

NEWS RELEASE

NIRB File No. 12MN036

Nunavut Impact Review Board issues Final Hearing Report following Review of Sabina Gold & Silver Corp.'s Back River Gold Mine Project Proposal

CAMBRIDGE BAY, NU — June 15, 2016: The Nunavut Impact Review Board (NIRB or the Board) has completed its assessment of Sabina Gold & Silver Corp.'s Back River Gold Mine Project Proposal and has submitted its Final Hearing Report, including recommendations, to the federal Minister of Indigenous and Northern Affairs for her review and decision.

After a thorough review of the potential ecosystemic and socio-economic impacts of the proposed project, the Board has concluded that on the basis of the potential for significant adverse ecosystemic and socio-economic effects in Nunavut and also in the Northwest Territories that, in the Board's view, cannot be adequately managed and mitigated, the proposed Back River Gold Mine Project should not proceed at this time.

The scope of the Back River Gold Mine Project Proposal consists of the proposed mobilization, construction, operation, closure, reclamation, and post-closure monitoring of a gold mine operation in the Kitikmeot region of Nunavut. The Project would be located approximately 400 kilometres (km) southwest of the community of Cambridge Bay, 95 km southeast of the southern end of Bathurst Inlet, and 520 km northeast of Yellowknife, Northwest Territories. The proponent for the Back River Project is Sabina Gold & Silver Corp. (the Proponent).

Over the course of the approximately four (4) year review process and during the many meetings, comment periods, and the Final Hearing associated with the Board's review of the Project, the Board heard that although the area proposed for development has been subject to significant exploration activity for decades, it remains relatively pristine and untouched by large scale and potentially permanent impacts. The Board heard there is a high level of concern about the potential for this Project to have impacts on caribou herds with ranges in Nunavut and the Northwest Territories that have recently experienced significant declines. In addition, the Board heard of the devastating effects that harvesting bans and other management measures are having on communities in the Northwest Territories. The Board also heard that there remains considerable uncertainty regarding the extent to which efforts to monitor, manage, and mitigate any additional adverse effects on caribou would be effective.

The Final Hearing Report contains the NIRB's assessment of the potential ecosystemic and socio-economic effects of the Back River Gold Mine Project Proposal and concludes that on the basis of the potential for significant adverse ecosystemic and socio-economic effects in Nunavut and also in the Northwest Territories that, in the Board's view, cannot be adequately managed and mitigated, the proposed Back River Gold Mine Project should not proceed at this time.

Specifically, the Board has determined that there is potential for significant adverse effects on caribou and other terrestrial wildlife, fish, and freshwater and the marine environments, and that there could also be adverse socio-economic effects associated with these ecosystemic effects. The Board has also concluded that effects on caribou and terrestrial wildlife could result in additional cumulative and transboundary effects on already declining populations. Due to a high level of uncertainty regarding the efficacy and adaptability of measures designed to mitigate these effects, the Board is not confident that these potential adverse ecosystemic and related socio-economic effects could be effectively mitigated over the life of the Project.

However, the Board recognizes that in future there may be increased certainty regarding effects predictions and mitigation measures and the Proponent may then choose to resubmit the Back River Gold Mine project proposal for consideration. Consequently, the Board has included, where appropriate, guidance in the form of recommendations regarding activities and information submissions which may assist the Board in the assessment of any future proposal.

The Final Hearing Report and the complete record of the technical review comments, extensive written submissions and evidence presented at the Final Hearing in respect of the Board's review are available online from the Board's public registry at www.nirb.ca by using either of the following search criteria:

Project Name: Back River Project

NIRB File No.: 12MN036Application No.: 124149

Translated versions of the report are being prepared and will be posted on the online public registry as soon as they become available.

The NIRB is very grateful to all who actively participated in this assessment, and who worked in a collaborative and productive manner during the review process. Specifically, the Board thanks Sabina Gold & Silver Corp., various federal, territorial, and local government representatives, the Kitikmeot Inuit Association, Elders, community representatives, and members of the public who gave of their time, shared their experiences and expertise, and supported the Board's efforts to complete a thorough and timely assessment of the proposed project.

Sincerely,

Elizabeth Copland Chairperson

Nunavut Impact Review Board

For more information, the media may contact:

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