



Fisheries and Oceans
Canada

Eastern Arctic Area
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Pêches et Océans
Canada

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

A handwritten signature in blue ink, appearing to read 'B. Ross', with a stylized flourish at the end.

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

copy: Keith Pelley - Fisheries and Oceans Canada
Julian Lim – Fisheries and Oceans Canada
Tania Gordanier - Fisheries and Oceans Canada



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Kavamaliqiyikkut

Ministère de l'Exécutif et des Affaires Intergouvernementales

Department of Executive & Intergovernmental Affairs

February 20, 2008

Leslie Payette
Manager, Environmental Administration
Nunavut Impact Review Board

via Email to: lpayette@nirb.nunavut.ca

RE: NIRB FILE # 08MN006 – HACKETT RIVER MINE PROJECT

Dear Ms. Payette:

As requested by NIRB on February 7, 2008, the Government of Nunavut (GN) has considered the project proposal for a base and precious metal mine at Hackett River, submitted for NIRB screening by Sabina Silver Corp., and has the following comments and recommendations.

The Hackett River project will include a number of major mine components. The GN believes these components could have substantial environmental and socio-economic impacts, both locally and regionally, and should be given thorough consideration by NIRB, the public, and government at the earliest opportunity.

The GN recommends that NIRB issue a decision consistent with the NLCA 12.4.4 (b). Furthermore, as has been the case with other mining projects reviewed by NIRB in recent years, the GN believes that most of the environmental and socio-economic impacts will be felt within the Nunavut Settlement Area and therefore a Part 5 review is more appropriate and is recommended.

We thank NIRB for giving us the opportunity to review and provide comments on this screening and we look forward to receiving further information on this project from NIRB. Please contact our Avatilirniq Coordinator, Josh Gladstone at (867) 975-6026 or jgladstone@gov.nu.ca if you have any questions or comments.

Qujannamiik,

Original signed by

Paul Suvega
Assistant Deputy Minister
Executive and Intergovernmental Affairs

c.c. David Omilgoitok, Deputy Minister, Executive and Intergovernmental Affairs
Simon Awa, Deputy Minister, Environment
Rosemary Keenainak, Deputy Minister, Economic Development



Kitikmeot Inuit Association

Kitikmeot Inuit Katuyikatigit

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February 25, 2008

Leslie Payette
Manager of Environmental Administration
Nunavut Impact Review Board
Cambridge Bay, NU

By e-mail: lpayette@nirb.ca

Dear Ms. Payette

**Re: Sabina Silver Corporation –Hackett River Project Proposal- NIRB Part 4
Screening**

The Kitikmeot Inuit Association (KIA) would like to thank the Nunavut Impact Review Board for the opportunity to provide comment on the Hackett River Project Proposal.

Based on preliminary review of the Hackett River Project Proposal Report, the KIA believes that due to the scale of the proposed project, there is potential for significant adverse eco-systemic and socio-economic effects and the project will cause significant public concern. The KIA believes a review under 12.4.4 b of the *Nunavut Land Claims Agreement* is required for the proposed project to proceed.

Please contact us if you have any questions.

Sincerely,

Kevin Tweedle
Lands and Water Technician
Kitikmeot Inuit Association
Mail: P.O. Box 360,
Kugluktuk, Nunavut, X0B 0E0
Phone: (867) 982-3310
Fax: (867) 982-3311



Canadian Arctic Resources Committee

A voice for citizens on the Canadian North for more than 30 years.

February 28, 2008

Ms. Leslie Payette
Manager Environmental Administration
Nunavut Impact Review Board
P.O. Box 1360, Cambridge Bay, Nunavut, X0B 0C0

Via e-mail to lpayette@nirb.nunavut.ca

Dear Ms. Payette,

RE: NIRB FILE # 08MN006 – HACKETT RIVER MINE PROJECT

With reference to NIRB request of February 7, 2008 the Canadian Arctic Resources Committee (CARC) has reviewed the information provided to date as submitted by Sabina Silver Corp for a mine development at Hackett River.

The components for the mine and the proposed link to the Bathurst Inlet Port and Road (BIPAR) currently under review by the NIRB have potential impacts on the calving grounds of the Bathurst Caribou herd and subsequently on the people dependent upon access to the herd and other trans boundary users of the caribou. Alternative routing for road access to a port for the mine needs further consideration if the social, harvesting and economic interests of the people in the area are to be satisfied.

We recommend that the NIRB deal with this project as with BIPAR under the NLCA 12.4.4 (b) and provide a Part 5 review for this proposal.

