



LITTLE SALMON GENERAL CONTRACTING INC.

MT NANSEN MINE SITE, PONY ADIT, CARMACKS, YUKON



PONY CREEK ADIT CONTAMINATED MATERIALS REMOVAL & RECLAMATION PROJECT

PREPARED BY:
LITTLE SALMON GENERAL CONTRACTING INC.
MAY 19, 2007



PONY CREEK ADIT CONTAMINATED MATERIALS REMOVAL & RECLAMATION PROJECT

Background:

The project site is located at the Mt Nansen Type II Mine in the Mt Nansen Valley, Mt Nansen, Yukon. The Mt. Nansen gold and silver mine site is located approximately 70 kilometers southwest of the community of Carmacks. The site is in the traditional territory of the Little Salmon Carmacks First Nation. The Little Salmon Carmacks First Nation has traditionally accessed the Mt. Nansen area for the harvesting of animals and plants and the area continues to be an important part of the traditional subsistence on the land for the members of the Little Salmon Carmacks First Nation.

Introduction:

The recent (February 2006) "*Mt. Nansen Terrestrial and Aquatic Effects Study*" – draft report indicates that there are contaminants from various locations at the site leaching into the Pony Creek. Of immediate concern are areas that have the greatest potential to provide further contamination while the final reclamation and closure plans are developed and approved.

Pony Creek Adit Contaminated Materials Removal

The materials in this area are a major source of contaminants affecting the surrounding vegetation and are a major cause of concern for the general public and the citizens of the Little Salmon Carmacks First Nation. The contaminated area is approximately 130 meters by 50 meters approximately 6720 cubic meters, located immediately adjacent to Pony Creek.

Remediation

This proposal for the removal of the materials by a Little Salmon General Contracting Inc. commences and completes the Remediation and Site Reclamation of the Pony Creek area. The project will include the removal (loading, hauling and disposal) of the materials from the current area to the designated area in the Brown McDade open pit area.





Pony Creek Adit Buildings and Waste Materials Removal

The abandoned core shack and the collapsed ore sample storage area will need to be removed. This proposal includes the removal (loading, hauling and disposal) of the building materials, ore and ore pails as well as any waste remaining from the current area to the designated area at the mine site.



The local soil materials remaining after the contaminated materials are removed will be contoured to provide a gentle natural slope to the existing vegetation and prevent further direct drainage from the site to lower undisturbed vegetation. The area will be seeded with an indigenous seed mix and planted with local willow stakes and bundles. This project will eliminate the run off of contaminants and provide the additional information required to confirm the appropriate methods of reclamation for the final reclamation and closure plan.

Pony Creek Adit Contaminated Materials Removal & Reclamation Project Management & Site Works

Little Salmon General Contracting Inc. (LSGC) will be primarily responsible for ensuring that the Project Plan is fully and completely implemented to the Owner's satisfaction including management and training of all labor forces and expediting of materials to complete the Project:

Execution of the project requirements

- **Restoration:** Pony Creek Bypass for remediation work
- **Remediation:** The removal and movement (loading, hauling and placement disposal) of materials from the existing site to a designated area at the Brown-McDade open pit.
 - **Reclamation** – The contouring and grading of the site to conform to the existing natural land form
 - **Revegetation** – Seeding of the project area with indigenous seed
 - **Rehabilitation** – Planting of the area with local indigenous plant material



Economic Development and Community Involvement

It is proposed that LSGC will work with local Little Salmon Carmacks First Nation members who would continue with training as Reclamation Technicians / Equipment Operators and would be able to provide ongoing support for future reclamation projects at Mt. Nansen and other sites in Yukon.

Project Activities

Pony Creek Adit Contaminated Materials Removal & Reclamation

- **Restoration:** Pony Creek Bypass for remediation work
- **Remediation:** The movement (loading, hauling and placement disposal) of materials from the existing site to a designated area at the Brown-McDade open pit.
 - **Reclamation** – The contouring and grading of the site to conform to the existing natural land form
 - **Revegetation** – Seeding of the project area with indigenous seed
 - **Rehabilitation** – Planting of the area with local indigenous plant material
- Site Works - Execution of project requirements
- Project report of activities

Proposed Schedule:

May 29, 2007 to June 30, 2007

Site Inspection Dates:

To be determined

Authorization to proceed:

Mobilization immediately upon approval

Certified Equipment Available for the Mill Site Contaminated Low Grade Ore Removal

1. Trucks – 3 - Kenworth Tandem End Dumps
2. Excavators – Kubelco 250 Excavator with hydraulic thumbs digging and clean up buckets
3. Cat Tractor – Cat D7G – angle blade and winch
4. Grader – 740 Champion Grader
5. Loader – 966 C Cat Loader
6. Service Truck – 1- Fully Equipped Service Truck (welder, compressor and tools)
7. Crew Truck – 1 ton Crew Cab 4x4 Truck / Crew Truck – 1 ton Crew Cab 4x4 Truck
8. Reclamation / Revegetation / Rehabilitation Equipment and Tools
9. Spill Response and Clean up Equipment
10. Additional equipment available as required or requested



Certification and Compliance:

Little Salmon General Contracting Inc. has a highly trained personnel, certified in accordance with the latest federal, provincial, territorial and local laws, thus ensuring that all work are in compliance with government regulations. We are a Safety Core company with Level I, Level II and Level III First Aid certification. We have, or have the ability to expediently obtain, all licenses to handle, transport and dispose of hazardous and toxic materials.

Little Salmon General Contracting, in a further measure to insure workplace health and safety, will be implementing mandatory drug and alcohol testing for all employees.

