



Yukon
Water Board

Office des eaux
du Yukon

October 21, 2011

To: Distribution List (attached)

Re: New water licence application package for
Quartz mining undertakings

Dear Sir / Madam:

We are taking this opportunity to introduce you to the final draft of our new application package for quartz mining undertakings which was developed in cooperation with Northland Earth & Water Consulting Inc.

Two recent cases before the Yukon Supreme Court focused attention on the role of the Yukon Water Board in relation to the environmental assessment regime and other regulatory agencies. These mining-related cases provided the impetus to clearly spell out the Board's decision making role, as well as, the parameters and processes it works within.

The Yukon Water Board members further expressed a desire to communicate to participants its expectations with regard to the format and contents of large mine licence applications with specific focus on water quality and quantity data and directed staff to clarify those licence requirements in a comprehensive guidelines document.

As a result, we have created the attached Information package as well as table of contents for type A and B quartz mining undertakings. It explains the nature of the Board, its statutory framework, the steps of the licensing process and useful guidance documents. It also includes, at a high level, the Board's information requirements for a quartz mine undertaking. Appendix A outlines the Board's rules for conducting its business during regular meetings and public hearings. Appendix B consists of an outline of a table of contents for the application with guidance on what type and extent of information should be included in a quartz application report. In order to limit the size of the document to be reviewed, we did not insert the Board's Rules of Procedure; they are accessible on our website at http://www.yukonwaterboard.ca/policy/Rules_of_procedure%20Nov.23-10.pdf.

This information is the result of a thorough review of cross-jurisdictional regulatory requirements for large mining operations in BC, Ontario and the northern territories, and guidance material available from Yukon Government, Environment Canada and from the Yukon Environmental and Socio-economic Assessment Board.

It provides clarity in terms of what is expected from applicants and interveners and educates applicants and interveners with respect to the Board's role, powers, processes, and means of decision making. Last but not least, it will result in complete and consistent applications that will facilitate stakeholders' participation in the Yukon Water Board process.

We trust that these documents contribute to a better understanding of the licensing and decision-making process of the Board and will assist in streamlining the adequacy review period for water licence applications for quartz mine undertakings.

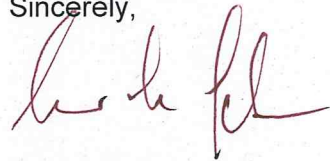
While reviewing these documents, please keep in mind that:

- a) It is understood that a different level of information is required for a potentially low-impact type B licence than a large type A production licence but that the table of contents is still considered to be useful guidance for the proponent for any type of quartz licence or amendment application to ensure all aspects have been duly considered.
- b) Some of the information, such as project description, project environment, fish and wildlife considerations, may have already been generated throughout the YESAA process and will only have to be re-inserted into the water licence application so that the information can be made available to the Board for its understanding of the project.
- c) The information requirements laid out in this application package are not new, they reflect what has historically been asked of applicants during the application process. It is now available in an easy to follow guidance document and associated table of contents.

The Board has requested that the Secretariat distribute this guidelines package to other YG regulatory agencies, other governments, consulting firms and stakeholders to review and provide feedback, observations, expert advice or suggested revisions. The Board is requesting feedback **by December 2, 2011**.

If you have any questions about process or contents of this form or require a paper copy of the guidelines package, please contact the Secretariat at (867) 456-3980 or ywb@yukonwaterboard.ca.

Sincerely,



Carola Scheu
Manager, Yukon Water Board Secretariat

C: 1140-11-1