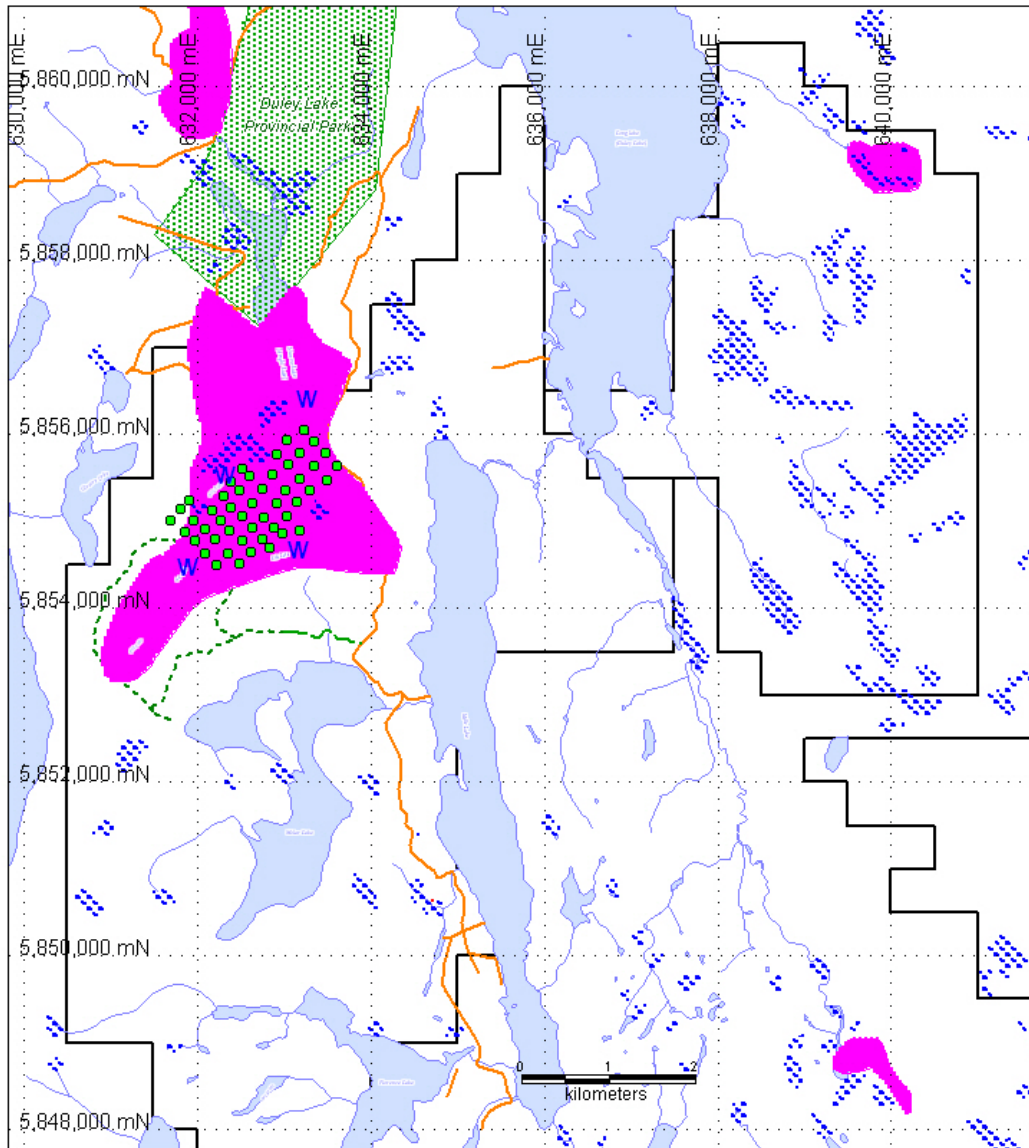
Recent exploration drilling has been conducted by Altius and Alderon on the Property since 2008, including work within the area currently proposed under permits and approvals issued by the NL Department of Natural Resources (NLDNR) and the Town of Labrador City. Alderon has submitted an "Application for Exploration Approval and Notice of Planned Mineral Exploration Work" to the NLDNR on May 30, 2011 for the proposed exploration program described in this document. A copy of the application submitted to NLDNR is attached for reference. Based on prior consultation with the NL Department of Environment and Conservation (NLDEC), Environmental Assessment Division, Alderon has been advised by NLDEC that the proposed exploration program requires Registration pursuant to Section 26 of the *Environmental Assessment Regulation*.

The purpose of the undertaking is to conduct additional exploration of the iron ore deposit on the Property in order to better define the mineral resources identified to date, and to determine if there are additional, adjacent mineral resources which would be included in the consideration of a potential mineral development project.

2.0 DESCRIPTION OF THE UNDERTAKING

The exploration program will consist of approximately 20,000 m of drilling via 25 to 30 locations within the "Rose" iron ore deposit. The work is scheduled to commence on or after July 1, 2011, as per the Town of Labrador City's and NLDEC's requirements for work in a Management Unit, and continue through December 31, 2011 or until winter weather terminates access to the sites.

Figure 1 Current Mineral Licenses and Proposed Drill Sites



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Access to the drill sites will be via existing access roads and ATV trails. Alderon will have a helicopter on site to move equipment and supplies if required. If additional access trails are required during the exploration program a route will be selected to ensure minimal disturbance to the existing environment and all requirements. Alderon will abide by all requirements and restrictions outlined in the applicable permits for site access.

Equipment associated with the exploration program will consist of three (3) LDS 1000 drill rigs or equivalent, ATVs and nodwells for transportation and fuel servicing. A skidder or dozer will be used to assist in moving the drill rigs from one drill site to the next.