In closing thank you for the opportunity to respond to this screening at this point in the process.

Yours truly,

David Gladders, Executive Director

Ottawa Office: 488 Gladstone Avenue
(613)-759-4284

www.carc.org

Yellowknife Office: 5003 48 Street
(867)-873-4715

CARC Mailing Address: Box 371 Station A, Ottawa, Ontario, Canada, K1N 8V4



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

Nunavut Regional Office
P.O. Box 100
Iqaluit, NU, X0A 0H0

Your file - Votre référence
08MN006
Our file - Notre référence
IQA-N 5510-5-11 UNC

February 28, 2008

Leslie Payette
Manager of Environment
Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, NU, X0B 0C0

Via electronic mail to: lpayette@nirb.nunavut.ca

Re: Part 4 Screening for Sabina Silver Corporation's Hackett River Mine Project Proposal.

Dear Ms. Payette,

Indian and Northern Affairs Canada (INAC) would like to thank Nunavut Impact Review Board (NIRB) for their letter of February 7, 2008, providing INAC with the opportunity to comment on the Nunavut Land Claims Agreement (NLCA) Article 12 Part 4 screening of the proposed Sabina Silver Corporation Hackett River Mine Project. In respect of this project, INAC's jurisdictional responsibilities include Ministerial responsibilities for approval of the water license and administration of Crown land.

Accordingly, INAC has assessed the proposal and supporting applications to determine whether the proposed project is likely to cause significant adverse eco-systemic and socioeconomic effects on Northerners, or arouse significant public concern (as per NLCA Article 12 Part 4).

Given the nature of the proposed Hackett River Project, a base metal mining project with an estimated production capacity of 10,000t/d for 14 years, along with related mining and transportation infrastructure, INAC believes that the proposed project has the potential to cause significant adverse eco-systemic and socioeconomic effects on Northerners and thus may arouse significant public concern. INAC's examination of the project proposal has found that the following areas merit further and more detailed assessment:

- the potential impacts of dewatering Camp Lake;
- the potential impacts to surface water quality from the deposition of tailings and mine effluents into the Camp, Boot and Cleaver basins (including lakes and streams), Hackett and Mara rivers, and other receiving environments;
- the potential impacts of seepage from Camp Lake and other mining and tailing confinement sites, during operations and after closure, as a result of shallow seepage (through or under the proposed dams), and deep groundwater movement (through taliks), on the Camp, Boot and Cleaver basins (including lakes and streams) and the Hackett and Mara rivers, and other receiving environments;
- the potential for impacts on water quality from the use of explosives;
- the potential for acid rock drainage (ARD) and metal leaching (ML), including the potential for ARD and ML to occur on the exposed open pits surfaces, temporary and permanent ore stockpile, and road construction materials;
- the potential impacts on surface water quality from contact water runoff from landfill sites;
- the effect of construction, operation, closure and post-closure activities relating to site runoff and road crossings on surface water quality;
- the anticipated impacts of construction, operation, and closure activities on specific vegetation associations and geomorphological structures (e.g., esker complex);
- the anticipated changes in the thermal status of Camp Lake (and other adjacent lakes and streams in the Camp, Boot and Cleaver basins) as a result of the addition of tailings, and the subsequent impact on frozen ground, taliks, and planned containment structures; and
- the potential for ongoing and incremental land use activities associated with metal mining and transportation, in combination with all other activities in the Hackett River project area, to result in cumulative impacts, particularly the cumulative effects on wildlife and other important eco-systemic components in and adjacent to the mining sites and along all transportation (including the airstrip and all roads) and port facilities, which may include facilities under the proposed Bathurst Inlet Port and Road (BIPR) project, to be used by this proposed project .

In addition to the above areas of concern, INAC believes that detailed assessments of the impact of the proposed project on the following eco-systemic components are also important:

- eskers and other unique or fragile landscapes;
- terrestrial species and their habitats; and
- traditional land use.

Accordingly, INAC is of the view that the proposal warrants a Part 5 or Part 6 review under NLCA, Section 12.4.4 (b). Should the NIRB recommend further

review of the Hackett River project is required, the Responsible Ministers will be looking to the Board for advice on the proposed scope of any subsequent review given its potential linkages to the proposed Bathurst Inlet Port and Road project. This information will assist the Ministers in their respective decision-making roles.

