

File: 2AM-BRP1831/G1

August 14, 2024

Merle Keefe Manager, Environmental Permitting Sabina Gold & Silver Corp. c/o B2Gold Corp. Suite 3400 – 666 Burrard Street Vancouver, BC V6C 2X8

Email: mkeefe@b2gold.com

RE: Licence No: 2AM-BRP1831 type A for the Back River Project; Sabina Gold & Silver Corp (c/o B2Gold Nunavut); MLA Tank Farm Modification (Phase 3: Addition of Tank 5)

Dear Mr. Keefe,

On May 31, 2024, the Nunavut Water Board (NWB or the Board) acknowledged receipt of an Application for Modification to the Marine Laydown Area (MLA) Tank Farm as per Part G, Item 1 of the Water Licence No: 2AM-BRP1831 (Licence).

As stated by B2Gold Corp. (Licensee or B2 Gold (formerly Sabina Gold & Silver Corp.)) the Back River Project is comprised of two main areas with interconnecting winter ice roads: Goose Property and Marine Laydown Area (MLA), which is situated along the western shore of southern Bathurst Inlet. The MLA is utilised for majority of annual resupply, including fuel. The fuel is typically brough in towards the end of the summer months and stored in in the MLA Tank Farm. It is then, in winter months, hauled to Goose Property to support development activities.

Phase 3 expansion of the MLA Tank Farm is located on the east side of the existing MLA Tank Farm. Phase 3 expansion will be constructed on the existing quarry. The addition of Tank 5, with a capacity of 18.34 million litres (ML), into the tank farm is planned to be constructed on bedrock/ blasted surface east of Tank 4.

As indicated by Licensee all granular material used will be tested to be NPAG (Non-Potential Acid Generating) and non-metal leaching material. The work area will be monitored for erosion and sediment transport, and mitigation measures will be put in place as per the Site Water Monitoring and Management Plan. The construction work is planned to occur between of Q2 and Q4 2024.

On May 31, 2024, the NWB distributed the information package for public review. Interested parties were invited to comment until June 24, 2024. Submissions were received from the Kitikmeot Inuit Association (KIA), Crown-Indigenous Relations and Northern Affairs Canada (CIRNA), Environment and Climate Change Canada (ECCC) and Fisheries and Oceans Canada (DFO) by June 25, 2024. B2Gold provided their responses on July 16, 2024. By July 17, 2024, the KIA and DFO had confirmed that their concerns were adequately addressed by B2Gold's responses. CIRNA provided their confirmation on July 29, 2024.

ECCC requested follow-up information on July 26, 2024. B2Gold provided a response on August 6, 2024. On August 7, 2024 ECCC confirmed that their concerns were addressed.

The summary of comments / responses is provided below:

Kitikmeot Inuit Association (June 17, 2024)

1. KIA inquired whether climate change was considered in the 100-year return period used for culvert sizing.

<u>B2Gold's response</u>: B2Gold stated that there are no culverts around the MLA Quarry Tank Farm. The effects of climate change were incorporated by adjusting the IDF curves. For each return period and duration, a rate of change over baseline was calculated from data obtained from the IDF-CC tool (ICLR 2018). Project climate change 100-year return period for 24-hr storm, estimated as 74.5 mm in SRK 2021, was used for the MLA Quarry Tank Farm design.

Crown-Indigenous Relations and Northern Affairs Canada (June 25, 2024)

- 1. CIRNA requested confirmation that the crushed rockfill used is non-potentially acid generating (NPAG) and recommended ongoing testing during construction to ensure that the possibility of leaching from acid generating rock or minerals is minimized.
 - <u>B2Gold's response</u>: B2Gold stated that... "All materials for earthworks to be used for the construction of Phase 3 expansion will be sourced from a previously blasted/developed quarry, which had geochemical characterization completed."
- 2. CIRNA recommended that B2Gold provide information on how the construction of Tank 5 at the tank farm may impact the current reclamation security estimates.
 - <u>B2Gold's response</u>: B2Gold stated that this expansion will increase the tank farm footprint from approximately 35,900 m² to 44,200 m². Further they informed that the MLA and tank farm are located on Inuit Owned Land (IOL) and B2Gold will discuss any changes to reclamation security directly with the Kitikmeot Inuit Association (KIA).
- 3. CIRNA recommended that B2Gold provide information on the management of contact water collected inside the secondary containment berms and the discharge criteria applied to it.