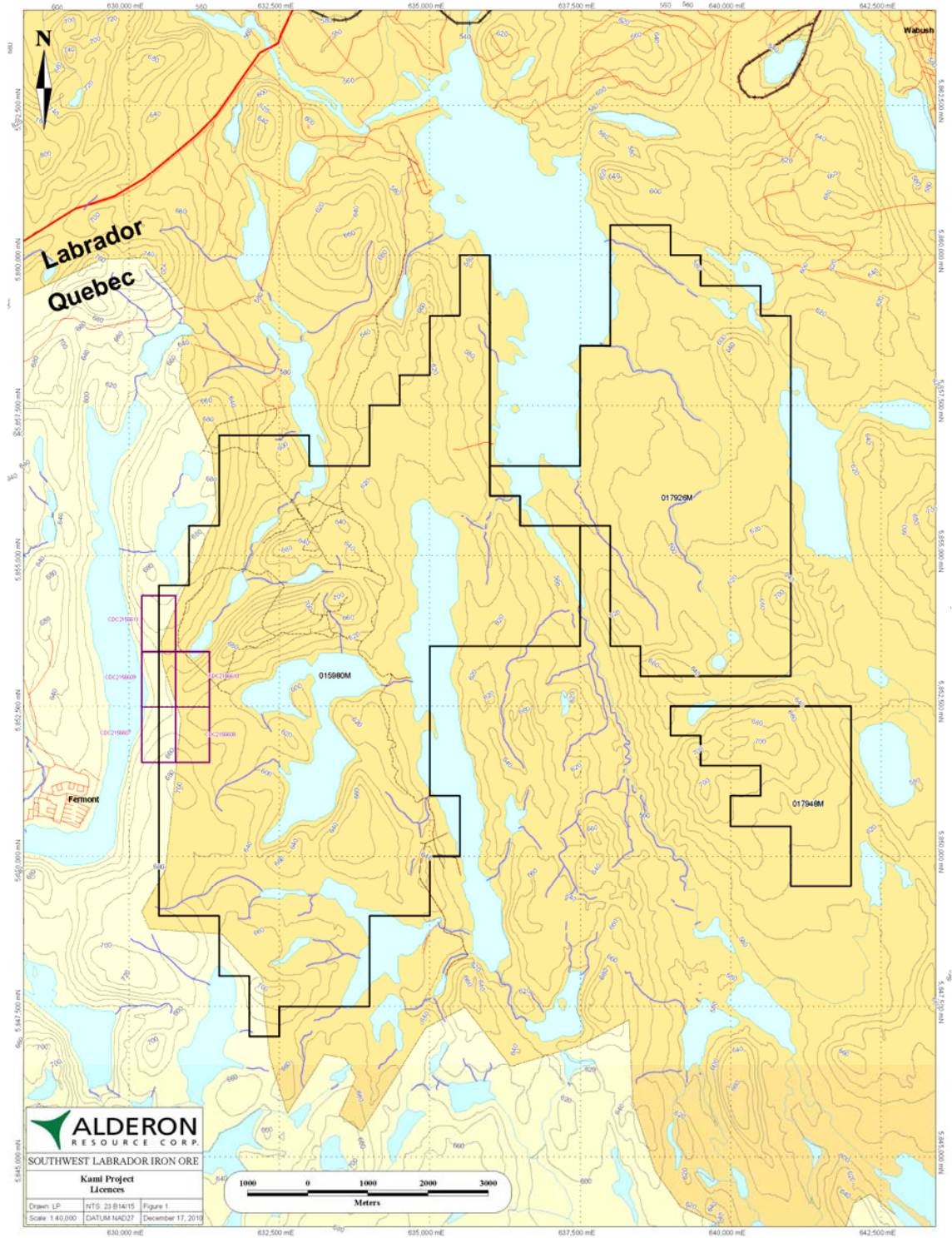
2.1 Geographical Location

The current exploration program is completely contained within western Labrador. The Property is located approximately 10 km southwest from the Towns of Labrador City and Wabush, Newfoundland and Labrador and east of Fermont, Quebec as shown in Figure 2. The Property is accessible via helicopter and existing access roads; however the site of the current exploration program is accessed via existing all-terrain vehicle (ATV) trails.

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Figure 2 Kami Property



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The area of the proposed exploration program is zoned as Mining Reserve Rural. It is located within the Pike Lake Management unit of the Labrador City Stewardship Zone, an area designated for the protection of wetlands through a Stewardship Agreement between the town of Labrador City and the provincial Wildlife Division. Under this agreement, Labrador City manages the wetland areas within the Management Unit with technical advice provided by the Wildlife Division.

2.2 Physical Features

2.2.1 Geographical Setting and Topography

The Property is situated amidst rolling hills and valleys, which vary in trend from northeast-southwest to north-south. Topography across the site is governed by the underlying geological structure with elevations ranging from 594 m to 700 m. Drainage across the site is generally directed north and east. Regionally, ground cover consists of coniferous and deciduous trees with alder growth in burn area.

The proposed area for exploration drilling has been largely affected by past forest fires (Photos 1 and 2, below).



Photo 1: Rose Deposit Area looking North



Photo 2: Rose Deposit Area looking West

2.2.2 Climate

The climate of western Labrador is sub-arctic, characterized by long cold winters and short mild summers. Temperatures in the area can range from -40°C in the winter to 25°C in the summer.

2.2.3 Water Quality

Water quality in the area is typical of undeveloped areas in the region. Alderon has plans to implement a baseline water sampling and assessment program during the summer of 2011.

During the exploration program water will be required for drilling operations and the locations for water withdrawal are presented in Figure 1. In terms of water use and drill return discharge, and working in proximity to water bodies, the exploration program will abide by the stipulations and conditions provided with the permit approvals. No work will proceed within 50 m of a waterbody and no discharge will be made to a waterbody. There are no stream crossings required to access the exploration area proposed.

The measures that will be taken to minimize water use and impact to water resources during exploration operations are further described in Section 2.3.

2.2.4 Wildlife & Fish Species

The proposed exploration area is typical of the boreal forest ecosystem containing a variety of wildlife species including moose, bear, caribou, fox, rabbit, squirrels, ducks, geese, grouse, ptarmigan, and song birds. Common fish species include lake and brook trout, pike, ouananiche, and whitefish amongst other species.

