Indian and Northern Affairs Canada

Affaires Indiennes et du Nord Canada

Office	Use	Only
Applic	atior	ı No.



APPLICATION FOR CROWN LAND

Note to the Applicant

This form is the first step in your application for Federal Crown Lands.

Applications are reviewed by government agencies responsible for land use, and the regulation of activity in the NWT. This form is intended to help both you and the government. It is not a legal document, but a means of providing the people who have to deal with your application information needed to decide on the applications's merit. Most importantly, in filling out the form you will better understand some of the steps that have to be taken in planning and carrying out a successful enterprise.

You are advised to read the entire application form before you begin to fill it out. The amount of space provided for each question suggests the level of detail expected. However, you may be asked to supply further additional information. This is an application only, and in no way implies the granting of an approval to the applicant.

A. Information on Applicant					
Name in full		Legal Age			
Address					
Telephone No Home () Work ()	Occupation		Employer		
Name of Spouse	Occupation		Employer		
Information of Company, Corporation or Association					
Name of Company or Association Sabina Silver Corporation					
Address 1200 – 750 West Pender Street, Vancouver, BC V6C 2T8					
Are you registered at the NWT Companies Registry X Yes (Nu Registry) No					
Telephone No (807) 766 – 1799	Type of Business mineral resource exploration and development		Date and Place of Incorporation June 7, 1966 British Columbia		
Name and Address of person to whom inquiries related to this application should be addressed					
Name Albert Brantley		Telephone No (807) 766-1799			
Address 1200 – 750 West Pender Street, Vancouver, BC					

I hereby make application to: X Lease Purchase	If two or more persons are applying for this land please signify the type of tenancy					
Lease with Purchase Option Reserve (Gov't only)	desired.					
Transfer (Gov't only)	Joint Tenancy Tenancy in Common					
Definition: Joint Tenancy - The primary purpose of Joint Tenancy is the right of survivorship, upon death of one joint tenant, their interest passes to the other joint tenant automatically, and at length to the last survivor. Tenancy in Common - A form of ownership whereby each tenant (owner or Lessee) holds an undivided interest in property. Upon the death of one of the individuals, their property interest passes to their estate or heirs.						
Purpose the land is to be used for: Commercial Industrial Residential Other (please specify)						
B. Commercial/Industrial Applications						
Commercial applications may require approvals from the GNWT (Economic Development & Tourism), prior to this Department's issuing any approvals of this application.						
Type of industrial or commercial use (describe in detail) A 23-km, all-season road to connect Hackett River Base Metal Project to the Bathurst Inlet Road and provide access to airstrip and water supply locations.						
Are there any waste products by this use? Yes _X No If Yes describe the type of waste, the volume of waste and the disposal method(s) to be used.						
Are there any hazardous materials to be stored other than consumer goods? (Fuel, etc.) YesX No (Hazardous materials as defined in the Transportation of Dangerous Goods Act and Regulations or the Workplace Hazardous Material Information System) If Yes please list the type, estimated quantities and storage method(s). As part of the transportation corridor to the Hackett River Project, hazardous material will be moved along the corridor on a regular basis. These materials will be handled and stored to meet regulatory requirements at either the Project or at the Port facilities.						
C. Parcel Description						
General Description of Parcel (Hilly or Flat, Tree Cover, Soil Type) (If surveyed, state lot and block or group number. If unsurveyed, state size of parcel and general area)						
The area is characterized by low topographic relief, with gently-rounded hills and numerous small (and some large) lakes. Ground elevations range from 400 to 450 masl, with few hills exceeding these elevations. The area is typified by tundra vegetation and climate conditions underlain by permafrost conditions. The area of Crown Land is approximately 30 km² (approx. 15 km long by 2 km buffer)						

Project Description

Briefly describe your general purpose and goals. This is your chance to explain in your own words, your plans and objectives.

The Hackett River Project is an advanced exploration/development base metal project located approximately 75 km south of the southern portion of Bathurst Inlet. This land application is to support the development of three identified deposits – Main Zone, Boot Lake, and East Cleaver – as described in the Project Proposal.

The route of the proposed Bathurst Inlet Port and Road Project (BIPR) passes approximately 20 km east of the Hackett River Project. Currently two possible route alignments are being considered to connect the Hackett River Project to the BIPR Road alignment that will follow watershed boundaries, limit proximity to lakes and waterways, limit water crossings and avoid eskers. As additional environmental data and engineering design is completed final alignment and construction methods will be determined that minimizes impact to the environment and meets Project needs. The proposed alignments avoid cuts in permafrost (where side slopes will continually melt and where snow will accumulate). In addition, the access road alignments cross few swampy areas (except in valleys and at the connection to the BIPR) and the ground along the routes is generally dry.

Water crossings will be made using culverts (either multiple-culvert installations or large culverts) that will be sized for runoff during spring snowmelt. A bridge crossing will be required over the Hackett River, however, location and design will be determined during feasibility level studies.

