



Curragh
Inc.

006577

117 Industrial Rd.
Whitehorse, Yukon Y1A 2T8
Tel.: (403) 668-8021
Fax: (403) 668-6518

May 27, 1993

Ms. Lois Craig,
Manager, Environment & Land Claims,
Northern Affairs Programme,
200 Range Road,
Whitehorse, Yukon Y1A 3V1

Dear Ms. Craig:

Re: Possible Suspension of Review of the Dy Project

FILE COPY
*Copies sent to
Brian Champion with
cover letter - May 28/93*
S.

As you can appreciate from recent newspaper headlines, Curragh's situation is highly fluid. We are working diligently to see the re-opening of our operations under favourable economic circumstances and are optimistic these conditions will come to pass.

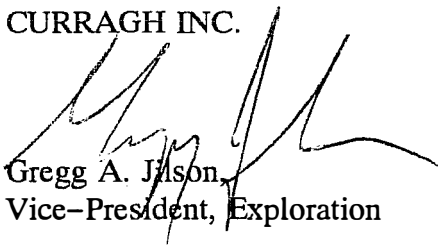
We, therefore, feel it is imperative that screening of the Dy proposal proceed without further delay. We have informed the Water Board that we will not be pushing for the licensing process to go forward at this time, but this is mainly to provide time for the environmental assessment process to catch up. Once our plans are more firmly established we will request the Water Board proceed; this may be relatively soon.

We note your comment with respect to the Ross River Dena Council's stated opposition to the project. This opposition has no scientific or technical merit and is, we believe, rooted in fear and misconceptions developed over perceptions of surface mining operations. Our efforts at discussion with the Council have proved to be frustrating and unproductive, nonetheless, once we arrive at an agreed method of consultation we are prepared to carry on. We will be discussing this matter in private meetings and correspondence with Ross River.

We do not propose to answer any of the specific RERC member comments at this time, but for planning purposes we would appreciate knowing when we might expect to see the "final position of the RERC" and what form the process and documentation might take from then on.

Yours truly,

CURRAGH INC.


Gregg A. Jason,
Vice-President, Exploration

GAJ/g



Environment and Land Claims
Northern Affairs Program
200 Range Road
Whitehorse, YT
Y1A 3V1



May 21, 1993

5510-4-4e

Mr. Gregg Jilson
Vice President, Exploration
Curragh Inc.
177 Industrial Rd.
Whitehorse, YT
Y1A 2T8

Dear Mr. Jilson:

**Re: Proposal for the Advanced Exploration and Development of the Dy
Underground Mine**

I wish to thank Curragh for the useful information provided by G. Acott during the February 17, 1993 presentation made to the Regional Environmental Review Committee (RERC), and for your earlier submission of the Dy proposal (see attached letters).

In light of the current closure of the Faro mine, and the uncertainty associated with development of deposits in the Faro vicinity RERC has suggested that I inquire if you wish RERC's review of the Dy proposal to continue. Suspension of the review would not preclude continuation and completion of the review at a later date.

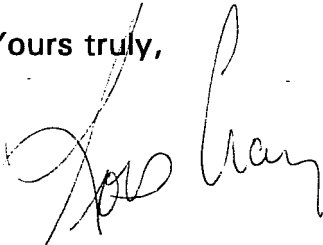
As you are aware, a review of the preliminary information we received on Dy proposal has been initiated. For your information a draft summary of comments received from RERC members thus far are enclosed. We have commenced a compilation of comments and concerns but these have yet to be finalized. I will have to hold off in sending it until I hear from you. It was understood from Mr. Acott that if a production decision were made by Curragh that an IEE would then be prepared. Our review therefore is focussed on the advanced exploration component of your proposal. Curragh's submission early in the planning phase is appreciated.

.../2

You will note from the correspondence that the Ross River Dena Council is opposed to the proposed advanced exploration work being undertaken at Dy. They believe that the proposal poses unacceptable environmental, social, and economic risks to both the Ross River First Nation and to downstream users of the Pelly River and its fish resources. Nonetheless they have indicated they wish to remain on RERC and contribute to the review.

Please inform us at your earliest convenience should you wish to have RERC's review of the Dy proposal continue or alternately temporarily suspended. If you have any questions or concerns please contact me at 667-3250.

Yours truly,

A handwritten signature in black ink, appearing to read "Lois Craig", written over a faint, larger version of the same signature.

Lois Craig
Chair, RERC

cc Kirstie Simpson, Project Manager
RERC

encl.

/attach. 1. Feb. 18, 1993 letter to Mr. Gerry Acott, Curragh Inc.
 2. Feb. 16, 1993 letter to Mr. Gerry Acott, Curragh Inc.



Northern Affairs Program
200 Range Rd.
Whitehorse, Yukon Terr.
Y1A 3V1



Our file Votre référence

Our file Notre référence

1165-10a

5510-4-4e

5510-4-4f

May 20, 1993

Gerry Acott
Manager, Environmental Affairs
Curragh Resources Inc.
117 Industrial Rd.
Whitehorse, Yukon Terr.
Y1A 2T8

Re: February 17, 1993 RERC Minutes

For your information, please find attached the final RERC minutes for the meeting held February 17, 1993.

Please note that only the portion relevant to your presentation has been included.