2.2.5 Buildings and Site Infrastructure

The only existing physical infrastructure occurring at the site is the existing access roads. As previously stated, the Property is accessible via helicopter and existing access roads; however the site of the proposed exploration program has to be accessed via existing all-terrain vehicle (ATV) trails.

No new construction or infrastructure such as power lines, stream diversions, etc. will be required. If additional access trails are required during the exploration program a route will be selected to ensure minimal disturbance to the existing environment and all requirements. Alderon will abide by all requirements and restrictions outlined in the applicable permits for site access. Power for pumps and lighting, if required will be provided via small portable diesel generators.

No buildings or accommodations are required on-site. Temporary tent structures will be used for dry storage and personnel change rooms on site. The property is adjacent to Labrador City and Wabush, which will house all personnel associated with the exploration program. A core storage building is not required on-site. All core will be transported to Alderon's existing core storage facility in the Town of Labrador City on an as required basis.

2.3 Potentially Affected Areas

The only area that will be affected by the exploration program is contained within the area shown in Figure 1 and this area is relatively small (approximately 2 km²). The actual drill sites, which will require some clearing of vegetation, are approximately 100 m². Drill sites will only be cleared of vegetation to the degree required to complete the work and all efforts will be made to leave ground surface vegetation in place to minimize erosion potential.

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It is important to note that the number of holes that will actually be drilled will be substantially less than the number proposed via the permit application because all potential drill sites need to be permitted. It is currently anticipated that only 25 to 30 of the 50 drill sites will actually be utilized for the program. The reason for this lower percent of actual utilization is the need to permit all potential drill locations that may be needed, but generally once drilling commences and early drill data is received, many of the locations are classified as unnecessary. Often terrain features can impact the ability to drill at the proposed location. Further, it is often possible to drill two (2) or more exploration holes from the same drill site without moving the drill rig.

Most of the area identified for exploration on the Property is open with vegetation generally less than 0.5 m high, or has been previously burned (see Photos 1 and 2), above. No work is proposed within 50 m of a waterbody.

2.4 Potential Sources of Pollution During Exploration Work

Potential sources of pollution during the exploration program are described in the following sub-sections.

2.4.1 Water

As previously stated, during the exploration program water will be required for drilling operations, the locations for water withdrawal are presented in Figure 1. No exploration drilling will take place within 50 m of a waterbody. All excess water (drill return) will be contained where possible and directed to existing vegetation away from any existing water bodies. Drilling fluids, where required, will be bio-degradable. All mechanical equipment will be inspected regularly to ensure leakage of fuel, hydraulics, oils or other hazardous products does not occur.

2.4.2 Noise

Equipment noise is not expected to be a concern for local residents of Labrador City or Wabush due to the distance from the exploration area. The site is accessed via roads which access a local cabin area adjacent to Duley (Long) Lake. Several cabins or cottages exist along the shore of Duley Lake as far south as to be approximately 3 km due east of the exploration area proposed, however based on the topography in the area and the exploration activities conducted over the past several years in the same location, noise is not expected to be a concern for cabin owners.

The proposed exploration program is scheduled to commence on July 1 or later, based on permits issued previously by the Town of Labrador City and consistent with advice received from the Wildlife Division under the Stewardship Agreement. Impacts of noise on waterfowl and other wildlife will be minimal because the breeding and nesting period will have ended.

All vehicles/equipment will be inspected to ensure mufflers are operating properly.

2.4.3 Air Emissions

Air emissions will consist of exhaust from diesel and gasoline engines for the drills, access vehicles, and small generators. All company and contractor vehicles and equipment will be required to be in good and safe operating conditions.

2.4.4 Dust

The only potential source of dust is from the existing gravel access road/trails during transport of equipment and vehicle use. As the access road/trails will not be travelled frequently, and based on previous experience in this area, it's not anticipated that there will be a need for dust control.

There is generally no dust generated from drilling operations, and is not anticipated to be an issue for the proposed work.

2.4.5 Drilling Fluid

All drilling mud, used for drill sting lubrication, will be non-toxic and biodegradable. Drill mud will be stored in supplier containers and empty containers will be disposed of offsite.

2.4.6 Fuel and Lubricants

Alderon will ensure that all contractors and company equipment are inspected daily to ensure no leaks of diesel fuel and lubricants from vehicles and equipment occur.

Double walled steel fuel tanks will be used to supply diesel to the drill rigs. The capacity of the tanks is approximately 4,500 litres and they are transported from the drill to a location accessible to a fuel tanker truck on a solid steel trailer. The trailer is designed to provide secondary containment as it will hold 110% of the volume of the tank itself. The fuel tanks will be registered with the NL Dept. of Government Services.

The fuel tank will only be filled or serviced by an authorized fuel distributor from Labrador City and/or Wabush. Several emergency fuel/oil spill kits will be placed near the fuel tank and operating equipment as well in the vehicle(s) transporting the fuel to the drill rigs.

Used oils and lubricants will be transferred to proper containers and disposed of with a local, licensed waste oil handler.

No fueling of equipment will take place within 50 m of a water body. The drill crews, fuel supply trucks, and the fuel trailers will be equipped with spill kits.

2.4.7 Domestic Sewage

Domestic sewage will be controlled by an on-site portable facility ('port-a-potty' type unit or similar) during drilling operations. There will be no dry-change rooms on site and hence no showers requiring grey water disposal.

2.4.8 Domestic Waste & Garbage

All solid waste (pallets, fluid containers, etc.) and domestic garbage will be collected and hauled to the municipal landfill facility, with the permission of the operator, on a regular basis. Any food or organic garbage onsite will be held in animal-proof containers to prevent attracting wildlife. All such foods and scraps will be removed daily, no cooking or food preparation will be completed on site. Waste will not be burned on site.

No other sources of waste are anticipated.

