

ABANDONED MINES



Photos from left to right: Pony Creek adit prior to rehabilitation; mill site as it looks today and; tailings pond

Mount Nansen Mine FAST FACTS

What was mined at Mount Nansen?

Gold and silver were mined at Mount Nansen.

Where is the mine located?

The mine is located 60 km west of Carmacks and 180 km north of Whitehorse, Yukon, and is within the Little Salmon Carmacks First Nation traditional territory.

When did the mine operate?

Since 1942, there has been intermittent gold and silver exploration and mining in the Mount Nansen area. A mill was constructed in the mid 1960s and ore from the Huestis and Webber veins was mined underground. Two attempts at production were undertaken from September 1968 to April 1969 and again for five months from 1975-1976. Neither attempt produced sufficient amounts of gold and silver nor was profitable.

BYG Natural Resources Inc. was part or whole owner of the property from 1985 to 1999. The company and various partners began exploration of the Brown-McDade mineral vein system in 1985. A mine and mill operated from November 1996 to November 1997 and March 1998 to February 1999. In February of 1999, the company failed to meet its water licence obligations and

the Government of Canada (Canada) ordered the company to meet these requirements or shut down. On February 17, 1999, BYG shut down operations and placed their company into receivership.

What were the concerns at the mine site when the government took over?

When the site was abandoned, the tailings pond contained high levels of cyanide and metals and was in danger of spilling over the dam and into the Dome Creek–Victoria Creek–Nisling River system. The dam holding back the tailings and contaminated water leaked and was unstable. This posed a threat to the downstream environment including vegetation, wildlife and fish.

The safety hazards of original 1940-1960's buildings, including the mill and the physical hazards such as pits, trenches and underground workings called adits needed to be addressed.

What is in place to ensure protection of the environment and public safety at the mine site?

Since the government took over the site in 1999, water levels behind the dam have been reduced, relieving some of the concern with dam strength.

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Photos from left to right: seepage pond in winter; water monitoring at Brown-McDade pit in the winter time and; water monitoring in Dome Creek

Some structural improvements have been made to the dam and ongoing inspections are done.

Water quality has also been greatly improved through treatment and time, such that cyanide and metal values have been reduced to safe levels.

Hazardous chemical removal, adit remediation and water treatment have been completed at the mine site. Some storage containers of hazardous chemicals that were left by the company have been safely removed and disposed at proper facilities.

The focus of the governments is to maintain the environmental integrity of the site. Dam stability, water quality and site security are closely monitored to ensure there are no adverse effects until final closure is completed.

How is the site currently managed?

Government of Yukon (Yukon) manages the mine site with funding from Canada. Yukon is responsible for continued care and maintenance, managing and planning for final closure.

In 2004, the Supreme Court of Yukon appointed PricewaterhouseCoopers as interim receiver responsible for the assets left at the mine site. In 2006, PricewaterhouseCoopers was also appointed trustee in charge of bankruptcy. Peripheral claims were sold and the core claims, the area near the mine site, were held. The core area claims were held so remediation could be completed.

Over a five-year period, scientific and engineering investigations were conducted to gain a better understanding of the environmental state of the mine site and surrounding environment. This information will be used to plan and implement closure for the mine site.

What is happening at the Mount Nansen mine site?

Yukon continues to work on the care and maintenance at the mine site in several ways and is working towards a final closure plan.

Year round onsite security and infrastructure maintenance is being carried out by contract with a Carmacks company.

Water quality monitoring is being conducted twice a month by a Whitehorse company. This monitoring is conducted to ensure the water quality in the tailings pond water, seepages and creek meets safe standards and ensures no discharge of harmful matter is released from these water sources to surrounding waterways.

What is the future plan for this site?

Yukon together with the Little Salmon Carmacks First Nation and Canada are working towards a final closure plan that will be submitted for screening through the *Yukon Environmental and Socio-economic Assessment Act* (YESAA) process. Final closure is anticipated to commence in 2010.

Public information sessions and community workshops are underway to establish site closure objectives and alternatives.

What is next for Mount Nansen?

NEXT STEPS:

- Demolition and removal of unused portions of the mill;
- Continuation of the annual inspections of the dam; and
- Investigation of options to move tailings or improve the dam for long-term closure.