If you have any questions about the minutes, please contact either myself (at 667 3862) or Dan Adam (at 667 3861). Thank you.

Yours truly,

Kirstie Simpson
Manager, Environment and Conservation
Environment & Land Claims Directorate

Encl.

REGIONAL ENVIRONMENTAL REVIEW COMMITTEE

MINUTES

February 17, 1993, 9:00 a.m.
NAP Stores Boardroom

Attendance (for entire meeting 9:00 a.m. - 12:40 p.m.):

L. Craig (chair)	NAP, Environment & Land Claims
K. Simpson	NAP, Environment & Land Claims
K. Carradine	YTG, Economic Development
M. Hoefs	YTG, Renewable Resources
D. Cornett	NAP, Water Resources
J. Guscott	NAP, Land Resources
D. Adam (recorder)	NAP, Environment & Land Claims
M. Edwards	Indian and Inuit Affairs
J. Eamer	DOE
P.C. Seow	NAP, Economic Development
N. Prasad	Worker's Compensation
F. O'Brien	Health & Welfare Canada

Attendance (from 9:00 - 10:30 a.m.):

R. White	NAP, Environment & Land Claims
V. Enns	DOE
W. Hidinger	YTG, Comm. & Trans. Services
H. Prus	NAP, Environment & Land Claims
J. Houghs	NAP, Land Resources
R. Gotthardt	YTG, Heritage

Joined meeting at 10:30 a.m.:

A. Purdy	NAP, Environment & Land Claims
M. Morrell	Consultant, Selkirk & Ross Riv. FNs
B. Trerice	Selkirk First Nation
C. McLeod	Chief, Ross River First Nation
N. Ladue	Ross River First Nation
D. Emond	NAP, Geological Services
G. Acott (left at 12:15 p.m.)	Curragh Resources Inc.

Items distributed at meeting:

- 1) Draft minutes for Jan. 20th RERC meeting;
- 2) Faro Sub-group: E&LC draft Information Guidelines for the Faro Integrated and Comprehensive Decommissioning and Reclamation Plan (dated Feb. 1993); and
- 3) Aishihik RERC distribution: letter, dated Feb. 1/93, from J. Maissan (YEC) to L. Craig.

7) PRESENTATIONS BY GERRY ACOTT (Curragh Resources, Inc.)

- A) Dy Project; and
- B) Option 4 for Down Valley Tailings Deposition Plan.

A) DY PROJECT

G. Acott began his presentation of the Dy Project stating that the Report must be considered as an introduction only. He then showed two overhead maps which indicated location and site features, for example its proximity to the Vangorda pit, an unnamed (Dy) creek, and Blind Creek. He explained that the Dy Project would be used to supplement ore from the Grum pit and would comprise about 25% of the mill feed.

He explained that 1991 surface drilling operations indicated a potential ore reserve. A vertical shaft near the top of the hill would be drilled, followed by lateral drilling / exploration in order to define the boundaries of the reserve (see Fig. 1). He anticipates groundwater flow may be greater than 50 000 imperial gallons per day; thus, a water licence would be required to dispose of the groundwater.