2.5 Potential Resource Conflicts

2.5.1 Wildlife

The proposed exploration program will take place within the Pike Lake South Management Unit, an area established for the protection of habitat for waterfowl and other wildlife. Alderon understands that specific restrictions will be placed on the proposed work by the stakeholders in the Management Unit, including the Town of Labrador City and the NLDEC, Wildlife Division. Based on a previous approval issued by the Town of Labrador City, the restrictions are anticipated as follows:

1. No work shall commence within the Management Unit until after July 1, 2011 as May and June have been identified as a critical breeding period for waterfowl.
2. Avoid exploration drilling activities within a 50 m buffer zone of all water bodies within the Management Unit.
3. Avoid travel through wetlands when possible and when travel is necessary ensure that habitat disturbance is minimal.
4. Obtain and abide by all other necessary permits and conditions from all municipal, provincial and federal agencies.

Alderon is committed to completing the proposed work in such a manner to minimize the impact to the existing environment. The impact on other wildlife (moose, fox, caribou, bears) in the area is expected to be low as the proposed schedule avoids work occurring during the breeding and/or calving season.

2.5.2 Fish and Fish Habitat

Common fish species include lake and brook trout, pike, ouananiche (land-locked salmon), and whitefish. No exploration activities will take place within 50 m of any water body.

2.5.3 Stream Crossings

There are no stream crossings required to access the proposed exploration area.

2.5.4 Land Use

As the Alderon exploration program will not restrict access to the area or to the lakes and rivers themselves, there will be no conflict with local area hikers, hunters, or anglers accessing the area. Work areas will be well marked in the fall to ensure that any hunters entering the area are warned of personnel working.

There are no other land uses in the immediate area (residential development, recreational development, mining, forestry, etc.) and therefore no land use conflicts are anticipated.

2.5.5 Water Resources

Alderon's exploration program will require water for drilling operations but will have no other impact on water resources in the area. The volume of water to be used to run drill operations is low and will not affect the wetted perimeter of the waterbodies and will therefore not affect fish habitat.

2.5.6 Local Area Users and Aboriginal Groups

Alderon has consulted with all necessary stakeholders regarding past exploration activities and the currently proposed exploration program. Alderon will continue to engage and update stakeholders with respect to ongoing and planned work on the Kami Property. Additional information can be found in Section 3.

2.6 Rehabilitation

During the exploration program, Alderon will ensure that each drill site is kept clean and operated in an environmentally responsible manner. Upon completion of the exploration program, Alderon will ensure all equipment and non-natural features (ie. drill core, drill cuttings, leveling timbers, etc) associated with the exploration are removed from the site.

2.7 Occupations

The undertaking will employ approximately 43 people between July 1, 2011 and December 31, 2011 on a daily 12 hour shift. The drilling will be contracted out to an independent contractor, while the geological

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mapping and borehole geophysics will be conducted by Alderon personnel. Required personnel are listed for this exploration work in Table 1 below.

Table 1 Occupations Required for the Exploration Program

Occupation	Number Required	National Occupation Classification
Alderon Personnel		
Project Manager	1	0212
Field Men/Women	5	7611
Geologist	3	2133
Core Technicians	6	2212
Geophysicist	3	2133
Maintenance/Cleaner	3	7312/6661
Subcontractors		
Drillers	9	7372
Driller's Helper	9	7611
Foreman	2	8221
Fifth Men	2	7611
Total	43	

2.8 Project-Related Documents

There are no other relevant environmental documents or studies related to the exploration program.

3.0 CONSULTATION

Alderon began its Aboriginal engagement by negotiating a Memorandum of Understanding (MOU) with the Innu Nation of Labrador which was signed on August 11, 2010. The MOU between the Innu Nation of Labrador and Alderon provides a framework for Alderon and the Innu Nation to work together to establish a long term, mutually beneficial, cooperative and productive relationship during the exploration phase of the Property. The MOU outlines a purpose to provide Alderon with evidence for its stakeholders and the Province of Newfoundland and Labrador that the Innu Nation and Alderon intend to work together in a spirit of cooperation for the mutual benefits as well as social, ecological, cultural well being. The MOU

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outlines conditions to provide access to the exploration sites by an environmental monitor appointed by the Innu Nation to monitor the exploration activities.

Consultation efforts with the Québec communities of Uashat mak Mani-Utenam, Matimekush-Lac John, and Naskapi Nation of Kawawachikmach began on January 12, 2011 with each community receiving a letter introducing the company, providing a overview of its exploration plans including a map, and providing contact information for any questions of concerns they may have related to our exploration efforts. These letters were translated into French for the communities using French as their second language. In the letter, Alderon extended offers to meet and address any questions or concerns the Québec communities may have, and to provide additional information on Alderon's 2011 exploration plans with a goal of building respectful relationships.

In January 2011, via phone, follow-up contacts were made and separate meetings with the Chief of Matimekush-Lac John, and a representative from Uashat Mak Mani-Utenam in Montreal were scheduled. Doris Fox, Alderon's project manager in Labrador, flew to Montreal to provide a more detailed overview of Alderon and its exploration efforts for the Property.

In February 2011, additional letters were sent to the Quebec Innu communities inviting them to meet with Alderon in Toronto during a conference in March. A meeting was held in Toronto between the Chief, a councilor of Uashat mark Mani-Utenam and a legal representative from the community. Alderon representatives were: Ken Brophy, Alderon's Director of Aboriginal and Community Affairs, and Mark Morabito, President and CEO. This meeting was well received and the Chief indicated that he was happy to have initiated dialogue so early in Alderon's exploration program. At that time there were no concerns raised regarding the exploration component of our program. During the meeting, the Chief expressed an interest in negotiating a MOU with Alderon. Alderon forwarded a copy of a draft MOU to the Uashat representatives on March 23, 2011

A meeting planned to take during the conference in Toronto between Alderon and the Innu Nation of Labrador was cancelled due to the inability of Innu Nation representatives to make it to Toronto.

Alderon and representatives from the community of Uashat Mak Mani-Utenam have had ongoing communications via email and telephone since the meeting in Toronto. More recently, following a call on April 29, 2010 from NLDNR, Alderon was made aware the community of Uashat Mak Mani-Utenam had provided a letter during the permit referral process opposing work planned in their traditional territory. Additional calls with NLDNR continued and on May 5, NLDNR suggested Alderon consult further with the community of Uashat Mak Mani-Utenam.

