

**YUKON TERRITORY WATER BOARD
AMENDMENT OF LICENCE**

LICENSEE: MICHEL VINCENT AND
STEPHAN LAROSE

LICENCE NUMBER: PM99-014

AMENDMENT NUMBER: ONE (1)


Pursuant to the Yukon Waters Act, Water Use Licence PM99-014 is hereby amended as follows:

1. **Clause 39 is hereby withdrawn.**

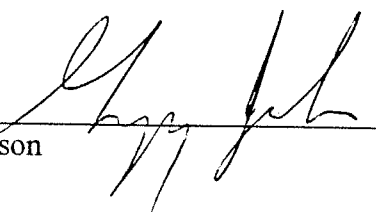
Dated this 25 day of

YUKON TERRITORY WATER BOARD

November, 2001



Witness



Chairperson

TERMS AND CONDITIONS OF WATER USE LICENCE PM99-014**PART A DEFINITIONS**

"Act" means Yukon Waters Act and any amendments thereto.

"Regulations" means the Regulations made under the Act.

"Board" means the Yukon Territory Water Board.

"Application" and "Water Use Application" mean Water Use Application PM99-014 , including any additional submissions and/or revisions, submitted to the Board by the Licensee.

"Deleterious Substance" means deleterious substance as defined in Section 34(1) of the Fisheries Act.

"Inspector" means any person designated as an inspector under the Act.

"Special Waste Management Facility" means an operation which handles or disposes of special wastes generated by other persons or operations and which has been approved in accordance with the provisions of the Special Waste Regulations of the Environment Act of the Yukon Territory.

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

"Freshet" means the sudden increase in flow carried by a stream as snowmelt occurs at higher elevations in the watershed.

"Natural boundary" means the visible high water mark of any lake, river, stream or other body of water where the presence and action of the water is so common and usual and so long continued as to mark upon the soil of the bed of the lake, stream or other body of water a character distinct from that of the banks thereof, both in respect to 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.

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

PART B WATER USE AND WASTE DEPOSIT

1. The Licensee is hereby authorized:

a) to obtain water from Moosehorn Creek at a maximum quantity of 5,447 cubic metres per day; and

b) to use this water for a placer mining undertaking on claim (grant) numbers as shown on Appendix A, attached; and

c) to return a flow of water to Moosehorn Creek, and to deposit waste into Moosehorn Creek;

as proposed in water use application PM99-014 and subject to this licence.

2. If, subsequent to the issuing of this licence, the Licensee uses water and/or deposits waste which

a) has no potential for significant 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 II of Schedule VI of the Regulations,

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

3. Where there is a discrepancy between the water use application and the terms of this licence, the terms of this licence shall prevail.

4. Effluent Quality Standard: Any grab sample at the point of discharge from the final settling facility shall not exceed settleable solids of 2.5 millilitres per litre above levels in the stream immediately above the uppermost mine operation.

5. Except as otherwise provided in this licence, the Licensee shall not deposit or permit the deposit of 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. Deleterious substances, including, but not limited to, 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 frequented by fish.

PART C MINING ACTIVITIES

7. A stream channel diversion may be constructed.
8. The Licensee may construct an intake ditch to an out of stream pump pond.
9. All instream earthworks, diversions, ditches, spillways and any other water related structures built or otherwise effected for the storage or conveyance of water shall be able to withstand seasonal floods.
10. 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.
11. 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.
12. A protective berm shall be constructed and maintained along the stream channel diversion.
13. Settling facilities shall be provided for all mining waste waters.
14. Available overburden shall be stockpiled for use in future site restoration and such stockpiles shall be located where they will not adversely affect water quality in any watercourse.

15. In those areas where mining will not again occur, tailings and relocated overburden, or other relocated materials, shall be levelled and contoured into low relief piles. The slopes of these low relief piles shall be no steeper than two horizontal to one vertical.

PART D DIVERSION/CHANNEL CONSTRUCTION AND RESTORATION

The Licensee shall adhere to the following conditions regarding construction of all diversions, redirection of the watercourse into the original channel and restoration:

16. The diversion channel width shall be no less than 1.5 metres.
17. The diversion channel depth shall be no less than 1.6 metres.
18. The diversion channel grade shall be between 0.0% and 10.0%.
19. The bed and banks of the diversion channel shall be left in a stable condition.
20. The bed and banks of any tributary (gulch or pup) of Moosehorn Creek shall be left in a stable condition.
21. Class I armouring shall be used, as directed in Schedule I.

