



Consultation Summary Report
Main Access Road Decommissioning
Brewery Creek Mine site, Yukon Territory

October 2006

Prepared by

Access Consulting Group
Whitehorse, Yukon Territory



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1.0 Introduction

Future land use patterns are an important consideration for road reclamation since roads can be catalysts for desired and undesirable land use practices. This is an objective that is best established by the local First Nation and community rather than the mining company. This objective is consistent with Alexco Resource Corp.'s (Alexco) ongoing decommissioning activities for the Brewery Creek Mine located 55 km due east of Dawson City, Yukon (NTS map sheet 116 B/1 at latitude 64°02' north and longitude 138°15' west). The site is road accessible from Dawson City via a 26 km gravel road that connects to the Dempster Highway.

In accordance with Quartz Mining Licence (QML) A99-001 for the Brewery Creek Mine (Clause 17.9.2), Alexco facilitated a community based decision making process including the First Nations, Dawson City, and registered trap line holders for the purpose of determining long term access to the Brewery Creek mine site. The South Klondike River ditch road is a public road and maintained by the Government of Yukon (GY). Alexco maintains a 7 km section of gravel road from the ditch road at Lee Creek to the mine site. This section of access road was the subject of a community based decision making process which the company has used to plan for eventual closure of the access road. Access to the mine site for the purpose of post closure monitoring and maintenance will be required for a 15-year period.

Alexco conducted an Open House on July 20, 2006 to gain input from the above mentioned parties on the decommissioning of the main access road to the Brewery Creek Mine site. At the Open House information was provided on environmental and public safety improvements made at the Brewery Creek Mine Site as a result of decommissioning and reclamation activities that are currently taking place or have already been completed. Those attending the tour had the opportunity to view posters providing information on the site reclamation, an overview of the mine site, access road closure, heap leach pad detoxification, site infrastructure decommissioning and post closure monitoring. A map displaying an area overview of the Brewery Creek Mine Site was posted and was included in a tour feedback handout.

The information presented was used to assist user groups with providing a recommendation for final mine site access road closure. Appendix A provides the consultation materials that were used and available for review.

2.0 Road Decommissioning Details

Three road decommissioning options were presented to those attending the July tour. These options included:

1. Continue Access Road Maintenance;
2. Road Decommissioned to Minimal Use Trail, and
3. Road Completely Decommissioned.

To facilitate the partial or complete reclamation of the access road, scarification methods must be employed. Road scarification is the practice of loosening, or tilling, the soil on a road's surface with heavy equipment to render the road impassable by most vehicles. This practice is necessary in areas where the road surface has been compacted to the point where water and plant root structures have difficulty penetrating; therefore, the loosening of soil will allow for more rapid revegetation of the road surface.

It should be noted that there is currently a gate in place at the entrance to the Brewery Creek mine site. This gate will be used in conjunction with the options mentioned above to continue to restrict site access to the property. The gate will be left in place until reclamation measures are proven stable and inspected by GY, Dept. of Energy, Mines & Resources (GY EMR).

Option 1, continuous road maintenance, includes ongoing maintenance of the road surface to allow passage of full size vehicles. This option was indicated during the tour as well as within tour literature as requiring the maintenance of culverts and the road surface. This option would provide continued site access.

A minimal use trail, **Option 2**, can be described as providing minimal site access. For this option access to the site would be with a 4x4 truck or all terrain vehicle to travel the road. Option 2 includes the removal of culverts at the crossings and replacement with a rock lined ditch, and approximately 50% scarification of the road surface. This option allows partial revegetation of the roadway.

The complete decommissioning of the main access road, **Option 3**, will restrict any site access. This option's activities include scarification of the complete road surface, and the removal of all culverts. Complete revegetation of the entire roadway will occur with Option 3.

The main gate at the mine site would remain in place for all options to restrict immediate access to the site until its removal is authorized by GY EMR.

3.0 Consultation Tour Details

3.1 *Tour Attendee's*

Prior to the site tour, a number of invitations were sent out to various user groups. These groups included the City of Dawson City, the Tr'ondëk Hwëch'in First Nation, GY, and local trappers. Groups were invited to the site to tour the facility, to learn about the reclamation activities that are ongoing, to discuss information materials, and to ask questions. A lunch was provided to the groups. Those individuals attending the Open House were asked to fill out a visitor "Sign In Sheet". A dated copy of the "Sign In Sheet" can be found in Appendix A. The individuals who attended the Open House were as follows:

- Allan Rothwell (GY, Mineral Resources);
- Susan Parsons (Heritage Department, Tr'ondëk Hwëch'in Government);
- Paul Blanchard (Tr'ondëk Hwëch'in First Nation);
- Marta Selassie (Lands and Resources Department, Tr'ondëk Hwëch'in Government);
- J.J. Van Bibber (Elder, Tr'ondëk Hwëch'in First Nation);
- Mike Stammers (NovaGold Resources Inc.);
- Sylvain Montrevil (trapper, Lee Creek).

Alexco personnel Sam Wallingham and Dan Cornett provided the site tour.

3.2 *Information Presented at Open House*

3.1.1 *Poster Presentation*

Six posters were presented for public viewing during the Open House. The poster topics covered various on-site reclamation activities at the Brewery Creek Mine. Aerial imagery was included in many posters to show the extent of features and their impact on surroundings.

An introductory poster entitled "*Brewery Creek Mine Site Overview*" (Appendix A) gave information on what type of mine was operating at Brewery Creek, the date for the granting of the site's Type "A" Water Use License, the year the mine was commissioned, the period of mining operations, how much ore and overburden was mined, the time period for heap processing and gold recovery, the production to date, and the period for reclamation and closure. The poster also mentioned that reclamation monitoring will be ongoing, and that there was a renewed exploration program from 2005-2006. The "*Brewery Creek Mine Site Overview*" poster included a map showing the location of the site within the Yukon Territory, a smaller scale map showing its

position relative to Dempster Corner, and a labelled oblique aerial photograph of the mine site showing various sites and facilities of interest.

The poster on “*Site Reclamation*” (Appendix A) outlined the approximate extent of disturbed area created from 1997 to 2001. The total disturbed area was divided amongst heap, facilities, pits and dumps, and haul roads. Information was also presented on areas reclaimed and reseeded through 2002, and area reclaimed through 2002-2004. Final values were presented to the public on total area reclaimed and the net disturbed area at closure. A diagram was provided on the Blue Waste Rock Storage Area (BWRSA) cover. Photos were included to show the BWRSA, the Kokanee site, the Canadian site, and the Lower and Upper Fosters sites.