Little Salmon General Contracting Inc. goal is to play a major role in the areas of development and environmental remediation, and to carry out this development in a responsible manner. We are accountable to the customer, to the community and to the environment. This means timely communications and well defined progress reports to the customer, hiring locally, providing educational opportunities, involvement in the communities in whose regions we work, and construction procedures and practices that are in compliance with all government environmental regulations.

Our motto: **"Building today for tomorrow"** emphasizes our awareness and concern for the environment in which we live. We believe in order to maintain a healthy people and a healthy culture we must all ensure the environment remains healthy.

Safety

Our operations are planned and executed in accordance with the strictest safety standards in mind. Our personnel, are continually updating their safety-training.

Environment

Canadian regulations in regard to Environmental Protection are very stringent and we have extensive experience in this regard. We are committed to environmentally sound practices and have made it our policy to utilize the latest technology available. Our construction in environmentally sensitive areas (creeks and rivers) has also been very successful and we take pride in maintaining our excellent track record with all Environmental Agencies.



Budget: Pony Creek Adit Contaminated Materials Removal

CONTAMINATED MATERIALS REMOVAL Project	Description	Project Budget
Restoration – Pony Creek	Restoration: Pony Creek By Pass – Construct a temporary creek bypass with a 130 lineal meter pipe bypass to allow for safe Pony Creek remediation work. The bypass will be constructed with 600mil galvanized culvert and collars. Upon completion of the project the bypass materials will be the property of the Owner and can be used for future projects. (Value: \$15,000.00)	30,687.80
Remediation – Contaminated Soils	Remediation: The movement (loading, hauling and placement disposal) of materials from the existing site to a designated area at the Brown-McDade open pit. 6720 Cubic Meters of Materials Removal	175,728.00
Remediation – Buildings and Waste	Remediation: The movement (loading, hauling and placement disposal) of buildings and waste materials from the existing site to a designated area	9,998.00
Reclamation – Site Contouring	Reclamation – The contouring and grading of the site to conform to the existing natural land form	7650.00
Revegetation – Pony Creek Area	Revegetation – Seeding and harrowing of the project area with indigenous seed	4040.00
Rehabilitation – Pony Creek Riparian Zone	Rehabilitation – Planting of the area with local indigenous plant material (Approximately 2,000 pieces of plant material)	15,550.00
Reclamation Equipment & Tools		3250.00
Carmacks to Mt Nansen	Mobilization / Demobilization	18,835.00
BUDGET (GST NOT INCLUDED)		\$265,738.80

\$ 261,743

Note: Budget includes all labor / equipment / fuel & oil / food / mobilization costs to provide the services describe within the project proposal.

Does not include camp accommodation costs that are to be provided by the Owner at no charge.



Project Proponents:



Little Salmon General Contracting Inc. (LSGC) – General Contractor

Little Salmon General Contracting Inc. is a vibrant multi-disciplinary general construction company whose partners combine years of experience in the field together with solid management to provide value for dollar and a commitment to customer service and satisfaction.

Our partners' knowledge of northern operating conditions and experience in bringing complex projects in on time and on budget are unsurpassed. And our knowledge extends to knowing how to work with all groups, from multi-national corporations to First Nation communities to territorial and federal governments.

As full service general contractors, Little Salmon General Contracting Inc. offers a wide range of professional services including:

- small, medium and large-scale civil construction projects
- mine-site construction and reclamation
- environmental remediation
- erosion control
- hazardous waste disposal
- grassroots exploration
- general trucking
- expediting
- project management
- feasibility studies
- training
- development services

To each job, Little Salmon General Contracting Inc. brings a highly trained and certified staff; an extensive inventory of powerful, well maintained equipment; corporate experience and financial stability. We ensure each project is completed in a *safe, efficient and responsible* manner. We are on time and on budget.



Arctic Alpine Seed Ltd. – Sub Contractor – Reclamation Project Management / Site Supervisor

Indigenous Seed = Reclamation Solutions for Exploration/Mines/Oil Sands/Pipelines



Arctic Alpine Seed Ltd. (AASEED) is an international reclamation company specializing in providing the mining industry with environmentally appropriate and economical best practices. Since 1985, AASEED has specialized in the collection, development, production and installation of indigenous seed products for reclamation on circumpolar and international projects. With over twenty years of experience in mining reclamation, environmental preservation AASEED products ensure that their clients pass the highest environmental standards required by legislation or policies worldwide. AASEED provides reclamation and closure planning, revegetation site services, site evaluations, seed specifications and supply of site specific indigenous seed mixes for mining exploration, infrastructure development, tailings and waste rock site projects. To position your company at the leading edge of the mining reclamation industry, think first: Arctic Alpine Seed Ltd.

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Community Project Benefits:

- 1- The reduction of drainage and airborne contamination at the Mt Nansen Mine Site in the traditional territory of the Little Salmon Carmacks First Nation
- 2- Completion of the Reclamation of the Pony Creek Adit Area of the Mt Nansen Mine Site
- 3- Local Employment, training and economic development**
 - a. First Nation Development and Training
 - i. Equipment Operators
 1. Cat Tractor
 2. Excavator
 3. Dump Trucks
 4. Loader
 5. Bobcat
- 4- Reclamation Technician Training**
 - a. **“Traditional Knowledge “Best Practices for Mine Reclamation Management”**
 - b. Local economic development and training of local work forces
- 5- Demonstration of the current “Best Practices for Mine Reclamation Management”

Little Salmon General Contracting Inc. looks forward to discussing the project in detail with you at your earliest convenience

Contact Information:

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