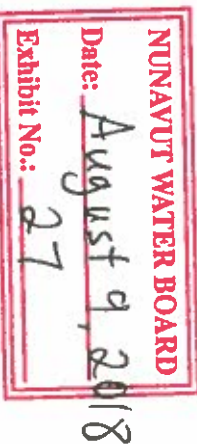


**Proposed Back River Project
Type A Water Licence Framework**

The following table outlines Sabina's comments on potential water licence conditions to proceed with the activities and infrastructure associated with the Back River Project (Project), should the Nunavut Water Board (NWB or Board) exercise its jurisdiction and authority under the Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSTRA or Act) to proceed and issue a licence. This framework incorporates conditions included in Type A Water Licences recently issued by the NWB and includes certain Back River specific conditions. This framework also incorporates the Type B Development Water Licence (ZBC-BRP1819) where noted. This document (dated ~~July 23~~ **August 8, 2018**) is intended to update and replace the previous versions submitted to the Nunavut Water Board.

This table reflects information from the Application as well as the current public record (i.e., commitments from information requests, technical comments, and final submissions). Statements and conditions provided in this table are intended to support the NWB and staff in their development of a water licence for the Project.

Proposed Terms		Sabina Note Sabina has not blacklined this column to show changes															
Water Licence Cover Sheet		Comments and Annotation															
Licensee: Sabina Gold & Silver Corp.																	
Mailing Address: #1800 - 555 Burrard Street, Box 220, Vancouver, BC V7X 1M9																	
Water Management Area: Queen Maud Gulf Watershed - 30																	
Location: Goose Lake and Marine Laydown Area, Back River Project, Kitikmeot Region, Nunavut																	
Quantity of Water not to Exceed:																	
o 500,000 cubic meters annually as per Part E, 1,400,000 cubic metres for dewatering of Umwet Lake and Liama Lake, quantity for winter ice road construction and operation to vary annually and to be calculated in accordance with Part F, Item 3.																	
Part A: Scope, Definitions and Enforcement																	
1. Scope																	
a. This License authorizes the Licensee to use Waters and deposit of Waste in support of a Mining Undertaking classified as per Schedule 1 of the Regulations, at the Back River Project as outlined in the Type "A" Water Licence Application (the Application) submitted to the Nunavut Water Board (NWB) on October 5, 2017 and as revised and reviewed throughout the regulatory process.																	
The Licensee may conduct, mining, milling, and associated activities at the Back River Project (Project) in the Kitikmeot Region of Nunavut, located at the following general geographical coordinates: (refer to Sabina Comments and Annotation)																	
<p>Table 2.1-1. Project Extents</p> <table> <tr> <th>Project Extents</th><th>Latitude</th><th>Longitude</th></tr> <tr> <td>NW</td><td>66° 42' N</td><td>107° 50' W</td></tr> <tr> <td>NE</td><td>66° 42' N</td><td>106° 11' W</td></tr> <tr> <td>SE</td><td>63° 29' N</td><td>106° 12' W</td></tr> <tr> <td>SW</td><td>63° 29' N</td><td>107° 50' W</td></tr> </table>		Project Extents	Latitude	Longitude	NW	66° 42' N	107° 50' W	NE	66° 42' N	106° 11' W	SE	63° 29' N	106° 12' W	SW	63° 29' N	107° 50' W	
Project Extents	Latitude	Longitude															
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NE	66° 42' N	106° 11' W															
SE	63° 29' N	106° 12' W															
SW	63° 29' N	107° 50' W															
The activities and facilities included under the scope of this Licence for construction, operations, closure and reclamation of the Project Construction, Operations, Closure, and Post-Closure phases , are as follows:																	



