



Yukon
Water Board

Office des eaux
du Yukon

April 24, 2009

Am Leubastabel 11
87437 Kempten
Germany

To Jan Labusagne:

Re: Water Use Application PM08-626, Forty Mile River

I have reviewed the above referenced water use application, which was received by the Water Board Office on March 24, 2009.

In order to continue processing this application, the following information is required:

1. All applications for a water licence must be accompanied by a Schedule 4 application form. Please fill out and submit a Schedule 4 application form. A copy has been attached with this letter for your convenience.
2. Payment has not been received for your application. Based on my understanding of your application, the fees would be the following:

• Application for a water use licence	\$30
• Application for a three-year mining land use approval	\$250
• Water Use deposit based on 500m ³ /day	\$30
3. You have indicated on page 5 that your project requires a site-specific authorization from the Department of Fisheries and Oceans (DFO). If not already done so, it is suggested that you contact Sean Collins with the DFO at (867) 393-6785 to confirm that your project requires a site-specific authorization. Please notify the Yukon Water Board if discussions with the Department of Fisheries and Oceans result in a change to any aspect of your water use application.
4. If a licence were granted, please confirm what name(s) you would like to appear on the licence, and ensure the name(s) is reflected on Schedule 4.
 - a) If you are requesting the licence to be issued in the name of only Jan Labuscagne, an agreement from Dominik Hailer and Stephan Zeller stating that you are allowed to use the claim would be required. If you wish, you may block out any confidential financial information that you do not want made public.
 - b) If, however, you are applying for the licence to be issued in all three of your names, signed authorizations from your partners stating that you are representing them would be required.

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5. Please provide a sketch of the cross section of the valley as requested on page 10. The sketch should include the approximate location of the existing watercourse, diversions, berms, settling facilities, reservoirs, valley sides, the areas to be mined, and the distances between features.
 6. Pages 11 through 14 of your application were left blank. Please confirm that your operation will not include bridges, culverts, fords, or diversions.
 7. A number of necessary sections of the application were left blank. Please complete and resubmit the following sections:
 - Section M –Waste Discharge;
 - Section O –Seasonal Closure; and
 - Section P –Final Site Decommissioning.
 8. No response was provided to question 93 of the application. Question 93 states: *Do you believe that your proposed use of water or deposit of waste will have an adverse effect on an existing Licensee? If so, please describe how you propose to mitigate this adverse effect.*
 9. Page 20 of the application requests a mining plan sketch. Although the mining site description provides an approximate layout of the area, it does not provide the reader with a clear understanding of the operations. The checklist for what should be included on the sketch is attached for your convenience, as well as a sample mining plan sketch.
 10. It appears as though your grant overlaps with 2 surveyed parcels of land. Please advise if you will be mining on these portions of you claim.

If you are not planning on mining the overlapping portion of the lease, please provide the minimum distance between your mining operation and the boundary of the surveyed lots.

If you are planning on mining the overlapping portion of the lease, please provide copies of agreements you have made with the property owners. The agreements must clearly state that you are authorized to access the surface for the purposes of mining. If you wish, you may block out any confidential financial information that you do not want made public.

Yukon Environmental and Socio-Economic Assessment Act

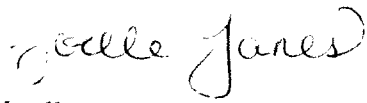
The Water Board has determined that all water use applications must include a completed Project Confirmation Form and the YESAA Decision Document. Once YESAA process has been completed, and Decision Document issued, please provide the Yukon Water Board with a signed copy of the Project Confirmation Form.

If you have any questions or would like further explanation of any of the items listed above, please feel free to contact me collect at (867) 456-3980.

Water Use Application PM08-626
Jan Labusagne
April 24, 2009

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Sincerely,



Joelle Janes
Licensing Officer

c: - Register PM08-626, Exhibit 4.1

encl: - Copies of Information Sheet Pages 5, 10, 19, 20, 21, 22, 23
- Schedule 4