



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

February 3, 2015

Mr Jing Yu Lu
Chief Operating Officer
Yukon Zinc Corporation
#410-700 West Pender Street
Vancouver, BC V6C 1G8

Dear Mr. Lu,

**Re: Environmental Risk Assessment, Temporary Closure - Quartz Mining License
QML-0006**

In light of the recent notification to my office that the Wolverine Mine is now in a state of temporary closure, the Government of Yukon believes it would be prudent for it to immediately conduct an independent environmental risk assessment of the Wolverine minesite. The results of the assessment will be shared with Yukon Zinc.

It is Yukon's view that the assessment will assist both government and Yukon Zinc in identifying issues that may pose environmental risk in the short term and if the temporary closure period turns out to be a lengthy one. It should also help identify what actions may need to be taken and when to reduce environmental risk in a timely and cost effective manner.

We will be selecting our third party contractor to carry out the work in the next two weeks. At this time, I am asking for your cooperation in carrying out this work by ensuring that the selected contractor can access the expertise and experience of your key site officials and any critical information the contractor may need. For example, water balance reporting and water quality data will be required.

I appreciate your assistance in helping Yukon carry out this work. I will be in touch with you once we have determined our contractor and will share with you the terms of reference for their work once it is finalized.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Holmes".

Robert Holmes
Director Mineral Resources

cc: Robin McCall, Environmental Superintendent, Yukon Zinc Corporation
Justin Hooper, Natural Resources Officer
Heather Jirousek, A/Director, Water Resources
Carola Scheu, Director, Yukon Water Board Secretariat