

8.0 WASTE MANAGEMENT

The proposed mining operation will produce approximately 91,000 tonnes of bedrock waste material, as well as two tailings facilities that have a potential capacity of approximately 320,000 tonnes of tailings. The waste management plan for the Yellowjacket Gold Project is discussed in detail below.

8.1 Tailings

8.1.1 Tailings Management Overview

The proposed mine plan will produce tailings from the gravity concentrating plant, which will be pumped to two tailings storage facilities located on the north side of Pine Creek as shown in Figure 8-1.

The tailings storage facilities do not have any dam embankments. The discharge points for the tailings will be altered systematically during disposal, to ensure sealing of the basin area within the surficial materials.

There will be no requirement to construct diversion ditches around the facilities, as there currently are no surface water inputs near the proposed facilities.

Given the requirement for process (gland) water to have very low total suspended solids (TSS); there is not an opportunity to reclaim water from the tailings facilities for processing requirements.

8.1.2 Tailings Facilities

The proposed tailings facilities are conceptual in nature given that the TRIM II topography is not accurate enough in this area to provide for detailed design purposes. With both sites requiring to be excavated prior to placement of tailings, there will be an opportunity to complete a detailed survey of each site prior to and during construction. The survey will assist in proper siting of the facilities and will ensure that adequate storage capacities are excavated for the projected volume of tailings.

The tailings facilities will be constructed as basins or depressions within the surficial gravels, and thus will not require any dam embankments. It was for this reason that the Yellowjacket JV has not completed any geotechnical assessment of the proposed tailings facilities. Without embankments and given that the tailings will be constrained within a "depression", the factor of safety for the facilities should be sufficiently acceptable.

If in the future, the Yellowjacket JV decides that a facility with dam embankments is more suitable for the project, then geotechnical assessment and design would need to be completed.

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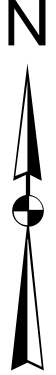
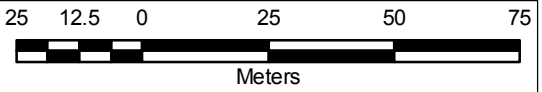
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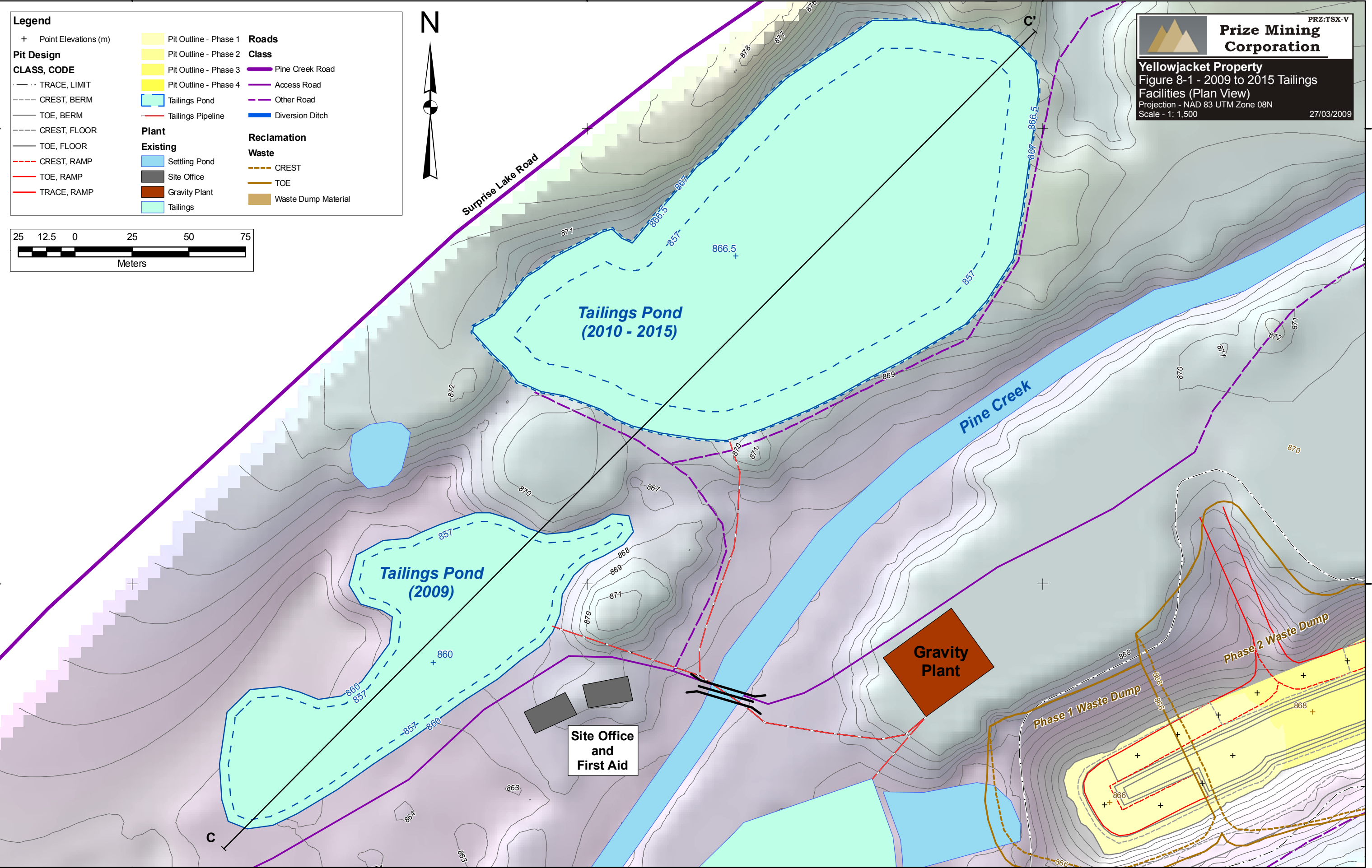
Legend

