



Energy, Mines and Resources
Box 2703, Whitehorse, Yukon Y1A 2C6

December 20, 2006

Mr. Clynt Nauman, President & CEO
Alexco Resource Corporation
Suite 900 – 570 Granville Street
Vancouver BC
V6C 3P1

Dear Mr. Nauman;

Re: Brewery Creek Mine: Quartz License Monitoring Programs

Quartz Mining License (QML) A99-001 for the Brewery Creek Mine has several requirements for preparation of detailed monitoring programs for review and approval of the Chief. Consequently, the licensee has submitted the following plans to this office for review:

- A plan entitled "Blue Zone Monitoring and Assessment Program" dated August 2005; and
- A plan entitled "Heap Leach Pad Cover and Facilities Monitoring Program" dated August 2005.

These plans have been submitted pursuant to QML A99-001 sections 17.5.2 (concerning the Blue pit and waste rock storage area) and 17.7.2 (concerning the heap leach pad and cover).

I realize that this review has taken a lengthy amount of time. During this review, I was provided with a large amount of information for consideration, including advice from several consultants as well as advice from within Yukon government. Several amended plans were submitted to me from the licensee based on direct discussions between government and the licensee. As well, I wished to review the 2005 annual report, which was prepared largely on the basis of the proposed monitoring plans, to determine if the kind of information we would be obtaining was sufficient or if any trends of concern were evident that could require additional monitoring.

Based on this information, I am satisfied that the proposed monitoring plans capture a reasonable balance between the need for essential monitoring data and the desire for additional data, with the extra costs of additional monitoring instrumentation which that entails.

Mr. Nauman
December 20, 2006
Page 2

Therefore:

- pursuant to Section 17.5.2 of QML A99-001, I am approving the plan entitled "Blue Zone Monitoring and Assessment Program" dated August 2005; and
- pursuant to Section 17.7.2 of QML A99-001, I am approving the plan entitled "Heap Leach Pad Cover and Facilities Monitoring Program" dated August 2005.

As required under the license, these aforementioned plans are incorporated into QML A99-001, and implementation of these plans will be considered a requirement of the license as of the date of this letter.

Yours truly,



Robert Holmes
Director, Mineral Resources
Energy Mines and Resources

cc: Steve Colp, Natural Resources Officer – Mining, CS&I
Brad Thrall, Alexco Resources
Kevin M^cDonnell, Chief, Water Resources
Marta Selassie, Land & Resources Officer, Tr'ondëk Hwëch'in
Dan Cornett, Access Consulting