**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
<ul style="list-style-type: none"> o construction and operation of mill for gold recovery; o construction, operation, and maintenance of Plant Site and Fuel Storage Areas and Laydown Areas and fuel storage areas; o construction and operation of Fuel Storage Facilities, fuel storage areas, dispensing storage facilities, and associated secondary containment areas or berms for the bulk fuel storage facilities and day tanks; o construction and operation of the Tailings Storage Facility and Tailings Facilities, associated pipelines and pumping systems for water management; o construction and operation of all-weather airstrips (including extension); o construction and operation of ice airstrips; o construction and operation of the MLA; o construction and maintenance of all-weather sewer roads and water crossings; o realign Rascal Stream and/or install fish bearing culverts at airstrip extension; and o all associated infrastructure. 	
<p>Access and Infrastructure</p> <ul style="list-style-type: none"> o construction and operation of all-weather roads (i.e., service roads, haul roads); o develop and operate Borrow Pits and Quarries; o construction and maintenance of Project Infrastructure; and o construction and operation of Winter Ice Road(s) (WMR) and Bathurst Inlet Port Road (BIPR) WMR connector, including: <ul style="list-style-type: none"> o Goose Exploration Camp to Umwelt Quarry/Plant Site/Airstrip Quarry o Goose Exploration Camp (or other Ice road) to the Explosives Storage o Mobilize fuel, equipment, and supplies; and o all associated infrastructure. 	
<p>Water Use and Management:</p> <ul style="list-style-type: none"> o construction, operation and maintenance of Water Supply Facilities for all purposes; o construction, operation and maintenance of water management infrastructure, including: <ul style="list-style-type: none"> o Tailings Storage Facility and/or Tailings Facilities; o Watercourse crossings including pipelines, channel, and bank alterations, culverts, spurs, and erosion control; o Flood control, diversions, alteration of flow, or storage by means of dykes or dams; o Runoff management from the Ore Stockpile, WRSAs, laydown areas, and other <u>mine infrastructure</u> o Water treatment facilities and o all associated infrastructure. 	
<p>Waste Disposal and Management:</p> <ul style="list-style-type: none"> o construction, operation and maintenance of Waste Disposal Facilities o construction, operation and maintenance of Landfills for the deposition and treatment of hydrocarbon contaminated material; o construction, operation and maintenance Landfills for deposition of solid waste; o construction, operation and maintenance of Waste rock disposal areas; o construction, operation of Tailings Storage Facility and/or Tailings Facilities; o management of effluent discharges and o all associated infrastructure. 	
<p>Material Management:</p> <ul style="list-style-type: none"> o The transportation, use, management, disposal, and treatment of petroleum, oils, and lubricants; o Storage and management of hazardous materials; o Containment areas for temporary storage of hazardous/nonhazardous waste (waste transfer areas) and new product storage for drums and totes; o Waste sorting facilities and temporary storage facilities for hazardous waste o Operation and handling of explosives storage and explosives <u>manufacturing facilities and</u> o all associated infrastructure. 	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
Monitoring: o Implementation of regular inspection and maintenance of all earthworks and water management and waste disposal infrastructure and implementation of Environmental Management and Protection Plan. Closure o Implementation of remediation and reclamation including progressive <u>reclamation and</u> <u>all associated infrastructure.</u>	Monitoring is a part of the Licence obligations - the NWB may wish to consider leaving reference to monitoring out of the "scope" of the licence as the licence otherwise addresses this topic.
1 (a) This Licence is issued subject to conditions contained herein with respect to the use of Waters and the deposit of Waste of any type in any Waters or in any place under any conditions where such Waste or any other Waste that results from the deposits of such Waste may enter any Waters. Whenever new Regulations are made or existing Regulations are amended by the Governor in Council under the Act, or other statutes imposing more stringent conditions relating to the quantity, type or manner under which any such Waste may be so deposited, this Licence shall be deemed to be subject to such requirements.	
1(b) Compliance with the terms and conditions of this Licence does not absolve the Licensee from responsibility for compliance with all applicable legislation, <u>guidelines and directives of the Board.</u>	It is noted that the specific Guidelines that Sabina has committed to following are referenced in the commitments made during this process as well as the Licence itself.
2. Definitions The Licensee shall refer to Schedule A for definitions of terms used in this Licence.	See attached "Schedule A" below for revisions.
3. Enforcement (a) Failure to comply with this Licence will be a violation of the Act, subjecting the Licensee to the enforcement measures and the <u>defences and</u> penalties provided for in the Act.	
(b) All inspection and enforcement services regarding this Licence will be provided by Inspectors appointed under the Act.	
(c) For the purpose of enforcing this Licence and with respect to the use of Water and deposit of Waste by the Licensee, Inspectors appointed under the Act, hold all powers, privileges, and protections that are conferred upon them by the Act or by other applicable laws.	
Part B: General Conditions	
1. This licence incorporates the scope of the Existing Type "B" Water Licence No. 2BC-BRP1819 and where applicable Type B Water Licence No. 2BE-GO01520 and No. 2BE-GEO1520 in accordance with Part A, Item 1(a). To the extent that any required reports, studies or plans having not yet been received, accepted or approved by the Board, the requirements associated with such documents are now brought forward under this Licence.	
2. The amount of Water use fees shall be determined and payment of those fees shall be made in accordance with section 12 of the Regulations.	
3. The Licensee shall file an Annual Report with the Board no later than March 31 st in the year following the calendar year being reported. The Annual Report shall be developed in accordance with Schedule B.	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
<p>4. Any communication with respect to this Licence shall be made in writing to the attention of:</p> <p>Manager of Licensing, Nunavut Water Board P. O. Box 119 Gjoa Haven, NU X0B 1J0 Telephone: (867) 360-6338 Fax: (867) 360-6369 Email: licensing@nwb-oen.ca</p>	
<p>5. Any notice made to an Inspector shall be made in writing to the attention of:</p> <p>Water Resources Officer Nunavut District, Nunavut Region P.O. Box 100 Iqaluit, NU X0A 0H0 Telephone: (867) 975-4295 Fax: (867) 979-6445</p>	
<p>6. The Licensee shall submit one (1) electronic copy of all reports, studies, and plans to the Board unless otherwise requested by the Board. Unless otherwise directed by the Board, reports or studies submitted to the Board by the Licensee shall include an executive summary in English, Inuinnaqun, and Inuktitut.</p>	
<p>7. This Licence is assignable as provided in Section 44 of the Act.</p>	
<p>8. The Licensee shall ensure that any document(s) or correspondence submitted by the Licensee to the Board is received and acknowledged by the Manager of Licensing.</p>	
<p>9. The Licensee shall post signs in the appropriate areas to inform the public of the location of the Water Supply Facilities and the Waste Disposal Facilities. All signs must be in English, Inuinnaqun, and Inuktitut, and shall be located and maintained to the satisfaction of an Inspector.</p>	
<p>10. The Licensee shall, for all Plans submitted under this Licence, include a proposed timetable for implementation. Plans submitted cannot be undertaken without subsequent written Board approval and direction, or as otherwise deemed approved in accordance with Part B, Section 12. The Board may <u>request</u> the Licensee to alter or modify a Plan, if necessary, to achieve the legislative objectives and will notify the Licensee in writing of acceptance, rejection or <u>requested</u> alteration of the Plan. <u>With notice to the Board, the Licensee may rename or consolidate Plans listed in this Licence.</u></p>	
<p>11. Unless otherwise directed by the Board in writing, if a Plan is not acceptable to the Board, the Licensee shall provide a revised version to the Board for review within thirty (30) days of notification by the Board.</p>	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
<p>12. Except as otherwise reflected in this Licence, the Licensee shall, for all Plans submitted under this Licence, undertake Plans upon receipt of approval from the Board, or 60 days following Plan submission to the Board, whichever occurs first. Any changes to the plans deemed significant shall be considered as an amendment to the plans if or as a modification and by the Board must be submitted to the Board following the process and timelines described in this section. The Board has approved the following plans for implementation under the relevant section of this Licence.</p>	
<p>a. Road Management Plan (October 2017) (SD-02) b. Borrow Pits and Quarry Management Plan (October 2017) (SD-03) c. Water Management Plan (October 2017) (SD-05) d. Ore Storage Management Plan (October 2017) (SD-07) e. Mine Waste Rock Management Plan (October 2017) (SD-08) f. Tailings Management Plan (October 2017) (SD-09) g. Landfill and Waste Management Plan (October 2017) (SD-10) h. Incineration Management Plan (October 2017) (SD-11) i. Landfarm Management Plan (October 2017) (SD-12) j. Hazardous Materials Management Plan (October 2017) (SD-13) k. Risk Management and Emergency Response Plan (October 2017) (SD-15) l. Fuel Management Plan (October 2017) (SD-16) m. Spill Contingency Plan (October 2017) (SD-17) n. Environmental Management and Protection Plan (October 2017) (SD-20) o. Aquatic Effects Management Plan (October 2017) (SD-21) p. Quality Assurance / Quality Control Plan (October 2017) (SD-24) q. Interim Closure and Reclamation Plan (including Interim Closure Cost Estimate) (October 2017) (SD-26)</p>	<p>Sabina requests that all of these plans be approved with the issuance of the Type A Water Licence. It is acknowledged that the Water Management Plan will require updating, but Sabina requests that the version listed here be approved by the Board in the interim.</p>
<p>13. The Licensee shall update and revise for submission to the Board for review and/or approval as required under the relevant section of this Licence, the following plans and documents. The updates are to take into account commitments made with respect to submissions received during the regulatory review of the Application. a. Water Management Plan (October 2017) (SD-05) (in accordance with Part F, Item 1), and b. Aquatic Effects Monitoring Plan (October 2017) (SD-21) (in accordance with Part K, Item 2).</p>	
<p>14. Every Plan to be carried out pursuant to the terms and conditions of this Licence shall become a part of this Licence, and any additional terms and conditions imposed upon approval of a Plan by the Board, or as otherwise deemed approved in accordance with Part B, Section 12, become part of this Licence. All terms and conditions of the Licence should be contemplated in the development of a Plan where appropriate.</p>	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
<p>15. The licensee shall review the Plans ex-Manuals referred to in this Licence as required by changes in operation and/or technology and modify the Plans ex-Manuals accordingly. Revisions to the Plans ex-Manuals are to be submitted in the form of an Addendum to be included with the Annual Report required by Part B, item 2, complete with a revisions list detailing where significant content changes are made.</p>	<p>Manuals are not referenced in this licence and so deletion is suggested.</p>
<p>16. The expiry or cancellation of this Licence does not relieve the licensee from any obligation imposed by the Licence or any other regulatory requirement. Should this Licence expire or be cancelled, the Licensee is permitted to carry out any obligations imposed by the Licence to the extent required to maintain compliance with the Act.</p>	
<p>17. The Schedules attached to this Licence provide details regarding the requirements associated with specific items in the main body of the Licence and are included in the Schedule to provide greater clarity and as an aid to interpretation for the Licensee. If the Board subsequently determines that an item in any of the Schedules require revision in order to better reflect the intent and objectives of the Licence, the Board may at its discretion, and upon consulting and providing written notice to the Licensee and interested parties, revise any Schedule accordingly. Unless the Board directs otherwise, such revision may not necessarily be considered as an "Amendment" to the Licence.</p>	
<p>18. Unless otherwise stated, references in the Licence to any specific legislation, policy, guideline or other regulatory requirement are deemed to refer to the regulatory requirement as may be amended or as may be expressly replaced by successor legislation, policy, guidelines or other regulatory requirements after the Licence is approved by the Minister.</p>	
<p>Part C: Conditions Applying to Security</p> <p>1. The Licensee shall:</p> <p>a. within thirty (30) days following the approval of this Licence by the Minister:</p> <p>i. file evidence, in writing, that is acceptable to the Board, and with notice to the Minister and the Kitikmeot Inuit Association, verifying that the Licensee has furnished and maintained reclamation security in an amount of no less than \$1,485,666 with the Kitikmeot Inuit Association for the purposes of reclamation consistent with the purposes set out in s. 76(2)(b) of the Act and as applicable to reclamation of the Mining Undertaking described in the Licence.</p> <p>b. sixty days prior to construction of the initial infrastructure</p> <p>i. furnish and maintain security with the Minister in the amount of \$2,400,005; and</p> <p>ii. file evidence, in writing, that is acceptable to the Board, and with notice to the Minister and the Kitikmeot Inuit Association, verifying that the Licensee has furnished and maintained reclamation security in an amount of no less than \$1,176,934 with the Kitikmeot Inuit Association for the purposes of reclamation consistent with the purposes set out in s. 76(2)(b) of the Act and as applicable to reclamation of the Mining Undertaking described in the Licence.</p> <p>c. sixty days prior to construction of the Umwelt OP</p> <p>i. furnish and maintain security with the Minister in the amount of \$3,969,014; and</p> <p>ii. file evidence, in writing, that is acceptable to the Board, and with notice to the Minister and the Kitikmeot Inuit Association, verifying that the Licensee has furnished and maintained reclamation security in an amount of no less than \$3,529,839 with the Kitikmeot Inuit Association for the purposes of reclamation consistent with the purposes set out in s. 76(2)(b) of the Act and as applicable to reclamation of the Mining Undertaking described in the Licence.</p>	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
<p>d. sixty days prior to construction of the Tailings Storage Facility</p> <p>i. furnish and maintain security with the Minister in the amount of \$14,223,495; and</p> <p>ii. file evidence, in writing, that is acceptable to the Board, and with notice to the Minister and the Kikimeot Inuit Association, verifying that the Licensee has furnished and maintained reclamation security in an amount of no less than \$2,589,585 with the Kikimeot Inuit Association for the purposes of reclamation consistent with the purposes set out in s. 76(2)(b) of the Act and as applicable to reclamation of the Mining Undertaking described in the Licence.</p>	<p>The terms and conditions set out at this Part C are similar in structure to those found in 2AM-DOH1323. They are designed to acknowledge that KIA and the Minister will both hold security. The amounts listed at (1) total the global amount listed at (2).</p>
<p>e. sixty days prior to construction of the Umana OP</p> <p>i. furnish and maintain security with the Minister in the amount of \$3,060,990; and</p> <p>ii. file evidence, in writing, that is acceptable to the Board, and with notice to the Minister and the Kikimeot Inuit Association, verifying that the Licensee has furnished and maintained reclamation security in an amount of no less than \$3,235,585 with the Kikimeot Inuit Association for the purposes of reclamation consistent with the purposes set out in s. 76(2)(b) of the Act and as applicable to reclamation of the Mining Undertaking described in the Licence.</p>	<p>There are precedents for the Board to include staged security milestones in Water Licences (see for example 28B-MAE1727 Amendment No. 1). This approach avoids the need for annual security review processes which may be time consuming for all parties and for the Board, while ensuring that all required security amounts are in place prior to construction.</p>
<p>f. sixty days prior to construction of the Llama UG</p> <p>i. furnish and maintain security with the Minister in the amount of \$93,198; and</p> <p>ii. file evidence, in writing, that is acceptable to the Board, and with notice to the Minister and the Kikimeot Inuit Association, verifying that the Licensee has furnished and maintained reclamation security in an amount of no less than \$456,227 with the Kikimeot Inuit Association for the purposes of reclamation consistent with the purposes set out in s. 76(2)(b) of the Act and as applicable to reclamation of the Mining Undertaking described in the Licence.</p>	<p>Sabina's proposal, which has been agreed by KIA, is that KIA and/or CIRNA (as specified in Item 1) shall receive staged security in Letters of Credit (LOC), or such other form permitted by the Act and the Nunavut Waters Regulations, for major mine site components sixty (60) days prior to construction of each stage.</p>
<p>g. sixty days prior to construction of the Umwelt UG</p> <p>i. furnish and maintain security with the Minister in the amount of \$1,786,555; and</p> <p>ii. file evidence, in writing, that is acceptable to the Board, and with notice to the Minister and the Kikimeot Inuit Association, verifying that the Licensee has furnished and maintained reclamation security in an amount of no less than \$354,370 with the Kikimeot Inuit Association for the purposes of reclamation consistent with the purposes set out in s. 76(2)(b) of the Act and as applicable to reclamation of the Mining Undertaking described in the Licence.</p>	<p>Note the amount listed under Item 1(a) is the reclamation security required under the Type B Water Licence No. 28C-GOO1520</p>
<p>h. sixty days prior to construction of the Goose Main OP</p> <p>i. furnish and maintain security with the Minister in the amount of \$1,696,673; and</p> <p>ii. file evidence, in writing, that is acceptable to the Board, and with notice to the Minister and the Kikimeot Inuit Association, verifying that the Licensee has furnished and maintained reclamation security in an amount of no less than \$520,213 with the Kikimeot Inuit Association for the purposes of reclamation consistent with the purposes set out in s. 76(2)(b) of the Act and as applicable to reclamation of the Mining Undertaking described in the Licence.</p>	
<p>i. sixty days prior to construction of the Goose Main UG</p> <p>i. furnish and maintain security with the Minister in the amount of \$720,096; and</p> <p>ii. file evidence, in writing, that is acceptable to the Board, and with notice to the Minister and the Kikimeot Inuit Association, verifying that the Licensee has furnished and maintained reclamation security in an amount of no less than \$161,736 with the Kikimeot Inuit Association for the purposes of reclamation consistent with the purposes set out in s. 76(2)(b) of the Act and as applicable to reclamation of the Mining Undertaking described in the Licence.</p>	
<p>j. sixty days prior to construction of the Echo OP & UG</p> <p>i. furnish and maintain security with the Minister in the amount of \$1,055,704; and</p> <p>ii. file evidence, in writing, that is acceptable to the Board, and with notice to the Minister and the Kikimeot Inuit Association, verifying that the Licensee has furnished and maintained reclamation security in an amount of no less than \$673,467 with the Kikimeot Inuit Association for the purposes of reclamation consistent with the purposes set out in s. 76(2)(b) of the Act and as applicable to reclamation of the Mining Undertaking described in the Licence.</p>	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
<p>2. The Licensee must ensure that the security furnished and maintained under Part C, Item 1, once all items 1(a) through 1(j) have commenced construction, and by peak construction, is not less than \$43,189,351 and that the security is in the form, of the nature, subject to applicable terms and conditions, in accordance with the Regulations, or that is otherwise satisfactory to the Minister.</p>	<p>The parties have agreed that the split of the global security amount of \$43,189,351 should be held between KIA and CIRNAC as follows: KIA 32% or peak global total of \$13,820,593, and CIRNA 68% or peak global total of \$29,368,758. This number is intended to reflect the agreed global security amount between KIA, CIRNAC and Sabina of \$43,189,351 but it must be noted that this total amount would be posted upon the milestones outlined at Part D, Section 1.</p>
<p>3. If the Licensee fails to provide evidence of the security required to be provided to the Kitikmeot Inuit Association under Part C, Item 1, or if, during the term of the Licence, the Licensee fails to maintain the security required to be maintained with the Kitikmeot Inuit Association under Part C, Item 1, the Licensee shall, within thirty (30) days of the Licensee's failure, furnish and maintain such additional security with the Minister as is required to ensure that the total reclamation security held under Part C, Item 1 is not less than the amounts listed at Part C Item 1(a)(i) and (ii), 1(b)(i) and (ii), 1(c)(i) and (ii), 1(d)(i) and (ii), 1(e)(i) and (ii), 1(f)(i) and (ii), 1(g)(i) and (ii), 1(h)(i) and (ii), 1(i)(i) and (ii), and 1(j)(i) and (ii).</p>	
<p>4. The Licensee is required to provide the Board and the Minister with at least sixty (60) days written notice prior to any material change affecting the reclamation security arrangements between the Licensee and the Kitikmeot Inuit Association, including, but not limited to changes to the form of security, quantum of security or terms associated with holding, accessing or releasing the security. Notwithstanding this requirement, should the Licensee or the Kitikmeot Inuit Association become aware of, or cause any change to, the amount or terms of security referred to in Part C, Item 1, the Licensee or the Kitikmeot Inuit Association will promptly notify the Board.</p>	
<p>5. The Licensee shall submit to the Board for approval, one year after the commencement of Commercial Production, an updated Interim Closure and Reclamation Plan (including Interim Closure Cost Estimate) which reviews and updates sections addressing cover material for the Waste Rock Storage Areas and the Tailings Storage Facility.</p>	<p>This reflects a specific commitment made by Sabina to CIRNA during the licensing process.</p>
<p>6. The Licensee shall submit to the Board for approval at least twelve (12) months prior to Closure, an updated estimate of the total mine closure restoration liability using the current version of RECLAIM, its equivalent or other similar method approved by the Board in writing, in accordance with principles of the INAC "Mine Site Reclamation Policy for Nunavut" (2002). Upon the Project entering into or being maintained in Care and Maintenance, an updated estimate of total mine closure restoration reclamation liability shall be submitted, as above, within twelve (12) months of entering Care and Maintenance and every three (3) years thereafter.</p>	
<p>7. The Licensee shall furnish and maintain such further increases or decreases or other amounts of security as may be required by the Board, based on the updated estimate of current mine reclamation liability under Part C, Item 5.</p>	
<p>8. The Licensee, the Minister, or the Kitikmeot Inuit Association may apply to amend the Board to order a revised amount of security required to be held under the Licence pursuant to Part C, Item 1. Any submission requesting a review, reduction or increase of the security to be held under the Licence pursuant to Part C, Item 1 shall include supporting evidence to justify the reduction or increase amendment and will be processed by the Board as an amendment to the terms and conditions of the Licence.</p>	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina <u>Note Sabina has not blacklined this column to show changes</u> Comments and Annotation
9. Upon the Board receiving a request under Part C, Item 8 to amend, reduce or increase security, or upon receiving an updated reclamation cost estimate as required under Part C, Item 5, the Board, may on its own initiative, or upon application by the Licensee, the Minister and/or the Kitikmeot Inuit Association, conduct a periodic review of the outstanding reclamation liability associated with the Undertaking and may, as the Board considers appropriate, amend order that the amount of security required to be held under <u>Part C, Item 1</u> be reduced or increased.	
10. If the Board determines it to be necessary, or upon the request of Licensee, the Minister and/or the Kitikmeot Inuit Association, the Board may issue further directions under this Part with respect to the process for amending the amount of security to be furnished and maintained under the Licence.	
11. The security referred to in Part C, Item 1 shall be maintained until such time as it is fully or in part refunded by the Minister pursuant to Section 76(5) of the Act. This clause shall survive the expiry of this Licence and remains in force until amended by the Board under this Part or until full and final reclamation has been completed to the satisfaction of the Minister.	
12. The Licensee shall provide ninety (90) days notice to the Board, of construction with respect to initial infrastructure associated with, Tailings Storage Facility, Llama OP, Llama UG, Umwelt UG, Umwelt OP, Goose Main OP, Goose Main UG, Echo OP and Echo UG.	
Part D: Conditions Applying to Construction and Operations	
1. The Licensee shall use fill material for construction from an approved source that shall be free of contaminants, unless otherwise approved of the Board. The Licensee shall implement preventive and mitigation measures to prevent any chemicals, fuel or Wastes associated with the undertaking from entering any Water body.	
2. The Licensee shall locate equipment storage areas on gravel, sand or other durable land, a distance of at least thirty-one (31) metres above the ordinary High Water Mark of any Water body in order to minimize impacts on surface drainage and water quality unless otherwise approved by the Board with appropriate mitigation measures implemented by the Licensee.	
4. The Licensee shall implement sediment and erosion control measures where necessary, during all phases of the Project to prevent entry of sediment into Water.	
5. The Licensee shall undertake appropriate corrective measures to mitigate impacts on surface drainage resulting from the Licensee's operations.	
6. The Licensee shall limit any in-stream activity to the low water period and this activity is prohibited during fish migration unless otherwise approved by the Board or Fisheries and Oceans Canada.	
7. The Licensee shall conduct construction monitoring during periods where Construction activities are undertaken.	
8. The Licensee shall, during periods of Construction activities, submit an annual Construction Summary Report no later than March 31 in the year following the calendar year being reported. The report shall be developed in accordance with Schedule D, Item 1 and submitted with the Annual Report in accordance with Part B, Item 3.	Sabina recommends streamlining of the construction monitoring report to be included in the Annual report.
9. The Licensee shall identify and tag any potentially acid generating rock identified through the Borrow Pits and Quarry Management Plan for removal and disposal into the WRSAs, or backfill in the underground mines or Tailings Storage Facility and/or Tailings Facilities or as otherwise approved by the Board.	
10. The Licensee shall monitor the underground backfill and mine Waste placement underground during Operations to confirm that the proposed closure and reclamation targets of returning waste rock into the underground are achieved.	
11. The Licensee shall construct and operate the Fuel Storage and Containment Facility(s) to meet, at a minimum, all applicable legislation and industry standards that include the following: a. Environmental Code of Practice for Aboveground Storage Tank Systems Containing Petroleum Products, 2003; CCME, PN 1326; and b. National Fire Code, 2010.	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
12. The licensee shall, for the purposes of bridge construction, ensure that all activities remain outside of the natural channel width by the placement of abutments, footings or armouring above the ordinary High Water Mark so that there is no restriction to the natural channel processes, <u>unless otherwise approved by the Board.</u>	
13. The licensee shall submit to the Board for <u>review approval</u> , at least thirty (30) days prior to construction, final design and construction drawings accompanied with a detailed report, <u>both stamped and signed by the appropriately qualified Engineer where such facilities require engineered structures</u> , for the following: a. Water Works; b. Waste Disposal Facilities; and c. Bulk Fuel Storage Facilities.	
14. The Licensee shall conduct all activities, including the construction and maintenance of the all-weather roads, in such a way as to minimize impacts on surface drainage and shall immediately undertake any corrective measures in the event the Licensee's activities cause significant pooling of Water or any impacts on surface drainage.	
15. With respect to access road, pad construction or other earthworks where direct or indirect flow into a Water body is possible, the deposition of debris or sediment into or onto any Water body is prohibited. These materials shall be disposed at a distance of at least thirty-one (31) metres from the ordinary High Water Mark in such a fashion that they do not enter the Water, unless otherwise approved by the Board with appropriate mitigation measures implemented by the licensee.	
16. The licensee shall monitor all activities for signs of erosion and shall implement and maintain sediment and erosion control measures prior to the undertaking to prevent entry of sediment into any Water body.	
17. The Licensee shall conduct visual inspections for all construction activity during spring freshet and during and after remarkable rainfall events with sampling of runoff/seepage where turbidity is evident.	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms			Sabina Note Sabina has not blacklined this column to show changes)												
			Comments and Annotation												
18. All surface runoff and/or discharge from drainage management systems, during the construction/operation of any facilities and infrastructure associated with this project, including laydown areas, where flow may directly or indirectly enter a Water body, shall not exceed the following Effluent quality limits:															
<table><tr><th>Parameter</th><th>Maximum Average Concentration</th><th>Maximum Concentration of Any One Sample</th></tr><tr><td>Total Suspended Solids (mg/l)</td><td>50.0</td><td>100.0</td></tr><tr><td>Oil and Grease</td><td>No Visible Solids</td><td>No Visible Solids</td></tr><tr><td>pH</td><td>Between 6.0 and 9.5</td><td>Between 6.0 and 9.5</td></tr></table>			Parameter	Maximum Average Concentration	Maximum Concentration of Any One Sample	Total Suspended Solids (mg/l)	50.0	100.0	Oil and Grease	No Visible Solids	No Visible Solids	pH	Between 6.0 and 9.5	Between 6.0 and 9.5	
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Total Suspended Solids (mg/l)	50.0	100.0													
Oil and Grease	No Visible Solids	No Visible Solids													
pH	Between 6.0 and 9.5	Between 6.0 and 9.5													
19. The Licensee shall operate the Sewage Treatment Plant in accordance with conditions provided in Part G Item 3 with Effluent compliance at monitoring station BRP-17 during discharge to the tundra.															
20. The Licensee shall implement quarry seepage and runoff management in accordance with the approved Water Management Plan.			This proposed wording reflects Sabina commitments made in response to WT-KIA-NWB-11. Alternatively, this condition could be removed as Sabina will be required to follow the approved Water Management Plan in any event.												
21. The Licensee shall provide a summary and analysis in the Annual Report submitted in the year following data collection that presents the data collected analysis from the Quarry Rock Seepage Monitoring and Management Program conducted under Part D, Item 20. The Licensee shall use fill material for construction that meets the geochemical requirements outlined in the Borrow Pits and Quarry Management Plan and/or Mine Waste Rock Management Plan, unless otherwise approved by the Board.															
22. The Licensee shall use fill material for construction only from approved sources that has been demonstrated by appropriate geochemical analysis to not produce Acid Rock Drainage and to be Non-Metal-Leaching and free of contaminants, unless otherwise approved by the Board. The Licensee shall construct and maintain all containment and runoff control structures to prevent non-permitted releases of Wastes to the terrestrial environment or groundwater systems.															
23. The Licensee shall submit to the Board for review, with the Construction Summary Report referred to under Part D, Item 8, and following completion of each facility designed to contain, withhold, divert or retain Water or Waste, a Construction Summary Report prepared by a qualified Engineer(s) that shall include as-built drawings, documentation of field decisions that deviate from original plans and any data used to support these decisions.															