On May 11, Ken Brophy met with Uashat Mak Mani-Utenam legal counsel and a representative of the community to discuss their concerns with Alderon exploration program. Alderon understands, following the meeting of May 11, the legal counsel for Uashat Mak Mani-Utenam communicated and provided a letter to NLDNR approving the exploration program outlined in the permit of March 1, 2011.

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During a meeting held in Montreal with the Labrador Innu on May 23rd, 2011 Alderon outlined their exploration program with Grand Chief Joseph Rich and IDLP CEO Paul Rich. The Labrador Innu expressed no concern about the exploration activities planned for 2011.

Alderon understand and respects the importance of consultation and will continue to engage and communicate with everyone who has a interest in the Property and the company's activities.

4.0 APPROVAL OF UNDERTAKING

Alderon will not commence any work until all applicable permits and approvals are in place. The following authorizations are currently understood to be required for the undertaking.

Table 2 Permits and Approvals Required

Permit, Approval or Authorization	Issuing Agency	Status & number
Release from Environmental Assessment	Minister of Environment & Conservation	Pending
Exploration Approval	Department of Natural Resources	Pending
Water Use Authorization	DOEC-Water Resources Manage. Division	Pending
Approval for Storing & Handling Fuel	Dept. Government Services	Pending
Approval for Waste Disposal	Local Municipality	Pending

5.0 SCHEDULE

The exploration program is scheduled to commence on or following July 1, 2011, pending approval of all applicable permits, and continue to December 31, 2011.

6.0 FUNDING

Alderon will wholly finance the proposed Undertaking. There is no requirement for a loan or grant from any government agency.

June 3, 2011

Date



Name: Mr. Ken Brophy

Title: Director of Aboriginal and Community
Affairs

Attachment: Copy of Exploration Permit Application to NLDNR Dated May 30, 2011
Copy of Correspondence with the Town of Labrador City



Application for Exploration Approval and Notice of Planned Mineral Exploration Work

Pursuant to subsection 5.(4) of the Mineral Act, notice is hereby given of our intentions to undertake mineral exploration.

Company	Alderon Resource Corp		
Address	1240 - 1140 W Pender St Vancouver BC V6E 4G1		
Project Name	Kamistiatusset	NTS/Location	23B/14, 23B/15
License #(s)	15980M		
Starting Date	July 1 2011	Completion Date	December 31 2010
Office: Exploration Manager		Phone	Fax
Field: Project Manager	Doris Fox	Phone	902-473-9403 Fax 604 681 8039
The information contained in this application/notice is a complete and accurate summary of the exploration plans for this project:			
May 19, 2011	"DroisFox" P.Geo.	Project geologist	
Date	Signature	Position/Title	

Activities requiring prior EXPLORATION APPROVAL

Fly Camps This section should be completed for fly camps only, for periods of occupation up to 90 days.

Has this location been used as a camp site in the past Yes No

If yes, please describe previous occupation _____

For longer term camps, or sites where equipment will be cached for longer than 90 days, application must be made to the Lands Branch, Department of Environment and Conservation, for a Temporary Work Camp (Licence to Occupy).

NTS _____ UTM NAD27 Coordinates _____ E _____ N Zone _____

Type of Structure	Number	Support
<input type="checkbox"/> Canvas	_____	<input type="checkbox"/> Fixed wing aircraft
<input type="checkbox"/> Half Wood – Half Canvas	_____	<input type="checkbox"/> Helicopter
<input type="checkbox"/> Wood	_____	<input type="checkbox"/> Vehicle (Car, Truck)
<input type="checkbox"/> Quonset	_____	<input type="checkbox"/> ATV
<input type="checkbox"/> Trailer	_____	<input type="checkbox"/> Other _____
<input type="checkbox"/> Other _____	_____	
Number of Occupants	_____	

Facilities for Sewage and Waste Water

Pit-Privy Portable Septic System Other

Comments _____

Water Use From Any Source

The use of water in connection with this mineral exploration activity may be subject to Section 14 of the *Water Resources Act*, SNL 2002 cW-4.01. The information provided in this application will be used to issue a Water Use License. Please include the locations of all sources of water withdrawal on the accompanying location map with this application.

Provide an estimated daily water withdrawal in litres (e.g. 55,000 litres per day) 100,000 litres per day.

Drilling Yes No

Drilling Contractor MaJor Driling Starting Date June 1 2011
 Address 180 Cree Cresent Completion Date Dec, 31, 2011
Winnepeg, Manitoba Planned Footage (m) 20,000m
R3J 3W1 Planned No. of Holes 50 proposed sites (approx 25-30 to be used)
 Contact Person _____ No. of Drill Rigs 3
 Phone No. _____
 Fax No. _____ Type of Drill Rig LDS 1000 or equivalent
 Means of transportation to drill location mob with flatbed trailer to fuel cache area, skidder from there to sites, ATV used for daily access
 Means of moving from one drill site to the next skidder or dozer for support
 Anticipated sequence of drilling of the holes holes drilled in numerical sequence
 Use of drilling fluids, cement or grout type biodegradable if any
 When will drill casing be removed casing rwill remain in hole upon completion of hole
 Comments _____

Trenching Yes No Hand Mechanical Explosives

Trenching Contractor _____ Starting Date _____
 Address _____ Completion Date _____
 _____ Planned No. of Trenches _____
 _____ Length of Trenches _____
 Contact Person _____ Type of Trenching Machine _____
 Phone No. _____
 Fax No. _____
 Means of transportation to trench location _____
 Means of moving equipment from one trench to the next _____
 Anticipated sequence of trenching _____
 Type of pumping and cleaning equipment _____
 When will Rehabilitation of the site be completed _____
 Comments _____

Bulk Sampling Yes No Explosives

Sample will be taken from: Surface Underground Drill Core

Bulk Sample Contractor _____ Starting Date _____
 Address _____ Completion Date _____
 _____ Planned No. of Sites _____
 _____ Planned Tonnage of Samples(s) _____
 Contact Person _____ Total Volume of Sample (m³) _____
 Phone No. _____ Type of Machinery _____
 Fax No. _____
 Means of transportation to bulk sample site _____
 Means of moving equipment from one trench to the next _____
 Anticipated sequence of sample sites _____
 Method of storing bulk sample at or near site _____
 Means of transporting bulk sample from site for testing _____
 When will Rehabilitation of the site be completed _____
 Comments _____