A poster describing the options for “*Access Road Closure*” (Appendix A) provided an aerial image of the main access road, as well as a description of the three options being reviewed at the open house. This poster provided information on the maintenance necessary for the road to remain open. The three options presented on the poster were: continued access to road maintenance, the decommissioning of the road to a minimal use trail, and the complete decommissioning of the road. Bullets were included under each choice describing details for the option. Details included direct and indirect effects resulting from the option.

The poster entitled “*Heap Leach Pad Detoxification*” (Appendix A) presented a photo of the heap storage and release soil cover and construction, and graphs of heap effluent water quality. In the graphs, monthly concentrations were given for mercury and cyanide for the years of 2002 and 2003. An aerial photograph was included on this poster showing key detoxification locations at the Brewery Creek Mine Site. Locations that were indicated include the process ponds, the emergency overflow pond, the acid rock drainage (ARD) plant, the containment dyke, and the leach pad cells.

A diagram was also included to show the Brewery Creek Leach Pad cover design. This diagram indicated to the reader the position of the spent ore relative to the liner system. Vegetation and the storage and release soil cover layer were also indicated on the diagram. The liner system showed the solution collection pipes relative to the geotextile cloth and liner layers. To compliment the above mentioned diagram, an aerial photo was included to show the heap reclamation in its current covered and detoxified state.

A poster entitled “*Site Infrastructure*” (Appendix A) gave completion dates for the closure activities associated with existing on-site buildings (with the exception of the administrative building), on-site facilities, removal of haul road drainage crossings, leach pad dyke breach, overflow pond liner removal, access road closure community consultation, reclamation maintenance, completion of remaining revegetation, construction of a biological treatment cell and reclamation monitoring. Photographs were also included on the poster to show the ARD plant location before and after

the removal of the plant. Other photos showed the overflow pond and liner, the biological treatment cell, culvert removal, waste rock dump revegetation maintenance, and an individual performing ongoing monitoring at the Brewery Creek Site.

The poster entitled “*Post Closure Monitoring*” (Appendix A) describes the monitoring program in use at the time of the Open House. Aspects of the monitoring program mentioned on the poster included surface water quality, groundwater quality, pit water, heap effluent, stream sediment, benthic invertebrates, geotechnical inspection, and revegetation monitoring. A map was included in the layout showing the locations for all the sample sites on the Brewery Creek Mine site. A table was included indicating the compliance standards for effluent treatment and land application. Photos displayed on the poster showed benthic invertebrate sampling, water quality monitoring, and revegetation monitoring activities.

3.1.2 Maps

During the Open House, those attending had the opportunity to view a 47” x 33”, 1:150,000 scaled overview map of the Brewery Creek Mine Site (Appendix A). The map indicated the locations of the mine site, surveyed mineral and quartz claims in the region, and the Tombstone Territorial Park Special Management Area. The North Fork Road and Brewery Creek Main access road were shown and labelled clearly. Both surveyed and unsurveyed First Nation settlement lands and the parcels within First Nation settlement lands were also indicated. The wall map described above was also inserted into the “*Brewery Creek Mine Access Road Closure Handout*” (Appendix A).

3.1.3 Newsletter and Comments Handout

A newsletter and comments handout was distributed to the attendees at the Open House in order to collect their responses to the three options for decommissioning the main access road. Individuals could take the newsletter home to record their comments and return the form by mail or following the tour.

The handout title page described each of the three options presented at the Open House. An aerial photograph of the access road to be decommissioned was also displayed on the title page. Inside the cover, a replica of the wall map described in previous sections is presented to show the region and access road. The final page of the handout had an area to record comments pertaining to the access road decommissioning. Below the comments section was contact information for those who had additional comments for Alexco’s proposed plans at the Brewery Creek Mine. Company contact information was provided. Participants were encouraged to provide comments.

4.0 Public Feedback

Those attending the Brewery Creek Mine site main access road decommissioning consultation tour were encouraged to respond to the three presented options in writing. A comments section with contact information was included in a handout (Appendix A).

Letters were received from Ed Kormendy (Lands and Resources Department, Tr'ondëk Hwëch'in Government) and Erin Petroukas (resident living on North Folk Road).

The letter received from Ed Kormendy can be found in Appendix A. The letter states that the Tr'ondëk Hwëch'in Chief and Council have reviewed the options presented and find Option 2, partial decommissioning to a minimal use trail, to be most appealing to the First Nation. However, we do understand that the First Nation is still considering the need for a site access gate.

The letter received from Erin Petroukas can also be found in Appendix A. The letter supports Option 1, continued access road maintenance. Ms. Petroukas states in her letter that the road follows an "historic" ditch relating to an old dam in the area, and states that the road could be used as a fire break should the mine site be reopened at some future date. For clarification, the main GY portion of the road follows an "historic" ditch while the Brewery Creek portion of the access road does not follow the ditch after the first ~500 meters.

It should also be noted that a verbal comment of support for option 2 came from a local trapper named Sylvain Montrevil of Lee Creek.

5.0 Conclusions

The second of three options presented during the Open House, involving the decommissioning of the main access road to a minimal use trail, will allow Alexco personnel to continue to conduct long term monitoring activities at the site without fully decommissioning the entire road.

There were three responses to the July 20, 2006 Open House / Public Consultation. Two responses were in support of Option 2, and one was in support of Option 1.

Alexco has concluded that based on the public consultation activities during the Open House, Option 2 would be most appropriate for the decommissioning of the main access road. This decision was made taking into consideration the local community's concern for public health and safety, and any environmental impacts associated with leaving the road in place, the condition of road culverts, the stability of reclamation measures on site, and site monitoring associated with

the main access road. Option 2 allows Alexco to continue monitoring and site activities as well as future exploration and also is supported by the majority of the respondents to the Open House.