+ Point Elevations (m)	<table border="0"> <tr><td></td><td>Pit Outline - Phase 1</td></tr> <tr><td></td><td>Pit Outline - Phase 2</td></tr> <tr><td></td><td>Pit Outline - Phase 3</td></tr> <tr><td></td><td>Pit Outline - Phase 4</td></tr> <tr><td></td><td>Tailings Pond</td></tr> <tr><td></td><td>Tailings Pipeline</td></tr> </table>		Pit Outline - Phase 1		Pit Outline - Phase 2		Pit Outline - Phase 3		Pit Outline - Phase 4		Tailings Pond		Tailings Pipeline	<p>Roads</p> <p>Class</p> <ul style="list-style-type: none"> Pine Creek Road Access Road Other Road Diversion Ditch
	Pit Outline - Phase 1													
	Pit Outline - Phase 2													
	Pit Outline - Phase 3													
	Pit Outline - Phase 4													
	Tailings Pond													
	Tailings Pipeline													
<p>Pit Design</p> <p>CLASS, CODE</p> <ul style="list-style-type: none"> TRACE, LIMIT CREST, BERM TOE, BERM CREST, FLOOR TOE, FLOOR CREST, RAMP TOE, RAMP TRACE, RAMP 	<p>Plant</p> <p>Existing</p> <ul style="list-style-type: none"> Settling Pond Site Office Gravity Plant Tailings 	<p>Reclamation</p> <p>Waste</p> <ul style="list-style-type: none"> CREST TOE Waste Dump Material 												



Prize Mining Corporation PRZ:TSX-V

Yellowjacket Property
Figure 8-1 - 2009 to 2015 Tailings Facilities (Plan View)
Projection - NAD 83 UTM Zone 08N
Scale - 1: 1,500
27/03/2009





Yellowjacket Property

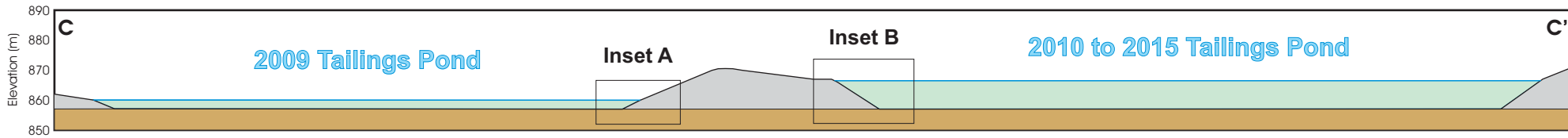
Figure 8-2 - 2009 to 2015 Tailings Facilities (Section C)

Facilities (Section C)

