Yukon
Energy, Mines and Resources

AMENDMENT TO
YUKON QUARTZ MINING LICENCE A99-001
Brewery Creek Mine

Pursuant to paragraph 141(2)(a) of the *Quartz Mining Act*, Licence A99-001 is hereby amended, as attached.

Mining Licence No: A99-001

Amendment No. 04-001

Issued to: Viceroy Minerals Corporation
Suite 900, 570 Granville Street,
Vancouver, BC V6C 3P1

Undertaking: Brewery Creek Mine

Location: NTS 116B/01; Latitude: 64^0 03'N, Longitude:138^0 15'W
Dawson Mining District

Effective Date: The date upon which the signature of the Minister of Energy Mines and Resources is affixed.

Expiry Date: December 31, 2021

Purpose: For the production of minerals and reclamation of the Brewery Creek Mine

The amendment is subject to the attached conditions of amendment.

Prepared by: Minerals Management Branch, Energy Mines and Resources

Dated this __ Day of _____, 2004

_____ _____
Witness Director, Minerals Management, Yukon

Approved by:

Dated this __Day of _____, 2004

_____ _____
Witness Minister, Energy, Mines & Resources

Licence A99-001 is hereby amended as follows.

1. The Preamble is withdrawn.

2. Section 1 is withdrawn and replaced with the following.

'Act' means the *Quartz Mining Act*, S.Y. 2003, c.14;

"Board" means the Yukon Water Board;

"Chief" means the Chief of Mining Land Use designated pursuant to the Act;

"Decommissioning and Reclamation Plan" means the Decommissioning and Reclamation Plan, Volumes I-IV dated September 2001, and the Decommissioning and Reclamation Plan Executive Summary dated November 2003, prepared by Licensee and which may be amended as provided for in section 17.1 of this Licence;

"effective date" means the date this Licence comes into force as evidenced by the date of the signature of the Minister;

"inspector" means an inspector designated pursuant to the Act;

"Minister" means the Minister of Energy, Mines and Resources, Government of Yukon; and

"undertaking" means the development and or production of the Brewery Creek Mine at the location specified in this Licence.

3. Section 2 is withdrawn and replaced with the following.

2. Other Laws

No term or condition of the Licence limits the application of any federal or territorial law.

4. Section 3 is withdrawn and replaced with the following.

3. Correspondence

Any notice, direction, order or report respecting the Licence to be served upon the Licensee or the Government of Yukon, as the case may be, will, unless otherwise stipulated in this Licence, be determined to be served if posted by registered mail, sent by facsimile or hand delivered to the following addresses:

To the Licensee:	President and CFO Viceroy Minerals Corporation Suite 900, 570 Granville Street Vancouver, British Columbia V6C 3P1 604.682.3941 (fax)
To the Government of Yukon:	Director, Minerals Management Department of Energy, Mines and Resources P.O. Box 2703 Whitehorse, Yukon Y1A 2C6 867.456.3899 (fax)

Either party may change its address for service while this Licence is in effect by notifying the other party in writing. All written notices will be deemed to have been received by the Licensee and the Government of Yukon, as the case may be, 10 days after the mailing thereof, or if delivered or sent by facsimile, on the day of delivery.

5. Section 4 is withdrawn.

6. Section 5 is withdrawn and replaced with the following.

5. Other Laws and Authorizations

The Licensee must, at all times, conform to all applicable federal and territorial laws and any authorizations issued to the Licensee, including Water Use Licence QZ96-007.

7. Section 6 is withdrawn and replaced with the following.

6. Licence Term

This License expires December 31, 2021.

8. Sections 8, 14, 15, and 16 are withdrawn.

9. Section 17 is withdrawn and replaced with the following.

17.1 General

Subject to the terms and conditions contained in this Licence, the Decommissioning and Reclamation Plan, and any amendments thereto as approved by the Chief, must be implemented within five years of the effective date, unless otherwise approved, in writing, by the Chief.

Notwithstanding the above, the monitoring program described in the Decommissioning and Reclamation Plan, Executive Summary, Section 7, Table 7-1 must be implemented and remain in place for the term of this Licence.

17.2 Surface Reclamation and Revegetation

All surface reclamation and revegetation must be completed within two years of the effective date, unless otherwise approved, in writing, by the Chief, and must meet the requirements established in Schedule C of this Licence, unless otherwise approved, in writing, by the inspector.