Appendix A

Open House Consultation Material

Contents:

1. Main Access Road Decommissioning Tour Attendee Sign-In Sheet
2. Wall Posters used in Open House:
 - a. Brewery Creek Mine Site Overview
 - b. Site Reclamation
 - c. Access Road Closure
 - d. Heap Leach Pad Detoxification
 - e. Site Infrastructure
 - f. Post Closure Monitoring
3. Wall Map used in Open House
4. Brewery Creek Main Access Road Decommissioning Newsletter / Comments Handout used in Open House
5. Letters of Response:
 - a. Erin Petroukas - Letter of support for option 1
 - b. Ed Kormendy - Letter of support for option 2

**Main Access Road Decommissioning
Tour Attendee Sign-In Sheet**



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BREWERY CREEK MINE - OPEN HOUSE

OPEN HOUSE
VISITOR SIGN-IN

July 20/06

Name	Affiliation/Address
ALLAN ROTHWELL	YTG, MINERAL RESOURCES
SUSAN PARSONS	TRONDËK Hwëch'in HERITAGE
Paul Blamhard	T.H.
Marta Selasnit	Trondëk Hwëch'in Lands
J.J. VanBibber	Trondëk Hwëch'in Elden.
MIKE STAMMERS	NORAD GOLD RESOURCES INC.
SYLVAIN Montreuil	Lee CREEK

Wall Posters used in Open House



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Brewery Creek Mine Site Overview

- Open Pit, Heap Leach Gold Mine
- Type A Water Use Licence QZ94-003 granted August 1995 (amended QZ96-007)
- Mine commissioned in 1996
- Active mining operations 1996 – 2000. Total of 9.5 mt ore mined and 14.7 mt overburden
- Heap processing and gold recovery 1996 – 2002

- Production of ~280,000 ounces Au to date
- Reclamation and Closure 2002-present
- Ongoing reclamation monitoring
- Renewed exploration program 2005 - 2006





ALEXCO

Approximate Disturbed Area 1997-2001: ~300 ha

Comprising:

Heap ~30 ha

Facilities ~25 ha

Pits & Dumps ~200 ha

Haul Roads ~35 ha

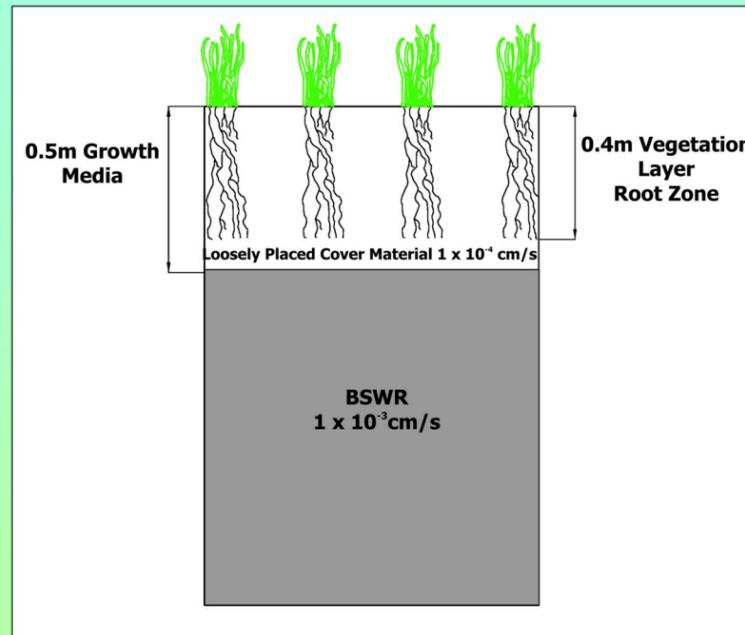
Reclaimed & Reseeded through 2002, ~75 ha

Reclamation through 2003, ~90 ha

Reclamation in 2004, ~25 ha

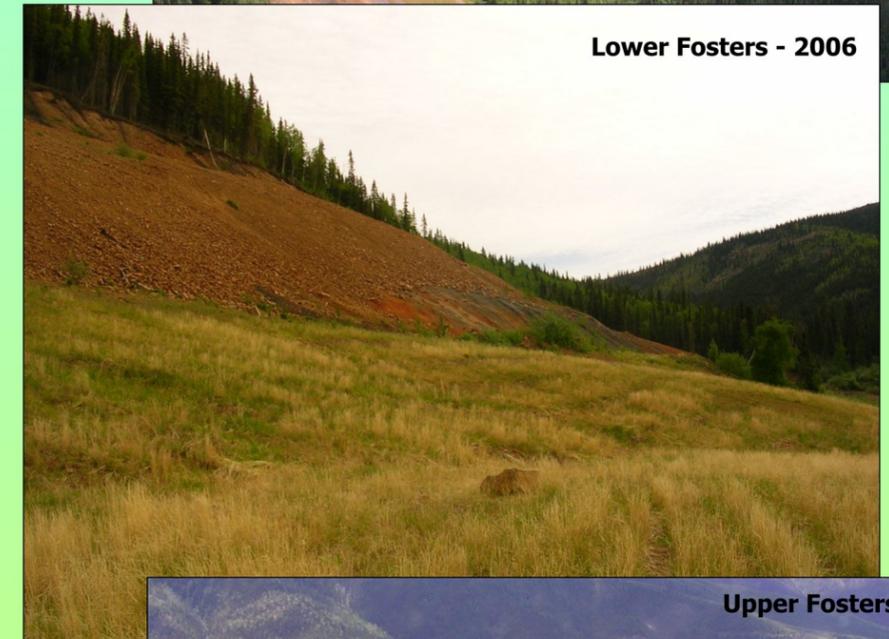
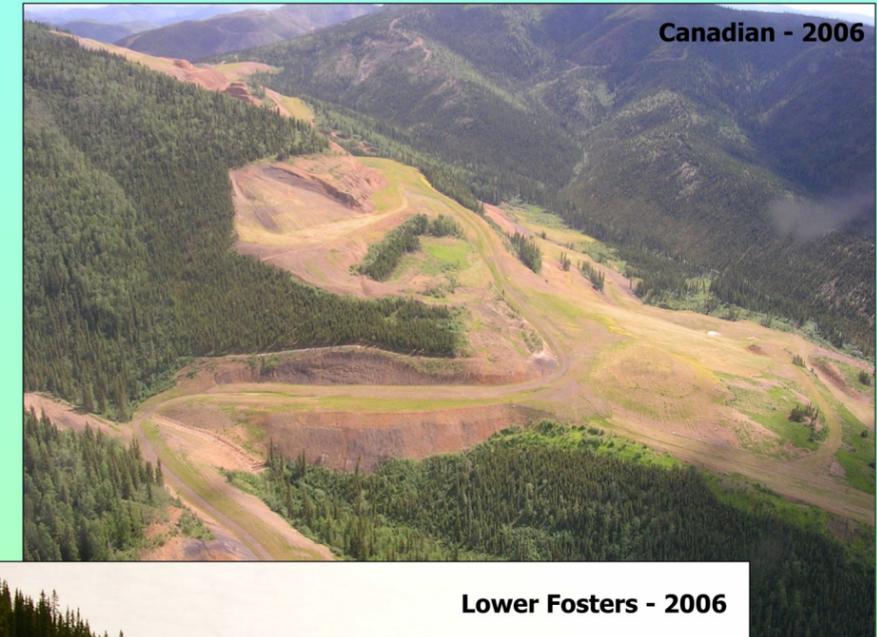
Total Reclaimed Area: ~200

