

SCREENING PART 2 FORM

PROJECT SPECIFIC INFORMATION REQUIREMENTS (PSIR)

1. SUBMISSIONS

The Proponent must submit all information pertaining to the Project as a whole. The information requirements below are designed for the purpose of environmental assessment and are not limited to the scope of a single permit or license application.

IMPORTANT: Please be advised of the following:

1. NIRB does not accept references to an ftp or web sites as a submission.
2. The Proponent must provide NIRB with 1 (one) electronic copy and 1 (one) hardcopy of the required information in English.
3. All maps should be shapefiles, be legible, and should include grids, be of appropriate scale, indicate the scale, include latitude and longitude references, NTS Maps numbers, title, legend and a north arrow. To the extent possible, avoid hand-drawn demarcations and faxed maps; and,
4. Please complete all required information in each section below. If the required information is not applicable to the project proposal, please indicate this in the response with "n/a". If the request has been provided in a different section or report, please note the section or report where the response can be found.

2. GENERAL PROJECT INFORMATION REQUIREMENTS

Project Coordinates and Maps

1. The preferred method for submitting project coordinates information is through the use of a Geographic Information System (GIS) compatible digital file. Although an ESRI ArcView 3.x shape file (in decimal degrees) is the preferred interchange format, the NIRB has the capacity to receive over 100 GIS and CAD related formats, including MapInfo and AutoCAD, provided proper format and projection metadata is also submitted. The NIRB requires coordinates for the project proposal which reflect the entire project area as defined by:
 - Area/sites of investigation;
 - Boundaries of the foreseen land use permit/right-of-way area(s) to be applied for;
 - Location of any proposed infrastructure or activity(s); and,
 - Boundaries of the mineral claim block(s) where proposed activities will be undertaken.
2. Map of the project site within a regional context indicating the distance to the closest communities.
3. Map of any camp site including locations of camp facilities.
4. Map of the project site indicating existing and/or proposed infrastructure, proximity to water bodies and proximity to wildlife and wildlife habitat.

A detailed map of the camp facilities is not available. Please refer to the following aerial photographs which have been labelled with all relevant facilities.



Figure 1. Goose Lake Camp.

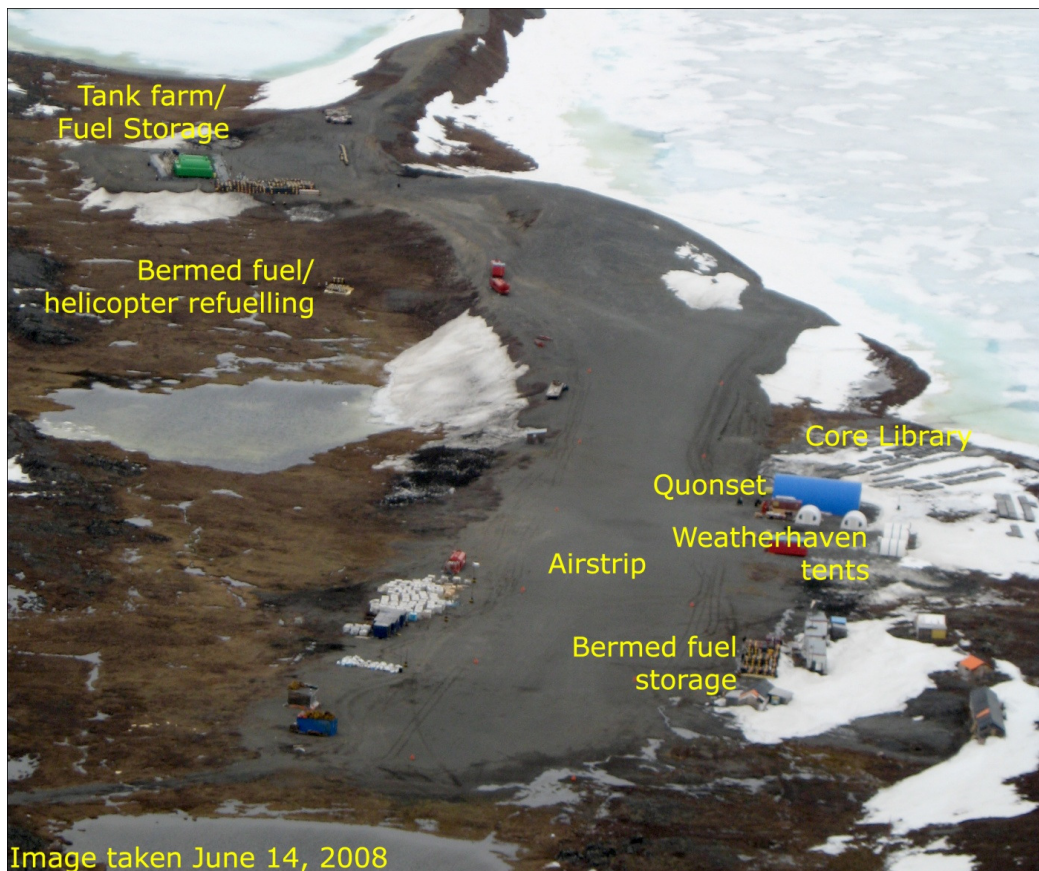
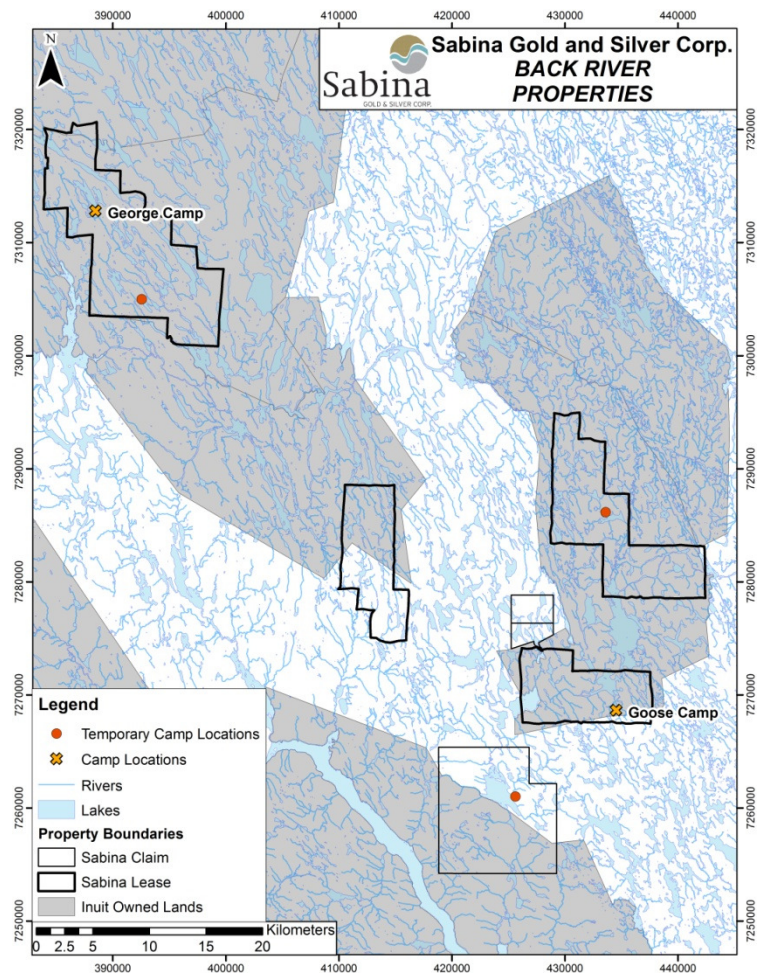