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina [Note Sabina has not blacklined this column to show changes] Comments and Annotation
<p>24. The Licensee shall, during the construction of all engineered structures designed to contain, withhold, divert or retain Water or Waste, provide the required supervision and field checks by an appropriately qualified and experienced Engineer in such a manner that work is done in accordance with that the design project specifications can be engineered, enforced and where required, the quality control measures can be followed. The Licensee shall maintain all construction records of all engineered structures, as above, to be made available at the request of the Board and/or an Inspector.</p>	
<p>25. The Licensee shall direct contact water at the Goose Property to the Pollution Control Ponds water management structures for collection and eventual transfer to the Tailings Facilities and/or Tailings Storage Facility and/or Underground, unless otherwise approved by the Board.</p>	
<p>26. The Licensee shall consider utilize the principles of Adaptive Management in Construction and Operations.</p>	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	
Part E: Conditions Applying to the Use of Water	
<p>1. The Licensee shall obtain fresh Water as follows or as otherwise approved by the Board:</p> <p>a. For domestic and industrial use, for the Goose Property for all phases of the project, from Goose Lake and at Monitoring station BRP-24, Big Lake at Monitoring Station BRP-12, de-watering phase at Monitoring station BRP-Xx and BRP-Xx;</p> <p>b. For domestic and industrial use, for the Marine Laydown Area for all phases of the project from MLA Pond S1, Pond S2, Lake 3, and Lake 4 at Monitoring station BRP-Xx, BRP-Xx, BRP-Xx, BRP-Xx;</p> <p>c. For Winter Ice Road construction, maintenance, and operation the use of water from all source locations proximal to the road routing shall be undertaken in accordance with Part F, Item 3;</p> <p>d. The use of Waters from Big Lake, for all purposes, shall not exceed a total of 77,068 cubic metres per year from the licence approval date;</p> <p>e. The use of Waters from Goose Lake, for all purposes, shall not exceed a total of 474,825 388,725 cubic metres per year from the licence approval date;</p> <p>f. The use of Waters from Llama Lake and Umwelt Lake, for de-watering purpose, shall not exceed a total of 1.4 million cubic metres per year from the licence approval date;</p> <p>g. The use of Waters from MLA Pond S1, Pond S2, Lake 3, and Lake 4, for all purposes, shall not exceed a total of 108,405 cubic metres per year from the licence approval date. h. Additional Water for domestic and industrial use at the Marine Laydown Area and may be sourced from the marine environment.</p>	<p>Sabina Note Sabina has not blacklined this column to show changes)</p> <p>Comments and Annotation</p>
<p>2. The licensee shall maximize to the greatest practical extent the use of reclaim Water from the Tailings Storage Facility(s) and the Tailings Facilities for use in the mill.</p>	
<p>3. The Licensee shall not use streams as a Water source unless authorized and otherwise approved by the Board.</p>	
<p>4. The Licensee shall maintain the water intakes to the satisfaction of the inspector.</p>	
<p>5. The Licensee shall equip all Water Intake hoses with a screen of an appropriate mesh size to ensure that fish are not entrained and shall withdraw Water at a rate such that fish do not become impinged on the screen.</p>	
<p>6. The Licensee shall not remove any material from below the ordinary High Water Mark of any Water body unless authorized by an Inspector or the Board.</p>	
<p>7. The Licensee shall provide the controls necessary to prevent erosion to the banks of any body of Water. Sediment and erosion control measures shall be implemented prior to and maintained during any project activities the operation, to prevent entry of sediment into Water.</p>	
Part F: Conditions Applying to Water Management	