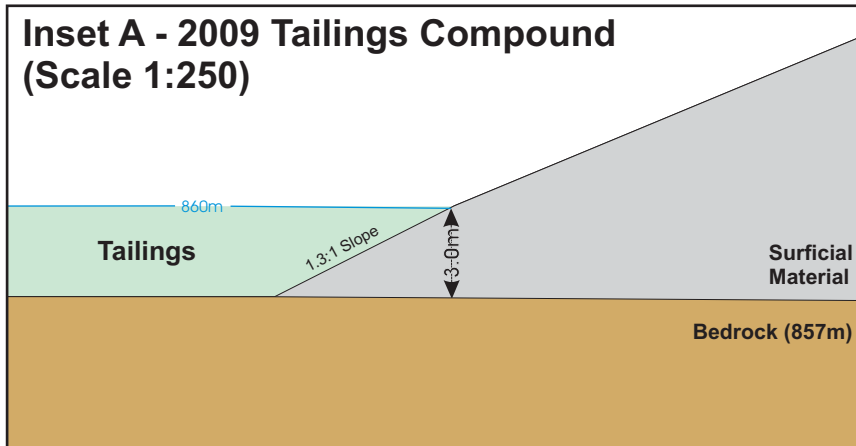
Projection - NAD 83 UTM Zone 08N

Scale - 1: 2,000

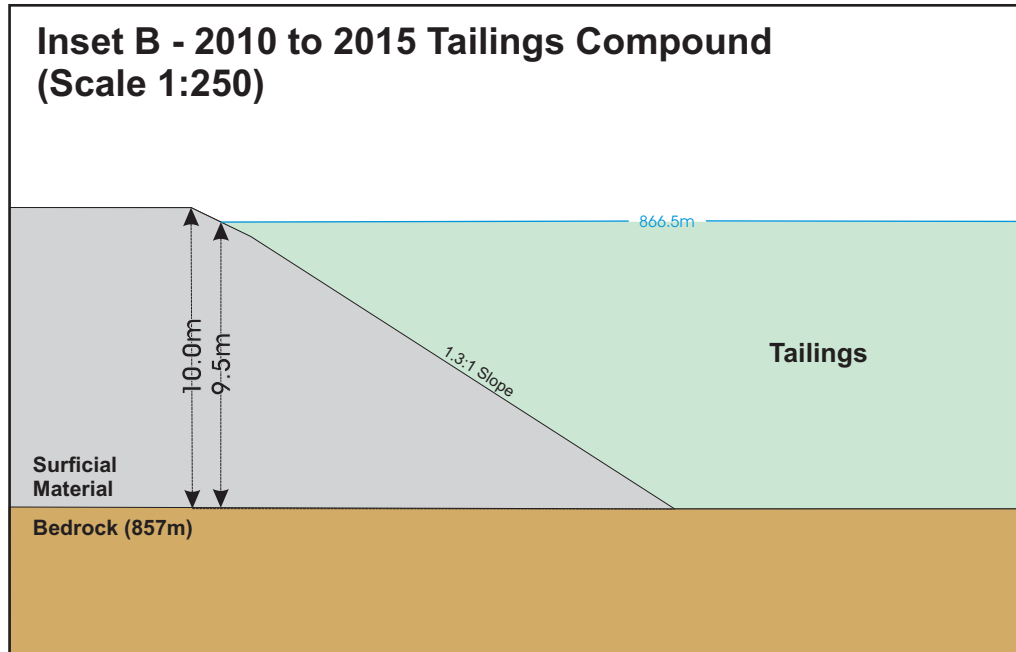
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Inset A - 2009 Tailings Compound (Scale 1:250)



Inset B - 2010 to 2015 Tailings Compound (Scale 1:250)



Based on preliminary storage calculations, the 2009 tailings facility will need to be excavated to a minimum depth of three metres with a crest (surface trace) at 860 metres, and the 2010 to 2015 facility to a minimum depth of nine and half metres with a crest (surface trace) at 866.5 metres based on the assumption that the bedrock at these locations is 857 metres. These respective depths should ensure adequate storage capacity and will provide a shallow basin for reclamation requirements of the two sites. The conceptual design of the two sites is shown in cross-section Figure 8-2.

The anticipated hydraulic conductivity (K) values for the facilities following placement of tailings (high in clay/carbonate material) is estimated to be between 10^{-6} m/s and 10^{-8} m/s (BGC, 2006). The probability of the K value being lower than 10^{-6} m/s is highly unlikely, given that this value was assigned to the shallow bedrock that should be more confined than the tailings within the facilities.

The clay/carbonate combination seals off the facilities and still provides sufficient seepage to ensure that a majority of the water input into the facilities will discharge back into the surrounding surficial materials and not be collected.

Based on the processing activities completed in 2008, the retention time of supernatant water within the storage facility was adequate to ensure that the tailings supernatant discharges were sufficiently low in TSS to meet regulations and yet not be retained for extended periods.