PART E SEASONAL CLOSURE

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

22. The mine site shall be left in a stable condition at the end of each mining season.
23. An inspector shall be contacted not less than two weeks prior to seasonal closure.
24. To prevent flood damage during freshet, the intake ditch to the water reservoir shall be blocked, the settling facilities shall be dewatered, the entrance to the settling facilities will be sealed, and the diversion ditches shall be constructed and maintained to withstand and convey flood flows.
25. Spring freshets shall not be routed through work areas. Where diversion channels around working areas are built or excavated, they shall be open in preparation for spring freshet.
26. 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

Upon final decommissioning and/or expiry of this licence the Licensee shall:

27. Ensure that the final creek channel approximates its pre-licence condition in length, gradient and stability, except as may otherwise be required in this licence; and
28. Level and recontour tailings and relocated overburden, or other relocated materials, into low relief piles. The slopes of these low relief piles shall be no steeper than two horizontal to one vertical; and
29. Ensure that all dams and dikes across stream channels are removed; and
30. Ensure that all waste materials, excluding silt and other natural materials, but including, and not limited to, scrap metal, machinery and parts, barrels and containers are removed from the operation site; and
31. Contact an inspector not less than two weeks prior to final decommissioning.

PART G REPORTS, SAMPLING, & ANALYSIS

32. Where there is a surface discharge from the settling facilities, the Licensee shall take weekly samples at a point upstream of the water supply intake and at the point of discharge from the final settling facility, and shall analyze these samples for settleable solids, using the Imhoff cone one hour test.
33. Where no discharge from the settling facility to a receiving stream occurs, whether by surface discharge or seepage, no sampling is required.
34. On or before the anniversary of the date of 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.
35. The report shall describe:
 - 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) shall include all data collected as a result of any sampling which is required by this licence.

PART H GENERAL CONDITIONS

36. The expiry date of this licence shall be December 31, 2004.
37. Sewage, including all human excreta and wastewater associated with daily camp operations, shall be disposed of in accordance with the Public Health Act of the Yukon Territory.
38. All garbage and refuse shall be removed from the site or, where appropriate, incinerated and buried under not less than one (1) metre of compacted soil in pits located not less than thirty (30) metres from the natural boundary of the watercourse.
39. Stationary fuel storage and pumping sites shall comply with the provisions of the National Fire Code.
40. Waste petroleum products shall be delivered to a Special Waste Management Facility or incinerated in an impermeable container.
41. The Licensee shall immediately contact the 24-hour Yukon Spill Report number (867) 667-7244 should a spill or unauthorized discharge occur. A detailed written report on any such event, including but not limited to, dates, quantities, parameters, causes and other relevant details and explanations shall be submitted to the Board no later than fifteen (15) days after its occurrence.
42. No term of this licence limits the application of any other Federal, Territorial or First Nation law.
43. In the event that the Licensee fails to comply with any provision or condition of this licence, the Board may, with the approval of the Minister and subject to the Act, cancel the licence.
44. Where any direction, notice, order or report under this licence is required to be in writing, it shall be given:

To the Licensee, if left at or mailed by registered mail to the address which appears on the signature page of this licence and shall be deemed to have been given to the Licensee on the day it was left or seven (7) days after the day it was mailed, as the case may be; or

To the Board, if faxed to (867) 668-3628 or left at or sent by registered mail to the following address:

The Yukon Territory Water Board
Suite 106, 419 Range Road
Whitehorse, Yukon
Y1A 3V1

