

YUKON WATER BOARD  
REASONS FOR DECISION  
Water Use Application PM07-583 , Merrit and Robyn Sager  
and Mining Land Use Approval AP07583

The Yukon Water Board (“the Board”) has made licensing decisions with respect to water use application PM07-583 for a type B licence for a placer mining undertaking and mining land use approval AP07583.

The purpose of the application is to obtain a water use licence to obtain and store water, to divert water, modify the bed or bank of a watercourse, to cross a watercourse, deposit a waste and to obtain an approved placer mining land use operating plan.

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

Government of Yukon (“GY”), Energy, Mines and Resources, Mining Land Use; and Fisheries and Oceans Canada (“DFO”).

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

In making licensing decisions pertaining to this application, the Board also took into account the *Waters Act*, *Waters Regulation*, the application, recommendations from the interveners, the *Yukon Environmental and Socio-economic Assessment Act* (“YESAA”) Decision Document, the board's standard licence requirements, Territorial Resources Base Map 1150/03, Chapter 14 of the Umbrella Final Agreement (“UFA”) and Board policies.

#### Environmental Assessment

This application required an environmental assessment under the YESAA.

Prior to making licensing decisions, the board reviewed the YESAA Decision Document that is included in the water use register. As per section 86 of YESAA, the Board is also satisfied that the issuance of licence PM07-583 is not contrary to the terms and conditions included in the YESAA Decision Document.

Neither the applicant or the YESAA Decision Document proposed any alternative approaches to the operating conditions in the *Placer Mining Land Use Regulation*. These operating conditions have been incorporated into the Placer Land Use Approval For a Class 4 Operating Plan.

#### GY

GY advised the Board that the applicant does not have the mineral rights under the *Placer Mining Act* to break up and process bedrock. The Board is satisfied that this advise is mitigated by the issuance of the Placer Land Use Approval for a Class 4 Operating Plan and the inclusion of condition 40 in the Water Use Licence.

GY provided a recommendation that re-contouring slopes should be completed to a slope of 2H:1V. The Board determined that this recommendation is satisfied by conditions of the Placer Land Use Approval for a Class 4 Operating Plan.

GY provided a recommendation that all waste should be disposed of in accordance with the *Solid Waste Regulations*. The Board determined that this recommendation is satisfied by conditions of the Placer Land Use Approval for a Class 4 Operating Plan and by the inclusion of condition 40 of the Water Use Licence.

#### DFO

DFO advised the Board that Lulu Creek is classified as a Freshwater Production Zone stream pursuant to the Yukon River South Watershed Authorization. The Board is satisfied that the covering page of the Water Use Licence reflects the classification of the creek.

DFO advised the Board that any activities within the natural boundaries of fish bearing waters for development, construction or use of access routes not proposed in the application are not approved or authorized by DFO. The Board determined that Part E of the Water Use Licence will provide adequate mitigation for fording the creek.

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 to ensure that spring freshet is not routed through work areas. The typical conditions not to allow spring freshet to be routed through work area has been included in the licence.

#### Chapter 14 of the UFA

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:

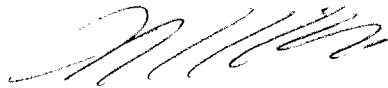
Territorial Resource Base Map 1150/03 is included in the Tr'ondëk Hwëch'in Final Agreement. The map was reviewed for settlement land. The map indicates the presence of settlement land parcel R46A belonging to Tr'ondëk Hwëch'in. The settlement land parcel is greater than 20 km's downstream of the proposed operation and is located adjacent to Thistle Creek and the Yukon River confluence.

In regards to the quantity of water, the applicant has proposed to use a maximum quantity of 6,138 cubic metres of water per day from Lulu Gulch. The proposed water use is equivalent to 11% of the available flow during the mining season. The applicant proposes to recycle 70% of the sluicing water per day, which is equal to 2,150 cubic metres per day. This leaves the applicant requiring 3,988 cubic metres of water per day for make up water for sluicing and the hydraulic stripping which is equivalent to 8% of the available flow during the mining season. Water used in the operation will eventually be returned to Lulu Gulch by direct surface discharge. Therefore, the Board concluded that the proposed operation will not substantially alter the quantity of water flowing on, through or adjacent to settlement land, including seasonal rate of flow.

In regards to the quality of water, the Water Use Licence and Placer Land Use Approval for a Class 4 Operating Plan requirements pertaining to effluent quality standards and the provision of adequate settling facilities provides assurance to the Board 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 Water Use Licence PM07-583 and AP07583 for Placer Land Use Approval for a Class 4 Operating Plan.



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Chairperson  
Yukon Water Board

June 18 2008

Date