Net Disturbed Area at Closure: ~100 ha



Blue Waste Rock Storage Area Cover Design

Site Reclamation





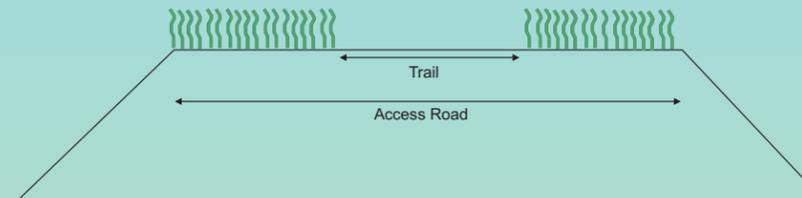
ALEXCO

Access Road Closure

Options:

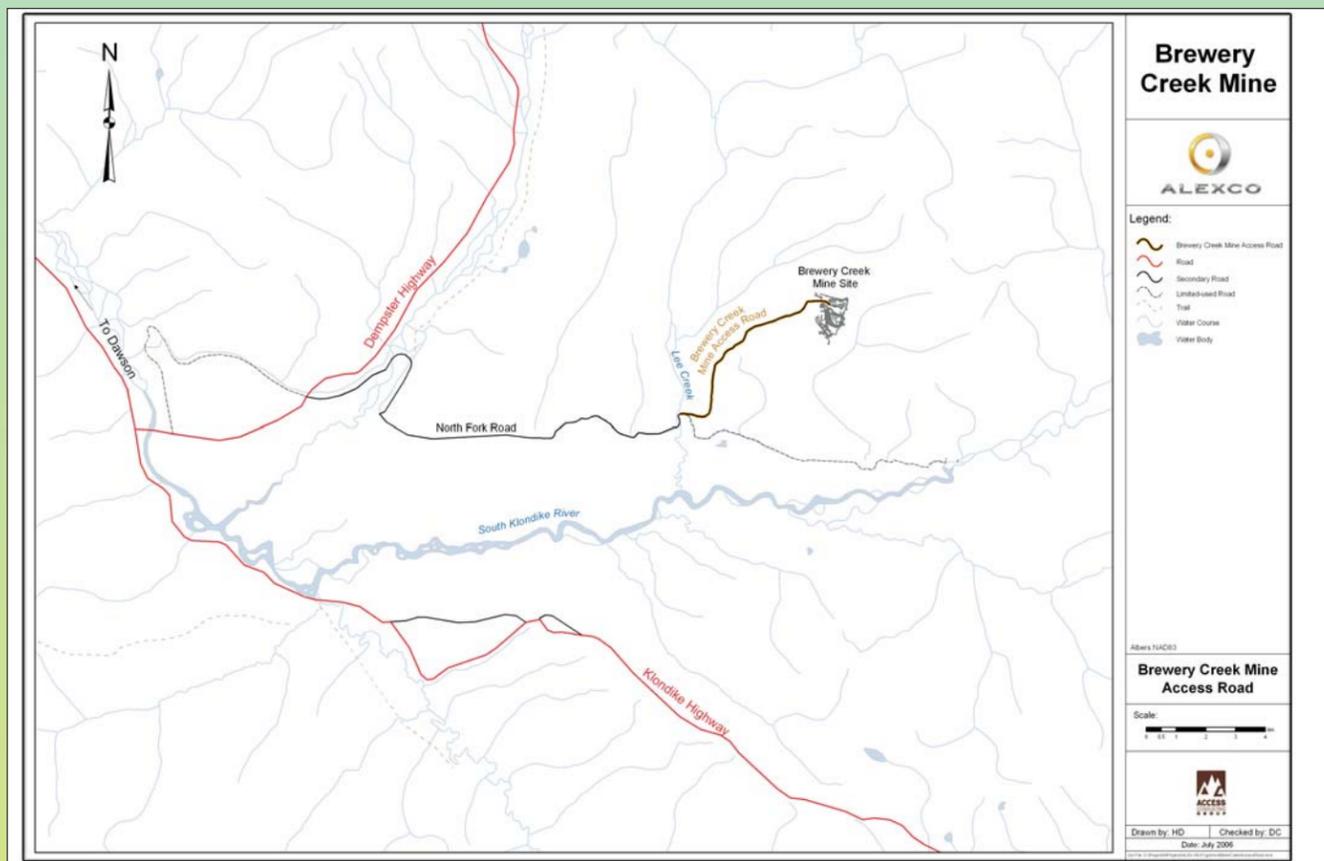
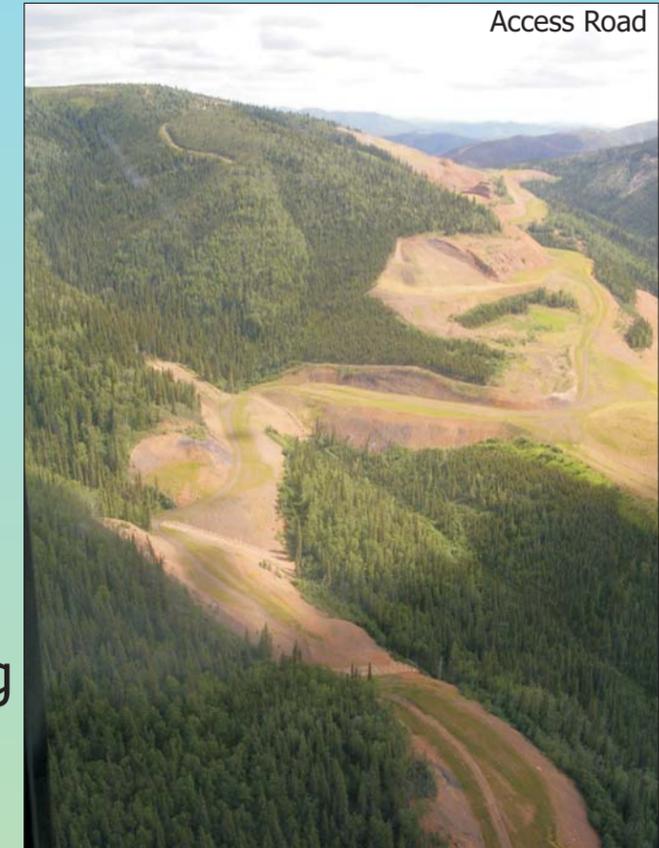
1. Continue Access Road Maintenance

- Maintain road surface and culverts
- Allows continued site access



2. Road Decommissioned to Minimal Use Trail

- Remove culverts and replace with trail crossing
- Scarify 50% of surface and revegetate
- Provides for minimum site access