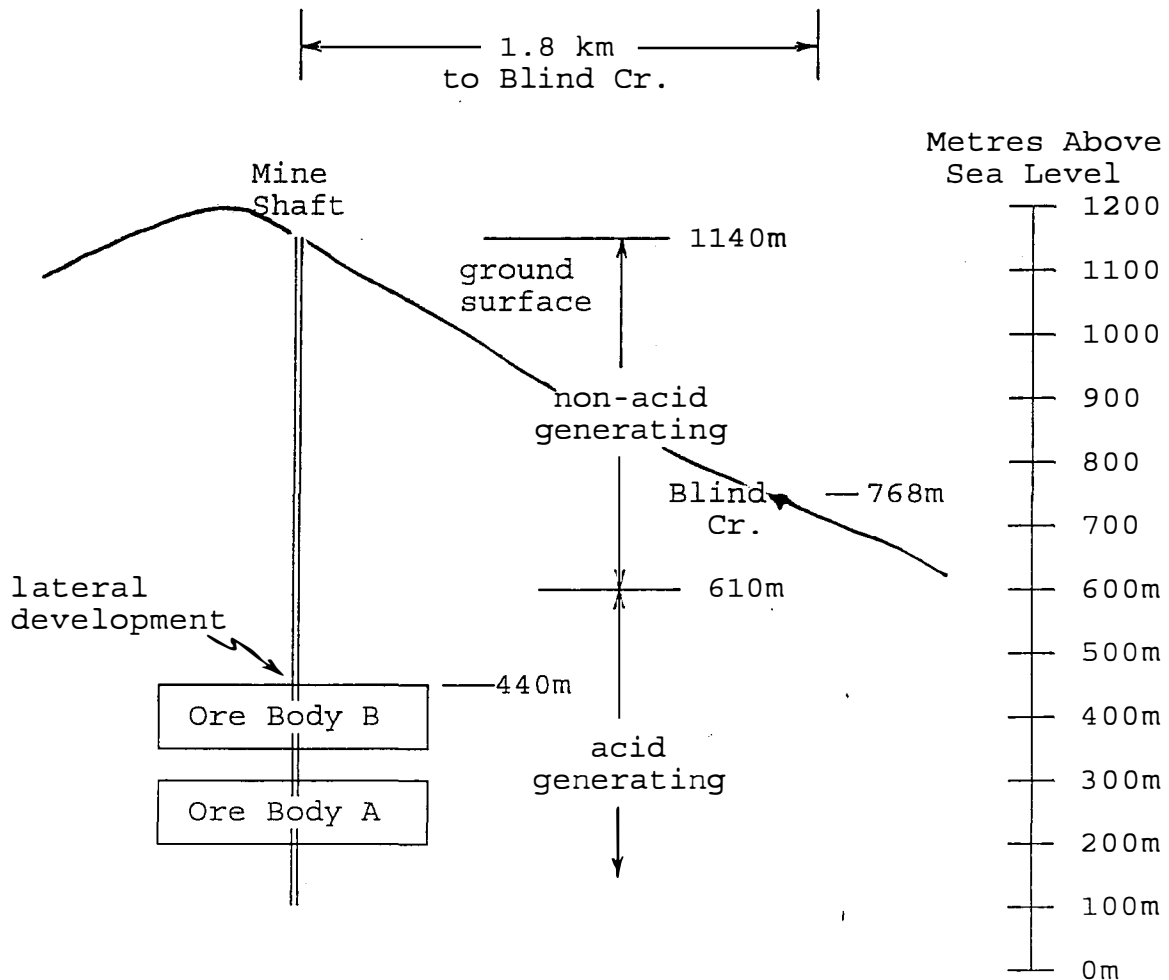
FISH AND WILDLIFE

G. Acott pointed out that some data on Blind Creek is included in the Report (flow and water quality data from 1991/92). He stated that water quality is excellent and the Creek supports grayling, slimy sculpin, round whitefish, and approximately 700 chinook spawners. (Fisheries baseline studies were done in 1989/90.) Because of the fish resources, Curragh will be trying for zero discharge into Blind Creek. Wildlife research is being carried out, although primary surveys have indicated deciduous and coniferous trees, with moose, hare, ptarmigan, grouse, marten, and mink in the area. Trapping is carried out in the area.

SURFACE FACILITIES AT SITE

A 1-acre pad would be cut and constructed (with the shaft in the centre) using local fill and upper shaft material. Two piles (ore and acid generating waste) would be temporarily stored at the site on concrete waste pads, before moving the material to the Vangorda site. Buildings would be constructed, including fuel storage facilities. A settling pond to remove high concentrations of copper and zinc would be constructed and lime would be added as required; the settling pond would then be discharged into Vangorda Creek drainage basin.

Fig. 1: Cross-sectional summary diagram of proposed Dy Project, indicating mine shaft, and depths to features. (Not to scale)



PLANS FOR DEVELOPMENT AT SITE

Using a cross-sectional diagram, indicating the two ore bodies (A and B), G. Acott outlined the following six phases of development at the site. Production rate would be approximately 3,500 t/d and would employ about 45 people. (Note: Faro mill processes 13,000 t/d.)

- 1) Construction of all buildings and pad.
- 2) Upper shaft development (from surface to ore body B at 440m level).
- 3) Lower shaft development.
- 4) Lateral shaft development at 440 m level, with approximately 2,000m of lateral shafts.
- 5) Test mining (100,000 tonnes) and bulk sampling to determine metallurgical characteristics.
- 6) Decision about whether to continue or decommission. If the development is not feasible, the shaft would be flooded with stagnant water, then sealed. G. Acott stated that there is no real possibility of groundwater contamination to either the Blind or Pelly rivers. Buildings would be taken down, slopes re-contoured and a grass legume planted.

TIME SCHEDULE

Although there are no immediate plans to proceed with the project (due to low iron/zinc prices and other financial constraints), G. Acott outlined the following schedule:

Time taken / Activity

5 months / surface set-up
 9 months / upper shaft development
 6 months / lower shaft development
 6 - 7 months / lateral development, diamond drilling, test sampling
 2 - 3 months / production decision.

Thus, it would take approximately 30 months before a production decision would be made.

At this point, G. Acott opened up the presentation for questions and comments.

QUESTIONS / COMMENTS

F.O'B. asked about water pressure and the possibility of artesian flow of acidic water into the drainage system. G.A. explained this was very unlikely, due to their respective elevational differences -- acid generating material begins at 610m while Blind Creek is at 760m, thus requiring an upward flow of water. He stated that permeability is 10 cm/s.

V.E. asked about available information -- if regional groundwater regime data existed, and if there was mapping of faults. G.A. responded that this information was not presently available and that surface drilling doesn't work very well for small surface faults. He also said that fault lines would likely go in the same direction as the Creek and would, therefore, not serve as a conduit to the Creek.

C.M. enquired if there was permafrost in the settling pond area. G.A. responded that this does not appear to be a problem because the slopes face to the south-east.

A.P. ascertained Curragh's intention to more accurately construct water table maps.

F.O'B. asked about the relative contributions of surface and groundwater to Blind Creek. G.A. responded that it appears to be mostly surface water, because Blind Cr. is much softer.

K.S. asked if there were more recent fisheries data than the 1989/90 data. G.A. said that they had flown over the area in the fishing season only.

