



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

October 12th, 2011

Clynton R. Nauman
President and Chief Executive Officer
Alexco Keno Hill Mining Corp
Suite 1150 – 200 Granville Street
Vancouver, BC
V6C 1S4

Dear Mr. Nauman:

Re: Request for Amendments to Quartz Mining License QML-0009 for the Bellekeno Mine Project

A letter from Brad Thrall, on behalf of Alexco Keno Hill Mining Corp, requesting two amendments to Quartz Mining License QML-0009 (the "License") for the Bellekeno Mine Project was received electronically in my office on September 14th, 2011.

The two amendments requested are as follows:

1. To add three additional claims to the License Schedule A – Claims Covering the Mine and Mine Facilities; and
2. To amend condition 5 of the November 16th, 2010 Approval of Dry Stack Tailings Facility Construction and Operation Plan to authorize as-built drawings of the liner system be submitted as part of the Annual Report instead of 60 days after each stage of construction.

I have considered both of these requests and wish to provide the following response.

Amendment Number 1

The recently approved Waste Management Plan approved October 12th, 2011 authorizes placement of water treatment sludge in the Bellekeno sludge deposit area at the Valley Tailings Facility. With this approval now in place, the following three quartz claims shall be added to Schedule A:

<u>GRANT NUMBER</u>	<u>CLAIM NAME</u>
62297	MUD
62298	MUD
16105	BETTY

Schedule A has been revised to reflect this amendment and is attached to this letter. This amended Schedule A replaces the earlier version issued November 17th, 2009.

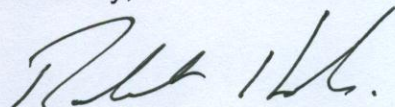
Amendment Number 2

As was indicated in the letter from Brad Thrall to myself dated September 14th, the liner system is not being constructed in annual stages, as originally envisioned but is instead being constructed on an "as required" basis. Due to the more frequent construction sequences, I have considered condition 5 of the September 16th, 2010 Approval of Dry Stack Tailings Facility Construction and Operation Plan and have determined that the requirement for as-builts to be submitted 60 days after each construction phase is no longer required.

I wish to remind you that section P(n) of the November 18th, 2009 Plan Requirement letter requires the submission of as-built drawings of the mine and of all engineered structures, works, and installations constructed or altered at the Undertaking during the year as part of the Annual Report.

Please do not hesitate to contact me at (867)667-3126 if you have any concerns or wish to discuss.

Sincerely,



Robert Holmes
Director, Mineral Resources

Cc: Greg Komaromi, Acting Deputy Minister, Energy, Mines and Resources
Jon Bowen, Director, Water Resources
Chief Simon Mervyn St., First Nation of Nä-Cho Nyak Dun
Terry Anderson, Acting Chief Mining Inspector
William Leary, Natural Resources Officer, Mayo

SCHEDULE A
CLAIMS COVERING THE MINE AND MINE FACILITIES

GRANT NUMBER	CLAIM NAME	GRANT NUMBER	CLAIM NAME
59645	DAISY FRACTION	59494	BOBBIE 10
55426	WILDCAT	12838	TUNDRA
YC42578	K 30	56401	FRANCES 5
YA17395	LEM 1	83011	ADAM FRACTION
YC56120	K 93	55544	HUSKY 8
YC42580	K 32	55319	ELI
YA17397	LEM 3	38819	ASTORIA
YC56121	K 94	59338	VALLEY
55445	SOLOMAN	16105	BETTY
16097	DAVID	59316	BRISTOL
YC42628	K 80	38643	FLAME
YC42627	K 79	56403	FRANCES 7
YC56115	K 88	56582	OVERTIME 2
YC42629	K 81	16557	WESTON
59387	PUEBLO	15207	TICK
55312	MONTY	55542	HUSKY 6
55546	HUSKY 10	55540	HUSKY 4
56402	FRANCES 6	16375	VENTURE
56533	BES	15374	NANCY
16554	IKWOGGY	55029	PREMIER
16585	LUCKY	16569	MONTE CARLO
55599	FRANCES 3	56575	ACRE FRACTION
13073	RAM	56443	APEX FR.
55271	ROSEMARY	16170	NOD FR.
59465	SUDDO 9	59452	FALLS 16
14081	WHIPSAW	55600	FRANCES 4
14327	EUREKA	55120	CHANCE
38730	SILVER FR.	16561	ARIZONA
55065	TIPTOP	59463	SUDDO 7
56534	SEGLE	83012	CATHY FRACTION
38642	MOTH	55327	SAM
16087	EXTENSION	62297	MUD
62298	MUD	16105	BETTY