

YUKON WATER BOARD
REASONS FOR DECISION
Water Use Application PM09-649 , Rick Gillespie
and Mining Land Use Approval AP09649

The Yukon Water Board (“the Board”) has made licensing decisions with respect to water use application PM09-649 for a type B licence for a placer mining undertaking and mining land use approval AP09649.

The purpose of the application is to obtain a water use licence to obtain and store water, deposit a waste into Henry Gulch, to divert water Henry Gulch and to obtain an approved placer mining land use operating plan.

Notice of the application was provided in accordance with the requirements of the *Waters Act* and the *Placer Mining Land Use Regulation*. In response, the Board received interventions from the following:

Government of Yukon (“YG”), Energy, Mines and Resources, Client Services and Inspections;
Government of Yukon (“YG”), Energy, Mines and Resources, Mineral Resources Branch;

No party requested a public hearing. The applicant did not respond to the interventions.

In making licensing decisions pertaining to this application, the Board also took into account the *Waters Act*, *Waters Regulation*, the application, recommendations from the interveners, the *Yukon Environmental and Socio-economic Assessment Act* (“YESAA”) Decision Document, the Board's standard licence requirements, Mining Map/Territorial Resources Base Map 116B/03, Chapter 14 of the Umbrella Final Agreement (“UFA”) and Board policies.

Environmental Assessment

This application required an environmental assessment under the YESAA.

Prior to making licensing decisions, the Board reviewed the YESAA Decision Document (“Decision Document”), project #2009-0166, that is included in the water use register. As per section 86 of YESAA, the Board is satisfied that the issuance of licence PM09-631 is not contrary to the terms and conditions included in the Decision Document.

Neither the applicant or the YESAA Decision Document proposed any alternative approaches to the operating conditions in the *Placer Mining Land Use Regulation*. These operating conditions have been incorporated into the Placer Land Use Approval For a Class 4 Operating Plan.

Government of Yukon:

Energy Mines and Resources, Client Services and Inspections:

YG advised the Board that the effluent standards for this portion of Hunker Creek is Design Target 0.2 ml/L, Action Level of 1.0 ml/L and a Compliance Level of 2.5 ml/L.

YG advised the Board that Rick Gillespie has maintained a good compliance history and that no concerns were noted with the mining plan.

Energy Mines and Resources, Minerals Branch:

YG advised that the proponent that compliance to Standard Operating Conditions as outlined in *Schedule 1 of the Placer Mining Land Use Regulation* will mitigate any Mining Land Use concerns.

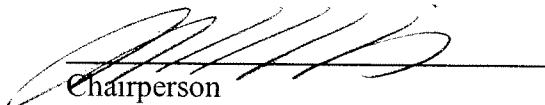
Chapter 14 of the UFA

Map 116B/03 is included in the Tr'ondek Hwech'in First Nation Final Agreement. Tr'ondek Hwech'in First Nation did not intervene to the Board regarding this project.

Territorial Resources Base Map 116B/03 and Mining Claims Map 116B/03 were reviewed for Settlement Land. No First Nation Settlement Land parcels were identified near the application area, therefore the Board concluded that there will not be significant alteration to quality, quantity or rate of flow on, through or adjacent to Settlement Land, including seasonal rate of flow.

Conclusion

The Board has approved the issuance of Water Use Licence PM09-649 and AP09649 for Placer Land Use Approval for a Class 4 Operating Plan.


Chairperson
Yukon Water Board

January 29, 2010
Date