A water quality monitoring site at PC-6 (see Section 9.2) was set-up in March 2009, to monitor and ascertain if there are any impacts from the project area, particularly the tailings facilities.

8.1.3 Tailings Characterization

The tailings underflow will be directly discharged from the gravity processing plant to the tailings facility without the addition of any thickeners. The tailings stream reporting to the pond will be at least 80% passing 100 microns. The settled density of the tailings in the basin will depend on the grain size, specific gravity and discharge points. Using an assumed specific gravity value of 2.68 for the tailings, a conservative dry density of 1.3 t/m^3 was estimated for the storage capacity.

There has been no water chemistry assessments completed on the tailings supernatant for the project. However, in 2009 the Yellowjacket JV is initiating analyses and monitoring of the tailings solids and supernatant during operations. The results are expected to indicate that the solids and supernatant are of an acceptable quality based on the ML/ARD characterization completed by Lorax in 2006 (see Section 9.1).

8.2 Waste Rock

During mining of the four pit phases, the projected maximum waste bedrock tonnage will be generated mainly from the ramp systems, which have been located intentionally within the waste sections of the deposit. Waste material and mineralized bedrock, based on the 2006 ML/ARD characterization work, all produced Net Potential Ratios (“NPR”) greater than 10, therefore lithology units in the project area were deemed to be non-acid generating.

In 2009, as part of the Small *Mines Act* Permit application, additional geochemical test work on the waste and mineralized rock has been initiated as part of the monitoring requirements for the operation (see Section 9.1 of this application).

Waste rock will be stored in a separate waste stockpile for a period of less than two years and then will be transported as backfill and placed underwater within the mined pit phases. Based on current characterization, this material does not actually need to be placed under water, but as the mine plan provides for this opportunity, this conservative approach will be utilized.

8.3 Soils

There are no soils within the project site, mainly due to previous placer mining activities in which all soils and overburden were stripped to bedrock and not recovered for future replacement.

8.4 Solid and Liquid Wastes

The provincial legislation relevant to waste management at the Yellowjacket Gold Project includes the *Environmental Management Act* RSBC 2003, Chapter 53 (Sewage, Air, Refuse, and Special Waste Regs.) and *Drinking Water Protection Act*, S.B.C 2001. The Yellowjacket JV is committed to complying with all licenses, permits and approvals required for handling and disposing of wastes produced at the project.

Solid and liquid wastes that are generated by the project will include sewage effluent and industrial wastes associated with equipment use. All wastes will be handled and disposed of in ways that minimizes potential environmental effects and in accordance with legislated requirements and regulations, and Best Management Practices (“BMP”).

The Yellowjacket JV will implement a program of waste reduction, re-use and recycling during operations. Contractors will be responsible for ensuring that their employees follow the site waste handling procedures.

8.4.1 Hazardous Wastes

Special wastes such as waste oil, glycol coolant, solvent fluids, used oil filters, used batteries and contaminated fuel, will be handled, stored, transported and disposed of in accordance with the *Hazardous Waste Regulation*. These materials will be clearly identified with WHMIS labeling and MSDS sheets for worker protection.

All waste petroleum products will be stored in either 200 litre barrels and/or 20 litre pails, and then transported for recycling to Atlin. The Yellowjacket JV will purchase petroleum products from a local supplier and then expect to return waste petroleum products back to this supplier.

8.4.2 Non-hazardous Wastes

Scrap metal, tires, glass, recyclable plastics, drink containers and tin cans will be separated, containerized as appropriate, and temporarily stored until sufficient volumes are available for shipment to the Recycling Centre in Whitehorse, Yukon.

8.4.3 Outdoor (Bone-yard) Storage

A small temporary storage location near the process plant will be designated as an outdoor storage or 'bone-yard' area for placement of items that are not yet ready for disposal, but which may still be of use for spare parts. These items are likely to include equipment parts, vehicles, and pieces of equipment and metal components. It is expected that there will be limited material stored here during the Project life.

8.4.4 Liquid Waste Water (Sewage) Disposal

The Project office and first aid trailer uses a holding tank septic system that has been appropriately sized for the operations. The holding tank handles the domestic sewage and is nominally emptied when required by a contractor from Atlin.

8.4.5 Waste Management Plan Implementation

The Mine Manager will be responsible for ensuring the Waste Management Plan is implemented and followed, and a supervisor from each of the different contractors will be charged with ensuring all contractor personnel abide by the Plan.