**Proposed Back River Project
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Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
<p>1. The Board has approved the Water Management Plan dated October 2022. The Licensee shall submit to the Board for review within sixty (60) days of approval of this licence, a revised Water Management Plan. The revised Plan shall include the following:</p> <p>a. updated Saline Water Management Plan appendix; and</p> <p>b. further detail respecting potential management and treatment options related to water quality in the effluent discharged from flooded pits and the downstream receiving environment.</p>	<p>a. Reflects commitment No. 6 from the NWB PHC/TM Decision</p> <p>b. Reflects commitment No. 3 from the NWB PHC/TM Decision</p>
<p>2. The Licensee shall carry out regular inspections of all Water management structures during periods of flow and the records be kept for review upon request of an Inspector. More frequent inspections may be required at the request of an Inspector. This information may be included in the Annual report required by Part B, Item 3.</p>	
<p>3. The Licensee shall submit to the Board sixty (60) days prior to annual Winter Ice Road construction an updated Technical Memorandum titled, "Winter Ice Road Withdrawal Evaluation February 2023 for approval of the Board. The a technical memorandum for review of by the Board. Unless otherwise directed by the Board, the memorandum will confirm approximate projected routing subject to changes year to year based on construction and operational conditions, bathymetry, depth, potential locations of possible water withdrawal, proposed volumes to be extracted and anticipated water level decreases. The memorandum may be submitted as an addendum appendix to the approved Water Management Plan.</p>	
<p>4. The Licensee shall submit to the Board sixty (60) days prior to initiation of dewatering a Dewatering Plan for review of the Board. The Plan may be submitted as an addendum appendix to the approved Water Management Plan.</p>	<p>The proposed wording reflects DFO TC 3.5</p>
<p>5. The Licensee shall submit to the Board for review with the 2018 Annual Report in accordance with Part B, Item 3, an updated Water and Load Balance Model as an appendix to the approved Water Management Plan. The updates are to take into account the following:</p> <p>a. updated 2017-2018 baseline data collection that takes into account seasonal variation; and</p> <p>b. updated hydrodynamic model</p>	<p>The proposed wording reflects Commitment No. 7 and 9 from the NWB PHC/TM Decision.</p>
<p>6. The Water and Load Balance Model shall be reviewed periodically, to reflect key changes in operations and/or technology and submit results for review with the Annual Report in accordance with Part B, Item 3 as appendix to the approved Water Management Plan.</p>	
<p>Part G: Conditions Applying to Waste Disposal and Management</p>	
<p>1. The Licensee shall provide at least three (3) days notice to the Inspector prior to any planned discharges from any Facilities. The notice shall include the estimated volume proposed for discharge and location.</p>	
<p>2. The Licensee shall perform all land applied discharges in a manner that prevents erosion at the point of discharge and downstream.</p>	
<p>3. The Licensee shall implement the approved Landfill and Waste Management Plan.</p>	

