

Fisheries and Oceans Canada

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Pêches et Océans Canada

Secteur de l'Arctique de l'est Boîte postale 358 Iqaluit, NU X0A 0H0

Your file Votre référence 08MN006 Our file Notre référence NU-08-0001

February 28, 2008

Ms. Leslie Payette
Manager of Environmental Administration
Nunavut Impact Review Board
P.O. Box 2379
Cambridge Bay, Nunavut
X0E 0C0

lpayette@nirb.ca

Dear Ms. Payette:

Subject: Sabina Silver Corporation's Hackett River Mine Project Proposal

Fisheries and Oceans Canada (DFO) acknowledges receipt of the Nunavut Impact Review Board's (NIRB) letter of February 7, 2008.

Currently, DFO has not received an authorization application from Sabina Silver Corporation (Sabina) for any works and undertaking affecting fish habitat. DFO, however, has reviewed Sabina's Hackett River Mine Project Proposal Report and notes that the proponent has identified that the following works and undertakings have the potential to result in the harmful alteration, disruption or destruction of fish habitat:

- the development of the Tailings Management Facility;
- the dewatering of Camp Lake; and
- works in and around water such as the construction of dams, bridges and culverts.

In addition, Sabina has also identified that the tailings containment and management facility, dependent on design, may require an amendment to Schedule 2 of the *Metal Mining Effluent Regulations*.

Based on the project proposal, Sabina has identified that they will be seeking DFO's authorization for certain components of this development. DFO will therefore likely have jurisdictional responsibility in relation to the proposed development.

Due to the scale of potential impacts to fish and fish habitat identified in this development proposal, it is DFO's opinion that there is potential for it to cause significant adverse impacts to fish and fish habitat unless appropriate mitigation is identified and implemented. Therefore, DFO recommends that the Hackett River Mine Project be reviewed under Article 12, Part 5 or Part 6, of the Nunavut Land Claims Agreement (NLCA). DFO will also be able participate as an intervener and offer expertise to NIRB in areas related to fish and fish habitat in their review of the development proposal.

Should NIRB determine that a review under Article 12 is required, DFO recommends that scoping of the project and environmental assessment be conducted in advance of the referral to the Ministers with jurisdictional responsibility. The information garnered through this scoping exercise will assist in informing and coordinating the Ministerial decisions that must be made under both the NLCA Article 12 process and the *Canadian Environmental Assessment Act* on the track of review that will be undertaken for the environmental assessments.

DFO looks forward to working with NIRB on environmental assessment of the Hackett River Mine Project. Should you have questions or comments, please contact Julian Lim at (867) 979-8016 or by email at julian.lim@dfo-mpo.gc.ca.

Yours sincerely,

Beverley Ross

Manager, Environmental Assessment for Major Projects Fisheries and Oceans Canada – Central and Arctic Region

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