



ALEXCO

November 21, 2010

Mr. Tim Smith
Manager, Mining Lands, Gov' . Of Yukon
Energy, Mines and Resources
P.O. Box 2703
Whitehorse, Yukon
Y1A 2CC

RE: QML 0009, Alexco Bellekeno Mine, Annual Underground Infrastructure Inspection

An annual inspection was completed November 20th, 2010 of the Bellekeno Underground Mine located approximately 3 km east of Keno City, Yukon.

As Stated in Alexco's QML 009 license and in compliance to sections 14.1 and 14.2, this report is being submitted as compliance to the Licensee conditions.

Summary:

The mine and associated infrastructure was inspected by Senior Mining Engineer (P.Eng) Robert Baldwin and Yukon P.Eng stamped by Mine Manager, Scott Smith.

The mine and infrastructure was found to be in good condition and requires no immediate remedial action. Attached is a table of the inspected workings (**Table 1**) and qualitative ratings per area. Also attached is a PDF plan map (**Figure 1**) of the Bellekeno underground asbuilt for location reference.

The surface structures noted in the QML (e.g. waste rock disposal facilities, DSTF, etc.) have not yet been constructed, therefore this first Annual Physical Inspection report is limited to underground structures.

Please call if you have questions or comments regarding the content this report.

Sincerely;

Tim Hall
General Manager, Alexco Resource Corp, Keno Hill Mines

Signed:  Scott Smith, P.Eng
Scott Smith, Yukon P.Eng and Mine Manager, Alexco Resource Corp.

Cc:
Alexco Corp Office
Access Mining and Consulting, subsidiary Alexco Resource Corp
C. Nauman, B. Thrall, R. McIntyre, J. Harrington, S. Davidson
Dennis Buyck, Mngr NND Lands Branch, landsmanager@nndfn.com
Kurt Dieckmann, Chief Mine Inspector YT WCB. Kurt.Dieckmann@gov.yk.ca

Head Office

T. 604 633 4888

Alexco Resource Corp.
200 Granville Street
Suite 1150
Vancouver, BC V6C 1S4

Bellekeno Project
Elsa, Yukon
T. 867.995.3113

Table 1: Inspected Areas and Qualitative Ratings

License: QML009

Physical Inspection Report: Alexco Bellekeno Mine

Main Haulage and Underground Infrastructure Inspection

Heading Name	Date	Engineer	Ground Conditions	Ground Support	Status	Action? (and/or Comments)
625 Portal to Tail Drift	20-Nov-10	RB	Good	Good	OK	None
49 Vein Splay drift	20-Nov-10	RB	Good	None	OK	Rope Off
48 Vein Splay drift	20-Nov-10	RB	Good	Good	OK	None
600 Tail Drift	20-Nov-10	RB	Good	Good	OK	None
600 North	20-Nov-10	RB	Good	Good	OK	None
Old Shop	20-Nov-10	RB	Good	Good	OK	None
600 Incline	20-Nov-10	RB	Good	Good	OK	None
Main Ramp (old shop to 99-800 Ramp)	20-Nov-10	RB	Good	Good	OK	None
99-800 Ramp to 800 Sump	20-Nov-10	RB	Fair	Good	OK	None
750 Flats	20-Nov-10	RB	Good	Good	OK	None
SW Main Ramp	20-Nov-10	RB	Fair	Good	OK	None
SW Main Vent Raise	20-Nov-10	RB	Good	Good	OK	None
Central Incline	20-Nov-10	RB	Good	Good	OK	None
SW 630 Vent Raise	20-Nov-10	RB	Fair	Good	OK	None
Central Decline	20-Nov-10	RB	Good	Good	OK	None
800 Vent Raise & Escapeway	20-Nov-10	RB	Good	None	OK	None
600 South	20-Nov-10	RB	Fair	Good	OK	Old Timber support
600 Bypass	20-Nov-10	RB	Good	Good	OK	None
600 Bypass (timber area)	20-Nov-10	RB	Poor	Good	OK	None
BK East Decline	20-Nov-10	RB	Good	Good	OK	None
BK 625 Sump	20-Nov-10	RB	Good	Good	OK	None
BKE Dirty Water Sump	20-Nov-10	TH	Good	Good	OK	None
BKE Clean Water Sump	20-Nov-10	TH	Good	Good	OK	None
BK 800 Dirty Sump	20-Nov-10	TH	Good	Fair	OK	Dated ground support
BK 800 Clean Sump	20-Nov-10	TH	Good	Fair	OK	Dated ground support
BK 625 Treatment Ponds	20-Nov-10	TH	Good	Good	OK	None