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Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes Comments and Annotation
4. The Licensee shall not open burn plastics, wood treated with preservatives, electric wire, Styrofoam, asbestos or painted wood in order to prevent the deposition of Waste materials (e.g. products of incomplete combustion, leachate from contaminated ash residual, etc.) from impacting any surrounding Waters, unless otherwise approved by the Board.	Query whether this is an appropriate condition for inclusion in a water licence, given scope of Board jurisdiction under the NWNSRTA.
5. The Licensee shall implement the approved Incineration Management Plan.	
6. The Licensee is authorized to dispose of and contain all non-hazardous solid Wastes at the Landfill(s), or as otherwise approved by the Board.	
7. The Licensee shall implement the approved Hazardous Materials Management Plan.	
8. The Licensee shall implement the approved Borrow Pits and Quarry Management Plan.	
9. The Licensee shall backhaul and dispose of all hazardous Wastes, through the course of the operation at a licensed Waste disposal site in accordance with the Hazardous Waste Management Plan.	
10. The Licensee shall maintain records of all Waste backhauled and records of confirmation of proper disposal of backhauled Waste. These records shall be made available to an Inspector upon request.	
11. The Licensee shall implement the approved Landfarm Management Plan.	
12. The Licensee shall implement the approved Mine Waste Rock Management Plan and approved Ore Storage Management Plan.	
13. The Licensee shall submit to the Board for approval in writing, at least sixty (60) days prior to planned implementation, any changes that are contemplated to the geochemical conformity sampling and testing program or the criteria for using Waste Rock for construction as outlined in the approved Plans, including a description of and justification for the change.	
14. The Licensee shall store all potentially acid generating material rock temporarily at the underground by down-past prior to ultimate disposal underground as mine backfill or in the WRSAs in appropriate location(s) to control all potential runoff or as otherwise approved by the Board. Long term storage for all potentially acid generating material will occur within the WRSAs, Tailings Storage Facility, Tailings Facilities, underground(s) or as otherwise approved by the Board.	
15. All Waste Rock brought to the surface from underground shall be managed in accordance with the approved Plan(s) submitted under Part B, Item 12 (and subsequent updates) or as otherwise approved by the Board.	
16. The Licensee shall operate and maintain all Waste management facilities to the satisfaction of the Inspector.	
17. All Water from the Pollution Control Pond, water management structures and Sumps shall be eventually directed to the Tailings Facilities and/or Tailings Storage Facility and/or Underground, unless otherwise authorized approved by the Board.	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms		Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation																														
18. The licensee shall operate and maintain the Sumps associated with the site, in accordance with the following: a. Water discharged from the Landfill Sump at monitoring station BRP-09, and BRP-29 shall not exceed the following Effluent quality limits: [See Sabina Comments]		<table><tr><th colspan="3">Table 7.4-1. Proposed Landfill Seepage Monitoring Water Quality Criteria</th></tr><tr><th>Parameters</th><th colspan="2">Maximum Average Concentration (mg/L)</th></tr><tr><td>pH</td><td colspan="2">6.0 - 9.5</td></tr><tr><td>As</td><td colspan="2">0.5</td></tr><tr><td>Cu</td><td colspan="2">0.3</td></tr><tr><td>Pb</td><td colspan="2">0.2</td></tr><tr><td>Ni</td><td colspan="2">0.5</td></tr><tr><td>Zn</td><td colspan="2">0.5</td></tr><tr><td>Total Suspended Solids</td><td colspan="2">15</td></tr><tr><td>Oil and Grease</td><td colspan="2">No visible sheen</td></tr></table>	Table 7.4-1. Proposed Landfill Seepage Monitoring Water Quality Criteria			Parameters	Maximum Average Concentration (mg/L)		pH	6.0 - 9.5		As	0.5		Cu	0.3		Pb	0.2		Ni	0.5		Zn	0.5		Total Suspended Solids	15		Oil and Grease	No visible sheen	
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Zn	0.5																															
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Oil and Grease	No visible sheen																															
b. Water from the Landfill Sump that is acceptable for discharge under Part G, Item 18 (a), may be discharged to the tundra or as designated by an Inspector; c. Water discharged from the Landfarm sump (BRP-51) Sump at monitoring station BRP-44 shall not exceed the following Effluent quality limits:		Deleted table 7.5-1 Proposed Landfarm Pooling Water Quality Discharge Criteria. Criteria provide for Bulk Fuel Storage Facility below duplicated Table 7.5-1 and maintains consistency with Development Licence Part D, Item 3.																														
d. Water from the Landfarm Sump that is acceptable for discharge under Part G, Item 18 (c) may be discharged to the tundra or as designated by an Inspector; e. Water discharged from the Bulk Fuel Storage Facility secondary containment Sumps at monitoring stations BRP-15, BRP-43, and BRP-49 shall not exceed the following Effluent quality limits: [See Sabina Comments]		Takes into account Development Licence Part D, Item 3 <table><tr><th>Parameter</th><th>Maximum Average Concentration</th><th>Maximum Concentration of any One Sample</th></tr><tr><td>Benzene (µg/L)</td><td>370</td><td>370</td></tr><tr><td>Ethylbenzene (µg/L)</td><td>90</td><td>90</td></tr><tr><td>Toluene (µg/L)</td><td>2</td><td>2</td></tr><tr><td>Xylenes (µg/L)</td><td>0.1</td><td>0.1</td></tr><tr><td>Oil and Grease (mg/L)</td><td>5 and no visible sheen</td><td>5 and no visible sheen</td></tr><tr><td>Total Suspended Solids (mg/L)</td><td>15</td><td>30</td></tr><tr><td>pH</td><td>Between 6.0 and 9.5</td><td>Between 6.0 and 9.5</td></tr></table>	Parameter	Maximum Average Concentration	Maximum Concentration of any One Sample	Benzene (µg/L)	370	370	Ethylbenzene (µg/L)	90	90	Toluene (µg/L)	2	2	Xylenes (µg/L)	0.1	0.1	Oil and Grease (mg/L)	5 and no visible sheen	5 and no visible sheen	Total Suspended Solids (mg/L)	15	30	pH	Between 6.0 and 9.5	Between 6.0 and 9.5						
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pH	Between 6.0 and 9.5	Between 6.0 and 9.5																														
f. Water from the Fuel Storage and Containment Facility Sumps that is acceptable for discharge under Part G, Item 18 (e) may be discharged to the tundra or as designated by an Inspector; and g. Sump Water from the Landfill, Landfarm and Fuel Storage and Containment Facility that does not meet the criteria in Part G, Items 18 (a),(c) and (e) respectively shall be directed to Tailings Facility(s) and/or Tailings Storage Facility.																																
19. The licensee shall implement the approved Tailings Management Plan.																																
20. The discharge of effluent from the Tailings Storage Facility and/or Tailings Facilities at Umwelt or Goose Main during Operations is acceptable for discharge if effluent criteria included in the approved Water Management Plan is met. The Licensee shall submit to the Board for approval, effluent discharge criteria, one hundred and twenty (120) days in advance of planned discharge of effluent from the Tailings Storage Facility and/or Tailings Facilities during Operations.																																

