



**YUKON ENERGY
CORPORATION**
P.O. Box 5920
WHITEHORSE
YUKON Y1A 6S7
(867) 393-5300

November 10, 2017

Mr. Robert Laking, Chair
Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

Dear Mr. Laking:

Re: Power Purchase Agreement (PPA) between Yukon Energy (YEC) and Victoria Gold Corp. and StrataGold Corporation

Yukon Energy Corporation (“YEC” or “Yukon Energy”) is seeking an Order from the Yukon Utilities Board (“YUB” or “the Board”) for required approvals related to the implementation of the Power Purchase Agreement (“PPA”) that Yukon Energy has recently concluded with Victoria Gold Corp (“VGC”) and StrataGold Corporation (“StrataGold”) (VGC and StrataGold are collectively the “VGC Group”). The PPA is provided as Attachment A to the Application attached to this correspondence.

The PPA sets out the rights and obligations of VGC Group and YEC with respect to the sale and purchase of Grid Electricity for the Mine, subject to the fulfilment of the Conditions in Section 3.1. This includes the provision that the YUB will have approved by February 28, 2018 the VGC Group payments under Section 6.1, the Transmission Facilities Fixed Cost of \$118,621, the provisions under Section 7.7 for amending the Transmission Facilities Fixed Cost and for setting the annual amount of the Fixed Charge, and amendments to the Firm Mine Rate as required to conform to Schedule A to the PPA.

If you have any questions regarding the above, please call.

Yours truly,

A handwritten signature in black ink, appearing to read 'Ed Mollard'.

Ed Mollard
Chief Financial Officer

c. Mark Ayranto
Executive VP
Victoria Gold Corp.