Airborne Geophysical Surveys Yes No

Contractor _____ Total line km _____
 Address _____ Flight line orientations _____
 _____ Aircraft Type _____
 _____ Planned Altitude: Aircraft _____
 Contact Person _____ Planned Altitude: Sensor _____
 Phone No. _____ Flight line spacing _____
 Fax No. _____ Parameter(s) measured _____
 Comments _____

Mechanical Heavy Mineral Sampling Yes No

Type of machinery and comments _____

Motorized Snow and All-Terrain Vehicle Use Yes No

Type of Vehicle

Three Wheel Muskeg Argo Snowmobile
 Four Wheel Nodwell J-5 Other _____

Describe the nature and extent of the off-road vehicle use ATV used for access to drill rigs from main access road
nodwell used to deliver fuel to rigs from fuel cache . Snowmobiles to be used if required due to changes in weather

Fuel Storage and Handling Yes No

Purpose of Fuel Cache: fuel for drills and water pumps

NTS 23B/15 UTM NAD27 Coordinates 634650 E 5861250 N Zone 19

Type of Product	No. of Drums of each product
<u>diesel</u>	<u>5000 L envio double walled</u>
_____	<u>110% spill containment sloop</u>
_____	_____
_____	_____

Date Fuel Cache to be positioned on or about June 1 at start of program

Duration of storage 8 months

Method of transport to Fuel Cache Site by truck from town

Supplier of Product drill contractor

Base of Operations of Supplier fuel supplier from Wabush or Lab City

How, When and to Where are empty drums to be removed will be removed by drill contractor upon completion of job

(Fuel Cache permit granted)

Activities Requiring Prior NOTIFICATION

Prospecting

Yes No

Comments prospecting and rock sampling may be carried out over areas of interest on the licence

Geology

Yes No

Comments geological mapping on previously established grid lines

Linecutting

Yes No

Total line km _____

Contractor _____

Baseline Azimuth _____

Address _____

Crossline Spacing _____

UTM Coordinate of Baseline Midpoint

Contact Person _____

_____ E

Phone No. _____

_____ N

Fax No. _____

Geochemistry

Yes No

	Yes	No	No. of Samples	Contractor	
Soils	<input type="checkbox"/>	<input type="checkbox"/>	_____	Address	<u>Alderon employees</u>
Streams	<input type="checkbox"/>	<input type="checkbox"/>	_____		<u>1240 - 1140 W Pender St</u>
Till	<input type="checkbox"/>	<input type="checkbox"/>	_____		<u>Vancouver BC V6E 4G1</u>
Lake Bottom	<input type="checkbox"/>	<input type="checkbox"/>	_____	Contact Person	<u>Doris Fox</u>
Ocean Bottom	<input type="checkbox"/>	<input type="checkbox"/>	_____	Phone No.	<u>604 681 8030</u>
Water	<input type="checkbox"/>	<input type="checkbox"/>	_____	Fax No.	<u>604 681 8039</u>
Biogeochem	<input type="checkbox"/>	<input type="checkbox"/>	_____	Comments	_____
Rock	<input type="checkbox"/>	<input type="checkbox"/>	_____		_____
Rock (lithogeochem)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>100</u>		_____
Other	<input type="checkbox"/>	<input type="checkbox"/>	_____		_____

Ground Geophysics

Yes No

	Yes	No	No. of Km.	Contractor	
EM-16	<input type="checkbox"/>	<input type="checkbox"/>	_____	Address	<u>unknown at present</u>
VLF-EM	<input type="checkbox"/>	<input type="checkbox"/>	_____		_____
HLEM	<input type="checkbox"/>	<input type="checkbox"/>	_____		_____
VLEM	<input type="checkbox"/>	<input type="checkbox"/>	_____	Contact Person	_____
Turan	<input type="checkbox"/>	<input type="checkbox"/>	_____	Phone No.	_____
Mise-a-Masse	<input type="checkbox"/>	<input type="checkbox"/>	_____	Fax No.	_____
Magnetics	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>75</u>		<u>Transmitter station(s) to be used and strength</u>
Gravity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>75</u>		<u>none</u>
IP	<input type="checkbox"/>	<input type="checkbox"/>	_____	Comments	<u>Borehole geophysics (surveying inside the</u>
Pulse EM	<input type="checkbox"/>	<input type="checkbox"/>	_____		<u>hole)</u>
Other	<input type="checkbox"/>	<input type="checkbox"/>	_____		_____

NOTE

Applicants are directed to the list of other required permits in the Guidelines for Mineral Exploration and other general requirements for companies and contractors operating in the province.

Applications must be typed and any accompanying location maps prepared at a standard scale appropriate for the detail contained. The location of all exploration work sites, water sources, camps, trails, infrastructure and related activities must be identified on an appropriate scale map or aerial photograph as outlined in section 42(1) and 42(2) of the Mineral Regulations. Standard scales employed should be 1:250,000 or 1:100,000 for airborne and reconnaissance surveys; 1:50,000 for preliminary ground surveys; and 1:10,000 for more advanced or detailed ground surveys. It is necessary for applications to be submitted by email as PDF attachments, or through the mail as original copies. Maps and plan accompanying the application must be submitted as PDF files and in a vector file format as per the specifications in the Guidelines for the Form of Reports and Illustrations. Applications should be emailed to the following address:

Exploration_Approval@gov.nl.ca

Applications will not be accepted by fax because of the reduced image quality of material sent by fax.

The issuance of an Exploration Approval by the Department of Natural Resources does not relieve the applicant of the responsibility of compliance with legislation and/or regulations of other departments or agencies.

