

**YUKON WATER BOARD**

Pursuant to the *Waters Act* and *Waters Regulation*, the Yukon Water Board hereby grants a type B water use licence for a placer mining undertaking to:

William Jardine  
Box 136  
Charlie Lake, BC V0C 1H0

**LICENCE NUMBER:** PM04-381  
**LICENCE TYPE:** B **UNDERTAKING:** PLACER  
**WATER USE AREA:** 2 **STREAM CLASSIFICATION:** IV B  
**LOCATION:** Latitude: 63° 44' N Longitude: 136° 7' W  
**WATER SOURCE:** Jarvis Creek, a tributary of Minto Creek and ground water

**MAXIMUM QUANTITY:** 4,500 cubic metres per day

**EFFECTIVE DATE:** The effective date of this licence shall be the date on which the signature of the Chairperson of the Yukon Water Board is affixed.

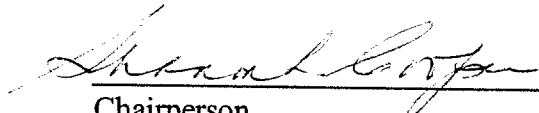
**EXPIRY DATE:** October 31, 2009

This licence shall be subject to the restrictions and conditions contained herein and to the restrictions and conditions contained in the *Waters Act* and *Waters Regulation* made thereunder.

Dated this 24<sup>th</sup> day  
of February, 2005

Approved by:

  
Witness

  
Chairperson  
YUKON WATER BOARD

PART A DEFINITIONS

“Act” means the *Waters Act* and any amendments thereto.

“Application” means application for water use licence PM04-381 and placer mining land use approval AP04381, including any subsequent information presented to the Yukon Water Board, up to the date of the Yukon Water Board’s decision.

“Board” means the Yukon Water Board.

“Diversion” means any direct or indirect alteration of a portion of or all of the water flowing in a course, route, bed, bank or boundaries of a river, stream lake or watercourse.

“Inspector” means any person designated as an Inspector under the Act.

“Instream reservoir” means any water structure, where water is collected and retained for use, which is constructed in a natural channel or Diversion, and through which the entire creek flow may be directed at any time.

“Natural boundary” means the visible high water mark of any lake, river, stream or other body of water where the presence and action of water is so common and so long continued as to mark the soil of the bed of the lake, stream or other body of water a character distinct from the banks thereof, both in respect of vegetation and in respect to the nature of the soil itself. In addition, the best estimates of the edge of dormant or old side channels and marsh areas are considered to be Natural boundaries.

“Regulation” means the *Waters Regulation*.

“Spring freshets” mean the sudden increase in flow carried by a stream as snowmelt occurs at higher elevations in the watershed.

“Watercourse” means any stream, lake, pond, creek, spring, ravine or swamp whether ordinarily containing water or not.

“Work area” means any area disturbed and/or altered by mining activities, excluding any stable Diversion channel.

PART B WATER USE AND WASTE DEPOSIT

1. The Licensee is hereby authorized to:

- a) obtain water from Jarvis Creek and groundwater at a maximum combined quantity of 4,500 cubic metres per day; and
- b) use this water for a placer mining undertaking on claim (grant) numbers:

P42743	P42539	P42929	P42755	P42538
P42903	P47723	P42956	P42754	P42927
P42955	P47702	P42954	P42806	P42904
P42756	P42926	P47724		

as described in the Application and subject to the conditions of this licence. Where there is a discrepancy between the Application and the conditions of this licence, the conditions of this licence shall prevail.

- 2. The Board has relied on the representation, warranties and undertakings provided by the Licensee in the materials filed with the Application. Such representation, warranties and undertakings are considered, by the Board, to be part of the licence, but shall be subject to, and may be modified by, the conditions of the licence.
- 3. All work authorized by this licence shall occur on property that the Licensee has the right to enter upon and use for that purpose.
- 4. Effluent Quality Standard: There shall be no direct surface discharge into any watercourse.
- 5. Except as otherwise provided in this licence, the Licensee shall not deposit or permit the deposit of a waste containing:
  - a) anything toxic to fish;
  - b) floating solids;
  - c) visible oil or grease; or
  - d) a total concentration of mercury in excess of 0.005 milligrams per litre

into a receiving stream, or in any place, under conditions where such waste, or any other waste, that results from the deposit of such waste, if resulting waste contains any of the items prohibited by this paragraph, may enter the receiving stream.

- 6. If, subsequent to the issuing of this licence, the Licensee uses water and/or deposits waste in one or more ways not authorized by this licence, and the combined effect of those uses and/or deposits of wastes, as determined by an Inspector:
  - a) has no potential for adverse environmental effects; and
  - b) does not interfere with existing rights of other water users or waste depositors; and
  - c) satisfies the criteria set out in Column 2 of Schedule 6 of the Regulation

no amendment to this licence will be required for that use of water and/or deposit of waste.

7. Fuels, lubricants, cleansers, solvents and similar chemicals or substances shall be used, transported, stored and disposed of in such a way that said substances are not deposited in or allowed to be deposited in waters.