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Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation																																													
21. The Licensee is authorized to operate a Desalination plant.	The Desalination Plant will utilize seawater (which is not regulated under the Water Licence), and discharge to the marine environment, which is also not regulated under the Water Licence, but the NWB may wish to include reference this facility to the extent it is operated on Nunavut lands.																																													
22. Effluent from dewatering activities shall be monitored at monitoring station BRP-01 and not exceed the following Effluent quality limits: [See Sabina Comments]	In accordance with Water Management Plan: <table><caption>Table 7.5-2: Dewatering Discharge Criteria</caption><thead><tr><th>Parameter</th><th>Maximum Average Concentration (mg/L)</th><th>Grab Sample Maximum Concentration (mg/L)</th></tr></thead><tbody><tr><td>TSS</td><td>10</td><td>30</td></tr><tr><td>pH</td><td>Between 8.5 and 9.5</td><td>Between 8.5 and 9.5</td></tr></tbody></table> <table><caption>Table 7.5-3: Treated Sewage Effluent Criteria</caption><thead><tr><th>Parameter</th><th>Land Discharges to Freshwater Environment (mg/L)</th><th>Discharges to Landfills (mg/L)</th><th>Land Discharges to Marine Environment (mg/L)</th></tr></thead><tbody><tr><td>BOD₅</td><td>30</td><td>100</td><td>100</td></tr><tr><td>Total Suspended Solids (TSS)</td><td>75</td><td>120</td><td>120</td></tr><tr><td>Fixed Solids (CDU/100 mL)</td><td>1,000</td><td>10,000</td><td>10,000</td></tr><tr><td>Ammonia (ppm, H)</td><td>4¹, 6²</td><td>Not applicable³</td><td>1¹</td></tr><tr><td>Phosphorus</td><td>No visible odour</td><td></td><td>No visible odour</td></tr><tr><td>Oil and Grease</td><td>between 5.0 - 9.5</td><td></td><td>between 5.0 - 9.5</td></tr><tr><td>pH</td><td>Not acidic to alk.</td><td></td><td>Not acidic to alk.</td></tr><tr><td>Turbidity</td><td></td><td></td><td></td></tr></tbody></table> ¹ 10 mg/L maximum average flow rate effluent. ² 10 mg/L maximum flow rate effluent. ³ At the beach site of each landfill facility, the discharge will meet or meet beyond any Effluent Regulation (ENR) discharge limits.	Parameter	Maximum Average Concentration (mg/L)	Grab Sample Maximum Concentration (mg/L)	TSS	10	30	pH	Between 8.5 and 9.5	Between 8.5 and 9.5	Parameter	Land Discharges to Freshwater Environment (mg/L)	Discharges to Landfills (mg/L)	Land Discharges to Marine Environment (mg/L)	BOD ₅	30	100	100	Total Suspended Solids (TSS)	75	120	120	Fixed Solids (CDU/100 mL)	1,000	10,000	10,000	Ammonia (ppm, H)	4 ¹ , 6 ²	Not applicable ³	1 ¹	Phosphorus	No visible odour		No visible odour	Oil and Grease	between 5.0 - 9.5		between 5.0 - 9.5	pH	Not acidic to alk.		Not acidic to alk.	Turbidity			
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23. All Effluent discharged from the Sewerage Treatment Plant to the tundra at monitoring station BRP-17 shall not exceed the following Effluent quality limits: [See Sabina Comments]																																														
Part H: Conditions Applying to Modifications																																														
1. The Licensee may, without written consent from the Board, carry out Modifications to the Water Supply Facilities and Waste Disposal Facilities provided that such Modifications are consistent with the terms of this Licence and the following requirements are met: a. The Licensee has notified the Board of such proposed Modifications at least sixty (60) days prior to beginning the Modifications, unless otherwise approved by the Board; b. Such Modifications do not place the Licensee in contravention of the Licence or the Act; c. Such Modifications are consistent with the applicable terms and conditions of the NWRB Project Certificate; d. The Board has not, within sixty (60) days following notification of the proposed Modifications, informed the Licensee that review of the proposal will require more than sixty (60) days; and e. The Board has not rejected the proposed Modifications.																																														
2. Modifications for which any of the conditions referred to in Part G, Item 1, have not been met can be carried out only with approval from the Board.																																														

