



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

November 30th, 2011

Mary Mioska
Acting Environmental Manager
Yukon Zinc Corporation
Suite 701 – 475 Howe Street
Vancouver, BC
V6C 2B3

Dear Mary:

**Re: Approval of Wolverine Project Monitoring and Surveillance Plan
Version 2011-03**

Pursuant to section 6.2 of Quartz Mining License QML-0006 (the "License") for the Wolverine Project, an updated Monitoring and Surveillance Plan has been submitted for the Chief's review and approval. This plan entitled "*Monitoring and Surveillance Plan Version 2011-03*", prepared by Yukon Zinc Corporation and dated October 28, 2011 (the "Plan") was received electronically in my office on the same date.

In reviewing the Plan I have also taken into consideration the following two documents:

- A letter from Mary Mioska to Arlene Kyle, dated October 28th, 2011, entitled "*Update on Monitoring and Surveillance Plan V2011-03*"; and
- A letter/report to Mary Mioska from Marsland Environmental Associated Ltd., dated October 17, 2011, entitled "*Wolverine Tailings Humidity Cells Update*".

After review and consideration, I have determined that the Monitoring and Surveillance Plan Version 2011-03 is approved in its entirety and replaces all previously approved versions. Schedule C of the License has been revised to reflect this approval and is attached to this letter. This amended Schedule C replaces all earlier versions.

I wish to remind you at this time that as per section 12.6 of the License, upon approval, the Licensee must immediately undertake the activities as described in the Plan.

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In addition, by way of this approval, please consider this as your authorization to decommission humidity cells OC & OD and construct on-site leach test pads to evaluate the leaching results of the tailings in on-site atmospheric conditions. As indicated in the above letters, both cells shall be decommissioned in accordance with the most current MEND (2009) procedure and the test pads shall be constructed as per section 8.4.4 of the Plan.

Please be reminded that the three conditions that pertain to the bio-pass and the reclamation effectiveness monitoring program that were detailed in the June 4th, 2010 Monitoring and Surveillance Plan Version 2010-02 approval letter remain in effect.

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 "Robert Holmes", written in a cursive style.

Robert Holmes
Director, Mineral Resources

cc: Jon Bowen, Director, Water Resources
Terry Anderson, Acting Chief Mining Inspector
Hillary Gladish, Natural Resources Officer, Whitehorse

**YUKON ZINC CORPORATION
WOLVERINE PROJECT
QML-0006**

**SCHEDULE C
PLANS APPROVED BY THE CHIEF
November 30th, 2011**

General Site Plan:

General Site Plan, Version 2011-05, dated August 22nd, 2011 and prepared by Yukon Zinc Corporation

Reclamation & Closure Plan:

Reclamation and Closure Plan, Version 2009-03, dated April 15, 2010 and prepared by Lorax Environmental Services Ltd., Vancouver, British Columbia

Environmental Protection Plans:

Heritage Resource Protection Plan, Version 2007-01, dated November 2007 and prepared by Yukon Zinc Corporation in conjunction with Ross River Dena Council, Ross River, Yukon

Monitoring and Surveillance Plan, Version 2011-03, dated October 28, 2011 and prepared by Yukon Zinc Corporation, Vancouver, British Columbia

Spill Contingency Plan V2010-03, dated March 10, 2011 and prepared by Yukon Zinc Corporation

Waste Management Plan, V2010-03, dated February 4, 2011 and prepared by Yukon Zinc Corporation

Wildlife Protection Plan, Version 2009-01, dated April 9, 2009 and prepared by Yukon Zinc Corporation, Vancouver, British Columbia in partnership with Ross River Dena Council, Ross River, YT, Liard First Nation, Watson Lake, YT and Yukon Environment, Whitehorse/Watson Lake, YT

Mine Operation Plans:

Mill Operating Plan, Version 2010-02, dated May 25, 2010 and prepared by Yukon Zinc Corporation, Vancouver, British Columbia

Mine Development and Operation Plan, Version 2010-02, dated July 8, 2010 and prepared by Yukon Zinc Corporation

Tailings and Infrastructure Design and Construction Plan, Version 2009-02, dated March 2009 and prepared by Klohn Crippen Berger Ltd. in association with Yukon Zinc Corporation, Vancouver, British Columbia

- *Tailings Facility Operation, Maintenance and Surveillance Manual, Version 2010-01, dated July 16, 2010 and prepared by Yukon Zinc Corporation*