3. Road Completely Decommissioned

- Completely remove culverts
- Scarify entire road surface
- Revegetate
- Restricts any site access



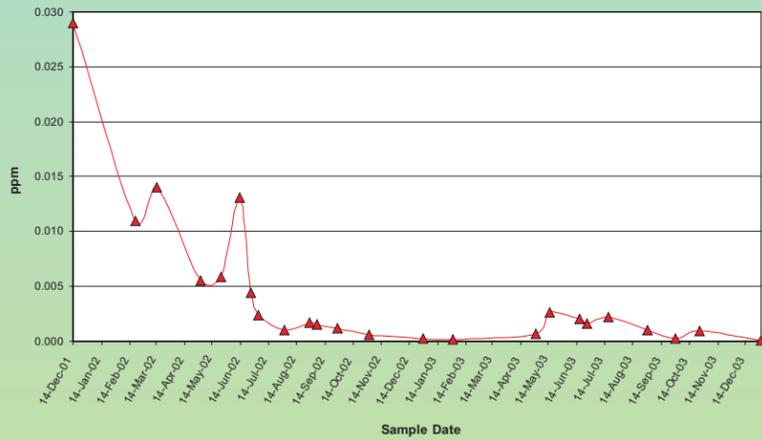
ALEXCO

Heap Leach Pad Detoxification



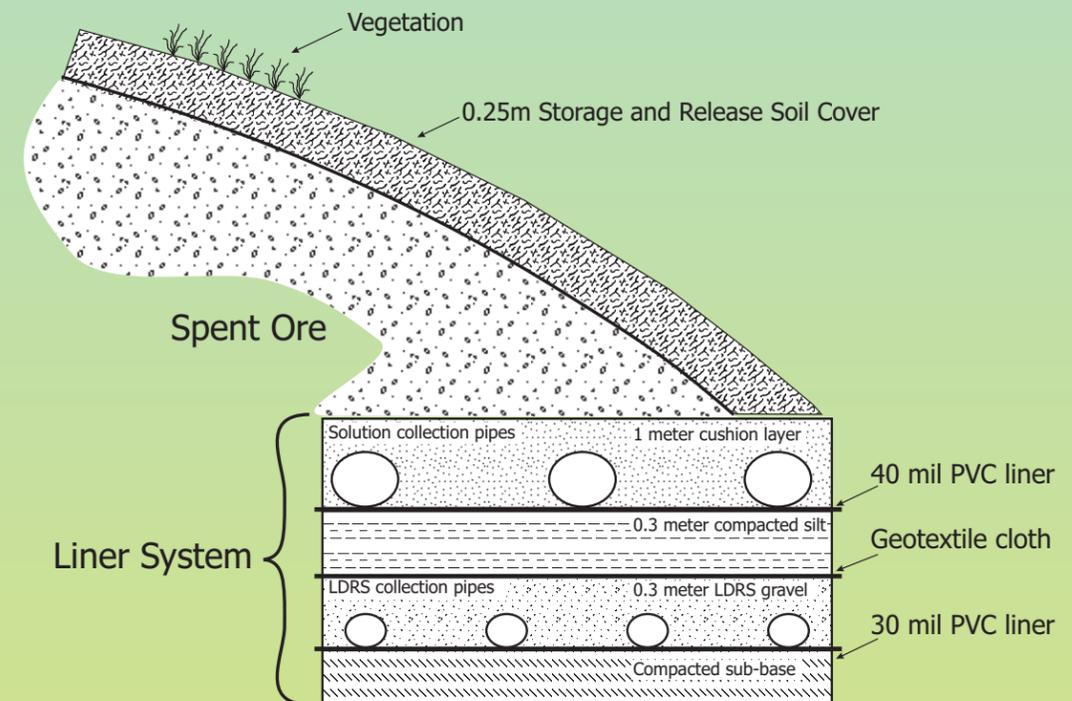
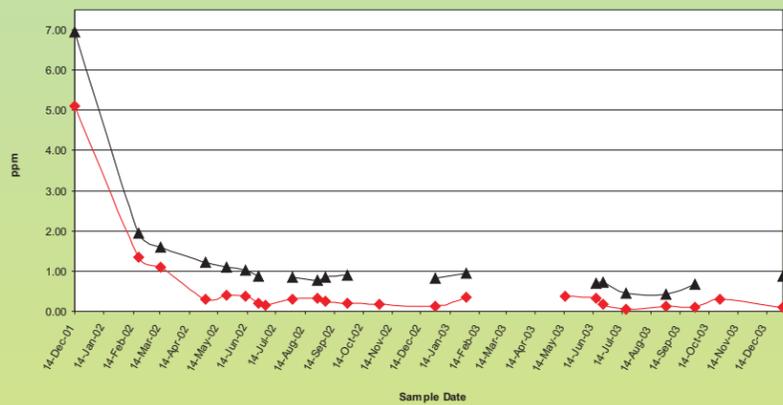
Heap Effluent Water Quality

▲ Mercury T-Hg

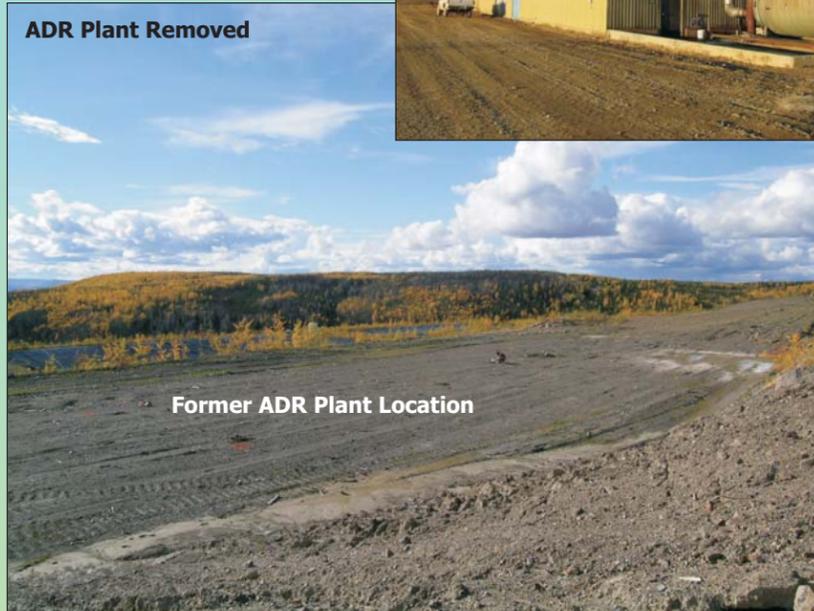
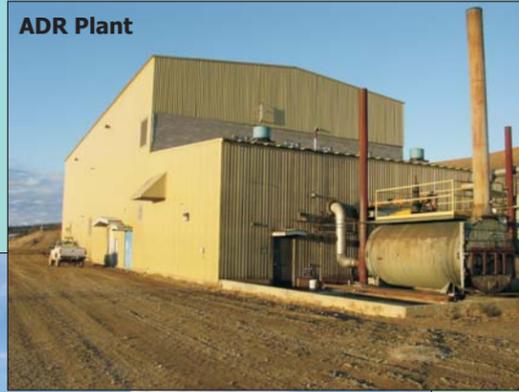