17.3 Protection of Receiving Environment

Subject to Water Use Licence QZ96-007, water quality at the sampling stations listed in Table 1 must not exceed the water quality guidelines specified for the protection of aquatic life in the Canadian Environmental Quality Guidelines, prepared by the Canadian Council of Ministers of Environment, as amended from time to time.

Table 1: Sampling Stations

Station Name	Station Number	UTM Coordinates
Laura Creek Watershed	BC-39	7,098,320 N 632,340 W
Golden Creek Watershed	BC-31	7,104,030 N 642,340 W
Lee Creek Watershed	BC-34	7,100,380 N 627,710 W

17.4 Geochemical Stability - Assessment and Remediation

If, at any time during the term of this Licence, the Chief determines that acid rock drainage has occurred at the undertaking and the water quality standards referred to in section 17.3 of this Licence may be exceeded, the Chief must notify the Licensee of his/her determination, and the Licensee must, within 120 days of the Chief's notice, unless otherwise agreed by the Chief, in writing, prepare and submit to the Chief a geochemical assessment of the area of the undertaking determined by the Chief to be affected. The assessment must include an assessment of any effect of the release of metals on ground or surface water.

If, based upon the aforementioned assessment, the Chief determines that the water quality standards referred to in section 17.3 of this Licence may be exceeded, the Chief must notify the Licensee of his/her determination, and the Licensee must, within 120 days of the Chief's

notice, unless otherwise agreed by the Chief, in writing, prepare and submit for approval by the Chief a plan that will ensure that the water quality standards are not exceeded.

The aforementioned plan, once approved by the Chief, will be incorporated into this Licence and implementation of it will be considered a requirement of this Licence from the date the plan is approved by the Chief.

17.5 Open Pits and Waste Rock Dumps

17.5.1 Physical Stability, Erosion Control and Revegetation

All open pits and waste rock dumps must be reclaimed within one year of the effective date, unless otherwise approved, in writing, by the Chief, and must meet the requirements established in Parts A though D of Schedule C of this Licence, unless otherwise approved, in writing, by an inspector.

Reclamation grading and other surface water management systems must be designed to direct surface flows and run-off from disturbed areas to pit ponds. Pit ponds must be designed to prevent sediment entering into a natural watercourse.

17.5.2 Blue Pit and Blue Waste Rock Storage Area –Assessment and Remediation

A detailed program designed to monitor and report on the geochemical stability of the Blue Pit and the Blue Waste Rock Storage Area (collectively the 'Blue Zone') must be submitted to the Chief for review and approval within 120 days of the effective date, and be implemented within 30 days of the Licensee receiving notice of the Chief's approval, unless otherwise agreed, in writing, by the Chief. The program must evaluate the effectiveness of the remediation measures implemented by the Licensee to decommission and abandon the Blue Zone. Without limiting the generality of the foregoing, the program must assess

(a) the performance of the engineered cover, including its physical stability and the infiltration rate of water;
(b) the geochemical status of the Blue Zone;
(c) the stability of metals within the Blue Zone, including pore water;
(d) the vegetation cover of the Blue Zone, including salt and metal uptake;
(e) moisture content of the Blue Waste Rock Storage Area; and
(f) the environmental quality of the groundwater and affected surface water (i.e. Laura Creek).

If, at any time during the term of this Licence, the Chief determines that the remediation measures implemented by the Licensee in relation to the Blue Zone are not performing as described in the Decommissioning and Reclamation Plan and the water quality standards referred to in section 17.3 of this Licence may be exceeded, the Chief must notify the Licensee of his/her determination and the Licensee must, within 120 days of the Chief's

notice, unless otherwise agreed by the Chief, in writing, prepare and submit for approval by the Chief a plan that will ensure that the water quality standards are not exceeded.

The aforementioned plan, once approved by the Chief, will be incorporated into this Licence and implementation of the plan will be considered a requirement of this Licence from the date the plan is approved by the Chief**.**

17.6 Stream Crossings and Diversion Ditches

Stream crossings and diversion ditch reclamation must be completed within two years of the effective date, unless otherwise approved, in writing, by the Chief and must:

(a) be engineered as provided for in Volume IV of the Decommissioning and Reclamation Plan, Attachments 1 and 2; and
(b) meet the requirements established in Parts A through E of Schedule C of this Licence,

unless otherwise approved, in writing, by an inspector.

