



Curragh
Inc.

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January 29, 1993

Department of Indian Affairs and Northern Development
Northern Affairs Program
200 Range Road
Whitehorse, Yukon
Y1A 3V1

Attn: Lois Craig, Chairperson
Regional Environmental Review Committee

Dear Madam:

Re: Dy Advanced Exploration Project - Information for an EARP Screening

Curragh is anticipating an advanced exploration program for the Dy area which will involve the sinking of a shaft to the ore body, diamond drilling to detail the reserve and the extraction of a bulk sample to evaluate mining and metallurgical characteristics.

Although the program will be located on claims staked under the Yukon Quartz Mining Act, there is a possibility that volumes of groundwater in excess of 50,000 IGPD will have to be pumped from the shaft and therefore a Water Licence may be required at some stage in the project. Curragh has submitted an application to the Yukon Territory Water Board for an exploration water licence which would allow the treatment and release of this water. It is our understanding that, as a result of a requirement for this Federal Decision, an EARP Screening will be necessary. Due to the limited impact of the exploration program, perhaps a Level 1 (internal) screening may be possible.

Enclosed is a project description which provides information on the geology of the area, the environmental setting and current land use, a detailed work plan for the exploration activities, and a summary of the environmental and socio-economic considerations. The project schedule is offered in relative terms as a start date has not yet been determined.

Curragh would like to emphasize that this is an exploration program leading to a production decision. Should that decision be positive, we recognize the need for a Water Licence suitable for longer term mine production and a comprehensive EARP Screening prior to full scale mining.

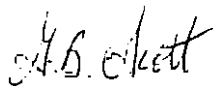
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Please note that we have provided our view of a schedule for regulatory review and permitting of the exploration and mine development projects. We believe that this schedule provides a generous allotment of time needed for this process. Should you feel that this schedule will prove to be difficult to meet or have a different view of the appropriate schedule and process, please notify me as soon as possible.

We are available to meet with you and discuss the advanced exploration project and, to the extent possible given the present knowledge, the mine development project should you feel this would be helpful.

Yours truly,

CURRAGH INC.

A handwritten signature in cursive script that reads "G. B. Acott".

G. B. Acott, P. Biol.
Manager, Environmental Affairs

GBA*blb

cc: Judi Doering, Manager, YTWB Secretariat