
News Release Communiqué

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CANADA, YUKON AND FIRST NATIONS REACH CONSENSUS ON A CLOSURE PLAN FOR THE FARO MINE COMPLEX

WHITEHORSE, YUKON (February 6, 2009) – A committee of senior officials from Indian and Northern Affairs Canada, the Government of Yukon, Selkirk First Nation and Ross River Dena Council has reached a consensus on a closure plan for the Faro Mine Complex

The consensus on the closure plan for the former lead-zinc mine in central Yukon was announced today by the Honourable Chuck Strahl, Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians and the Honourable Brad Cathers, Yukon Minister of Energy, Mines and Resources.

“This plan will enable various levels of government to move forward together on the closure of the Faro Mine Complex”, said Minister Strahl. “The department of Indian and Northern Affairs Canada will cooperate with the Yukon government and affected First Nations to protect human health and the environment while maximizing socio-economic benefits.”

“The Government of Yukon is pleased to continue working jointly with the Government of Canada, Selkirk First Nation, Ross River Dena Council, Liard First Nation, and the Town of Faro to ensure the effective management and remediation of the Faro Mine Complex,” said Minister Cathers. “Clean-ups at contaminated sites like Faro will create positive legacies for both the environment and the local economy.”

“It has been a long process and a lot of hard work and planning,” said Chief Darin Isaac of the Selkirk First Nation. “It’s time for action and implementation. We want to be involved in decision-making, planning, and design in the care and protection of the land at the Faro Mine Site. It’s important to move forward with the closure plan and implementation and start right now with training and job opportunities for First Nations and Yukoners.”

"By working in partnership with all levels of government, we have been able to see significant accomplishments throughout the closure planning process," said Chief Gordon Peter of the Ross River Dena Council. "We have come a long way since this process started and will continue to work together as we move forward toward implementation of the closure plan."



Implementation of the closure plan will begin once the regulatory and environmental and socio-economic assessments are completed and the project receives final approval. This process could take between two and three years.

Faro was an open-pit lead-zinc mine that closed in 1998. The Government of Canada and the Government of Yukon are taking a collaborative approach to the management of the Faro project, including planning for final closure and remediation. Funding for the remediation and closure of the Faro Mine Complex is provided by the Government of Canada.

Backgrounder attached

For more information on the Faro Mine Complex, please visit: www.faromine.ca

Region

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Backgrounder

Governments have been working for over five years on the development of a closure plan for the Faro Mine, an open-pit lead-zinc mine that ceased operations in 1998. Since 2003, over 100 technical studies and assessments have taken place in order to characterize the potential environmental impacts at the mine. An initial 12 alternatives were created based on technical studies and meetings with all levels of government and affected communities. After an Independent Peer Review, the alternatives were refined into five options. Further discussions, technical reviews and evaluations resulted in the recommendation of the current plan.

The plan will address various elements of human health and safety and protection of the environment, maximize socio-economic benefits for affected First Nations and other Yukoners and manage long-term risks in a cost effective manner. The overall estimated cost for the project is \$450 million. Work completed to date has been funded by the Government of Canada under the Federal Contaminated Sites Action Plan.

The recommended closure plan involves a stabilize-in-place approach. Just like it sounds, this approach will include upgrading dams to ensure tailings stay in place during natural events such as earthquakes and floods. In addition, all waste rock will be re-sloped to improve long-term stability and engineered soil covers will be installed over approximately 320 million tonnes of tailings and waste rock. The plan also provides for state-of-the-art collection and treatment systems for contaminated water.

Engineered soil covers are made of natural materials (soils and gravels) and are designed to minimize the infiltration of rain and melt water into tailings and waste rock. This reduces the rate at which contaminants are created and transported into the aquatic environment where they can be harmful to fish and other aquatic organisms. Soil covers also prevent humans and wildlife from contacting contaminated materials, and also stop movement of these materials by wind and water. An uncompacted top “growing layer” of soil allows for revegetation of the covers, both to help the covers work better and to improve habitat for birds and animals. Before being covered, tailings and waste rock will be reshaped to look more like the natural environment.

Once the project is approved and permits are authorized by regulators, the major construction phase is expected to take about 15 years. Ensuring jobs and business opportunities for affected Yukon First Nations and Yukoners is one of the key objectives of this project. The construction phase will be followed by an adaptation phase of approximately 20-25 years in which all of the various on-site elements - soil covers, structures, collection and treatment systems, etc - will be tested, monitored and improved as required.

