

Independent Peer Review Panel

Over the fall and winter of 2006, an Independent Peer Review Panel (IPRP) was asked to give an independent technical assessment of the 12 “example” alternatives for closure of the Faro mine site that were presented to the community in the spring of 2006. The IPRP was made up of a group of nine experts from a variety of technical fields. The IPRP presented its report at a March meeting in

Vancouver with representatives from governments and communities.

The IPRP report concluded that the technical studies and the range of alternatives provide enough information to move into the process to develop a closure and remediation plan for the Faro Mine site. These findings echoed much of the feedback heard from earlier community meetings.

CLOSURE OPTIONS

Some options originally presented were unacceptable to communities; the Independent Peer Review Panel (IPRP) also highlighted these options as ones that did not reach basic technical standards. The design team used both your input and the input from the IPRP to form the following six options.

All the Six Options include:

- re-sloping of waste rock dumps, covering with soil, and vegetating; and
- managing, collecting and treating surface and ground water, where necessary, from the site.

SPRING 2006 - 12 Options

Faro Mine

1. Upgrade Faro Creek Diversion
2. Flow-Through Pit
3. Minimize Construction
4. Minimize Water Treatment

Tailings Area

5. Stabilize in Place
6. Complete Relocation
7. Partial Relocation
8. Minimize Construction

Vangorda/Grum

9. Backfill Vangorda Pit
10. Stabilize in Place
11. Minimize Construction
12. Minimize Water Treatment

SPRING 2007 - 6 Options

Faro Mine/Tailings

1. Stabilize tailings in place – Soil cover
2. Stabilize tailings in place – Water cover (under review)
3. Full Relocation of tailings
4. Partial Relocation of tailings

Also upgrade Faro Creek bypass channel and cover and revegetate waste rock

Vangorda/Grum

5. Backfill Vangorda Pit
6. Stabilize in Place



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Upcoming Meetings

Ross River
Wednesday June 13th
10 a.m. (see Kathlene Suza for details)

Pelly Crossing
Thursday June 14th
10 a.m. (see Ellie Marcotte for details)

Town of Faro
Saturday June 16th
9:30 a.m. (see the town office for details)

Faro Mine Closure *UPDATE*

June 2007

Issue #2



Abandoned machinery is cut down to scrap metal for removal from the Faro Mine complex as part of site remediation.

What's happening at the Faro Mine complex?

Interim Receiver Transition

As most of you are aware, the Faro Mine site has been managed since 1998 by Deloitte and Touche, as the court appointed Interim Receiver. Part of its responsibility has been to carry out the annual program of site care and maintenance to protect the environment and human health, and ensure people's safety. This program has been funded and overseen by the federal government.

Recently, the Interim Receiver told the Yukon and federal governments that it will be asking the court to discharge it as the Interim Receiver for Anvil Range in February 2009. After this date, the Yukon and federal governments will take over responsibility for site care and maintenance. We are currently starting the process to find a contractor to be in place by February 2009.

What's happening at the Faro Mine complex? continued from page 1



Grum pit and water treatment plant.

Public Process to Choose New Contractor

The governments are working closely with the Interim Receiver to make sure that the transition to a new care and maintenance contractor is smooth, and that human health and the environment continue to be protected. To achieve this, it is very important that the current standards for protection of human health and the environment are maintained.

The open and competitive process to choose a new care and maintenance contractor will begin this summer, and will likely take a year to complete. We will be evaluating proposals from potential contractors against a number of criteria. These will include management and technical capacity, maintaining health and environmental protection measures, and benefits for local and First Nation people and businesses. The new care and maintenance contract will be let and managed by the Yukon Government, while continuing to be funded by the Government of Canada.

No Impact on Closure Planning

This change in responsibility for care and maintenance will not affect the work of developing the closure and remediation plan for the Faro Mine. The work on the development of the plan continues on schedule.

Next Steps to Closure: The Assessment Process (Summary)

In the coming months a preferred alternative to remediate the site must be selected to put forward for regulatory and funding approval. Initial funding approval will be required from the federal government before the plan enters into the regulatory process. The assessment process we are now beginning is intended to provide the best possible foundation for the selection of a preferred alternative.

The assessment process will give us the ability to show how specific alternatives perform in relation to the closure objectives and the values that people have said are important.

The assessment process is seeking to:

- Ensure the involvement of all interested parties; and
- Build a strong basis for decision-makers.

The assessment process has six steps:

1. Define and describe alternatives – done.
2. Define the objectives for the project – done.
3. Develop a method to assess how well each alternative will achieve each objective.
4. Conduct the assessment of all the alternatives and share the findings with all parties involved.
5. Summarise the findings.
6. Provide the findings to the decision makers; the Oversight Committee (the Government of Canada, the Yukon government, Ross River Dena Council and Selkirk First Nation) will review the findings and make its best efforts to come to an agreement about which remediation alternative(s) to recommend.

A key component of this assessment process is input from your community. This will be provided at three different levels: an Assessment Team, a broader Working Group, and community meetings in Pelly Crossing, Ross River, and Faro.

More information about the assessment process will be discussed at the upcoming meeting in your community.

Community Knowledge

The final closure plan will include a socio-economic impact assessment and an environmental impact assessment as part of preparing for the Yukon environmental and socio-economic assessment process. These assessments will help the Faro team understand the current and possible future uses of the site, as well as provide insight as to what the potential impacts of closure might be on the surrounding communities and ecosystems. From this, it will be possible to include elements in the final closure plan that help to expand on any possible positive impacts and reduce any possible future negative impacts.

The traditional knowledge of the Ross River Dena Council and Selkirk First Nation people is an essential part of developing this overall picture. Information continues to be compiled and provided by the communities.

CLOSURE OBJECTIVES FOR THE FARO MINE COMPLEX

The Government of Canada, the Yukon government, Ross River Dena Council and Selkirk First Nation, at the Oversight Committee, worked together to create closure objectives for the Faro Mine complex. These objectives define the desired results of a closure and remediation plan and guide the entire closure planning process.

1. Protect human health and safety.
2. Protect and, to the extent practicable, restore the environment including land, air, water, fish and wildlife.
3. Return the mine site to an acceptable state of use that reflects pre-mining land use where practicable.
4. Maximize local and Yukon socio-economic benefits.
5. Manage long-term site risk in a cost-effective manner.



Fannin sheep on the Faro Mine complex.



Faro mill.