Stamped:
 Scott Smith, Mine Manager, Alexco Resource Corp
 P. Eng Mining Engineer, BC and Yukon
 P. Eng Certification Number:
 Expire Date:



*The rating system is calibrated on Excellent, Good, Fair and Poor. With Excellent as best and poor as needing scheduled remediation

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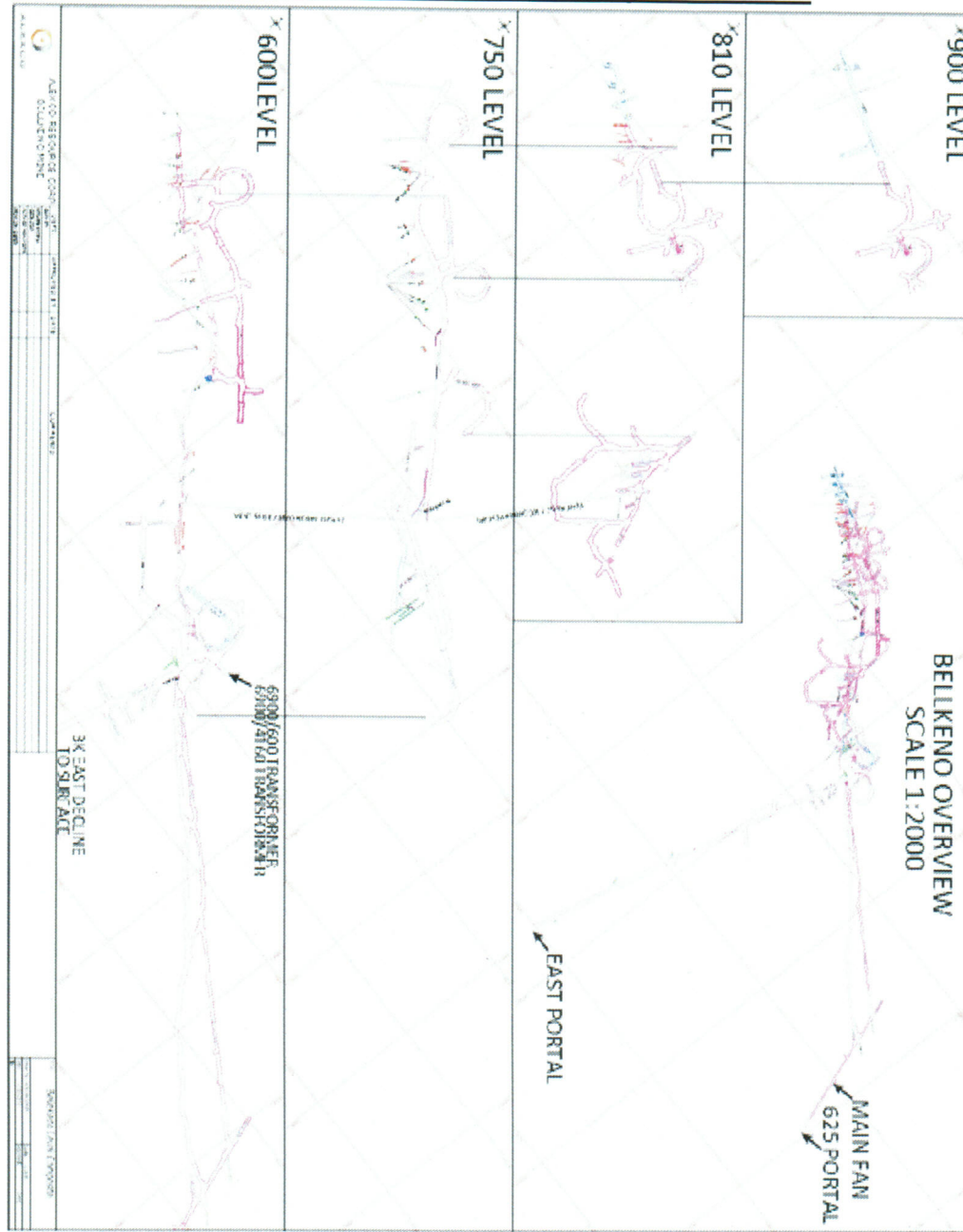
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Figure 1; Plan View of the Bellekeno Mine Underground Asbuilt



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