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Proposed Terms	Sabina Note: Sabina has not blacklined this column to show changes) Comments and Annotation
<p>3. Applications for modifications shall contain:</p> <ul style="list-style-type: none"> a. A description of the facilities and/or works to be constructed; b. The proposed location of the structure(s); c. Identification of any potential impacts to the receiving environment; d. A description of any monitoring required, including sampling locations, parameters measured, and frequencies of sampling; e. A proposed schedule for construction; f. Drawings of Engineered Structures stamped by a Professional Engineer, where applicable; and g. Proposed sediment and erosion control measures. 	<p>It is noted that some structures that may be modified may not require engineered drawings.</p>
<p>4. The Licensee shall provide to the Board, within ninety (90) days of completion of the Modification, as-built plans and drawings of the Modifications referred to in this Part. These plans and drawings shall be stamped by an Engineer, where applicable.</p>	
<p>Part I: Conditions Applying to Contingency Planning</p>	
<p>1. The Licensee shall implement the Emergency Response Program including: Risk Management and Emergency Response Plan; Fuel Management Plan; and Spill Contingency Plan, as approved by the Board. The Licensee shall comply with the Plan(s) and any changes deemed significant shall require the submission and subsequent approval of the Board.</p>	
<p>2. The Licensee shall prevent any chemicals, petroleum products or unauthorized Wastes associated with the Project from entering Water.</p>	
<p>3. The Licensee shall provide secondary containment for fuel and chemical storage as required by applicable standards and acceptable industry practice.</p>	
<p>4. The Licensee shall perform regular inspections in accordance with the approved Environmental Management and Protection Plan and Fuel Management Plan, of petroleum products storage and containment facilities, fuel tanks and connectors, for leaks and settlement and shall keep a written log of inspections to be made available to an Inspector upon request. More frequent inspections may be requested by an Inspector.</p>	
<p>5. The Licensee shall report any unauthorized deposits or foreseeable unauthorized deposits of waste and or discharges of Effluent which meet or exceed the volumes specified in the Spill Planning and Reporting Regulations in accordance with the Nunavut Waters Regulations.</p>	<p>The licence should specify a volume for reportable spills.</p>
<p>6. If the Licensee provides notification of Care and Maintenance under Part I, Item 2, the Licensee shall submit to the Board an Addendum to the Emergency Response Plan and the Spill Contingency Plan, detailing the changes in operations, personnel, responsibilities, availability of equipment and access to the site for assistance.</p>	
<p>Part J: Conditions Applying to General and Aquatic Effects Monitoring</p>	
<p>1. The Licensee shall install and maintain flow meters or other such devices, or implement suitable methods required for the measuring of Water use and Effluent discharge volumes, where such discharges are made to land or Inland Waters, to be operated and maintained to the satisfaction of an Inspector.</p>	

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Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes! Comments and Annotation
2. The Licensee shall undertake the Water Monitoring Program detailed in the tables of Schedule J or as may be directed by the Board, after consulting with the licensee and other interested parties.	
3. Water quality monitoring shall be carried out in accordance with the Quality Assurance/Quality Control Plan.	
4. The Licensee, in consultation with an Inspector, shall establish the locations and GPS coordinates for all monitoring stations referred to in Schedule J.	
5. The Licensee shall install and maintain, to the satisfaction of an Inspector, signs that identify monitoring stations. The signs shall be posted in English, Inuktitut, and Inuinnaqtun.	
6. Additional monitoring may be directed by the Board.	
7. All analyses shall be conducted as described in the most recent edition of "Standard Methods for the Examination of Water and Wastewater" or by other such methods approved by an Analyst.	
8. All compliance analyses shall be performed in an accredited laboratory.	
<p>9. The Licensee shall measure and record all flow and volume measurements on a monthly basis, during Operations and during any use of Waters (unless otherwise stated):</p> <ul style="list-style-type: none"> a. The volume of freshwater obtained from Big Lake; b. The volume of freshwater obtained from Goose Lake; c. The volume of freshwater obtained from proximal lakes for Winter Ice Road; d. The volume of freshwater obtained from Ponds (S1 and S2) and Lakes (3 and 4) at the Marine Laydown Area; e. The volume of reclaim water obtained from Tailings Storage Facility and Tailings Facilities for process water at the process plant; f. Tonnes of Waste Rock stored in the Waste Rock Storage Area(s) and at other locations approved by the Board during Construction, Operations, and Closure; g. The volume of sewage sludge removed from the Sewage Treatment Plant and the locations or method of sewage sludge disposal during Construction, Operations, and Closure; h. Report the data in accordance to Schedule B. 	<p>Concentrated saline water will go to the marine environment and should be listed in this licence. Greywater is generally deposited to sumps in small amounts which are not typically metered in Nunaavut, and compliant sewage waters will be discharged as set out in other licence terms.</p>
<p>10. The Licensee shall measure and record in tonnes including the location of disposal (temporary and permanent) for the following:</p> <ul style="list-style-type: none"> a. The daily dry tonnes of tailings placed in the Tailings Storage Facility and Tailings Facilities; and b. The monthly quantity of ore processed. 	
11. The Licensee shall undertake the Infill Geotechnical Characterization Program detailed in Schedule G or as may be directed by the Board, after consulting with the licensee and other interested parties	Reflects commitment made by Sabina in response to KIA-NWB-04

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes Comments and Annotation
<p>12. The Licensee shall undertake a geotechnical inspection annually between July and September, by a Geotechnical Engineer. The inspection shall be conducted in accordance with the Canadian Dam Safety Guidelines where applicable, and take into account all major earthworks at the Goose Property, Marine Laydown Area, and Winter Ice Road, where applicable, including:</p> <ul style="list-style-type: none"> a. Tailings Storage Facility and associated Ponds and Dams/Dykes; b. Geotechnical instrumentation and associated monitoring data; c. A description of geophysical and permafrost conditions at the project site; d. Tailings Facility(s); e. Open Pit Walls; f. All-weather access roads and culvert crossings; g. Landfill(s); h. Landfarm(s); i. Fuel Storage Facilities; j. Quarries and borrow pits; k. Rejection-Forest-Ponds (event ponds) Water Management Structures; l. Sumps; m. Underground mine openings; n. Groundwater conditions underground; o. Geotechnical instrumentation p. Perimeter berms and collection ponds and o. Stream Diversions; r. Winter-Ice-Road-Feeding 	
<p>13. The Licensee shall submit to the Board for review, within ninety (90) days of completion of the geotechnical inspection in accordance with Part 1, Item 12, the Geotechnical Engineer's inspection report. The report shall include a cover letter from the Licensee outlining an implementation plan addressing each of the Geotechnical Engineer's recommendations.</p>	
<p>14. The Licensee shall visually monitor and record observations in accordance with the approved Environmental Management and Protection Plan, to be made available to an Inspector upon request, during periods of discharge onto the tundra from:</p> <ul style="list-style-type: none"> a. Landfill Sump(s); b. Landfarm Sump(s); c. Bulk Fuel Storage Facilities Sump(s); d. Sewage Treatment Plant Sump; and e. Any other treated effluent water discharge Sump(s). 	
<p>15. The Licensee shall, within thirty (30) days following the month being reported, submit to the Board a monthly monitoring report in an electronic format. The Report shall include the following:</p> <ul style="list-style-type: none"> a. All data and information required by this Part and generated by the Monitoring Program in the Tables of Schedule J; b. An assessment of data to identify areas of non-compliance with regulated discharge parameters referred to in this Licence; and c. Reports should document conditions during spring freshet, major rain events, and periods of sustained precipitation should be monitored. <p>Documented information can include flow measurements, photographs and notes.</p>	
<p>Part K: Conditions Applying to General and Aquatic Effects Monitoring Plans</p>	
<p>1. The Licensee shall annually review the approved QA/QC Plan and modify the Plan as necessary.</p>	
<p>2. The Licensee shall submit to the Board for review sixty (60) days prior to triggering by March 31, 2019, an Aquatic Effects Monitoring requirements, an updated Aquatic Effects Management Plan. The updates are to take into account commitments made with respect to submissions received during the regulatory review of the Application.</p>	
<p>Part L: Conditions Applying to Abandonment, Reclamation, and Closure</p>	

