

To Murray Hampton

Copy to

007121

From Peter Dean

Date September 29, 1981

Subject

With respect to your request for an estimate of the time required to complete environmental studies and permitting for Grum, Vangorda, and Dy, the following notes may be of use:

1. One year approximately is needed to complete the field work and final design for the Vangorda Creek diversion.
2. Water licence acquisition would probably take about a year, although it could be much less.
3. It will take one year or more to drain the muskeg around Doal Lake, and authorization from the Water Board may be required for this.
4. Other environmental studies which may be required include the preparation of a conceptual reclamation plan, possible studies of ways to safeguard Vangorda Creek from pit and waste dump run off, etc. It should be possible to complete these types of studies easily within a one year period, and none would appear to be critical to the overall viability of the mine developments.
5. I do not think there is any special environmental problems associated with the Dy deposit. Water quality control may be of slightly greater significance because Blind Creek is a salmon stream.
6. It must be kept in mind that requirements can change, and that there is a good likelihood that by the time these deposits are to be brought on stream, some comprehensive type of environmental impact assessment process could exist in the Yukon. This could change the whole picture drastically, and we could conceivably face a two or three year review process similar to what presently exists in B.C. My personal viewpoint suggests that we would do better to act as if such a process did exist, and carry out fairly comprehensive baseline and impact assessment studies even though they are not actually required. The cost of such studies could be good insurance against delays at later stages in the development. However, the environmental policy at Faro seems to always have been "as little as possible, as late as possible" and I do not suppose that is likely to change.

- 2 -

Unfortunately, that policy gets us into situations like the Down Valley water licencing fiasco.

I hope this is all of some use to you. If I can be of any further help, please give me a call.

PD/mw



P.M. Dean
Environmental
Coordinator