



"Application" means application for water use licence PM06-533 and placer mining land use approval AP06533, and any subsequent information presented to the Yukon Water Board up to the date of the Board's decision.

"Board" means the Yukon Water Board.

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

"Instream Reservoir" means any water impoundment structure, where water is collected and retained for use, which is constructed in a natural channel or in a diversion, and through which the entire creek flow may be directed at any time.

"Instream Settling Facility" means a water impoundment structure, pond, or series of ponds, where effluent is collected and retained for treatment, which is constructed in a natural channel or in a diversion, and through which the entire creek flow may be directed at any time.

"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.

"Regulation" means the *Waters Regulation*.

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

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

"Work Areas" means any area disturbed and/or altered by mining activities, excluding any stable diversion channel.

## PART B WATER USE AND WASTE DEPOSIT

1. The Licensee is hereby authorized:

- a) to obtain water from ground water and Lovett Gulch at a maximum combined quantity of 34,920 cubic metres per day; and
  - b) to use this water for a placer mining undertaking on the following grant numbers as shown in Appendix A, attached; and
  - c) to return a flow of water to ground water and Lovett Gulch, and to deposit waste into ground water and Lovett Gulch; and
  - d) to construct Instream Reservoirs and Instream Settling Facilities on Lovett Gulch.
2. All of the activities authorized in Part B (1) shall be as described in the Application and subject to the conditions of this licence. Where there is a discrepancy between the Application and the conditions of this licence, then the conditions of this licence shall prevail.
3. The Board has relied on the representations, warranties and undertakings provided by the Licensee in the material filed in the Application. Such representations, warranties and undertakings are considered by the Board to be a part of the licence, but shall be subject to, and may be modified by, the conditions of the licence.
4. All work authorized by this licence shall occur on property that the Licensee has the right to enter upon and use for that purpose.
5. No mining shall occur on the left limit of Bonanza Creek where grant numbers 38516, P37415, 38568, P09305, P04302, 37763, P04266, 37762, 37760 and 37761 overlap with Settlement Land R-20A.
6. Effluent Quality Standard: There shall be no direct surface discharge to any watercourse.
7. 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 Watercourse, 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 Watercourse.
8. If, subsequent to the issuing of this licence, the Licensee uses water and/or deposits waste in one or more ways not authorized in this licence, and the combined effect of those uses and/or deposits of wastes, as determined by an Inspector:
- 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 2 of Schedule 6 of the Regulation;

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

9. 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.

#### PART C MINING ACTIVITIES

- 10. Instream Reservoir and Instream Settling Facilities may be constructed. The Instream Reservoirs, Instream Settling Facilities and overflow spillways shall be constructed and maintained to withstand and convey at least a 1:2 year flood flow.
- 11. All storage and settling facilities and associated spillways, drains and water supply ditches located outside the Watercourse channel shall be of adequate capacity and construction.
- 12. All works associated with the undertaking, including, but not limited to, spillways, ditches, water intakes and settling facilities shall be maintained in good repair.
- 13. The bed and banks of the restored channel shall be left in a stable condition.
- 14. The bed and banks of any tributary (gulch or pup) of Lovett Gulch shall be left in a stable condition.
- 15. Settling facilities shall be provided for all mining wastewater.
- 16. 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.

#### PART D SEASONAL CLOSURE

- 17. The Licensee shall comply with the following conditions pertaining to seasonal closure:
  - a) The mine site shall be left in a stable condition at the end of each mining season.
  - b) An Inspector shall be contacted not less than 2 weeks prior to seasonal closure.

- c) Spring Freshet may be routed through Work Areas.
- d) 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 E DECOMMISSIONING

18. Prior to final decommissioning and/or expiry of this licence, the Licensee shall:
- a) 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
  - b) ensure that all dams and dikes across stream channels are removed; and
  - c) contact an Inspector not less than 2 weeks prior to final decommissioning.

#### PART F REPORTS, SAMPLING AND ANALYSIS

19. Where no discharge from the settling facility to a Watercourse occurs, whether by surface discharge or seepage, no sampling is required.
20. 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.
21. Annual reports during the year reported shall include the information required by this licence and by the Regulation including, but not necessarily limited to:
- a) the quantity of water used under this licence; and
  - b) the quantity, concentration and type of any waste deposited under this licence; and
  - c) all data collected which is required by this licence; and

- d) a description of the reclamation that has taken place; and
- e) a list of grant numbers of claims where any reclamation has taken place.

#### PART G GENERAL CONDITIONS

- 22. The expiry date of this licence shall be November 30, 2016.
- 23. Sewage, including all human excreta and wastewater associated with daily camp operations, shall be disposed of in accordance with the *Public Health and Safety Act* of the Yukon.
- 24. The location of subsurface grey water pits and/or pit privies shall be not less than 30 metres from the high water mark of any Watercourse, and at least 1.2 metres above bedrock or the water table.
- 25. If very permeable soils are encountered, the pit privy or grey water pit shall be lined with 0.6 metres of sand or silt.
- 26. All garbage and refuse shall be kept in a covered container until removed from the site or, where appropriate, incinerated and buried under not less than 1 metre of compacted soil in pits located not less than 30 metres from the Natural Boundary of any Watercourse.
- 27. The Licensee shall immediately contact the 24-hour Yukon Spill Report number (867) 667-7244, and implement the Spill Contingency Plan 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 10 days after its occurrence.
- 28. No condition of the water use licence limits the application of any federal, territorial, first nation or municipal legislation.
- 29. In the event that the Licensee fails to comply with any provision or condition of this licence, the Board may, subject to the Act, cancel the licence.
- 30. Where any direction, notice, order or report under this licence is required to be in writing, it shall be given:
  - a) to the Licensee, if delivered or mailed by registered mail, to the following address:

Clive Nicholson  
R.R. #3  
Paisley, Ontario N0G 2N0

and shall be deemed to have been given to the Licensee on the day it was delivered or 7 days after the day it was mailed, as the case may be; or

- b) to the Board, if delivered, faxed or mailed by registered mail, to the following address:

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

Fax #: (867) 456-3890

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

- c) The Board or the Licensee may, by notice in writing, change its address for delivery.
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Grant Number	Grant Number
03928	42039
11674	42040
38516	P04302
38568	P09305
37761	11182
P29954	P37415
P08265	28409
38591	37762
38592	37763
42005	P04266
42006	37760