INAC looks forward working with NIRB and the proponent throughout the environmental assessment of this project. Should you have any questions, please do not hesitate to contact Ataur Rahman, Environmental Scientist, at (867) 975-4554 by phone or at rahmana@inac-ainc.gc.ca by email.

Sincerely,

Original signed by

Robyn Abernethy-Gillis
Manager of the Environment Division



February 28, 2008

NRCan File #NT-046

Leslie Payette
Manager, Environmental Administration
Nunavut Impact Review Board
Cambridge Bay, Nunavut

By email: lpayette@nirb.ca

Subject: NRCan's Comments on the Part 4 Screening of Sabina Silver Corporation's proposed Hackett River Mine Project

Dear Ms. Payette,

Thank you for your letter of February 7, 2008, requesting comments from parties on the Nunavut Impact Review Board's (NIRB) Part 4 Screening under the Nunavut Land Claims Agreement (NLCA) of Sabina Silver Corporation's proposed Hackett River Mine Project. Natural Resources Canada (NRCan) has reviewed aspects of the submitted documents and has determined that it is likely a regulatory authority for this proposed project through the issuance of a licence(s) for the manufacture and/or storage of explosives (par. 7(1)(a) of the *Explosives Act*) to allow the proposal to be carried out.

Previous mining projects in Nunavut have been subjected to Part 5 Reviews under the NLCA. Given the nature of this proposal, a base metal mine with an estimated production capacity of 10,000t/d along with related infrastructure and a proposed tailings impoundment area, NRCan believes that the proposal warrants a review under Part 5 or Part 6 (12.4.4 (b)) of the NLCA.

If NIRB determines that a review under Article 12 of the NLCA is required, NRCan recommends that scoping of this project and of the assessment be conducted prior to referral to Ministers with jurisdictional responsibility. This will assist in informing the subsequent Ministerial decisions on environmental assessment matters.



Natural Resources
Canada

Ressources naturelles
Canada

As has been done in previous projects, we look forward to working with the NIRB and other federal departments in fulfilling our environmental assessment obligations in an effective and efficient manner.

If you have any questions concerning our comments, or if I may be of further assistance, please call me at (613) 995-3153.

Sincerely,

Andrew McAllister

Senior Environmental Assessment Officer
Science and Policy Integration
Natural Resources Canada

cc: Rob Johnstone, Minerals and Metals Sector, NRCan



Transport Canada Transports Canada

Environmental Affairs - Programs
P.O. Box 8550
3rd Floor, 344 Edmonton Street
Winnipeg, Manitoba
R3C 0P6

February 28, 2008

Your File: 08MN006
Our File: 7184-70-1-HACR

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

By email: lpayette@nirb.ca

Dear Ms. Payette:

Subject: Hackett River Mine Project NIRB Part 4 Notice of Screening

Transport Canada (TC) Environmental Affairs would like to thank the Nunavut Impact Review Board (NIRB) for the opportunity to participate in the Part 4 Screening process for the Hackett River Mine Project Proposal located within the Kitikmeot Region of Nunavut.

The Hackett River Project description and supporting documents have been reviewed at cursory level taking into consideration our departments mandate. Several works identified in the project description may pose interference to safe navigation and possibly require Formal Approval under the *Navigable Waters Protection Act*. Transport Canada may be able to provide expertise on other project components and activities associated with this proposal as they relate to our overall responsibilities.

The Hackett River Project Proposal is a large-scale mine development that includes works and physical activities that could have the potential to cause adverse environmental impacts. We are of the opinion that the scale and nature of the Hackett River Mine Project Proposal is similar to that of other base metal and precious mining project developments that have undergone NIRB reviews. TC is of the view that this project warrants a review under Article 12.4.4 (b), Part 5 or Part 6, of the Nunavut Land Claims Agreement. That said, TC recommends that scoping of the project and environmental assessment occur prior to the referral to the Ministers with Jurisdictional Responsibility. Implementing, this scoping exercise would aid in acquiring essential information beneficial to informing all interested parties prior to Ministerial decisions that must be taken for this environmental assessment.

Transport Canada looks forward to working with the NIRB on the environmental review of the Hackett River Mine Project. If you have any questions or concerns with respect to these comments, I can be contacted via email at morrejp@tc.gc.ca or by telephone at 204-983-5857.