J.E., noting the problem at Vangorda, stated the importance of controlling surface water drainage and erosion, especially during freshet period. G.A. replied that all surface runoff and dewatering from shaft development will go to the settling pond.

V.E. asked about the access road and G.A. responded that the road from Vangorda to Blind Creek would be upgraded, and a powerline, also from Vangorda, constructed.

D.C. asked if there would be a problem in scheduling with Vangorda pit decommissioning -- ie. whether decommissioning and flooding of the Vangorda pit may have to be delayed (and therefore increase ARD) because of the Dy Project. G.A. foresaw no conflict.

J.E. noted that Vangorda is a valuable creek (ie. sensitive species are present) and that the incremental impact on it must be determined. G.A. indicated that it would be preferable to limit impacts to one area.

K.S. introduced the topic of the timing of EARP and there was brief discussion on it.

F.O'B. ascertained that there would be three shifts per day with 16 people at the site at any one time. A septic tank and water system would be installed, serviced by Dy Creek.

M.H. asked about the procedures involved in constructing the shaft. G.A. stated that the shaft would be 6m in diameter. To line the shaft, 8-metre sections of concrete forms would progressively be installed and concrete poured between the rock wall and form. The forms would be removed once the concrete was cured. To further reduce groundwater intrusion, holes would be drilled into the walls and floor and pressure grouted. Ventilation would be provided by another raise that would have no ramp/access.

V.E. suggested the use of alternatives to AN/FO (Ammonium Nitrate-Fuel Oil), especially if water was a problem during excavation.

B.T. enquired about the nature, volume, and stability of the rock/fill that would be used to make the pad and if the area could be successfully re-contoured and re-vegetated. G.A. stated that the pad would be made from the 530m X 8m volume of non-acid-generating rock (mostly phyllites and greenstones) in the upper shaft; the slope is about 18 degrees.

J.E. asked if Curragh had considered the Dy Project being included as an amendment to the Vangorda water licence, since it would be the same discharge point. G.A. responded that they had not yet considered this possibility, but it was unlikely because of uncertainty about timing and a reluctance to interfere with the existing licence.

G.A. responded to D.C.'s questions about the treatment pond, stating that it would be smaller than Vangorda, and lime treatment would be manual as opposed to automated.

B) OPTION 4 FOR DOWN VALLEY TAILINGS DECOMMISSIONING PLAN

At 11:35 a.m. G. Acott began his presentation on Option 4 stating that when Curragh took the water licence over (from Cyprus Anvil, in 1986), a decommissioning plan was a requirement. The plan was submitted to the YTWB in March 1991. Option 4 was considered a "fall-back" option, as Option 5 was the preferred choice. He explained that the tailings pond area was the area in question. The three objectives of the decommissioning plan are to:

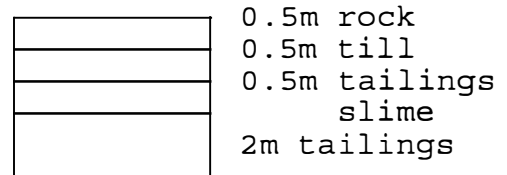
- 1) achieve a downstream water quality at least as good as the current operational state;
- 2) ensure that all structures on the site are built to meet safety standards; and
- 3) to ensure the plan is financial feasible.

G. Acott then outlined the components of Option 4:

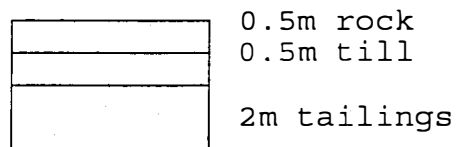
- 1) Breach the cross-valley dam, drain the polishing pond, and dredge the zinc-rich sediments.
- 2) Raise and upgrade the intermediate dam and then flood the pond with a minimum of 2m of water. A spillway would be installed to release water to Rose Creek.
- 3) Bulldoze the creek channel and seed it.
- 4) G.A. stated the difficulties with the first and second impoundments because they are 15m above the intermediate dam. They will be capped with a suitable soil cover to prevent oxygen penetration and, thus, the generation of acid (see below).
- 5) North fork pumphouse pond

To determine the best soil cover, a six-pit test facility was set up as follows:

- 1) control -- no cover.
- 2) water cover.
- 3) organic matter cover.
- 4) till cover.
- 5) saturated composite cover.



- 6) unsaturated composite cover



G.A. explained that the slime acted like a clay and kept the tailings saturated. It would be put on in a slurry form using a series of berms and dikes (1-2m high) to withhold the water so the fines would settle-out. The waste rock served to keep the tailings cold, thus slowing down the chemical and biological reactions; the layers below the rock only thawed out two months of the year.

Peak monthly zinc concentrations (flow-weighted average) for the alternatives were shown indicating Option 5 to be the best, followed by Option 4 (see Table 1). G. Acott stated that Option 5 is still the preferred option by Curragh as it offers the least zinc concentration. Option 5 entails the reduction in height of the intermediate dam and removal of 67% of the tailings to the Vangorda pit. He also stated that \$2.5M had already been spent on developing a

decommissioning plan. L. Craig reminded members that Option 5 was reviewed by RERC.

