

YUKON WATER BOARD

AUTHORIZATION OF ASSIGNMENT OF WATER USE LICENCE

Pursuant to the *Waters Act* and *Waters Regulation*, the Yukon Water Board hereby authorizes the assignment of the water use licence which is described as

Licence Number: PM99-127

Licence Type: B

Nature of Undertaking: Placer Mining

Location: Eureka Creek

Together with all legal rights and obligations conferred thereby,

**From: Star North Placers Ltd.
Box 888
Dawson City, Yukon Y0B 1G0**

**To: Heisey Ventures Inc.
Suite #903, 1302 Waugh Drive
Houston, Texas 77019**

The effective date of the assignment of this water use licence shall be the date on which the signature of the Chairperson of the Yukon Water Board is affixed.

THIS AUTHORIZATION OF ASSIGNMENT OF LICENCE ISSUED AT WHITEHORSE, IN THE YUKON TERRITORY.

Dated this 25th day of

YUKON WATER BOARD

December, 2005

Sandra Rose
Witness

[Signature]
Chairperson

YUKON WATER BOARD

**AUTHORIZATION OF ASSIGNMENT OF
PLACER MINING LAND USE OPERATING PLAN APPROVAL**

Pursuant to the *Placer Mining Act*, the Yukon Water Board hereby authorizes the assignment of the Placer Mining Land Use Operating Plan Approval which is described as

Number: LP00143

Location: Eureka Creek

Associated Water Use Licence: PM99-127

Together with all legal rights and obligations conferred thereby,

From: **Star North Placers Ltd.**
Box 888
Dawson City, Yukon Y0B 1G0

To: **Heisey Ventures Inc.**
Suite 903, 1302 Waugh Drive
Houston, Texas 77019

The effective date of the assignment of this Mining Land Use Operating Plan Approval shall be the date on which the signature of the Chairperson of the Yukon Water Board is affixed.

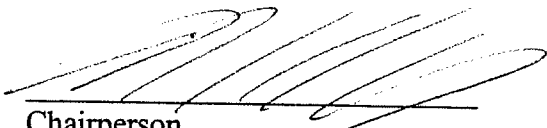
THIS AUTHORIZATION OF ASSIGNMENT ISSUED AT WHITEHORSE, IN THE YUKON TERRITORY.

Dated this 25th day of

November, 2005

YUKON WATER BOARD

Sandra Rose
Witness


Chairperson

REASONS FOR DECISION
ASSIGNMENT OF WATER USE LICENCE PM99-127
AND PLACER MINING LAND USE OPERATING PLAN APPROVAL LP00143

The Yukon Water Board (the Board) has approved the assignment of water use licence PM99-127, a type B licence for placer undertaking, and Placer Mining Land Use Operating Plan Approval LP00143 from Star North Placers Ltd. to Heisey Ventures Inc.

The Licence was issued June 26, 2000. The Placer Mining Land Use Operating Plan Approval was issued July 4, 2000. An Environmental Assessment was completed June 5, 2000 in accordance with the requirements of the *Canadian Environmental Assessment Act*. The assignment does not constitute any change to the project, except a change to the name of the proponent.

The following documents were received in support of the application:

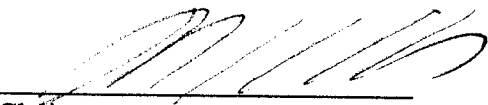
Letter from Tim Osler, Rical Mining Ltd.
Declaration of Licensee
Declaration of Assignee
Copy of Agreement

The declaration of the assignee confirms that the assignee accepts all legal rights and obligations confirmed by the water use licence, including any obligations of the assignor.

The Department of Energy, Mines and Resources were notified of the application, and advised that they had no concerns.

The *Waters Act (Act)* and *Waters Regulation* require that the Board shall authorize the assignment of a licence if the Board is satisfied that the sale or other disposition of the property and the operation of the project by the assignee will not be likely to result in a contravention of either the licence or the *Act*.

The Board is satisfied that the requirements of the *Act* have been met and the assignments are therefore authorized.



Chairperson

November 29 2005

Date