

File No: **2AM-BRP1831/TR/D2, D3**

September 2, 2021

Merle Keefe Manager, Environmental Permitting Sabina Gold & Silver Corp. Suite 1800 – 555 Burrard Street Box 220 Vancouver, BC V7X 1M7 Matthew Pickard Vice President, Environment and Sustainability Sabina Gold & Silver Corp. #1800 – 555 Burrard Street Box 220 Vancouver, BC V7X 1M7

Email: mkeefe@sabinagoldsilver.com Email: mpickard@sabinagoldsilver.com

RE: NWB Technical Review of the Design Reports for the Emergency Discharge Pond Berm and the Fuel Storage Tanks; Back River Project; Water Licence No: 2AM-BRP1831

Dear Mr. Keefe and Mr. Pickard:

The Nunavut Water Board (NWB or Board) has completed its technical review of the construction design reports entitled "Goose Project, Back River Gold District Nunavut, Emergency Discharge Pond Berm Design Report and Drawings" dated June 23, 2021, and "Back River Project Fuel Storage Tanks and Containment Facilities – Goose Site, Design Report and Drawings" dated August 17, 2021, which were provided to the Board by Sabina Gold & Silver Corp. (Sabina or Licensee) on June 25, 2021 and August 17, 2021, respectively, to fulfill the requirements of Part D, Item 2 of Water Licence No: 2AM-BRP1831 (Licence).

The above mentioned documents summarize the site conditions, design basis and key parameters adopted for design, and for-construction design drawings for the Emergency Discharge Pond Berm and the Goose Site Fuel Storage Tanks, as required under Part D, Item 3 of the Licence.

The design report for the Emergency Discharge Pond Berm includes the design criteria and construction details for the plant site Emergency Discharge Pond facility consisting of one fully lined 4,000 m³ pond and the berms/roads required to define the boundaries of this pond.

The design report for the Goose Site Fuel Storage Tanks includes the design criteria and construction details for the fuel farm containing one field-erected 10 M liter fuel storage tank to be constructed in 2021, three field erected 15 M liter fuel storage tanks, including piping, pumping and controls systems, to be constructed in the future, and a secondary containment for the fuel farm to be constructed in 2021.

Upon receipt, both submissions were distributed for public review. The comments were received from the Kitikmeot Inuit Association (KIA) and Crown-Indigenous Relations and Northern Affairs (CIRNA) for both submissions.

All correspondence relevant to these submissions is available from the NWB's FTP site using the following link:

ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-BRP1831%20Sabina/3%20TECH/D%20CONST%26OPER/

On August 5, 2021, Sabina provided their responses to the interveners' comments on the design report for the Emergency Discharge Pond Berm. These responses were acknowledged to be satisfactory by the KIA and CIRNA on August 23, 2021, and September 1, 2021, respectively.

With respect to the design report for the Goose Site Fuel Storage Tanks, both CIRNA and the KIA had their comments addressed directly by the Licensee.

On August 26, 2021, CIRNA confirmed their satisfaction with provided responses, stating the following:

"After reviewing the design report and contacting the licensee directly to seek input on the construction of the tank, Crown-Indigenous Relations and Northern Affairs Canada is satisfied that the design report for the fuel tank farm and the containment facilities contains all relevant information and therefore have no concerns with the report."

Similarly, on August 31, 2021, the KIA provided the following confirmation:

"Our geotechnical engineering consultant had reviewed the design and e-mailed his comments to me, which I in turn forwarded to Sabina. Sabina had added their comments to the original e-mail in red, which I reviewed and forwarded to our consultant. We have no further comments or issues with the design and Sabina can proceed with its construction."

By copy of this letter the Board acknowledges that the construction design reports entitled "Goose Project, Back River Gold District Nunavut, Emergency Discharge Pond Berm Design Report and Drawings" dated June 23, 2021, and "Back River Project Fuel Storage Tanks and Containment Facilities — Goose Site, Design Report and Drawings" dated August 17, 2021, address the requirements of Part D, Item 3 of Water Licence No: 2AM-BRP1831, and has accepted these documents, as required under Part D, Item 2 of the Licence.

The Licensee is advised that the Board's "acceptance" of these documents is a verification that the proposed activities are consistent with the existing terms and conditions of the Licence, and more specifically with Part D, Item 3, and may proceed in accordance with the design reports and drawings provided. It should be noted that the Board's "acceptance" is NOT intended or offered

as any representation regarding the suitability of the plans nor third party verification of the design, construction, planning or engineering discussed in the documents.

Should you have any questions, please feel free to contact the undersigned at (867) 360-6338 (extension 29) or sergey.kuflevskiy@nwb-oen.ca, at your convenience.

Sincerely,

Sergey Kuflevskiy Technical Advisor

NUNAVUT WATER BOARD

Cc: Distribution List – Back River Project