Table 1: Peak Zinc Concentrations for Test-Pit Facility

Decommissioning Alternative:	1	2	3	4	5
Peak monthly zinc concentration (mg/L)	1.70	0.017	0.020	0.036	0.007
Flow-weighted average zinc concentration (mg/L)	0.14	0.001	0.002	0.003	0.001

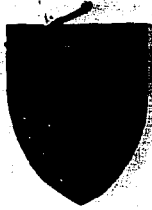
M.H. asked if they intended to re-vegetate the area and G.A. responded no.

G.A. then summarized the costs which are in Appendix 3 of the Report.

G.A. responded to F.O'B. stating that there was very little risk of breaching the dam.

G.A. replied to M. Morrel's question stating that the temperatures in the different pits were monitored -- the tailings thawed only 50-65 days per year. If the tailings thawed for 4-5 months, bacteria would flourish and raise the temperature.

There were a few more comments and questions on the cost of Option 5, and then G. Acott was thanked and left at 12:15 p.m.



**Curragh
Resources Inc.**

117 Industrial Rd.
Whitehorse, Yukon Y1A 2T8
Tel.: (403) 668-8021
Fax: (403) 668-6518

May 15, 1991

969-2218

Ross River Dena Council
General Delivery
Ross River, Yukon
Y0B 1S0

Attention: Chief Clifford McLeod

Dear Sir:

Curragh Resources Inc. are proceeding with the collection of preliminary environmental and socio-economic background information on the DY Project, located 6 km. southeast of the Vangorda Plateau adjacent to Blind Creek.

As you will recall, Curragh has committed to keep the affected First Nations involved in the planning stages of its projects to ensure their input is carefully considered.

The enclosed document offers an overview of the project status to date and will be, after review by all parties, submitted to the Regional Environmental Review Committee as the initial discussion document.

We would ask for your review of this document and your comments with regard to its' content and presentation. Rather than passing comments back and forth on paper we feel that a direct presentation of the project, the baseline studies and projected impacts followed by discussion of the issues would be most beneficial to both parties. Such discussion would, of course, be without prejudice to your further input to formal governmental review processes. I would suggest a meeting with you, your council and whatever additional members of the First Nation you deem appropriate in early June, perhaps Wednesday, June 12 to review the project, to summarize the work done on it to date and to discuss your comments or concerns.

June 7
11.55 a.m.

Reached Hill to
Weds July 23

Ross River to call ~~Tom~~
next week to confer

Sherry:

Phoned July 2
Tentative July 22-26
GA. to call July 15-19 to confer
Meeting held July 30

Ross River Dena Council
May 15, 1991
Page 2

Should you find such a meeting of interest we would be most pleased to discuss the timing, format and venue with you. I will phone during the week of May 20-24 to finalize the details.

Yours truly,

CURRAGH RESOURCES INC.

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

GBA*blb
Enclosures

cc: Mr. Ken Bear, Human Relations, Faro
Mr. Colin Benner, Executive VP, Operations

**SUMMARY OF COMMENTS FROM RERC MEMBERS:
ADVANCED EXPLORATION AND DEVELOPMENT OF THE DY UNDERGROUND
MINE**

This summary represents RERC comments received by the Environment and Land Claims Directorate (E&LC) as of May 6, 1993. The summary in no way represents the final position of the RERC.

General Comments

RERC members wish to have it understood that any future approval of the Advanced Exploration proposal for the Dy will not imply or constitute approval of a full-scale operating mine at the Dy. If and when a production decision is made, an environmental screening of the final mine proposal will be required.

Specific Comments

N.B.: References to specific pages, paragraphs, and lines are in brackets at the end of each quote or item.

1. First Nation Issues

- 1.1 The Ross River Dena Council is opposed to the proposed advanced exploration work being undertaken at the Dy. They believe that the proposal poses unacceptable environmental, social and economic risks to both the Ross River First Nation and to downstream users of the Pelly River and its fish resources (including the Selkirk First Nation).
- 1.2 The Blind Creek drainage is very important to First Nations people and to the continuance of their traditional fishing and hunting. Members of the Ross River Dena have traditional salmon fishing grounds on Blind Creek and on the Pelly River at the mouth of the creek. Swim Lake is a traditional winter base camp for families hunting and trapping in the Blind Ck./Mt. Mye area.

- 1.3 The Ross River Dena Council believes that the impacts of development of the Dy will be significant and may not be adequately mitigated.

2. Water Related Issues

- 2.1 The report specifies that abandoned mine workings will be flooded with "stagnant water". This assumes no horizontal flow of groundwater below the regional base water level. Given the general nature of groundwater movement more detailed information regarding the potential impacts of flooding underground workings should be provided. (P. 1-3, 5th line)
- 2.2 The report does not indicate if the sedimentation control pond, which may also contain water contaminated with various metals, will be lined, either with clay or with an artificial membrane. If it is not to be lined, then other measures to prevent seepage, both downwards into near-surface ground water, and laterally through the pond's retaining walls, should be described. (P. 4-3, 1st para.)
- 2.3 "The choice of shaft as opposed to decline to access the ore body will result in sulphides being handled a further distance from the sensitive fisheries habitat of Blind Creek" (P. 4-5, 2nd para.) The shaft site and proposed location for the sulphide waste pad are still very close to Unnamed (Dy?) Creek which is a tributary of Blind Creek. The distance from the shaft site to this creek appears to be between 500 and 700 m. This creek should also be monitored and protected. The creek is not marked on Fig 3-2 of the report, nor is there any indication that a monitoring station has been set up or is planned on the creek.
- 2.4 "waste rock ... (can be) disposed in a dump located at the outside edge of the portal area with no concern for high metal concentrations in the surface water." (P. 4-8, 1st line) Regardless of the acid generating nature of the waste rock it is still possible for metals entrained in small particles to erode from the waste rock dump through erosion. These metals may then be transported and/or released in another location. Will there be erosion control and/or runoff collection measures in place for all soil/rock dumps?