Project Location

Provide a NTS map on a 1:50,000 scale indicating: Please see attached Figures 2a and 2b, and the Project Proposal for additional maps

- approximate boundaries of land area under application in metres/feet or milepost of road, if applicable
- existing access if any

- nearby water bodies

- proposed new access routes

- distance to nearest community

use of adjacent landco-ordinates

Indicate approximate area of land under application, in hectares ~1800 ha

Standard NTS Map Co-ordinates Latitude 65° 55' Longitude 108° 30'

Map Sheet Number 76F/15 and 76F/16

D. CONSTRUCTION PLANS

Briefly describe any existing building and/or construction of facilities that you plan. Use your sketch for illustration.

N/A

Value of improvements already on the land

Name of owner of improvements:

Describe briefly your planned construction methods and materials.

Rock for road construction will be quarried in areas close to the alignment and placed as a minimum 1 m fill on the original ground to form the road embankment and provide insulation over the permafrost. The ground will not be stripped and the existing vegetation will be left in place to provide further insulation to the permafrost. Construction will occur during the winter, or using end-dump methods in the summer, to minimize impacts to the terrain. Water crossings will be required and it is anticipated that they will include bridges and/or culverts.

Time schedule for your construction program. Indicate approximate starting, construction stage and completion times.

<u>Upon issuance of NIRB Project Certificate, NWB Water Licence and other permits/clearances for the Hackett River Project, construction of the access road will be started.</u>

Describe existing and proposed methods of access, and transportation for your project.

Access will be supported by the existing facilities at Hackett River Project and it is anticipated that facilities at the BIPR will also provide support through agreement with the appropriate owners/operators.

E. Water

Do you plan to use water at your facility(s)? If so, estimate the volume to be used per day. No, except perhaps limited quantities during road construction

Does your plan involve the alteration of any water course? (ie: construction of dams or diverting natural water flows) If so, describe the proposed changes.

Water crossings design and location are still being determined through prefeasibility studies. It is anticipated that several bridges and/or culverts will be required to construct the access road that may involve the dam or diversion of natural water. Development of this construction schedule will be developed with the regulators to ensure water and aquatic habitat are minimally impacted.

How do you plan to dispose of:

Liquid waste: <u>Liquid waste will be contained and discharged in approved facilities at the Hackett River Project.</u>

<u>Spills and emergency response plans will be developed and will include appropriate handling and disposal requirements to meet the appropriate regulatory requirements.</u>

Solid waste: <u>Solid waste will be disposed in approved facilities at either Hackett River Project or other areas.</u> If you have specific waste treatment equipment in mind, please describe it.

F. Operations			
Is your use X Year round or Seasonal If seasonal, give details			
How many year round residents will be living at the site: none			
G. Resource Capability			
What other general resource activities are taking place on or near your proposed project area e.g. does the area involve a trap line or any mining activity? Is it an access point for resident anglers, hunters, campers, etc.? Is there a registered mineral claim on the project area? Baseline data collection and land use assessment is on-going and it is unknown if there are other general resource activities in the area such as trapping, fishing, hunting and camping. Mineral resources are actively being explored at Hackett River and the adjacent George Lake property. Other development in the area includes the Bathurst Inlet Port and Road.			
Do you see any activity listed in your answer to the above affecting your operation, or is your operation a conflict to them? If so, how? <u>Cumulative affects assessment will be completed during the environmental assessment phase.</u>			
Do you plan on using your facilities for other than the applied for purpose?Yes _X_No			
If yes, briefly describe alternate use.			
H. Financial Considerations			
Provide a brief description of the capital costs for your project. Preliminary capital expenditures for the Hackett River Project estimate that for the section of road over Crown land would be approx. \$CDN 7.5 million. Prefeasibility studies are on-going and final capital and operating costs will be developed as part of this work.			
Site Preparation: Materials for initial construction:			
Construction costs:			
Provide a time framework within which these capital costs will be incurred, i.e., estimate costs per phase on your construction schedule (Section D)			
Is there any additional information you wish to include A Project Proposal has been prepared to support land and water applications and to initiate NIRB screening for an environmental assessment process.			

I. Fees			
Land Application fee (\$150.00) (except Government Agencies)	\$	\$150.00	
GST for all applications (\$7.50) (except "Residential")	\$	\$7.50	
TOTAL FEES SUBMITTED with this application			\$ <u>157.50</u>
*make cheques or money orders payable to "Receiver General for Canada"			

I hereby acknowledge and confirm that the filing of this application does not grant me any rights to take, occupy or use the land for which I have applied.

I certify that the information I have given in this application is correct, to the best of my knowledge.

Signature of Applicant

Date

Signature of Joint Applicant

Affix company seal, if applicable.

Provide a detailed site sketch of your proposed development. Exact dimensions of buildings are not necessary, but your sketch should include;

Please see the Project Proposal for details of the proposed Project.

- boundaries, approximate dimensions in metres or feet transportation and/or recreation
- water bodies to be used for
- location of proposed buildings and facilities, including Waste stream bank etc.
- location of water bodies, lake front,
- disposal and fuel storage, docks and breakwaters, etc.
- existing facilities

- access routes, trails, paths, roads

- scale

Measure the distance of the boundaries of the parcel of land for.

In order to locate the parcel of land applied for on a may, it is important that the location is defined by distance measurement and possibly compass bearings in relation to some known point or land feature.

For instance, to the existing survey posts of other property in that area, highway survey monuments, the shorelines of water bodies (lakes, rivers, creeks) and kilometre posts.