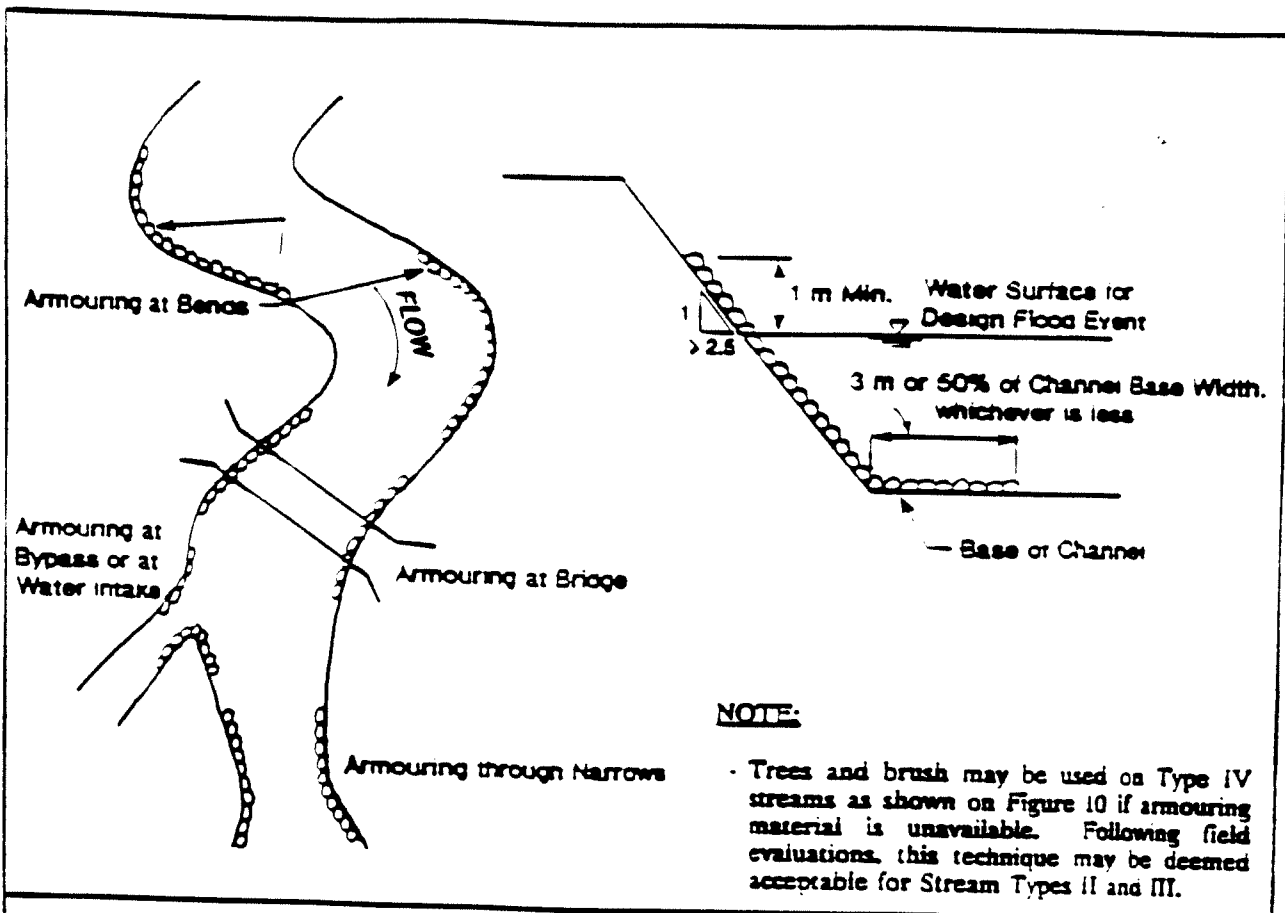
and shall be deemed to have been given to the Board on the day it was left or faxed or seven (7) days after the day it was mailed, as the case may be.

If normal mail service is interrupted by strike, slowdown, force majeure or other cause a notice sent by Registered Mail will not be deemed to be received until actually received and the party sending the notice shall, if possible, deliver such notice in order to ensure prompt receipt thereof.

APPENDIX A

Claim (Grant) Number	Water Course
P43655	Moosehorn Creek
P43656	Moosehorn Creek
P43657	Moosehorn Creek
P43658	Moosehorn Creek
P43659	Moosehorn Creek
P43660	Moosehorn Creek
P43661	Moosehorn Creek
P43662	Moosehorn Creek
P43663	Moosehorn Creek
P43664	Moosehorn Creek
P43665	Moosehorn Creek
P43666	Moosehorn Creek
P43667	Moosehorn Creek
P43668	Moosehorn Creek
P43669	Moosehorn Creek
P43670	Moosehorn Creek
P43671	Moosehorn Creek
P43672	Moosehorn Creek
P43673	Moosehorn Creek
P43674	Moosehorn Creek

SCHEDULE 1



PURPOSE:

- To control bank erosion at bends or curves, at bridges approaches and abutments and through channel narrows.

DESIGN:

- Channel armoring should extend from the base of the channel to at least 1 m above the water surface (depth of flow) for the design flood event.
- Armoring should extend beyond the toe of the channel bank along the base of the channel 3 m or 50% the base width of the channel, whichever is less.
- The bank or channel side slopes should be no steeper than 2.5H:1V where the bank is to be armored.
- Use the following table to determine what size of armoring material should be used.