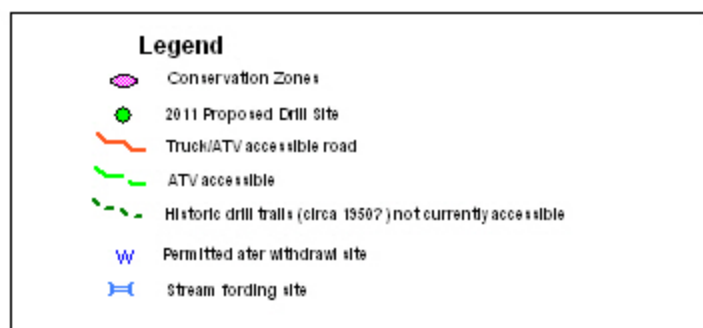
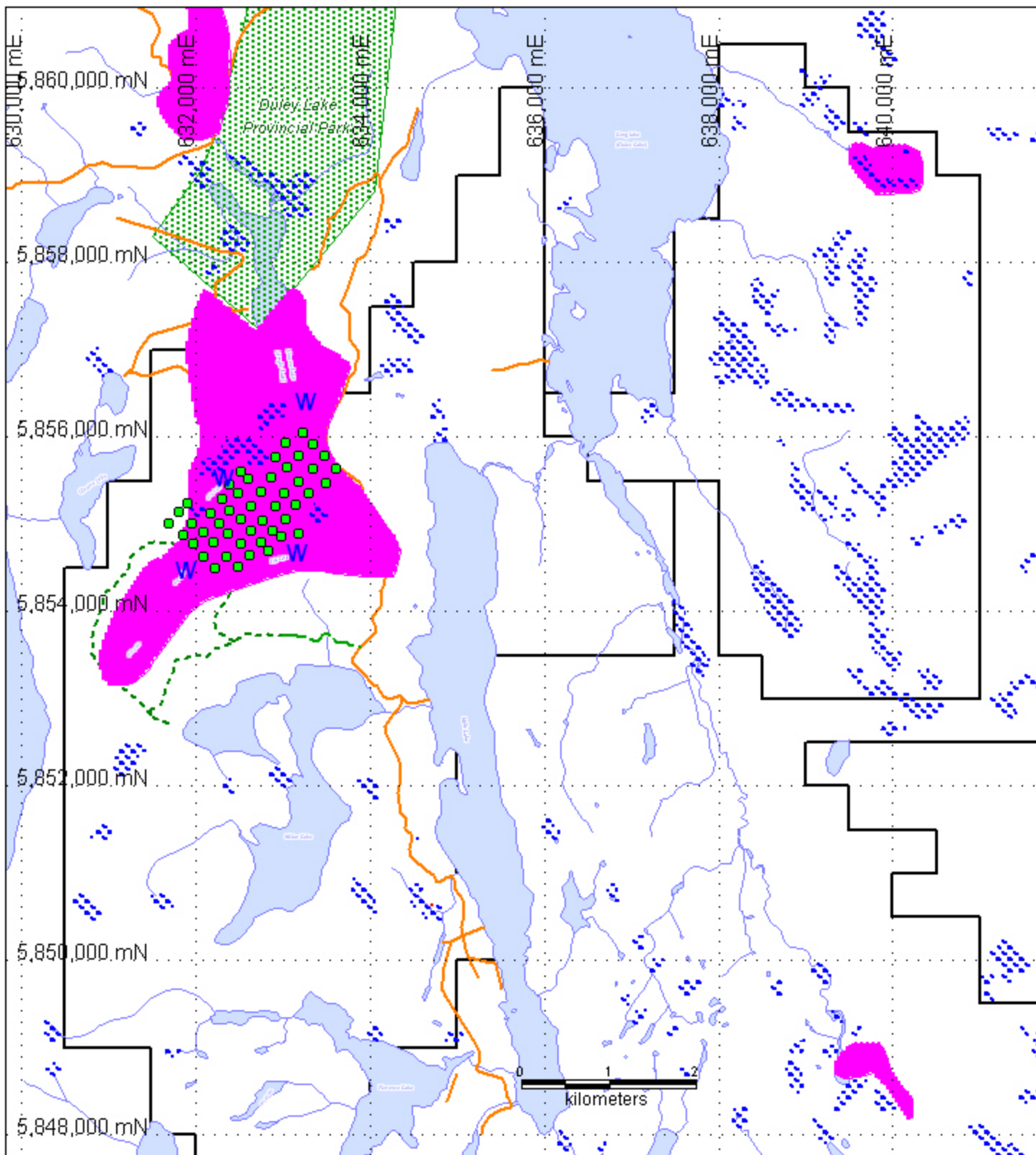

If you have any questions, please contact:

Mineral Lands Division
Department of Natural Resources
Natural Resources Building
50 Elizabeth Avenue
P.O. Box 8700
St. John's, Newfoundland
A1B 4J6

Telephone: (709) 729-6408
Facsimile: (709) 729-6782

Online Application:

<http://www.nr.gov.nl.ca/mines%26en/permits/mineral/ExplApproval.pdf>

ALDERON
RESOURCE CORP.

Kaml 2011 Proposed Drill Program - Conservation Zone

April 27, 2011

Alderon Resources Corp.
c/o Mr. Stewart Wallis
1240 – 1140 W Pender St.
Vancouver, BC
V6E 4G1

**RE: APPROVAL IN PRINCIPLE NO. 11-092
MINERAL EXPLORATION - KAMISTIATUSSET PROPERTY NTS 23B/14 & 23B/15
LOCATION: MINING RESERVE RURAL ZONE**

Please be advised that the above referenced application has been approved for Exploration and Notification work. This site is zoned Mining Reserve Rural and Mineral Exploration is a Permitted Use in this zone. However, **you are advised a Management Unit** as described under an agreement between the Town of Labrador City and Eastern Habitat Joint Venture, **is contained within the area identified for exploration**. The agreement provides for a “no loss” principle for the Town’s management units and to the continued fostering of the community’s stewardship ethic towards ecologically significant areas.

Accordingly, you are required to abide by the terms of the attached correspondence dated April 4th, 2011 from Eastern Habitat Joint Ventures, the Town of Labrador City Municipal Regulations, and conditions of this permit and permit #E110079 issued by the Department of Natural Resources Mineral Lands Division.