Heap Effluent Water Quality

▲ Total Cyanide CN ● WAD Cyanide CN



Brewery Creek Leach Pad Liner Design with Cover



Remaining Closure Tasks

- Removal of haul road drainage crossings **Completed 2004**
- Dismantle buildings and facilities (except Administrative Building) **Completed 2004**
- Leach pad dike breach **future date**
- Removal of overflow pond liner **future date**
- Access road closure - community consultation **2006**
- Reclamation maintenance **Ongoing**
- Complete remaining revegetation **2005**
- Construct biological treatment cell **2005**
- Reclamation monitoring **Ongoing**



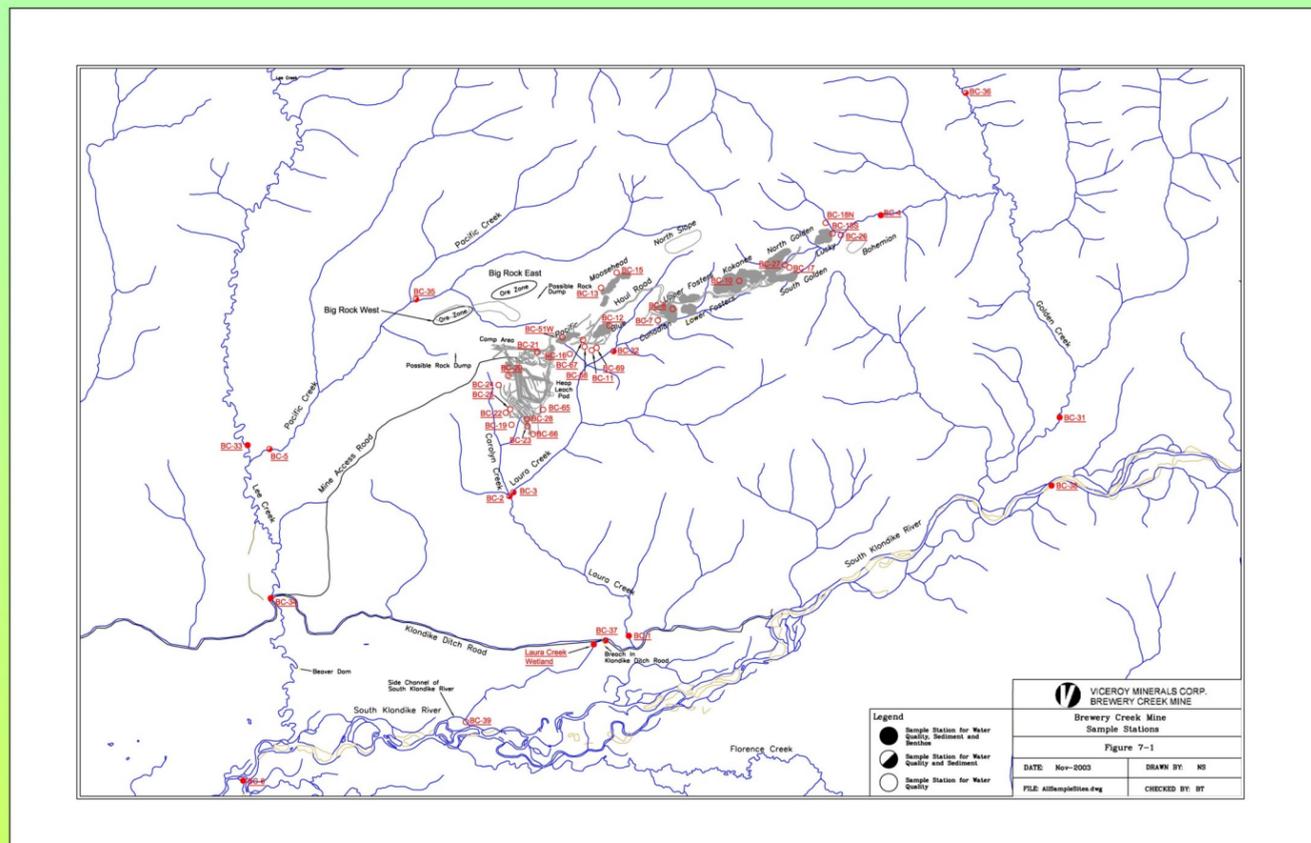
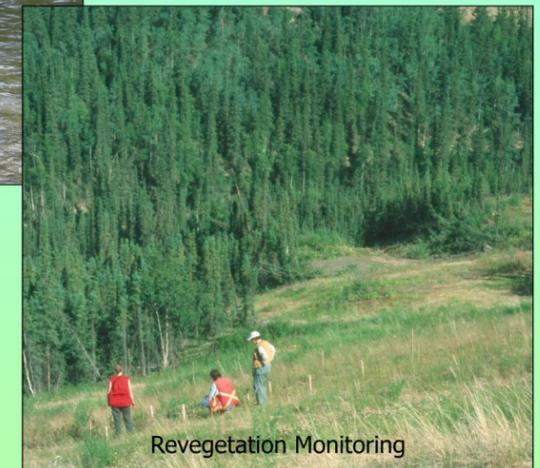
Post Closure Monitoring



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Monitoring Program

- Surface Water Quality
- Groundwater Quality
- Pit Water
- Heap Effluent
- Stream Sediment
- Benthic Invertebrates
- Geotechnical Inspection
- Revegetation Monitoring



Compliance Standards for Effluent Treatment and Land Application

PARAMETER	LAND APPLICATION mg/l	DIRECT RELEASE TO LAURA CREEK mg/l
WAD CN	0.125	0.25
Total CN	1.0	2.0
Ammonia (as N)	7.5	15.0
Copper	0.1	0.5
Arsenic	0.25	0.5
Antimony	0.5	1.0
Mercury	0.0025	0.005
Zinc	0.25	0.5
Selenium	0.3	0.75
Lead	0.1	0.2
Aluminum	3.0	1.0
Bismuth	0.25	0.5
Cadmium	0.05	0.1
Chromium	0.25	0.5
Iron	5.0	1.0
Manganese	6.0	2.0
Molybdenum	0.25	0.5
Nickel	0.25	0.8
Silver	0.05	0.1

