

2009 Summary & 2010 Development Plan

The 2009 construction and mine development season at the Wolverine Project achieved significant progress. Work will continue throughout the winter and spring of 2010 and mine operation is scheduled to start during the middle of this year. This newsletter provides a summary of the work completed in 2009 and highlights the targets for Yukon Zinc in 2010.

Completed in 2009

Camp Facility

- YZC camp capacity is 246
- installed potable water and sewage treatment plants

Industrial Complex

- poured concrete for mill pads
- erected steel in August
- framed and clad mill, crusher, and concentrate load-out buildings
- closed in process building in Oct
- installed jaw and cone crushers
- installed 450,000L fuel tank farm
- installed diesel gensets

Mine Development

- mine development totaled approx. 1100m, including mine ventilation raise development
- completed 18 geotechnical holes and 30 definition holes
- optimizing mining method & plan
- recruitment for operations

Tailings Facility

- completed dam construction, and lined 16 hectare facility basin in Sept
- starter dam height is 16.5m, with 520,000m³ volume capacity

Targets for 2010

Complete Development

- install all major equipment (ie. rod/ball mills)
- install mechanical / piping / electrical infrastructure
- continue underground development

Start Up

- mechanical checkout of equipment
- commission processing plant (dry)
- commission plant with ore (wet) and tailings facility

Operations

- continue recruitment for 200+ workforce
- operations 24/7
- mill ramp up to 1700tpd by year end



Site overview September 2009

In 2009 Yukon Zinc Completed...

Environmental Monitoring and Regulatory Compliance

- > Under the 4 Licenses and 5 Permits issued:
 - 59 Final reports and 22 notifications submitted
 - 134 environmental monitoring reports & 100 tailings facility daily construction reports
 - 620 sets of water samples, ~400 small mammals, 50+ vegetation samples collected and analyzed for metals
 - Wildlife Protection Plan - 23 species of wildlife recorded, 18km/month of winter transect monitoring

Under Quartz Mining License QML-0006 the following plans were approved:

- General Site Plan + 2 addendums
- Waste Management Plan
- Wildlife Protection Plan
- Spill Contingency Plan
- Tailings Facility Design & Construction Plan
- *Revised Reclamation and Closure Plan (Draft was submitted in Dec 2009)*

2009 Safety Training

- Confined Space Training
- Fall Protection Training
- All Terrain Vehicle Operations
- WHMIS
- Wildlife Awareness
- Spill Response Training
- Incinerator Operation

Did You Know?

In 2009

- > 150 staff/guests attended a Kaska drumming ceremony at site
- > Crews erected 3400 tonnes of steel
- > Crews poured 8900 m³ of concrete
- > 315,000 man hours worked for construction and contractors at site
- > Site received 300+ loads of freight

In 2010

- > Crews will install 35km of internal cable in the industrial complex
- > Manpower will peak at 300-320 during Feb-Mar, 2010
- > Crews will work 300,000 man hours from Jan-May, 2010



L to R: drumming ceremony, crews installing sump liner

A big thank you...

To all of Yukon Zinc's staff, contractors and suppliers for their contributions to development in 2009. A special acknowledgment to Arctic Construction, ESS Compass Group, Western Protection Alliance, AFD and Procon Mining and Tunneling and Maple Leaf Loading for successful partnerships/relationships established with the Kaska Nation.

Interested in employment?

Please submit your resume for work at the Wolverine Project to:
careers@yukonzinc.com, or
by fax: 1-604-682-5404

Want to learn new skills?

Check the Yukon Mine Training Association's website for a variety of free training sessions offered online or in your community:
yukonminetraining.com

YZC Contact Information

For community, training and newsletter inquiries contact Shae Dalphond at sdalphond@yukonzinc.com or 1-877-682-5474 ext. 243