We wish to draw your attention in particular to items listed below:

- **The Applicant is aware of the restrictions / obligations with respect to the Management Unit #2 as prescribed by the Eastern Habitat and Joint Ventures:**
 - **no works shall commence within the Management Unit until July 1st, 2011** as May and June has been identified as a critical breeding period for waterfowl within the Management Unit;
 - avoid exploration drilling activities within a **50 meter** buffer of all water bodies within the Management Unit;
 - avoid travel through wetlands when possible and , when travel is necessary, ensure that habitat disturbance is minimal

- **Approval of this permit does not represent or indicate approval of any future development activity;**

- In granting this approval Council reserves the right to have Eastern Habitat Joint Venture Biologists visit the management unit and make further recommendations with respect to this development to Council;
- The Applicant shall consult with other stakeholders including but not limited to, cabin owners and the White Wolf Snowmobile Club;
- The Town's approval is subject to the applicant **obtaining and abiding by** all permits and conditions from all municipal, provincial and federal agencies, including but not limited to, the Mining and Forestry Division and the Mineral Lands Division of the Department of Natural Resources and the Department of Environment and Conservation;
- No exploration shall commence until all necessary permits/approvals from all relevant federal/provincial department and agencies have been **received and copied to the Town of Labrador City**;
- Any other conditions as stipulated by Council;
- **This permit will expire on December 31, 2011. Any work to be completed after December 31, 2011 will require a request for extension at least 30 days prior to date of termination.**

You have the right to appeal this development decision/permit. The appeal and a fee of \$100 plus HST (\$113 total) must be submitted to the Secretary of the Appeal Board at the Department of Municipal and Provincial Affairs, 1st floor, Confederation Building (West Block), P.O. Box 8700, St. John's NF, A1B 4J6 within 14 days of the day that you receive this decision. If the appeal and fee is not submitted within this time limit, your right to appeal is considered to be forfeited. You should note that any interested person also has the right to appeal the decision regarding your application within the 14-day appeal period.

Should you have any questions regarding this permit, please do not hesitate to contact the undersigned.

Sincerely,

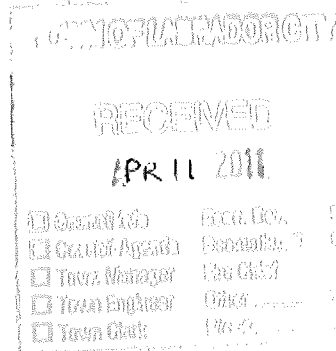
Diane Gear
Town Clerk

/ac
Enclosures

Cc Jonathan Sharpe-Eastern Habitat Joint Ventures
Ken Andrews-Department of Natural Resources



Government of Newfoundland and Labrador
Department of Environment and Conservation



Copy

April 4, 2011

Town of Labrador City
P.O. Box 280
Labrador City, NL
A2V 2K5

Attn: Amanda Colborne, Permits Clerk
Re: Alderon Resource Corp., Kamistiatusset Project Licences #15980M/17926M/17948M

Please accept this letter on behalf of the Wildlife Division, Eastern Habitat Joint Venture program, in relation to the exploratory drilling proposed in Labrador City from May 15, 2011, to December 31, 2011, by Alderon Resource Corporation.

The proposed work lies within an area included in a Municipal Wetland Stewardship Agreement that was signed by the Town of Labrador City and the Province of Newfoundland and Labrador in 2005. Through this agreement, areas of important waterfowl habitat within the planning area boundaries of Labrador City have been identified and designated as Management Units within a larger Stewardship Zone. Within Management Units, wetland habitat should be at the forefront of management decisions, and only activities that have no negative impact on wetland habitats, and the wildlife using those habitats, are permitted.

Under this agreement, many of the proposed drilling sites are located within the Pike Lake South Management Unit. This area contains ponds, bogs and streams which are ideal areas for nesting, feeding and staging waterfowl as well as habitat for upland birds such as spruce grouse. These areas have been set aside by the town and the Province in an effort to mitigate the habitat alteration, diminished wetland function, and consequent negative impacts on waterfowl and wildlife populations which are associated with certain types of developments.

The proposed timeline of this exploration incorporates important breeding, nesting, and staging periods for waterfowl. In addition, given that peatlands and other wetland habitats will not be frozen or snow covered during the majority of the proposed activity, these sensitive habitats are vulnerable to damage by heavy equipment. With respect to those specific proposed drilling exploration sites within the Pike Lake South Management Unit, we recommend three conditions for approval of a permit for this work to mitigate potential impacts on waterfowl populations and their habitat associated with the transportation of equipment among sites and the drilling activities themselves:

- Avoid all activities within the described Management Unit during the critical breeding period for waterfowl (May-June), during which time they are very sensitive to disturbance.

- Avoid exploration drilling activities within a 50 meter buffer of all waterbodies within the Management Unit.
- Avoid travel through wetlands when possible and, when travel is necessary, ensure that habitat disturbance is minimal.

Note that approval of this project is also subject to any conditions which may be set forth by the Mineral Lands Branch of the Department of Natural Resources, the Town of Labrador City through its permitting procedures, and any other relevant provincial and federal departments and agencies. As Alderon Resources Corp. is currently in the process of better quantifying the iron ore resource in this area, we again would like to reiterate that the corporation and stakeholders involved must be aware that a significant proportion of the Kami project area incorporates this Management Unit. We, along with the Town of Labrador City, are committed to upholding the stewardship agreement and to the continued fostering of the community's stewardship ethic towards ecologically significant areas. As such, it is pertinent that habitat protection values and stewardship initiatives taken by the province and the Town of Labrador City be considered and incorporated into future planning processes.

If you have any specific questions or concerns about our comments, would like maps of the Labrador City Management Units, or would like to discuss the matter in more detail, please contact our office.

Sincerely,



Jessica Humber
Stewardship Biologist, Wildlife Division

cc Marlene Dredge, Wildlife Division
cc Jonathan Sharpe, NL EHJV Program Manager
✓ cc Jeff Boland, Town Manager, Town of Labrador City