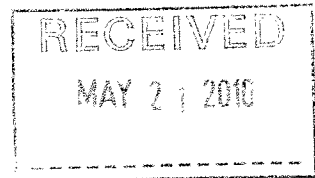


Tim Osler  
Rical Mining Ltd.  
3636 West 29th Avenue  
Vancouver, BC  
V6S 1T4



May 12, 2010

Joelle Janes  
Licensing Officer  
Yukon Water Board,  
Suite #106 - 419 Range Road,  
Whitehorse, YT  
Y1A 3V1

**RE: Water Use Application PM10-001, Eureka Creek and Indian River**

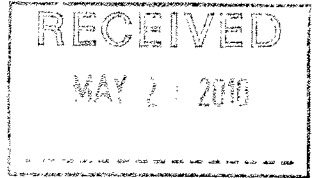
Dear Joelle,

Thank you for your letter of May 7, 2, 2010 and a related May 10, 2010 e-mail from you to Ryan Parry concerning a YESAA re-assessment of this application because of the proposed changes. The enclosed response is based on the understanding that Heisey Ventures Inc. is intending to withdraw the proposed mining plan of including "conducting and instream settling" in their Water License application and the Mining Land Use Operating plan (2009-0186) that sits before the Yukon Water Board presently. Due to this removal of proposed conducting and instream settling, this correspondence is presented as a blanket coverage to all the numbered items in your letter(s) and therefore no numbering formate will be used.

There is an attempt by the author to remove all references to conducting and instream settling from the original application. Pages that are being changed to accomplish this, are included with this covering letter but, should any incidental items be overlooked, please assume that this has been an oversight rather than done tensionally. Reference to changes are listed below. Specifically these changes that have occurred are to:

question #52 on page 62  
question #53 on page 63  
question #54 on page 64  
question #55 on page 65  
question #57 on page 66  
question #58 on page 66  
question #60 on page 67  
question #61 on page 68  
question #64 on page 70  
diagram on page 73  
question #67 on page 75

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question #72 on page 77  
page 80

I hope that this information answers all remaining issues. If for any reason additional information is needed, please do not hesitate to contact me by e-mail at your earliest convenience.

With this new mining formate information, it is hoped that the Heisey Ventures Inc. Water License application and Mining Land Use Operating plan will be presented at the next Yukon Water Board sitting and that my client can expect to receive his issued permits with no further delays.

Thankyou for your consideration in this matter and best regards,

A handwritten signature in black ink, appearing to read "Tim Osler".

Tim Osler  
RICAL MINING LTD.  
Fax: (604) 222-2854  
Work: (604) 801-5432  
Cell: (604) 341-1545  
E-mail: TimO@Goldgroup.com

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