Wall Map used in Open House

Brewery Creek Mine



Legend:

- Road
- Secondary Road
- Limited-used Road
- Trail
- Contour
- Water Course
- Brewery Creek Mine Access Road
- First Nation Settlement Land
- First Nation Settlement Land (Unsurveyed)
- Parcels within Settlement Lands
- Brewery Creek Mine Quartz Claims
- Surveyed Mineral Claim
- Other Mineral Claim
- Cadastral
- Special Management Area
- Water Body

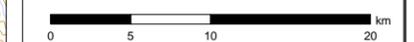
First Nations Traditional Territory Border

- First Nation of Nacho Nyak Dun
- Selkirk First Nation
- Trondëk Hwëch'in First Nation

Albers NAD83

Area Overview

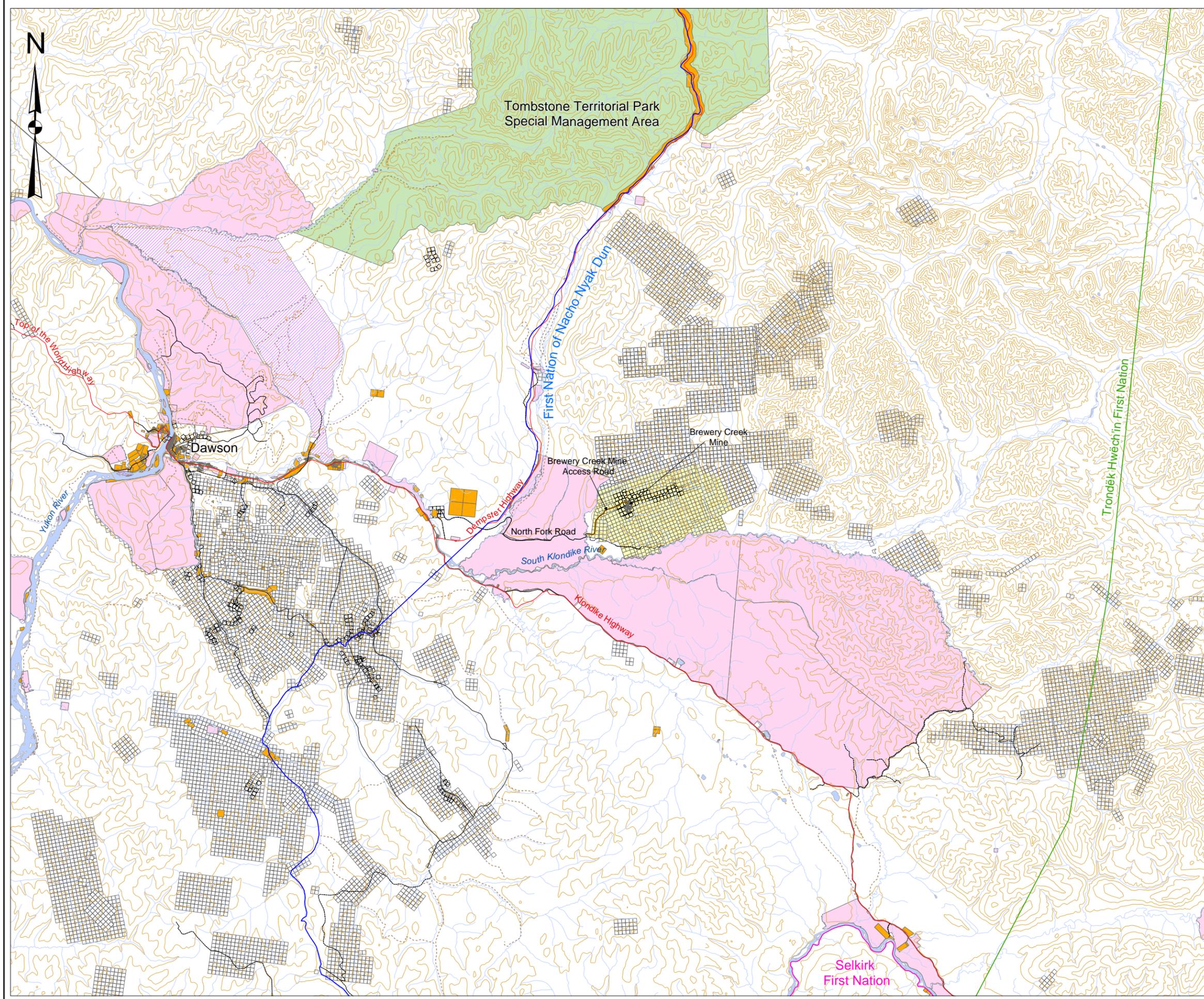
Scale: 1:150,000



Drawn by: HD | Checked by: DC

Date: July 2006

Our File: D:\Project\AllProjects\ALEX-05-01\gis\mxd\BrewCreek\BrewCrOverview.mxd



**Brewery Creek Main Access Road Decommissioning
Newsletter / Comments Handout used in Open House**

Brewery Creek Mine

July 2006



Access Road Closure

Options:

1. Continue Access Road Maintenance

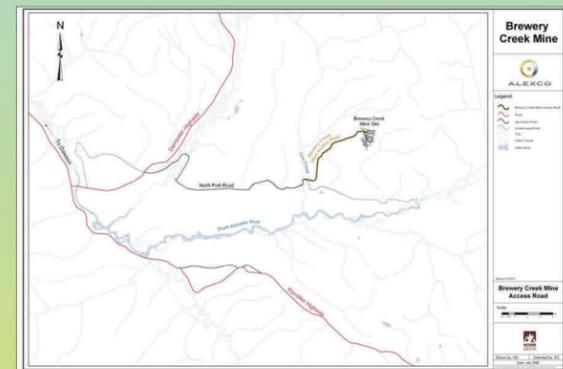
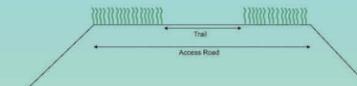
- Maintain road surface and culverts
- Allows continued site access

