



January 22, 2009

Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, Nunavut X0B 0C0

Re: Comments on the draft Guidelines for the Hackett River Project Environmental Impact Statement (Rev. 0.1) (NIRB File 08MN006)

Dear Ms. Hanson,

Thank you for your correspondence of December 19, 2008 and the opportunity to comment on the draft Guidelines (Rev. 0.1). We are pleased to provide our comments and questions in the attached document. We would also like to extend our thanks again for the organization of the Guidelines Workshop in November 2008. We found the discussions very informative and they will be beneficial in completing an appropriate EIS for the Hackett River Project.

In addition to the attached document, we provide the following identification of key points that Sabina would ask for further consideration, and discussion if necessary, before the EIS Guidelines are finalized.

A. Project Description

The Hackett River Project is currently in the pre-feasibility phase and it is important that this work be realistic in light of the current global economic environment. It is also clear that the Hackett River Project will need to utilize a road and port. Currently there are two options - either use the Bathurst Inlet Port and Road (BIPR) facilities or build facilities specifically for the

Hackett River Project. Sabina is encouraged by the Inuit and local involvement in the BIPR Project and the development of infrastructure in the Kitikmeot. Our preference for overland access is via the proposed BIPR Project as one of its clients under a negotiated agreement. The challenge with the Hackett River Project being linked to another Project is the uncertainty of the BIPR schedule and the risk that BIPR may not be available to meet the needs of the Hackett River Project.

For these reasons, EIS Guidelines need to be flexible enough to allow environmental assessment to occur under one scenario and not two. This direction was also provided by participants of the Guidelines Workshop and we hope that the suggested text provided in the attached document allows that flexibility, ensures NIRB's mandate and EA requirements are met, and allows an EIS document to be developed that is easy to follow for the reader.

B. Cumulative Effects Assessment

We acknowledge that, without an approved land use plan for the region, NIRB and other intervenors turn to the environmental assessment process to complete planning tools (such as CEA) to assist with decision-making. There is a suggestion that the cumulative effects assessment includes consideration of infrastructure beyond the needs of the Project and assessment of how that infrastructure will affect the economic feasibility of other mineral resources in the West Kitikmeot. We acknowledge that cumulative effects assessment including the "reasonably foreseeable future" projects will be an important component of the environmental assessment. However, we are not intending to include a consideration of infrastructure outside the needs of the current project. We will leave those detailed economic and environmental considerations to the feasibility studies of those other developments.

We are encouraged that the definition of "reasonably foreseeable future development" has been clarified. We propose that the definition take into account how actively the other projects are being pursued. We suggest revising the definition as follows:

Projects or activities that are currently under regulatory review or those that will be submitted for regulatory review in the near future, as determined by the existence of

a project description in the possession of a government department or agency, subject to the consideration as to whether the regulatory review of the project or activity is actively being pursued by the proponent of that project or activity.

The final clarification we would request is what is included in CEA. The definition provides clarity that it is impacts to the environment from development activities. However, throughout the EIS Guidelines, there are references that cumulative effects may also incorporate consideration of impacts from the environment to the Project - most notably climate change. Current industry standard in completing CEA is to include the impacts to the environment from human activity and Sabina will complete our assessment with this understanding.

C. Transportation Corridors - environmental assessment and licensing

Sabina would also like to take this opportunity to clarify the linkages between the regulatory requirements and the environmental assessment of some of the Project components and activities. We acknowledge that the EA must include all the related components and activities to ensure an appropriate assessment is completed. However, as the Project moves into the regulatory phase, Sabina will be seeking contractors and suppliers to provide goods and services - most notably marine shipping, air transportation and explosives management. We suggest that the Guidelines reflect that, in assessing potential for marine shipping, air transportation, and explosives management, the EA should take into account regulatory processes and requirements applicable to those activities. For example, with respect to marine shipping, the EA should consider the role of Transport Canada in regulating shipping and the applicable standards for safety and pollution prevention for marine transportation systems.

Sabina subscribes to the principles of sustainable development in mining. While mining cannot occur without an impact on the surrounding natural environment and communities, our responsibility is to limit negative environmental and social impacts and to enhance positive impacts. Sabina supports NIRB in taking the necessary time to develop draft EIS Guidelines that

incorporate the perspective of regulators, interveners and the public in a manner that clearly outlines expectations and needs for the environmental assessment. The Hackett River Project pre-feasibility is still on-going and provides the time to carefully consider the EIS Guidelines.

Sincerely,

ORIGINAL SIGNED BY

Tony Walsh
President and CEO
Sabina Silver Corporation

Per Don Parker
Hackett River Project Manger
Sabina Silver Corporation