Sincerely,

Jim P. Morrell
Environmental Officer

Cc. Doug Soloway, TC – Superintendent of Environment Assessment Program



Environment Canada Environnement
Canada Canada

Environment Canada
Prairie and Northern Region
#301-5204 50th Ave.
Yellowknife, NT X1A 1E2

February 28th, 2008

Leslie Payette
Manager, Environmental Administration
Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, NU X0B 0C0

Our file: 4703 001 002
Your File: NIRB 06MN082

Via email: lpayette@nirb.ca

Re: Notice of Part 4 Screening for Sabina Silver Corporation's Hackett River Mine Project Proposal

Thank you for the opportunity to provide input into the Nunavut Impact Review Board's (NIRB) Part 4 screening decision for the Sabina Silver Corporation's Hackett River Mine Project. The following specialist advice has been provided pursuant to Environment Canada's mandated responsibilities for the enforcement of the *Canadian Environmental Protection Act*, Section 36(3) of the *Fisheries Act*, the *Migratory Birds Convention Act*, and the *Species at Risk Act*.

After reviewing the project proposal and supporting documents, Environment Canada (EC) is of the opinion that the proposed project may cause significant adverse effects on the ecosystem and wildlife habitat. This advice is based on the scale of the proposed project and the anticipated environmental impacts that may occur if this project proceeds. As outlined in the project proposal, the Hackett River Mine Project includes:

- the construction, operation and decommissioning of a polymetallic mine that includes two open pits and one underground mine;
- the construction, operation and decommissioning of a 3 km all-season spur road connecting the mine site to the proposed BIPR road;
- construction of a mine site airstrip, 2000 m in length;
- construction, operation and decommissioning of a permanent camp for up to 300 people, including an estimated 5ML of fuel storage in the fuel tank farm;
- dewatering of Camp Lake (Main Zone deposit);
- deposition of tailings underwater within a fish-bearing lake; and
- construction, operation and decommissioning of a dam for tailings impoundment.

This project is further complicated as the proponent has indicated the need for potential linkages to the Bathurst Inlet Port and Road project (BIPR) project currently undergoing a Part 5 (NIRB) Review. Linkages include:

- Utilization of the northern portion of the road infrastructure; and
- Utilization of proposed port and facilities at Bathurst Inlet.

EC is of the opinion that there is potential for this project to cause significant adverse environmental impacts. Potentially impacted ecosystem components include, but may not be limited to:

- Surface freshwater as result of the deposit of tailings into a lake, nutrient input from blasting and sewage treatment, suspended sediment as a result of construction activities, and accidents and malfunctions;
- Marine water quality as a result of the potential for accidents and malfunctions along the proposed shipping route;
- Air quality as a result of the operation of the incinerator, mine site activities and the hauling of ore concentrate along the road;
- Migratory birds as a result of habitat loss and disturbances at the proposed site facilities, roads, airstrip, dock facilities and shipping routes; and
- Species at risk as a result of habitat loss and disturbance at proposed site facilities, roads, airstrip, dock facilities and shipping routes.

EC would like to stress the need for the environmental assessment to consider the potential environmental impacts resulting from the proposed shipping route. The proposed shipping route will pass Migratory Bird Sanctuaries, National Wildlife Areas and key terrestrial habitat sites and marine terrestrial sites. Potentially significant adverse environmental impacts resulting from the proposed shipping activities include, but may not be limited to:

- Disturbance to waterfowl and seabirds nesting in coast areas along the proposed routes as a result of wake effects;
- Shoreline erosion as a result of wake effects and related water quality and habitat disturbance impacts;
- Changes to ice regimes as a result of ice breaker supported shipping, which may impact migratory routes of species; and
- Impacts resulting from accidents or malfunctions which may occur during shipping, including spills of ore concentrate and fuel.

Due to the potentially significant adverse impacts to these ecosystem components resulting from the project, including the marine shipping components, it is EC's opinion that a review under Section 12.4.4(b) of the NLCA would be appropriate.

In addition, EC recommends that should NIRB decide that a Part 5 or 6 review is deemed necessary that the scoping process take place prior to referral to the Ministers with jurisdictional responsibility. Providing scoping information prior to the Ministerial decisions made under the NLCA Article 12 and the *Canadian Environmental Assessment Act* will not only provide further information to the Ministers but would aid in coordinating the decisions needed for the environmental review process.

Should you have any further questions please contact me at (867) 669-4772 or via email at savanna.levenson@ec.gc.ca.

Yours truly,

Savanna Levenson

Environmental Assessment Specialist
Environmental Protection Operations

c.c: Carey Ogilvie, Head EA North, Environment Canada
Mike Fournier, Coordinator EA North, Environment Canada
Anne Wilson, Water Pollution Specialist, Environment Canada