

YUKON WATER BOARD  
REASONS FOR DECISION  
Water Use Application PM08-610, amendment to PM06-519  
Favron Enterprises Ltd.

The Yukon Water Board (“the Board”) has made licensing decisions with respect to water use application PM08-610 for a type B licence amendment to PM06-519, for a placer mining undertaking.

The purpose of the application is to amend PM06-519 to allow for an effluent discharge into the watercourse.

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:

Government of Yukon, Energy, Mines and Resources, Client Services and Inspections Branch (“GY”); and Government of Yukon, Energy, Mines and Resources, Mineral Resources (“GY”).

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

This application did not required an environmental assessment under the *Yukon Environmental and Socio-economic Assessment Act* (“YESAA”). As it had been assessed under PM06-519, for the discharge of effluent. YESAA Decesion Document 2006-0230, stated that the proponent shall ensure that all discharges are consistant with the conditions of the Yukon Placer Authorization (or any other successor Fisheries Act Authorization), which include but are not limited to allowable sediment discharge and fish habitat restoration and compensation.

Prior to making licensing decisions, the Board reviewed the YESAA Decision Document 2006-0230 that is included in the water use register PM06-519. The Board is satisfied that the amendment is not contrary to that 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, Territorial Resources Base Map1150/14, Chapter 14 of the Umbrella Final Agreement (“UFA”) and Board policies.

**GY**

GY recommended that the effluent standards should be met according to the Indian River Watershed Authorization, pursuant to the new Fish Habitat Management Regime for Yukon Placer Mining. They also recommended that the point of compliance should be measured at a point in the effluent immediately before it enters the natural stream flow. The Board included both of these recommendations in amendment number one to PM06-519.

GY recommended that the channels should be constructed in accordance with the described guidelines made under the new Fish Habitat Management Regime for Yukon Placer Mining. However, the Board noted that the applicant did not propose any diversions in the current licence, nor did they request any in this amendment. Licence PM06-519 and this amendment only authorizes those undertakings described in the application, therefore, the licence or the amendment does not permit any diversions.

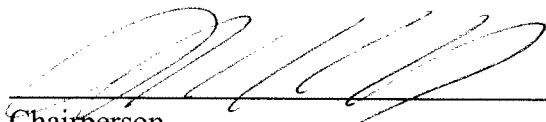
**Chapter 14 of the UFA**

The Board examined the proposed use of water as it relates to Chapter 14 of the UFA, as to quantity, or rate of flow of water flowing on, through or adjacent to Settlement Land, including seasonal rate of flow, for Licence PM06-519 and determined at that time that there would be no substantial alteration to the quantity, or rate of flow of water flowing on, through or adjacent to Settlement Land, including seasonal rate of flow.

In regards to this amendment to request an effluent discharge to the watercourse. The Board examined the quality of water, and noted the Fisheries and Oceans Canada Authorization for the Indian River Watershed includes effluent quality standards. Those standards have been included in amendment number one to PM06-519. The Board determined with the inclusion of the effluent quality standards in the amendment and the closes parcel of Settlement Land 20 km downstream from this operation, that the quality of water flowing on, through or adjacent to Settlement Land, will not be substantially altered.

**Conclusion:**

The Board has approved the issuance of amendment number one to PM06-519 to allow for an effluent discharge.

  
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Chairperson  
Yukon Water Board

*Dec 18, 2008*  
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Date