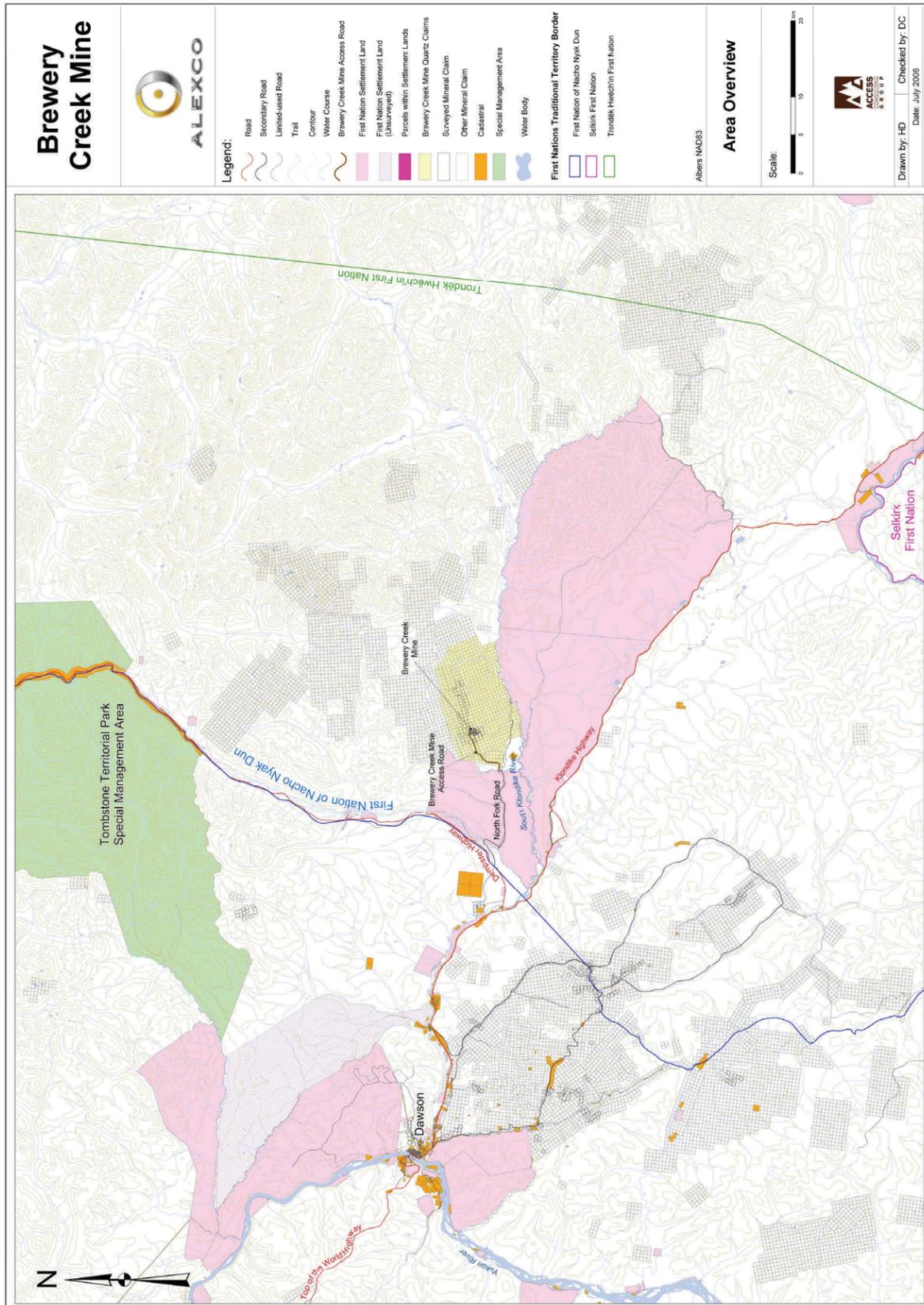
2. Road Decommissioned to Minimal Use Trail

- Remove culverts and replace with trail crossing
- Scarify 50% of surface and revegetate
- Provides for minimum site access

3. Road Completely Decommissioned

- Completely remove culverts
- Scarify entire road surface
- Revegetate
- Restricts any site access





BREWERY CREEK MINE

ACCESS ROAD DECOMMISSIONING COMMENTS

We would like to hear from you about the Brewery Creek Mine, Main Access Road Closure. If you wish, please take a few minutes to provide comments to us.

Comments

Name (optional):	
Address (optional):	

IF YOU HAVE ANY QUESTIONS RELATED TO ALEXCO RESOURCES CORP.'S PROPOSED PLANS AT BREWERY CREEK MINE, WE INVITE YOU TO CONTACT:

Sam Wallingham
 Alexco Resource Corp.
 Tel: (604) 630-4968
 Email: swalling@northwestel.net

Dan Cornett
 Access Consulting Group
 Tel: (867) 668-6463
 Email: dan@accessconsulting.ca

Thank you for providing your comments. Please mail the form directly to Sam Wallingham, Alexco Resource Corp., 2300-200 Granville Street, Vancouver, BC V6C 1S4 or fax it to (604) 633-4887 Attention: Sam Wallingham.

Letters of Response



TR'ONDËK HWËCH'IN GOVERNMENT

Department of Land & Resources, P.O. Box 599, Dawson City, Yukon, Y0B 1G0 Phone: (867) 993-6937

September 11, 2006

Alexco Resource Corp.
2300-200 Granville Street
Vancouver, BC
V6C 1S4

Attention: Sam Wallingham

Re: Access Road Decommissioning

Tr'ondëk Hwëch'in Chief and Council have reviewed the options presented regarding the future of the Brewery Creek Mine access road. Option two, partial decommissioning to a minimal use trail, is the most appealing option for the First Nation.

We thank you for considering our preference and appreciate the acceptance of our late submission. Please contact Marta Selassie at (867) 993-7105 or at marta.selassie@gov.trondek.com if you have any questions or concerns.

Sincerely,

Ed Kormendy
Director, Lands and Resources

Tr'ondëk Hwëch'in Belief Statement

Our belief is that the Tr'ondëk Hwëch'in Nation will continue to preserve our identity and to exercise our inherent rights with equality, understanding and well being in an environment of trust, respect, honesty and open communication.

JUNE 20th / 2006

My name is Erini Petroukas I would like to make a statement as a prospective resident of the North Fork road. I feel the road should be left in. It is a perfectly good road if navigated properly + I don't believe there has been any accidents on it.

A lot of people perhaps would like to see this road as it follows a historic ditch showing mans previous ingenuity of installing a hydro dam + ViceRoy's job of reclaiming a mining site.

Also while there is interest in Brewery Creeks future it would make sense to keep the road - a Fire Break open. Maintenance on that road is minimal + if in the future I live off Lee Creek somewhere I would even invest a certain amount myself towards its upkeep. As it has been the graders from the Dempster Highway crew have been doing a great job with the once a year maintenance, Thats all I'd like to say thank you for paying attention