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Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
The Licensee shall notify the Board in writing, at least sixty (60) days prior to any intent to achieve Recognized Closed Mine status. 1. The Licensee shall implement the approved Interim Closure and Reclamation Plan.	This is specific to the MDMER and not part of the Water Licence
2. The Licensee shall notify the Board, as soon as practically possible, of any intent to enter into a Care and Maintenance Phase.	
3. The Licensee shall, upon providing notice to the Board as per Part L, Item 2, review all operational plans and submit revised Plans to reflect the Care and Maintenance status, to the Board for approval in writing, within three (3) months of providing notice.	
4. The Licensee shall provide to the Board in writing, at least thirty (30) days advanced notification of the initial start of Operations or change of Project Phase. Notification may be provided separately or in accordance with the monthly monitoring report as per Part J, Item 15.	
5. The Licensee shall implement the approved Interim Closure and Reclamation Plan the addendum submitted in June 2010.	Moved to Item 1.
5. The Licensee shall submit to the Board for approval at least twelve (12) months prior to the expected end of planned mining, a Final Closure and Reclamation Plan. The Final Closure and Reclamation Plan shall incorporate revisions, which reflect the pending closed status of the mine, and include: a. Soil Quality Remediation Objectives reflecting the applicable CCME Guidelines and the Government of Nunavut Environmental Guideline for Site Remediation; b. Environmental Site Assessment plans in accordance with the applicable Canadian Standards Association (CSA) criteria; and c. An evaluation of the human health and ecological risks associated with the Closure options proposed. d. Water quality objectives for Closure and Post-Closure receiving water quality, including identification of any mixing zones.	
6. The Licensee shall, should the Project remain, or be in Care and Maintenance, submit an updated estimate of total mine closure restoration liability, within twelve (12) months of entering Care and Maintenance and every three (3) years thereafter.	
7. The Licensee shall include, with the Plan submitted under Part L, Items 5, and 6, an updated estimate of the total mine closure restoration liability using the current version of RECLAIM, its equivalent or other similar method approved by the Board, in accordance with principles of the INAC "Mine Site Reclamation Policy for Nunavut" (2000).	
10. The Licensee shall submit to the Board for approval, at least twelve (12) months prior to the start of Closure work, engineering drawings and specifications of the Tailings Storage Facility final cover system design.	This was included in error and applies to a licence applicable to a different project that Sabina consulted as a precedent. Note: Item numbers incorrect but left for comparison purposes to prior framework.
11. The Licensee shall complete all reclamation work in accordance with the Plan(s) referred to in this Part, as and when approved by the Board.	
12. The Licensee shall carry out progressive reclamation of any components of the project no longer required for the Licensee's operations.	
13. All roads and airstrips, if any, shall be re-graded where practicable to match natural contour to reduce erosion.	
14. The Licensee shall remove any culverts and restore the drainage where practicable to match the natural channel. Measures shall be implemented to minimize erosion and sedimentation.	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
15. In order to promote growth of vegetation and the needed microclimate for seed deposition, all disturbed surfaces shall be prepared by ripping, grading or scarifying the surface to conform to the natural topography. Areas that have been contaminated by hydrocarbons from normal fuel transfer procedures shall be reclaimed to meet objectives as outlined in the Government of Nunavut's Environmental Guideline for Site Remediation, (2010 version or current version in place at the time of Reclamation).	This detail is included in the plan but is not appropriate level of detail for a term and condition.
16. To the extent practicable, the licensee shall contour and stabilize all disturbed areas to a pre-disturbed state upon completion of work.	
SCHEDULE A: Definitions	
o [See attached]	See attached
SCHEDULE B: General Conditions	
The Annual Report referred to in Part B, Item 3, shall include:	
CONSTRUCTION	
1. For the dikes, dams and structures constructed to withhold water or waste:	
a. An overview of methods and frequency used to monitor deformations, Seepage and geothermal responses;	
b. A comparison of measured versus predicted performance;	
c. A discussion of any unanticipated observations including changes in risk and mitigation measures implemented to reduce risk;	
d. As-built drawings of all mitigation works undertaken;	
e. Any changes in the design and/or as-built condition and respective consequences of any changes to safety, water balance and water quality;	
f. Data collected from instrumentation used to monitor earthworks and an interpretation of that data;	
g. A summary of maintenance work undertaken as a result of settlement or deformation of dikes and dams; and	
h. The monthly and annual quantities of Seepage from dikes and dams in cubic metres.	
WATER	
2. Monthly and annual volume of fresh Water obtained from all sources	
3. Summary of Winter Ice Road and Dewatering plans implemented in accordance with Part F, Item XX and Item XX, respectively.	
4. Summary update of the Water and Load Balance results, if any	
WASTE	
5. Geochemical monitoring results including:	
a. Operational acid base accounting and pH associated test work used for Waste Rock designation (PAG and NPAG rock);	
b. As-built volumes of Waste Rock used in construction, and set-to as-built volumes placed in the Waste Rock Storage Areas with estimated balance of acid generation to acid neutralization capacity in a given sample as well as metal toxicity;	
c. All monitoring data with respect to geochemical analyses on site and related to roads, and quarries;	
d. Leaching observations and tests, if appropriate on pit slope and dike exposure; and	
e. Any geochemical outcomes or observations that could imply or lead to environmental impact.	
6. Volumes of Waste Rock used in construction and placed in the Waste Rock Storage Areas;	
7. Volumes of ore stockpiled stored at site.	
8. Summary of quantities and analysis of Seepage and runoff monitoring from the Tailing Storage Facility, Waste Rock Storage Area(s), Landfill(s), and associated dikes/berms.	
9. A summary report of all general waste disposal activities including monthly and annual quantities in cubic metres of waste generated and location of disposal.	
SPILLS	
10. A list and description of all unauthorized discharges including volumes, spill report line identification number and summaries of follow-up action taken.	
MODIFICATIONS	
11. A summary of Modifications and/or major maintenance work carried out on all Water and Waste-related structures and facilities.	
MONITORING	
12. The results and interpretation of the Monitoring Program in accordance with Part J and Schedule J.	
13. The results of monitoring related to the Aquatic Effects Monitoring Program (AEMP) in accordance with <u>Part K, Item 2.</u>	

**Proposed Back River Project
Type A Water Licence Framework**

Proposed Terms	Sabina Note Sabina has not blacklined this column to show changes) Comments and Annotation
CLOSURE 14. A summary of any progressive Closure and Reclamation work undertaken, including photographic records of site conditions before and after completion of operations, and an outline of any work anticipated for the next year, including any changes to implementation and scheduling. 15. A summary of on-going field trials to determine effective sampling techniques for the Waste Rock Storage Areas for the purpose of long-term environmental protection. 16. An updated estimate of the current restoration liability based on Project development monitoring, results of restoration/revegetation research and any changes or modifications to the Apurtenant Undertaking.	Blacklined sentence was included in error (applicable to other project)
PLANS/REPORTS/STUDIES 17. A summary of any studies requested by the Board that relate to Water use, Waste disposal or Reclamation, and a brief description of any future studies planned. 18. Where applicable, revisions as Addenda, with an indication of where changes have been made, for Plans, Reports and Manuals. 19. An executive summary in English, Inuktitut, and Inuinnaqtun of all plans, reports, or studies conducted under this Licence.	
GENERAL 20. A summary of actions taken to address concerns or deficiencies listed in the Inspection reports and/or compliance reports filed by an Inspector.	
OTHER 21. A summary of public consultation and participation with local organizations and the residents of the nearby communities, including a schedule of upcoming community events and information sessions. 22. Any other details on Water use or Waste Disposal requested by the Board by November 1st of the year being reported.	
SCHEDULE D: Conditions Applying to Construction 1. The Construction Monitoring Report referred to in Part D, Item 8 shall include: a. All final design and Construction drawings; b. A summary of Construction activities including photographic records before, during and after Construction; c. As built; d. Documentation and detailed explanation of field decisions reflecting any deviations from original Construction drawings and plans, and how such deviations may affect performance of engineered structures; e. Discussion of mitigation measures implemented during Construction and effectiveness of measures taken; f. Monitoring undertaken in compliance with Part D and/or Part J of the Licence; g. Blast vibration monitoring for quarrying activities carried out in close proximity to fish bearing waters; h. Monitoring for sediment release from Construction areas; and i. Monitoring and reporting on use of Water to manage dust emissions from crushing and Construction activity.	
SCHEDULE G: Conditions Applying to Waste Management and Waste Management Plans	
SCHEDULE J: Conditions Applying to General and Aquatic Effects Monitoring	
TABLES - Table 1 Monitoring Groups	Attach tables from Appendix B of Water Management Plan for Type A Water Licence - see attached for reference
TABLES - Table 2 Monitoring Requirements	Attach tables from Appendix B of Water Management Plan for Type A Water Licence - see attached for reference Tables for Type A Licence to be updated to include BRP-5-01 to TBD; and BRP -49 (To be taken from Development Licence Part J, Item 3)