



June 9, 2020

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Richard Dwyer
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RE: Back River Project 2020 Modification Package

Dear Keith and Richard,

Sabina Gold & Silver Corp. (Sabina) has identified proposed modifications that would further optimize and de-risk the Back River Project (the Project), as set out in the enclosed materials (the Back River Project 2020 Modification Package).

These modifications are a result of advancements during Detailed Engineering and additional field work and were identified following receipt of the Nunavut Impact Review Board (NIRB) Project Certificate (No. 007) and the Nunavut Water Board (NWB) Type A Water Licence (2AM-BRP1831).

NPC Process

Sabina provided the Back River Project 2020 Modification Package to the Nunavut Planning Commission (NPC) on June 5, 2020 to confirm the Project continues to remain outside the area of an applicable regional land use plan (NPC File#:148691/148419/148294). On June 9, 2020, the NPC determined that this Project proposal is outside the area of an applicable regional land use plan. The NPC also confirmed that the NIRB previously reviewed the works and activities associated with the current proposal, and the modifications proposed require screening by the NIRB.

NIRB Process

Sabina anticipates that the NIRB (NIRB File No. 12MN036) will consider whether the items included in the Back River Project 2020 Modification Package are significant and whether further consideration is required. Sabina has included all relevant information on the proposed modifications and considered these in relation to effect assessments and cumulative effect assessments completed during the original NIRB process.

As a general comment, Sabina has not identified any terms and conditions of its Project Certificate which would require amendments for the modifications to proceed. Sabina's view is that the majority of these proposed modifications are considered minor in the overall scope of the original environmental assessment and permitted mine, and are considered "non-significant modifications" to the Project.

Sabina will provide a further submission to the NIRB and anticipates issuing this clarification letter to the relevant parties in the coming days. Sabina has not yet identified the specific timing for these modifications within the construction sequence but provides general guidance in the Back River Project 2020 Modification Package as to when Sabina plans to proceed.

NWB Process

Sabina has also considered whether one or more of the items included in the Back River Project 2020 Modification Package triggers a Type A Water Licence amendment. Sabina anticipates that an amendment to the Type A Water Licence (2AM-BRP1831) is necessary as a result of the inclusion of the following components:

- Goose Property Total Water Use Increase;
- Winter Ice Road Total Water Use Increase; and
- Closure cost modifications.

To assist in regulatory review, and to appropriately address management and mitigation measures associated with the 2020 Modification Package, Sabina is including an updated Water Management Plan, as well as updated key figures and drawings. In addition, Sabina intends to provide an updated Water and Load Balance Model for review prior to commencement of the NWB process.

Depending on the NIRB's assessment of the proposed modifications and their associated conclusory significance ratings, Sabina may request to enter the concurrent NWB and NIRB Detailed Coordinated Process.

Should you have any questions or concerns, please do not hesitate to contact Merle Keefe by email at mkeefe@sabinagoldsilver.com or by telephone at 604-240-6619.

Best Regards,



Matthew Pickard B.Sc., MBA, P.Geo, CRSP, EP
Vice President, Environment & Sustainability
Sabina Gold & Silver Corp.

CC: *Kelli Gillard, Nunavut Impact Review Board*
Sergey Kuflevskiy, Nunavut Water Board
Karén Kharatyan, Nunavut Water Board
John Roesch, Kitikmeot Inuit Association
Godwin Okonkwo, Crown-Indigenous Relations and Northern Affairs Canada
Merle Keefe, Sabina Gold & Silver Corp.