SUGGESTED STONE SIZES FOR ARMOURING MATERIAL

	Rinsep Class					
	1		2		3	
	mm	inches	mm	inches	mm	inches
Maximum Stone Size	450	18	400	16	1200	47
Average Stone Size	300	12	500	20	800	32
Velocity	< 3 m/s		3 to 4 m/s		4 to 4.7 m/s	

CONSTRUCTION:

- Place material on bank using available equipment.
- Ensure that there is a fairly uniform mix of armour material sizes on bank.

ARMOURING TECHNIQUES

MEMORANDUM

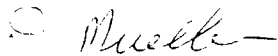
July 30, 1999

TO: File: PM97-065, PM97-066, PM97-067, PM97-068, PM97-069, PM98-013, PM98-041, PM98-049, PM98-061, PM98-062, PM98-066, PM98-068, PM98-070, PM98-011, PM99-014, PM99-018, PM99-020, PM99-022, PM99-024, PM99-027

FROM: Dianna Mueller

RE: Revised Reasons for Decision

The following reasons for decision has been revised to accurately reflect which Interventions were received on what application. The original reasons did not indicate which application the Intervenors' had responded too. These reasons will correct the error.


Dianna Mueller

YUKON TERRITORY WATER BOARD
REASONS FOR DECISION
(REVISED, JULY 29, 1999)

The Yukon Territory Water Board ("the Board") has made licensing decisions with respect to the following applications for water use for placer mining purposes:

PM98-011, Rod Ramey
PM99-014, Michel Vincent and Stephan Larose
PM99-016, Merrit Sager
PM99-018, Wolreid WGR Mining Ltd.
PM99-020, David Laurenson
PM99-022, Lorne E. Smith
PM99-024, Richardson Bros. (OLDS) Ltd
PM99-027, Fortymile Placers

Notice of application was provided in accordance with the requirements of the Yukon Waters Act. In response, the Board received interventions from Fisheries and Oceans Canada ("DFO") on PM98-011, PM99-014, PM99-018, PM99-020, PM-022 and PM99-024, Indian and Northern Affairs Canada ("DIAND") on PM99-014, PM99-016, PM99-020 and PM99-024, Canada Coast Guard ("CCG") on PM98-011, PM99-014, PM99-018, PM99-020, PM-022 and PM99-024, Tr'on d'ek Hw'ech'in First Nation on PM99-014, PM99-016, PM99-018, PM99-020 and PM99-027 and the Yukon Salmon Committee on PM99-027. None of the Applicants responded to any of the Interventions.

Prior to making licensing decisions, the Board undertook an environmental screening of these projects pursuant to the Canadian Environmental Assessment Act ("CEAA"). The Board is satisfied that these projects are not likely to cause significant adverse environmental effects.

In making licensing decisions pertaining to these applications, the Board took into account the applications themselves, the Environmental Assessment, the recommendations of intervenors, the Board's standard licence requirements and Board policies.

Except where otherwise noted, the Board has abided by the effluent discharge standards and operating standards which are stipulated in the Yukon Placer Authorization ("YPA"). Fish Habitat Restoration Plans, when required and approved by DFO, have been incorporated into the Licences. Further guidelines have been provided by DFO whenever a diversion has been proposed. The Board expects Licensees to refer to the DFO intervention letter for instructions on fulfilling Licence requirements pertaining to channel restoration.

These reasons will address only those areas where a Licence differs from the application and/or the intervenors' recommendations.

With regard to PM99-016:

DIAND requested that a bypass channel be constructed around the instream settling facilities and DFO indicated that spring freshet can go through the work area. The Licence does not require that a bypass channel be constructed.

With regard to PM99-024:


No direct discharge to Morrison Creek proposed, but there could be a discharge from the overflow, therefore the licence includes a discharge standard.

With regard to PM99-027:

The Yukon Salmon Committee requested that the licence expire at the end of the calendar year 2000, to concur with the sixth amendment of the Yukon Placer Authorization, which changed the effluent standard for the Fortymile River and will be reviewed at the end of the calendar year 2000. The Licence includes a clause to allow for the effluent standard to the end of year 2000 and then the effluent standard will revert back the old standard.

The decision of the Board is that these projects may proceed as they are not likely to cause significant adverse environmental effects.

No term of any Licence limits the application of any Federal, Territorial and First Nation Law.



Dale Eftoda - Chairperson
YUKON TERRITORY WATER BOARD

22/08/04.