



November 23, 2015

Tara Arko
Director, Technical Services
Nunavut Impact Review Board
PO Box 1360
Cambridge Bay, NU
X0B 0C0

Re: Submission of the Final Environmental Impact Statement (Final EIS) for the Back River Project (Back River or the Project)

Dear Tara,

Sabina Gold & Silver Corp. (Sabina) is pleased to provide this submission of the Back River Project Final EIS to the Nunavut Impact Review Board (NIRB). The Final EIS is a culmination of over six years of work to advance the Back River Project through the Environmental Assessment process.

Back River is a proposed gold mine located in the western Kitikmeot region of Nunavut. The Project includes the Goose Property, a Marine Laydown Area in southern Bathurst Inlet, and winter ice roads connecting the Properties.

The Goose Property consists of several mineral deposits including Umwelt, Llama, Goose Main, and Echo. Ore will be mined and trucked using conventional open pit and underground methods and will be processed using standard gravity/leach recovery processes at a mill located close by on the Property.

Waste rock will be deposited in designated storage areas on the surface adjacent to the open pits. Tailings from the mill will be deposited in a combination of land based storage facilities and mined out open pits. A combination of open pit and underground mining focuses on achieving an average production of 350,000 ounces of gold annually, although a lower production rate may also be utilized depending on future market conditions.

The Project will be resupplied through scheduled aircraft and marine shipping during the summer season. Up to five vessels per year will bring materials into a Marine Laydown Area located in southern Bathurst Inlet. During the winter months materials will be moved by winter ice road between the Properties.

The Project will result in significant benefits to Nunavummiut and the Inuit of the Kitikmeot Region. The Project will provide significant employment opportunities, many of which are anticipated to be filled by residents of the Kitikmeot Region. The Project will also result in Total Gross Domestic Product contributions of approximately \$300M in the Kitikmeot Region, \$425M in Nunavut, and over \$3B through all of Canada.

Based on currently known resources, the Project has an estimated 27 year life though continued exploration may extend the projected mine life.

- Mobilization and Construction — 4 years;
- Operation — 10 years;
- Reclamation and Closure — 8 years; and
- Post-closure Monitoring — 5 years.

As a direct result of the Pre-Hearing Conference Report received in late 2014, Sabina has taken significant time and effort to redesign certain aspects of the Project. Wherever practical, Sabina endeavoured to enhance the Project to address specific concerns identified by the communities, reviewing government agencies, and the NIRB. Key areas where Sabina has enhanced the Project as a direct result of identified concerns include:

- Modifications in the tailings storage locations and methodology as requested by the Kitikmeot Inuit Association;
- Improved understanding of the geochemical characteristics of the overburden, waste rock, and tailings to inform their long-term management as requested by the Federal Government.
- Enhanced wildlife (particularly caribou) mitigation and management procedures as requested by the Kitikmeot Inuit Association, Government of Nunavut and Government of Northwest Territories;
- Additional modeling and emphasis on climate change as it relates to potential effect on permafrost stability, groundwater and closure as requested by the Kitikmeot Inuit Association and Federal Government;
- Additional focus on progressive reclamation, closure and post-closure monitoring as requested by the Federal Government;
- Enhanced Fisheries Offset option as requested by the Federal Government;
- Reduction in shipping window and further clarification on shipping management plans as requested by the Communities and Government of Nunavut; and

- Integration of additional Traditional Knowledge as requested by the Kitikmeot Inuit Association and Government of Nunavut.

Sabina remains committed to an efficient and transparent review process and looks forward to working with the NIRB, Inuit organizations, communities, and federal and territorial governments to advance the Project in a responsible manner.

Should you require any additional information please feel free to contact me.

Yours truly,



Matthew Pickard
Vice President, Environment and Sustainability
Sabina Gold & Silver Corp.
#375 – 555 Burrard Street
Box 220
Vancouver, BC V7X 1M9

Cc *Ryan Barry, NIRB*
 Kristina Benoit, NIRB

Location

- Located in the western Kitikmeot Region of Nunavut at approximately 65° north latitude and 106° west longitude. About 400 km south of Cambridge Bay and 525 km northeast Yellowknife.
- Primary communities: Kugluktuk, Cambridge Bay, Gjoa Haven, Kugaaruk, and Taloyoak.
- The closest community areas to the Project are Kingaok, located approximately 160 km north of the Goose Property, and Omingmaktok, located approximately 250 km northeast of the Goose Property.

Reserves

- Four mining areas within the Goose Property: Umwelt, Llama, Goose Main, and Echo.

Mobilization and Construction Phase

- The project could commence as early as 2016 and take four years to mobilize and construct.
- Up to a \$695 M initial capital investment.

Operational Phase

- Open pit and underground mines at each of the four Goose deposits.

Production

- Ore production: 19.8 million tonnes of mill feed over the life of mine.
- Projected annual 350,000 ounces of gold for about up to 10 years.

Processing

- Processing plant throughput of 6,000 tonnes per day.
- Standard gravity separation and cyanide leaching circuit.
- Tailings storage facilities in Goose Potential Development Area but purpose-built TSF on Crown land.

Transport

- Gold doré bars shipped out by aircraft.

Access Roads

- All-weather roads within Goose and MLA properties.
- Winter ice road between Goose and MLA properties.
- Winter ice road connection to George Exploration Camp.

Re-supply

- Marine supply via open water seasonal shipping (approximately 3 to 5 vessels per year).
- Year-round by aircraft.
- Winter ice road to connect the Goose and MLA properties.

Environment

- Extensive baseline studies including terrestrial environment, wildlife (particularly caribou), marine environment, freshwater environment, air quality, human environment, and resource utilization.
- Traditional knowledge (TK) information collected and analyzed through an Inuit-owned major study – *Naonaiyaotit Traditional Knowledge Project*.
- Baseline and TK information will form the foundation of Environmental Impact Statement and provide information for development of mitigation and management plans.

Employment

- Fly-in/fly-out operation.
- Direct construction employment up to 1,500 person-years over a four year period.
- Direct operations employment up to 6,970 person-years over a 10 year period.

Social and Economic Benefits

- Inuit Impact Benefits Agreement to be finalized with the Kitikmeot Inuit Association.
- Employment opportunities at the site.
- Opportunities for local businesses.
- Royalties and taxes to governments.

Closure and Post-closure Phase

- Closure will ensure that the former operational footprint is both physically and chemically stable in the long term for protection of people and the natural environment.
- Post-closure environmental monitoring will continue until it has been verified that reclamation has successfully met closure and reclamation objectives.