17.7 Heap Leach Pad and Cover

17.7.1 Physical Stability, Erosion Control and Revegetation

The heap leach pad and cover must be reclaimed within one year of the effective date, unless otherwise approved, in writing, by the Chief and must meet the requirements established in Parts A through D of Schedule C of this Licence, unless otherwise approved, in writing, by an inspector.

17.7.2 Assessment and Remediation

A detailed program designed to monitor and report on the geochemical and physical stability of the heap leach cover and pad, and associated facilities, must be submitted to the Chief for review and approval within 120 days of the effective date, and be implemented within 30 days of the Licensee receiving notice of its approval by the Chief, unless otherwise agreed, in writing, by the Chief. The program must evaluate the effectiveness of the remediation measures implemented by the Licensee to decommission and abandon the heap leach pad. Without limiting the generality of the foregoing, the program must assess

(a) the performance of the engineered cover, including its physical stability and the infiltration rate of water;
(b) the stability of metals within the heap, including pore water;
(c) the nature and quality of the heap effluent from each cell within the heap;
(d) the vegetation on the heap cover, including metals uptake by the vegetation; and
(e) the environmental quality of the groundwater at the heap.

If, at any time during the term of this Licence, the Chief determines that the remediation measures implemented by the Licensee in relation to the heap are not performing as described in the Decommissioning and Reclamation Plan and the water quality standards referred to in section 17.3 of this Licence may be exceeded, the Chief must notify the Licensee of his/her determination and the Licensee must, within 120 days of the Chief's notice, unless otherwise agreed by the Chief, in writing, prepare and submit for approval by the Chief a plan that will ensure that the water quality standards are not exceeded.

The aforementioned plan, once approved by the Chief, will be incorporated into this Licence and implementation of the plan will be considered a requirement of this Licence from the date the plan is approved by the Chief**.**

17.8 Infrastructure and Buildings

All infrastructure must be removed within one year of the effective date, unless otherwise approved, in writing, by the Chief. Once the infrastructure is removed, all sites must be reclaimed within one year of the removal, unless otherwise approved, in writing, by the Chief and must meet the requirements established in Parts A through D and Part F of Schedule C of this Licence, unless otherwise approved, in writing, by an inspector.

Notwithstanding the previous paragraph, the Licensee must not remove facilities required at the undertaking for long term maintenance (e.g. storage sheds, generator sets), water storage infrastructure, heap treatment contingency infrastructure or any other infrastructure considered necessary to undertake programs as defined in the Executive Summary of the Decommissioning and Reclamation Plan, Appendix G, without the written consent of the Chief.

17.9 Roads and Trails

17.9.1 Haul Roads

Haul roads must be decommissioned and reclaimed within two years of the effective date, unless otherwise approved, in writing, by the Chief and must meet the requirements established in Parts A through Part E of Schedule C of this Licence and as presented in the Decommissioning and Reclamation Plan, Volume 1 (September, 2001), unless otherwise approved, in writing, by an inspector.

Notwithstanding the preceding paragraph, heavy equipment access throughout the undertaking must be maintained until an inspector notifies the Licensee, in writing, that s/he has determined that the Main Access Road from the Klondike Ditch, other haulroads, and spur roads on site can be fully or partially decommissioned and reclaimed.

17.9.2 Main Access Road

The Licensee must, within two years of the effective date, consult with the Yukon Government, the Tr'ondek Hwech'in First Nation, the City of Dawson, any registered trapper whose trapline concession falls within the undertaking and the community of Dawson on the future of the Main Access Road and provide to the Chief, within 30 days of the consultation, a written summary of the findings of the consultation. The consultation must consider public safety, any potential environmental effects associated with leaving the road in place, the condition of any culverts and rock drains and the stability of reclamation measures undertaken in relation to or adjacent to the Main Access Road.

The Chief shall, in writing, after receiving the report referred to in the preceding paragraph, inform the Licensee of his/her decision respecting the level of decommissioning and reclamation applicable to the Main Access Road. The Chief's written notice of his/her decision shall become a condition of this Licence as of the date of the notice.

Access to the mine must be restricted until site reclamation measures are proven stable to the inspector's satisfaction.