- 2.5 How will drainage/runoff from the dump pads be dealt with? (P. 4-9, 2nd para.)
- 2.6 Please provide a complete list of all elements expected to be found at levels above background in water in the sedimentation pond. Depending on the element, merely raising the pH with lime may not result in the removal of that element from solution to a solid phase. Other forms of treatment may then be necessary. (P. 4-9, 3rd para.)
- 2.7 The report states that kinetic tests "directly measure the rate of acid generation ..." (P. 6-2, 2nd para., emphasis added). Most kinetic tests, however, are run over 1 to 3 years, which can provide an indication of the potential rates of acid generation but cannot accurately duplicate field conditions where acid generation may take tens of years to develop.
- 2.8 There may possibly be no water quality impact on Blind Creek as a result of the development and operation of the Dy but there will be a water quantity impact, since both surface runoff and groundwater that would otherwise have moved downslope to Blind Creek will now be intercepted and pumped into the Vangorda Ck. drainage. The potential exists for seasonal effects: the volume of ground water discharge will probably be essentially steady throughout the year, while the volume of surface waters will fluctuate. Mine water discharges will comprise a larger portion of the flow to Vangorda Creek in the winter than in the summer. The report should discuss the anticipated impacts of increased volumes of water in the Vangorda Ck. drainage. (P. 6-3, 2nd para.)

3. Fisheries Issues

- 3.1 The fisheries resources of Vangorda Creek are well documented and considered valuable. The fisheries resources of Blind Creek are adequately documented; sufficient information is available to characterize the creek as one of the most valuable (relative to its size) chinook salmon spawning streams in the Yukon River drainage. Water quality and quantity changes are the most likely source of impacts to fish and fish habitat in both creeks, as no new crossings or other physical works that would directly impact the creeks are outlined in the proposal (see Water Related Issues above).

4. Wildlife Issues

- 4.1 The report suggests that a 1969 fire in the area of the Dy would have had a greater impact than mining activity on marten populations. (P. 3-1, 3rd para.) Marten are trapped in immature and open forest areas; fire in a region does not therefore automatically mean a significant and long term reduction in marten. Fire is generally beneficial for most species (e.g. lynx, hare, fox). The report should consider and discuss the impacts of mining on post fire recovery rates of animal populations.
- 4.2 More information on several wildlife species common to the Vangorda Plateau (e.g. moose and small game animals) is needed, particularly with respect to use of the area in different (i.e. all) seasons and with respect to indirect impacts on surrounding areas.
- 4.3 Fannin sheep constitute an important local ungulate resource. The animals migrate across the Vangorda Plateau between their winter and summer ranges. A sheep management plan was developed in 1989 (Curragh participated in development of plan) that resulted in the construction of ramps on the shoulders of the haul road, cutting an alternate migration trail, and provision of "undisturbed buffer strips". This plan did not consider the Dy deposit and assumed that sheep migration across the plateau east of the Vangorda pit would continue undisturbed.

The report states that "Curragh is committed to continuing their involvement" in a plan "to protect and manage the sheep" (P. 3-15, 1st para.). The report does not outline what this involvement might be, nor are any details provided as to specific measures planned with respect to fannin sheep and the Dy project. With the development of the Dy, the entire Vangorda Plateau will be bisected with, mine workings, haul roads and transmission lines. This may make further mitigation for sheep difficult. More details regarding this issue should be included in the report.

- 4.4 Irrespective of any mitigation measures implemented during the advanced exploration of the Dy (or subsequently), wildlife in the area will be impacted, as will hunting and trapping. In many areas of North America, mitigation for such a disturbance would consist of habitat enhancement in other areas so that there is no "net loss" of habitat, wildlife numbers, or user satisfaction. This sort of mitigation should be considered for this proposal, and if it is not feasible, compensation should be considered.

5. Land Use Issues

- 5.1 The existing decline portal pad is showing signs of subsidence. The report proposes that reclamation of the pad be carried out at the time of closure of the underground workings (estimated to be 15 years from now). Should part or all of the pad collapse prior to this time, it is probable that Blind Creek will be impacted. Progressive reclamation of all disturbed lands, including the decline pad, during and following the exploration/development phase is suggested as a way of avoiding deleterious impacts to the Blind Creek drainage. The decline pad and immediate area should also be monitored with respect to erosion.
- 5.2 Revegetation of areas of surface disturbance is proposed in the report (P. 4-6, 2nd para.). No mention is made, however, of whether topsoil will be stripped and stock piled separately, so as to prevent mixing with subsurface materials, and to provide a ready source of cover material during reclamation. If this is not done, and the topsoil subsequently spread over disturbed areas, successful revegetation will be extremely difficult to achieve. The report should provide more details regarding this issue.

