



Crown-Indigenous Relations
and Northern Affairs Canada

Relations Couronne-Autochtones
et Affaires du Nord Canada

Our file - Notre référence
IQALUIT-#1237864

January 10, 2019

Matthew Pickard
Vice President, Environment & Sustainability
Sabina Gold & Silver Corp.
Vancouver, BC V7X 1M7

Sent via email : mpickard@sabinagoldsilver.com

**Re: Acceptance of Royal Bank of Canada Irrevocable Standby Letter of Credit No.
SLC7053718V - \$2,400,005.00**

Dear Mr. Pickard,

Please be advised that on behalf of the Minister of Crown-Indigenous Relations and Northern Affairs Canada, I accept the above referenced irrevocable standby letter of credit that was issued by Royal Bank of Canada on December 20, 2018. This financial guarantee in the amount of \$2,400,005.00 satisfies the initial infrastructure stage security requirements specified under Part C, Item 1 of Sabina Gold & Silver Corp.'s Type A Nunavut Water Board Water Licence, No. 2AM- BRP1831, for the Back River Project.

Please don't hesitate to contact me by email at ian.parsons@Canada.ca or telephone at (867) 222-9278 for further information.

Sincerely,

Ian Parsons
Manager, Water Resources Division
Nunavut Regional Office
Crown-Indigenous Relations and Northern Affairs Canada
P.O. Box 100
IQALUIT, NU X0A 0H0

Cc. Michelle Blade, CIRNAC/NRO
Spencer Dewar, CIRNAC/NRO
Karen Kharatyan, NWB

Canada