



Ketza River Holdings Ltd.  
105C Platinum Road  
Whitehorse YT Y1A 5M3

September 27, 2011

Mr. Dickson,

**Re: Water Use Licence QZ10-026, Meeting Follow-Up**

On Friday September 23, 2011, a meeting was held at the Yukon Water Board to discuss the status of water use licence application QZ10-026 for care and maintenance of the Ketza River Mine. In attendance were Emma Dickson, Kristina Gardner, Jennifer Logan and myself. To ensure that everyone has a common understanding of what was discussed, I committed to summarizing the meeting in a letter.

The areas of discussion intentionally did not comment on the technical content of the submissions, but rather at the current state of the application package as a whole and the nature of the Water Board and licensing process. The following is a summary of the of conversation highlights:

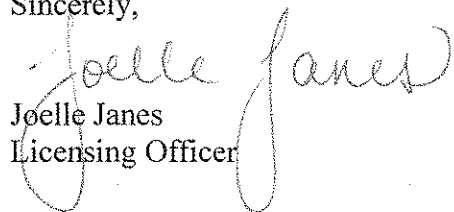
- 1) The Water Board quasi-judicial board that follows rules for natural justice and procedural fairness. All information submitted to the Board is public and maintained at the Water Board Secretariat on a public registry. A very important component of the licensing process is the active participation from other government agencies, first nations and any other concerned member of the community at the public comment stage. It is very important that the register for the water licence application is assembled and presented in an easy-to-follow, logical manner so that anyone can understand what is being proposed.
- 2) The current register is quite substantial in size (3 volumes) and includes the original YESAB submission, responses to YESAB information requests, as well as outdated information. It was also found that some documents were submitted more than once in the various submissions.

Responses to the Water Board Secretariat's request for more information that contain wording such as "the information contained in this addendum supersedes relevant information in the water licence..." are problematic for the Water Board's open and transparent process. It requires judgment and possible assumptions to be made by the reader. To streamline the review by all parties and avoid any misunderstandings, the application information should be presented as concise as possible. For example, it is not obvious as to how issues such as air quality and noise may relate to the water licensing process.

- 3) It is up to the Applicant to determine the best approach to provide a concise application that meets the needs outlined in items 1 and 2 of this letter. Options were discussed at the meeting, including updating the application to remove any conflicts, or consolidating all the relevant information into a water board application report. The solution should ensure that the locations of the answers to the questions posed in the application forms are referenced in the application forms themselves.
- 4) Due to the public nature of the Water Board's licensing process, it must be understood that confidential information cannot be accepted without stating a very good reason. Furthermore, all information submitted must be able to be relied on for the purposes of the water licensing process. Disclaimers stating that reports are only intended for use by their clients, must be accompanied by a letter from the author of the report authorizing their use by the Water Board.
- 5) Some questions that were asked by the Water Board Secretariat in the May 2010 letter (i.e. fuel storage and handling practices, and camp water use and deposit of waste) were responded to by indicating that approval and permitting were being done by another agency. The Water Board Secretariat explained that some activities are regulated under more than one act, and thus licensing of these activities may fall under the Board's jurisdiction.
- 6) The Water Board Secretariat is available to provide guidance on any aspect of the licensing process. Applicants are welcome to submit information for review and feedback by a licensing officer prior to finalizing documentation for formal submission to the Water Board.

If you have any questions, please feel free to contact me by phone at (867) 456-3981 or by email at [Joelle.Janes@gov.yk.ca](mailto:Joelle.Janes@gov.yk.ca).

Sincerely,

  
Joelle Janes  
Licensing Officer