6. Access Roads

- 6.1 Please provide descriptions of culvert locations, drainage ditches and other mitigative measures to be used during construction of the access road. (P. 4-13, last para.)

7. Safety Issues

- 7.1 Please indicate when "operational guidelines" and "spill contingency plans" will be prepared and available for review. (P. 4-8, 5th para.)

8. Other Issues

- 8.1 The report states that "additional impacts attributable to Dy are likely to be minor since the areal impact associated with development of the Dy Property will be minor compared to the development of the existing mine infrastructure" (P. 6-9, 2nd para.). The report does not explicitly address the cumulative impact of an additional development on the Vangorda Plateau and surrounding area. As there will be impacts during the exploration and development phases of this project, the cumulative effects should be explicitly addressed in the report.
- 8.2 "Proven open pit mineable ore reserves indicate a project life of eight years. Development of the Dy deposit would increase this by five years." (P. 1-6, 2nd para.) Does the project life of eight years for the combined Vangorda/Grum deposits include 1992/93 or is this a projection from 1993 onwards?
- 8.3 "A small primary receiving pond may be excavated ..." (P. 4-12, 2nd para.) This should be mentioned earlier in the report when surface facilities are initially described.
- 8.4 What does "conveyed" mean (P. 5-1, 1st line)? Is Curragh considering alternatives to trucking ore? Should a conveyer belt be considered it should be noted that the effects of a conveyer belt on wildlife, and sheep in particular, are not known.

MAY 14 '93

*Ross River Dena Council*ROSS RIVER, YUKON
Y0B 1S0

PHONE 969-2278



Post-It™ brand fax transmittal memo 7671		# of pages ▶ 2
To	<i>Hegg Olson</i>	From <i>Keta</i>
Co.	<i>Curragh</i>	Co.
Dept.		Phone #
Fax #	<i>668-6518</i>	Fax # <i>668-7127</i>

The Honourable Tom Siddon
Minister of Indian and Northern Affairs
Ottawa, Canada

April 16, 1993

Dear Mr. Minister:

The Faro mining project is located within the boundaries of the unsurrendered Ross River Dena Traditional Territory. Last year, to determine the impact of the project since its inception, on our way of life, a retrospective impact assessment was completed. The introduction of the study defines the context within which it was undertaken:

"The Faro mine was developed on the Traditional lands of the Ross River Kaska Indians. Development of the mine, mill and town took place without consultation with the Ross River Indian people, and, in fact, over their active protest. The impacts of the mine operation on the Ross River Dena families were not formally acknowledged until 1990, when an offer was made by the current mine owner, Curragh Resources Inc., to address the problems."

As expected, the mine has had considerable impact on the life of the Ross River Kaska Dena. These impacts are discussed in the study - a copy of which we give to you today.

On the basis of this study and the positive relationship that has been established with Curragh Resources Inc., we have begun, through Kaska Inc, a Kaska national company, to negotiate an arrangement which will see a flow of benefits to our people.

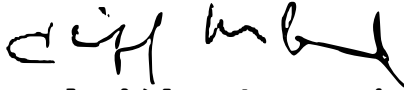
However, it is our position that the mine operator can only provide limited compensation to us. We believe strongly that the Federal Government breached our constitutional rights, titles and interests by granting each operator the right to mine. It is our position that these are unsurrendered lands and resources which are protected by the Constitution.

Therefore, it is our wish, base on our constitutional rights and the analysis of the impacts of the project, that the Ross River Dena Council and the Federal Government meet to discuss compensation to the Ross River Dena for the impact of the project.

Furthermore, it is our view that the issues involved are specific to the Ross River Dena, and any negotiations must occur outside the Comprehensive Claims process and be between the Federal and Ross River Dena Governments directly.

I would like to meet with you as soon as possible to discuss this matter. Since the inception of the mine in the early 60s we have been waiting to explain the massive effects of the mine on our community and to seek justice. Now is the time.

Yours truly,



Chief Clifford McLeod

cc. *Gregg*
Marw

Northern Affairs Program
200 Range Road
Whitehorse, Yukon
Y1A 3V1



Your file / Votre référence:

Our file / Notre référence:

5510-4-4e
1165-10b

March 31, 1993

To: Dy Project RERC Distribution

Re: Curragh Inc. Dy Advanced Exploration Proposal.

The Department of Indian Affairs and Northern Development has made a decision to refer the Dy advanced exploration mining proposal to the Regional Environmental Review Committee for a "Level II Review".

A high level of concern has been expressed by a number of RERC members regarding protection of the Blind Creek and Swim Lake areas and the significant resource values which may be effected by the project. In addition, it was felt that the review of the full scale mine if it goes to production will be much easier if RERC members are involved in the review from the start.

By way of a letter dated March 4, 1993 (attached), the Ross River Dena Council clearly stated their opposition to the proposal. In their letter they point out the importance of the Blind Creek drainage area to the Ross River First Nation in terms of its productivity and historical and traditional subsistence use and their uncertainty about Curragh's ability to mitigate impact.