17.10 Financial Security

The Licensee must furnish security, in an amount to be determined by the Minister, within 60 days of receiving a written notice from the Minister stating that security is required to be posted provided that the Minister has, prior to issuing his/her notice, given the Licensee a reasonable opportunity to be heard respecting the need for and amount of security.

The written notice of the Minister referred to in the preceding paragraph will, upon its issuance by the Minister, be incorporated into this Licence and the requirement to furnish and maintain security in that amount will be considered a requirement of this Licence as of the date of the notice**.**

17.11 Monitoring

17.11.1 General

The Licensee must implement the monitoring and reporting program described in Part F and Schedules A and B of Water Use Licence QZ96-007 for the time this Licence is in effect. References to the Annual Report in Water Use Licence QZ96-007 must be read as references to the annual report referred to in section 13 of this Licence and wherever the word 'Board' is used in Water Use Licence QZ96-007, the term 'Chief' must be substituted.

17.11.2 Annual Site Inspection

The Licensee shall have a professional, with recognized expertise in the area of mine reclamation and decommissioning, inspect, annually during the first five years of this Licence and biannually thereafter until the site stability is demonstrated, all pits, including pit walls, waste rock dumps, engineered covers, heap breach, spillways, and reclaimed and revegetated surface areas throughout the undertaking to ensure that the requirements of Schedule C are met, unless otherwise approved, in writing, by an inspector.

17.12 Reporting

17.12.1 General

Each year, on or before February 28, commencing in the year 2005, the Licensee must submit a report, in writing, to the Chief describing

(a) all decommissioning and reclamation activities undertaken in that year;
(b) the effectiveness of the remediation measures implemented by the Licensee to decommission and abandon the undertaking, including the monitoring required by sections 17.4, 17.5.2 and 17.7.2;
(c) the results of studies and monitoring required by section 17.11 of this License;
(d) any heap effluent contingency action undertaken and the quantity of effluent subject to contingency treatment; and
(e) details on the effectiveness of the heap store and release cover based on an annually updated heap water balance analysis.

17.12.2 Biological Treatment Cell

If a biological treatment cell is constructed by the Licensee, the Licensee shall provide to the Chief, within 120 days of the cell's construction, the following:

(a) 'as built' drawings of the biological treatment cell, certified by a professional engineer;
(b) operating, monitoring and maintenance plans for the biological treatment cell;
(c) details on biological treatment cells contents; and
(d) details on the volume of effluent treated at the biological treatment cell and post-treatment water quality analysis.

17.12.3 Remedial Action

If the Licensee is required to implement a plan, pursuant to section 17.4, 17.5.2 or 17.7.2 of this Licence, the Licensee must submit a written report to the Chief within 30 days from the end of the month in which the plan is implemented summarizing the work undertaken and the results of that work in ensuring that the water quality standards are not exceeded.

10. Section 21 is withdrawn.

SCHEDULE C

Terrestrial Reclamation Standards for the Brewery Creek Mine

A. Overall Objectives

1. The protection of health and safety of public and area fauna by the elimination of unacceptable health hazards
2. Reclaiming for future use the areas where infrastructures (buildings, chemical and fuel storage, roads, sediment ponds, solution treatment facilities, tailings facilities, waste rock storage areas, heap leach pads, open pits) are located
3. Absence or mitigation in the production and circulation of substances that could damage the receiving environment
4. The restoration of the site to a condition that is visually acceptable to the community
5. In the long term, eliminating the need for monitoring and maintenance

B. Terrain Stability

General Standards

1. Slope stability is demonstrated through the absence of landform features such as slides, cave-ins, slumping, gullies, potholes, overhangs
2. Reclaimed slopes angles are less than angle of repose
3. Any slopes exceeding angle of repose (pit walls) must demonstrated to be stable
4. Access to pit walls is restricted where they pose a threat to safety

Terrain Stability - Site Specific - Brewery Creek
Absence of unstable and/or overhanging pit walls
Pit wall drop-offs are sufficiently visible
Access to areas of unsafe drop-offs are blocked
Internal and external waste rock storage are re-contoured to a stable configuration

C. Erosion Control

General Standards

1. Slopes are stabilized by contouring and leveling to provide land forms which conform to the surrounding terrain and provide suitable seedbeds
2. Lack of erosion features on re-sloped surfaces such as gullies and rills
3. Run-off is diverted away from steep slopes (pit walls)
4. Vegetative mat is sufficient to control erosion
5. Adequate growth media (fines) present to sustain re-vegetation
6. Pit ponds are in place where water could collect
7. Pit ponds decants are in place