- <u>B2Gold's response</u>: B2Gold stated that effluent from the secondary containment berms will comply with Part F, Item 12 of the Water License. BRP-43 is the monitoring program station number for the MLA Fuel Tank Farm, and it will be applicable here. In accordance with Part F, Item 2, of the Water License, B2Gold will provide at least ten days' notice to the Inspector prior to any planned discharges from the MLA Fuel Tank Farm.
- 4. CIRNA inquired about an area in proximity to the construction site that states, "no survey data is available for the area." CIRNA recommended that B2Gold survey this area and provide the information in its next Annual Report.
 - <u>B2Gold's response</u>: B2Gold stated that this area with missing data will be incorporated into the Construction Summary Report, which will be submitted within ninety (90) days of completion of the MLA Phase 3 Tank Farm expansion.
- 5. CIRNA recommended that B2Gold update the management plans to incorporate changes related to this expansion.
 - <u>B2Gold's response</u>: B2Gold stated that they will update the Fuel Management Plan, Hazardous Materials Management Plan, Spill Contingency Plan and OPPP/OPEP, and submit them with the 2024 Annual Report submission.

Environment and Climate Change Canada (June 24, 2024)

- 1. ECCC recommends that B2Gold commit to seeking newer trucks with engines, meeting cleaner Tier 4 emission standards, where practicable and available.
 - <u>B2Gold's response</u>: B2Gold stated that they will endeavor to source Tier 4 equipment where practicable and available.
- 2. ECCC recommends that B2Gold test all blasted rocks to be used in construction for their acid rock drainage/metal leaching (ARD/ML) potential and use NPAG materials.
 - <u>B2Gold's response</u>: B2Gold stated that... "All materials for earthworks to be used for the construction of Phase 3 expansion will be sourced from a previously blasted/developed quarry, which had geochemical characterization completed."
- 3. ECCC recommended that B2Gold submit an updated 'notice of change', if a situation covered under subsection 3(5) of the Environmental Emergency Regulations occurs.
 - <u>B2Gold's response</u>: B2Gold stated that a Schedule 2 notice of change will be submitted when applicable. All previous Schedule 2 notifications can be found on ECCC's SWIM registry.
- 4. ECCC recommended that B2Gold provide detailed information on the safety features of the proposed new fuel tank.

<u>B2Gold's response</u>: B2Gold stated that... "To monitor the performance of the facility, in addition to two vertical ground temperature cables (GTCs) and 14 (fourteen) surficial survey points are proposed to be installed around the quarry tank farm (see MLA QTFP3-500 and -501 for additional details), tank settlement markers or monuments are planned to be installed around all five tanks. These settlement points are suggested to be monitored via a total station (for improved monitoring accuracy)."

On July 26, 2024, ECCC followed up on B2Gold's response and requested detailed information encompassing all safety features of the proposed new fuel tank, like corrosion protection, overfill protection, leak detection, and other relevant measures to minimize the risks of tank failure.

On August 5, 2024, B2Gold provided a detailed response.

Fisheries and Oceans Canada (June 24, 2024)

1. DFO requested confirmation that the Guidelines for the Use of Explosives In or Near Canadian Fisheries Waters will be followed. Further, DFO inquired about the mitigation measures to protect marine mammals during blasting and to identify all waterbodies in the vicinity of the project that could be impacted by the blasting activities.

<u>B2Gold's response</u>: B2Gold stated that the Phase 3 expansion of the MLA Tank Farm will be constructed using a previously developed (blasted) quarry and no additional blasting activities will take place.

Copies of all documents received in support of the request for Modification can be accessed through the NWB's Public Registry and FTP site using the following Link:

 $\frac{ftp://ftp.nwb-oen.ca/registry/2\%20MINING\%20MILLING/2A/2AM\%20-\%20Mining/2AM-BRP1831\%20B2Gold/3\%20TECH/G\%20MODIFICATIONS}{20MODIFICATIONS}$

NWB's Review and Decision

The NWB, having fully reviewed the Licensee's request in the context of potential impact of the proposed activities on the freshwater environment, and consistency of the proposed activity in relation to the scope of the Licence, determined that the proposed Modification is consistent with the scope of activities considered under the Licence issued to the Project. Therefore, the Board has approved this modification through the Motion No. 2024-A1-003, dated August 14, 2024, as required by Part G, Item 2 of the Licence. By way of this correspondence, the Board authorizes B2Gold to go ahead with the addition of a new tank (tank 5) at the MLA Tank Farm.

The Licensee is advised that the Board's review of this document is a verification that the proposed activity is consistent with the existing terms and conditions of the Licence and more specifically with Part G. 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 document.

Licence No: 2AM-BRP1831 Modification to the MLA Tank Farm

The Board notes that all relevant management plans shall be updated to reflect the changes through this Modification. All updated documents shall be included within the 2024 Annual Report.

Further, in keeping with Part G, Item 4 of the Licence's terms and conditions, the submission of post-construction information, including as-built plans and drawings, shall remain applicable to this authorization.

Should you have any questions regarding the above, please contact the NWB Licensing Department by email to licensing@nwb-oen.ca or by phone at (867) 360-6338.

Sincerely,

Mohammad Ali Shaikh

Technical Advisor,

Nunavut Water Board

as/rqd

Cc: Distribution List – Back River Project