PART C MINING ACTIVITIES

8. An intake ditch to an out of stream reservoir may be constructed.
9. Except as otherwise provided in this licence, the Licensee shall not construct stream channel Diversions.
10. All instream earthworks, Diversions, ditches, spillways and other water related structures built or otherwise constructed for the storage or conveyance of water shall be able to withstand seasonal floods.
11. All storage and settling facilities and associated spillways, drains and water supply ditches located outside the stream channel shall be of adequate capacity and construction.
12. All works associated with the undertaking, including but not limited to, all dams, weirs, spillways, stream crossings, ditches, gates, water intakes, culverts and settling facilities shall be maintained in good repair.
13. Settling facilities shall be provided for all mining wastewater.
14. Available overburden shall be stockpiled for future site restoration and such stockpiles shall be located where they will not adversely affect water quality in any Watercourse.

PART D WATERCOURSE CROSSINGS

15. The Licensee may modify the bed and banks of the stream to allow for fording of the watercourses. The number of fords shall be limited to those shown in the Application.
16. The Licensee shall adhere to the following conditions regarding fording of creek channels:
  - a) All crossings shall be at right angles to the stream.
  - b) Removal of vegetation adjacent to the crossing shall be minimized.
  - c) Non-erodible materials shall be placed on the bank on both sides of the crossing to stabilize the banks.
  - d) The stream crossing approaches shall be low and stable enough to support the vehicles and equipment.
  - e) The stream shall be crossed on either a firm rock bottom or a coarse gravel bottom.
  - f) Equipment crossing the watercourse shall be mechanically sound and free of leaks.
  - g) The blade or bucket on equipment shall be left in the raised position when crossing the Watercourse.

PART E SEASONAL CLOSURE

The Licensee shall comply with the following conditions pertaining to seasonal closure:

17. The mine shall be left in a stable condition at the end of each mining season.
18. An Inspector shall be contacted not less than 2 weeks prior to seasonal closure.
19. To prevent flood damage during Spring freshets, the intake gate shall be closed or removed.
20. Spring freshets shall not be routed through Work Areas. Where Diversions around working areas are built or excavated, they shall be open in preparation for Spring freshets.
21. All mined or otherwise disturbed ground surfaces, including cut banks, fill slopes and tailings piles, shall be stabilized annually to prevent erosion and surface runoff from carrying sediment into adjacent Watercourses.

PART F DECOMMISSIONING

Prior to final decommissioning and/or expiry of this licence, the Licensee shall:

22. Ensure the final Watercourse channel approximates its pre-licence condition in length, width, gradient and stability, except as may otherwise be required in this licence; and
23. Ensure that all dams and dikes across Watercourses are removed; and
24. Contact an Inspector not less than 2 weeks prior to final decommissioning.

PART G REPORTS, SAMPLING & ANALYSAIS

25. Where no discharge from the settling facility to a receiving stream occurs, whether by surface discharge or seepage, no sampling is required.
26. On or before the anniversary of the date of the issuance of this licence, and for each year during which this licence is in effect, the Licensee shall submit an annual report to the Board.
27. Annual reports shall include the information required by this licence and by the Regulation, including, but not limited to:
  - a) the quantity of water used under the licence, and
  - b) the quantity, concentration and type of any waste deposited under the licence, and
  - c) all data collected as a result of any sampling which is required by this licence, and
  - d) a description of the reclamation that has taken place, and
  - e) a list of claim (grant) numbers where the reclamation has taken place,

during the year reported.

PART H GENERAL CONDITIONS

28. The expiry date of this licence shall be October 31, 2009.
29. Sewage, including all human excreta and wastewater associated with daily camp operations, shall be disposed of in accordance with the *Public Health and Safety Act* of Yukon.
30. The location of subsurface grey water pits and/or pit privies shall be not less than 30 metres from the high water mark of any Watercourse and at least 1.2 metres above bedrock or the water table.
31. If very permeable soils are encountered, the pit privy or grey water pit shall be lined with 0.6 metres of sand or silt.
32. All garbage and refuse shall be kept in a covered container until removed from site or, where appropriate, incinerated and buried under no less than 1 metre of compacted soil in pits not less than 30 metres from the Natural Boundary of any Watercourse.
33. The Licensee shall contact the 24-hour Yukon Spill Report number (867) 667-7244 and implement the Spill Contingency Plan, should a spill or unauthorized discharge occur. A detailed report of any such event, including but not limited to, dates, quantities, parameters, causes and other relevant details shall be submitted to the Board no later than 10 days after its occurrence.
34. No condition of the water licence limits the application of any federal, territorial, first nation or municipal legislation.
35. In the event that the Licensee fails to comply with any provision or condition of this licence, the Board may, subject to the Act, cancel this licence.
36. Where any direction, notice or order under this licence is required to be in writing, it shall be given:

a) to the Licensee, if faxed, delivered or mailed by registered mail to the following address:

William Jardine  
Box 136  
Charlie Lake, BC V0C 1H0  
Fax:(250) 827-3356

and shall be deemed to have been given to the Licensee on the day it was faxed or delivered or 7 days after the day it was mailed, as the case may be; or

b) to the Board, if delivered, faxed or mailed by registered mail to the following address:

Yukon Water Board  
Suite 106, 419 Range Road  
Whitehorse, YT Y1A 3V1  
Fax: (867) 456-3890

and shall be deemed to have been given to the Board on the day it was delivered or faxed or 7 days after it was mailed, as the case may be.

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