Erosion Control - Site Specific - Brewery Creek
Re-contouring of internal and external waste rock storage areas
Waste rock and re-spread overburden material contains sufficient fine-grained material to sustain vegetative growth
Diversion ditches are constructed where necessary to guide precipitation away from pit walls
The vegetative cover is sufficiently dense to ensure erosion control and successive species are sufficiently diverse to ensure sustainability.
Re-contouring of the heap leach pad has been completed and overburden has been stockpiled on its surface – the overburden to be spread evenly over the pad to a depth of approximately 0.25 metres
Pit ponds and decants are in place if appropriate

D. Re-vegetation

General Standards

1. Vegetation is self sustaining and comprises native seed mixes
2. The vegetative cover is capable of self-regeneration without continued dependence on fertilizer or re-seeding.
3. The establishment of a vegetative cover with sufficient density and species diversity to stabilize the surface against the effects of long term erosion
4. The successive vegetation must be similar to naturally occurring habitats in the surrounding area
5. Plant material does not show uptake of metals
6. Points of Compliance
   -fertilizing/seeding completed
   -vegetation established
   -vegetation accepted

Re-vegetation - Site Specific - Brewery Creek
It can be demonstrated that the waste rock material is chemically inert and contains enough fines to sustain natural re-vegetation
Vegetation seeded
Vegetation established - if vegetation is not acceptable, measures will be taken to re-seed or apply further growth media where necessary.
Vegetation must be self-sustaining three years after the last planting or fertilization
Overburden material is in place along access roads to be spread as soon as other reclamation activities have been completed
Testing of plant vegetation to check for metals uptake

E. Roads and Trails

General Standards

1. Removal of culverts pipes and rock drains
2. Stabilization of banks, road fills and cuts
3. Installation of diversion berms on steep slopes
4. Reclamation of the surface and seeding
5. Ensure road cuts are stable and access is restricted where there is a safety hazard
6. Access to be restricted with appropriate signage for areas posing a safety risk

Roads and Trails - Site Specific - Brewery Creek
Culverts and rock drains have been removed
Banks have been stabilized
Road surfaces have been reclaimed and seeded
Road cuts are stable and access is restricted if a safety hazard
Road fills are stable
Fill from culvert removal will be used to reclaim road surface or placed at the toe of road cuts
Overburden material is in place along access roads to be spread as soon as reclamation activity has been completed
Overburden has been re-contoured and seeding is complete

F. Buildings and Infrastructure

General Standards

1. Structures removed
2. Waste from dismantling is removed from the site and reused or stored in an authorized waste disposal site
3. All buried support infrastructures (tanks, pipes, underground services, etc.) should be removed or decommissioned in a safe, acceptable manner. All buried infrastructure remaining will be identified on site closure maps.
4. All non-toxic waste may be disposed of in an approved waste disposal site. The location and contents of disposal sites will be identified and recorded
5. All hazardous material are to be removed from the site.
6. In all areas where fuel and chemicals were stored and handled at the site, the soil has been tested for contaminants, and treated if required
7. Mining equipment, ore processing equipment, and heavy machinery has been removed from the site
8. After being emptied, decommissioned septic tanks are either removed or completely filled with gravel, sand, earth or inert material
9. Foundations covered with self sustaining vegetation
10. Contaminated soils remediated
11. The rehabilitation of all petroleum products sites used for storage of fuels and lubrication must comply with Handling of Fuel Products
12. No hazardous materials remaining on site

Bldg & Infrastructure - Site Specific - Brewery Creek
Camp area infrastructure has been removed
Foundations to be dismantled to ground level and then covered with an overburden layer
Soils to be tested for contamination around equipment storage

	and maintenance areas at the camp and around dismantled fuel storage areas. Where contamination is detected, the soil will be treated with appropriate measures as described in the DRP
	Overburden piles have been placed in the camp area to be spread once all buildings are removed and any contaminated soils are remediated.
	Fuel storage tanks (camp area) will be removed and remediated if necessary
	The waste oil storage facility (ore processing area) will be removed and remediated if necessary
	Irrigation pipes have been removed from the heap leach pad
	Hazardous material has been removed to appropriate site