



October 9, 2008

Ms. Stephanie Autut
Executive Director, Nunavut Impact Review Board
P.O.Box 1360
Cambridge Bay, NU X0B 0C0

Dear Ms Autut:

Thank you for your letter of September 18, 2008 advising of the Minister's decision and initiating scoping for the Hackett River Project. Sabina Silver Corporation is seeking to be environmental leaders in the mining community by communicating openly with employees, the regulatory community and the public about the proposed Hackett River Project. We welcome this opportunity to provide these preliminary comments on the draft scope.

On page 2 of your letter, there is a series of bullets under Project Components that we would clarify. These are:

- Second bullet: Sabina is proposing to use the port and all-weather road from the Port at Bathurst Inlet (BIPR Project) year round and construct a spur road connecting the BIPR Road to the Hackett River Mine site.
- Third bullet: Sabina is proposing to construct an all-weather spur (access) road from the Hackett River Project to the all-weather BIPR road.
- Seventh bullet: Sabina is proposing to build the Hackett River mine site, including (but not limited to): three open pit and three underground mines, mineral processing; tailings impoundment; water, waste and sediment management structures; fuel storage and dispensing systems; and explosives mixing and dispensing systems.

Your letter of September 18th specifically requests comment on the draft scope included with the correspondence. Sabina would ask that the following components that are identified in the Project Description submitted in January 2008 be added in the scope. These include:

b) Bathurst Inlet Port

include the following components:

- explosives storage and handling
- ammonium nitrate prill storage and handling
- hazardous materials storage and handling

c) Mobilization and Shipping

Sabina is currently assessing as part of pre-feasibility studies marine shipping routes to the east to North American and European markets, west to Asian markets, and west to Canadian markets via Mackenzie River. Sabina is not planning to undertake ice breaking activities

d) Winter Road from Port at Bathurst Inlet to Spur Road connecting with Hackett River Mine Site

We would suggest revising the heading title to "All-weather road from Port at Bathurst Inlet to spur road connecting with Hackett River mine site" because Sabina is proposing access to the Project, using the all-weather BIPR road to the all-weather spur (access) road year round.

e) All-weather Access (spur) road from Hackett River Mine Site to Winter Road Connecting with the Port at Bathurst Inlet

We would suggest revising the heading title to "All-weather Access (spur) road from Hackett River mine site to all-weather road connecting with the port at Bathurst Inlet" because Sabina is proposing to construct an all-weather access (spur) road from the all-weather BIPR road to the Hackett River mine site.

Include the following components:

- Quarrying and borrow source areas

g) Hackett River Mine Site

Pre-feasibility studies are currently being completed and several components are still under review with respect to needs and location based on economic and environmental considerations. For this reason, Sabina has included in the project description: East Cleaver (open pit and underground); Main Zone (open pit and underground); Boot Lake (open pit and underground); permafrost management; mineral processing; power generation facilities; paste backfill plant; water treatment plant; mine site roads and utilities; ore storage facilities; backfill stockpile; waste rock and low grade ore storage; tailings impoundment facilities; tailings line and emergency catch basins; water, waste and sediment control structures; water supply structures; stream flow diversion and alternative watercourses; alterations to watercourses; lake dewatering; camp(s); buildings; lay-down area(s); sewage collection and treatment facilities; solid waste management facilities; landfill; landfarm; incinerator; fuel storage and dispensing systems; explosives storage, mixing and dispensing systems; explosives magazines and support facilities to be included in a "licensed factory" to be located at the mine as defined by the *Explosive Act*; quarrying and borrow sources; work force; hazardous material storage and handling.

We also acknowledge the Minister's and NIRB's specific concerns with the proposed utilization of the BIPR infrastructure currently under review. Sabina recognizes BIPR as a separate project and we have worked together in the past for cost savings and logistic support. For example, for 2007 wildlife surveys, we partnered with BIPR, and Dundee,

to complete coverage, share data and minimize impact to environment. Sabina is encouraged by the Inuit and local involvement in the BIPR and the development of infrastructure in the Kitikmeot and our preference for overland access is via the proposed BIPR project as one of its clients. However, in the absence of BIPR, Sabina is proposing to construct its own all-weather road to Bathurst Inlet and a deep water port and we would ask that an additional component be included in the project components of the scope:

i) Sabina Access Road and Port

Components at port:

Dock and associated dredging activities; berth and equipment for loading and unloading ocean going vessels; fuel unloading facilities; terminal pipelines; tank farm and dispensing systems; explosives storage and handling; ammonium nitrate prill storage and handling; hazardous materials storage and handling; general cargo short-term and long-term laydown areas; general cargo handling of mobile equipment including cranes, forklifts and reach trucks; administration and maintenance offices; camp facilities and services; accommodations and airstrip; desalination plant; site roads; waste and wastewater management and disposal systems; power plant.

Components of road:

The proposed road could generally follow the same alignment as the current BIPR alignment between the port and Hackett River area; however based on economic and environmental considerations the alignment will likely vary from this alignment to minimize travel distances between the port and mine site. The distance of the road would also be limited to accessing the mine site only and not extend any further south.

Components of the Sabina Road would include:

Earthmoving, excavation and grading activities; quarrying and borrow source areas; water withdrawal(s) and associated activities; navigable water crossings; streamflow diversions and alternative watercourses; alterations to watercourses; and temporary camp(s) used to construct the road.

Sabina is looking forward to participating in the upcoming community scoping sessions and EIS Guideline workshop. If there are any questions or comments, please contact myself , Don Parker or Elizabeth Sherlock at 604 601 8200

Sincerely,

Tony Walsh
President and Chief Executive Officer