Clearly, the ability of Curragh to alleviate those concerns will be critical through-out this review and will be the subject of a more in depth review of the proposal if a production decision is reached. Although it was discussed at the February 17, 1993 RERC meeting, I will ask you now to specifically consider the following questions in your response to the Dy project proposal:

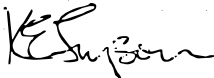
1. Does the proposal as submitted adequately address the environmental and socio-economic implications of the proposal? If not, please outline your outstanding concerns.
2. Can the environmental and socio-economic implications of the proposal be successfully mitigated, as proposed? If not or if unknown, what further information would you like to see prior to a decision being made? Please specify why you would need this information and whether it will require the gathering of new information. *is needed.*
3. Are there matters more regulatory in nature that you can identify at this time?

.../2

The deadline for a response is April 14, 1993, but this date remains flexible if necessary. The City of Whitehorse review takes precedent.

If you have any further questions or concerns, please call me at 667-3862.

Yours Truly,



Kirstie Simpson
Acting Chair, RERC

cc C. Cuddy - Chief, Water Res., Env. & Ren. Resources, DIAND
G. Acott - Manager, Environmental Affairs, Curragh Inc.
B. Van Dikjen - President, Yukon Conservation Society
J. Duke - President, Yukon Chamber of Mines
M. Edwards - Manager, Environment, Indian & Indian Affairs

says a lot

Attachment: - March 4, 1993 letter to K. Simpson from N. Ladue

DISTRIBUTION LIST

L. Craig Director, Environment & Land Claims, NAP
K. Simpson Manager, Env. & Conservation, E&LC, NAP
J. Eamer Manager, Environmental Assessment, Env. Protection
A. von Finster Habitat Biologist, DFO
M. Hoefs Renewable Resources, YTG
K. Carradine Policy Analyst, Economic Development, YTG
M. Peter GIS Technician, CYI
D. Cornett Water Resources, NAP
J. Guscott Manager, Land Resources, NAP
F. Privett Manager, Socio-Economic Benefits, NAP
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L. Henderson Director, Lands Branch, YTG
N. Prasad Chief Mine Safety Officer, Worker's Comp., Health & Safety Board
B. Leary RMO, Ross River
C. MacLeod Chief, Ross River Dena Council
N. Ladue Ross River Dena Council
P. Van Bibber Chief, Selkirk First Nation
B. Trerice Selkirk First Nation
D. Emond Environmental Geologist, Geological Services, NAP

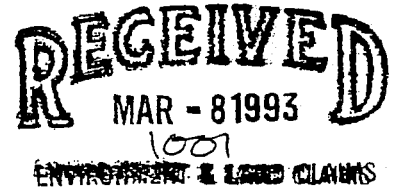


Ross River Dena Council

ROSS RIVER, YUKON
Y0B 1S0

PHONE 969-2278

5570-4-4-e



Ms Kirstie Simpson
Manager, Environment and Conservation
Northern Affairs Program
200 Range Rd
Whitehorse

March 4, 1993

Dear Kirstie:

RE: RERC REVIEW OF CURRAGH RESOURCES DY PROPOSAL

Further to our statements at the RERC meeting of 17 February 1993, we wish to state clearly our opposition to curragh's proposal for advanced exploration and development of the Dy deposit (Rescan, Jan 1993).

The Blind Creek drainage, in which the Dy deposit is located, is very important to our community. Blind Creek currently supports one of the largest spawning populations of chinook salmon in our territory; it is also an important chinook rearing stream. We have traditional salmon fishing grounds in the creek and in the Pelly River near the creek mouth. Swim Lake, historically a dependable producer of resident lake fish, is a traditional winter base camp for families hunting and trapping in the Blind Creek/ Mt Mye area.

We are not reassured by Curragh's predictions that impacts will be minor and can be mitigated. Our experience to date with the Faro Mine complex has been that impacts have been far worse than predicted. The fish and wildlife of Rose Creek and Mt. Mye have been seriously affected by mining activities, and the Ross River Dena people, in particular the families that use the area most intensively, have suffered irreversible losses.

Operators of the Faro Mine been resistant to our insistence on adequate mitigation of impacts and compensation for losses.

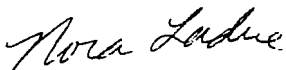
At the Water Board hearings of January 1992 into decommissioning of the Down Valley Tailings Impoundment in Rose Creek, the First Nation delegation advocated that all tailings be removed from the creek bottom for permanent storage in the depleted Faro Pit. Curragh's representatives responded that this course of action was not economically feasible and therefore was not acceptable to the company, in spite of our concerns.

In 1990 in response to First Nation and federal agency concerns about impacts of the Vangorda Plateau development on the fish of Vangorda Creek, Curragh proposed a research program designed to develop site specific mitigation measures. This program has been repeatedly reduced and delayed; it now appears impossible for it to be completed in time for the results to be available for the Water Board hearings into Vangorda project decommissioning.

In 1992 our consultant Martin Weinstein completed a retrospective study on socio-economic impacts of the Faro Mine development on the Ross River Dena People (Just Like People Get Lost, Ross River Dena Council, June 1992). To date we have been unsuccessful in our efforts to initiate negotiations regarding compensation for the documented losses.

Under the circumstances we find that Curragh's Dy proposal poses unacceptable environmental, social and economic risks to our community as well as to Selkirk First Nation and other downstream users of Salmon and water originating in the Blind Creek drainage.

Sincerely yours,



Nora Ladue
Ross River Dena Council