



Energy, Mines and Resources  
Box 2703, Whitehorse, Yukon Y1A 2C6

August 12<sup>th</sup>, 2010

Pamela O'Hara  
VP Environment and Community Affairs  
Yukon Zinc Corporation  
701 – 475 Howe Street  
Vancouver, BC  
V6C 2B3

Dear Pamela:

**Re: Approval of Wolverine Project Tailings Facility Operation, Maintenance and Surveillance Manual Version 2010-01**

Pursuant to Section 13.3 of Quartz Mining License QML-0006 (the "License") for the Wolverine Project, a "*Tailings and Infrastructure Design and Construction Plan Version 2009-02*" was submitted and subsequently approved on March 20<sup>th</sup>, 2009. Condition 2 of the March 20<sup>th</sup> approval stipulated that a detailed operations, maintenance and surveillance manual for the tailings facility be submitted to the Chief for review and approval prior to the deposit of any tailings into the tailings impoundment area. Pursuant to this condition, a manual entitled "*Wolverine Project Tailings Facility Operation, Maintenance and Surveillance Manual Version 2010-01*" (the "Manual") has been submitted. This Manual, dated July 16<sup>th</sup>, 2010, has been prepared by Yukon Zinc Corporation.

I have reviewed the Manual and have determined that it is approved subject to the following conditions:

1. This Manual shall be amended as the result of practical operational experience or where any additional monitoring or operational modifications are recommended in the annual physical inspection report required pursuant to Section 10.0 of the License; and
2. All amended Manuals shall be included in the annual report for that reporting year as required pursuant to Section 10.5 of the License.

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Neither I nor the Yukon Government makes any representations or warranties as to the sufficiency or adequacy of the plans or designs described in the Manual. Further, you are reminded that the approval of the Chief pertains only to the Chief's responsibilities under the *Quartz Mining Act* and that for greater certainty, nothing in this approval limits the applicable federal or territorial laws, including the *Operational Health and Safety Act* and related regulations.

Schedule C of the License has been revised to reflect this approved Manual as an addendum to the Tailings and Infrastructure Design and Construction Plan. An updated Schedule C is attached to this letter and replaces any previous version.

Please do not hesitate to contact me at (867) 667-3126 if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Holmes', written in a cursive style.

Robert Holmes  
Director, Mineral Resources

cc: Greg Komaromi, Assistant Deputy Minister of Oil, Gas and Mineral Resources  
Kevin McDonnell, Director, Water Resources  
Terry Anderson, Natural Resources Officer, Whitehorse