

YUKON WATER BOARD
REASONS FOR DECISION
Water Use Application PM05-498, amendment to PM04-424
Last Chance Placers Ltd.

The Yukon Water Board (the Board) has made licensing decisions with respect to water use application PM05-498 for a type B licence for a placer mining undertaking.

The purpose of the application is to amend PM04-424 by adding an additional water source and grants. The original mining plan for PM04-424 will remain the same.

Notice of the application was provided in accordance with the requirements of the *Waters Act*. In response, the Board received interventions from the following parties:

Fisheries and Oceans Canada (DFO);
Government of Yukon (GY), Energy, Mines and Resources, Client Services and Inspections Branch; and
Tr'ondëk Hwëch'in

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

This application required an environmental assessment under the *Yukon Environmental and Socio-economic Assessment Act* (YESAA).

Prior to making licensing decisions, the Board reviewed the YESAA Decision Document that is included in the water use register. The Board is satisfied that the licence is not contrary to the YESAA Decision Document, as per section 86 of YESAA.

In making licensing decisions pertaining to this application, the Board took into account the *Waters Act*, *Waters Regulation*, the application, the YESAA Decision Document, recommendations from the interveners, the Board's standard licence requirements, Claims Map 1150/14, Chapter 14 of the Umbrella Final Agreement and Board policies.

DFO

The effluent standard recommended by DFO is the same standard as referenced in the Yukon Placer Authorization (YPA). The YPA is an authorization under the *Fisheries Act* for the harmful alteration, disruption or destruction of fish and fish habitat in certain streams, or portions of streams, in the Yukon for placer mining works and undertakings, subject to compliance with the standards of allowable sediment discharge. The Board has adopted the YPA as policy for the minimum allowable discharge standard. The effluent discharge standards and operating standards, which are stipulated in the YPA and the Fish Habitat Restoration Plan, have been incorporated in the licence.

DFO provided standard recommendations for fuel, lubricants, cleansers, solvents and similar chemicals or substances to be transported, stored and disposed of in such a way as to ensure that they are not deposited in, or allowed to be deposited in, waters. The typical condition to transport, store and dispose of fuels, lubricants, cleansers, solvents and similar chemicals or

substances in such a way as to ensure that they are not deposited in, or allowed to be deposited in, waters has been included in the licence.

DFO has provided standard recommendations that all diversions, ditches, drains, dams, or any structure built or otherwise effected, is able to withstand seasonal floods. The typical condition that requires all diversions, ditches, drains, dams, or any structure built or otherwise effected to withstand seasonal floods has been included in the licence.

DFO has provided standard recommendations that spring freshet may routed through work areas. The condition to allow spring freshet to be routed through work areas has been included in the licence.

DFO has provided recommendations allowing instream settling and the use of the stream as a conduit. The Board has included conditions in the licence allowing the Licensee to route total stream flow of 15 Pup and Discovery Pup into settling facilities, and to use the stream as a conduit between the mining location and the settling facilities.

DFO has provided recommendations for the use of fish screens on all water intakes when withdrawing water. The Board has included the criteria for fish screens in all licences when withdrawing water from a fish stream.

DFO provided specific recommendations for diversion channels. The Board has included DFO's recommendations in the licence pertaining to diversion channel width, depth, grade, habitat structures and stability of the banks.

Tr'ondëk Hwëch'in

Tr'ondëk Hwëch'in recommended that they should be notified if any evidence of archaeological sites or burial grounds are discovered. The Placer Mining Land Use Approval requires the Licensee to contact the Chief of Placer Land Use if any evidence is found of an archaeological site or burial ground. Protection of the site from further disturbance is required until authorization is given by the Chief of Placer Land Use. The Board has previously been advised that the Chief of Placer Land Use is required to contact the affected First Nation. The Board also encourages the Licensee to contact the affected First Nation.

Tr'ondëk Hwëch'in recommended that environmentally sound mining practices should be adhered to. The Board expects all applicants to conduct their mining operations using the practices indicated within their application, practices allowed by the *Regulation* and practices which are environmentally sound. In review of the water use application and the Placer Mining Land Use application, the Board examines the approach proposed and either approves it or imposes conditions that may differ from the approach proposed by the Licensee. For water use, the conditions in the licence are based on environmentally sound practices and the Board expects the Licensee to comply with the conditions of the licence and approval.


Chapter 14 of the Umbrella Final Agreement

The Board examined the proposed use of water as it relates to Chapter 14 of the Umbrella Final Agreement, as to quantity, quality or rate of flow of water flowing on, through or adjacent to Settlement Land, including seasonal rate of flow, as follows:

The closes parcel of Settlement Land is situated approximately 10 kilometres downstream of the Klondike River from this operation. By adding additional claims to the already licenced and disturbed area, it could be concluded that the quantity, quality or rate of flow of water flowing on, through or adjacent to Settlement Land will remain substantially unaltered.

The Board notes that no condition of the water licence limits the application of any federal, territorial, first nation or municipal legislation.

The Board's decisions are also explained in Part Seven of the summary.



Chairperson
Yukon Water Board

April 24, 2006
Date