Figure 2. George Lake Camp. View looking north.



Figure 3. Location of the Hackett River and Back River project sites.

Figure 4. Regional map of Sabina's Back River properties.



Project General Information

5. Discuss the need and purpose of the proposed project.
This project will allow Sabina Gold & Silver Corp. to conduct further mineral exploration on its properties in the Back River area of the Kitikmeot.
6. Discuss alternatives to the project and alternative methods of carrying out the project, including the no-go alternative. Provide justification for the chosen option(s).
As the proposed project represents ongoing mineral exploration, the only alternative is the no-go option. Geophysical surveys have already been completed and continue to be carried out, as have prospecting and diamond drilling programs. The most prospective areas from these investigations require followup in the form of diamond drilling to properly evaluate their mineral resource potential, as well as to develop studies on the economic viability of development. As the only way to develop a viable mineral project in the area is with a large or a number of moderately-sized deposits, the no-go alternative would preclude the economic development of any potential mineral resource. This project is required in order to help determine the economic value of the mineral occurrences in the area.
7. Provide a schedule for all project activities.
The camp at Goose Lake (the base of operations for this project) will typically open between early February to early March each year. Activities related to camp opening, resupply, and preparations for drilling will take place over the first several weeks, with drilling and other operational activities expected to begin around mid-March and to continue throughout the summer. Additional prospecting and geophysical activities will also be considered for each field season. It is anticipated that all activities on the project site will be completed by the end of September each year, with the possibility of extending the season into October depending on operational requirements.

This schedule is similar to that of previous years, with opening and closing dates varying by up to 3-4 weeks each year depending on operating requirements, weather conditions, and the amount and type of work to be done.

Smaller temporary camps and ice strips may be established each spring proximal to areas of exploration interest. These camps would enable the establishment of alternate storage areas for fuel and drilling supplies proximal to field operations, as well as reducing the environmental risk and cost of transporting fuel via helicopter from Goose Lake Camp.
8. List the acts, regulations and guidelines that apply to project activities.
 - ARTICLE 13 – NCLA -Nunavut Land Claims Agreement
 - NWNSRTA – The Nunavut Waters and Nunavut Surface Rights Tribunal Act, 2002
 - Northwest Territories Waters Regulations, 1993
 - NWB - Water Licensing in Nunavut - Interim Procedures and Information Guide for Applicants
 - NWB - Interim Rules of Practice and Procedure for Public Hearings
 - RWED – Environmental Protection Act, R-068-93- Spill Contingency Planning and Reporting Regulations, 1993
 - RWED A Guide to the Spill Contingency Planning and Reporting Regulations, 2002
 - NWTWB - Guidelines for Contingency Planning
 - Canadian Environmental Protection Act, 1999 (CEPA)
 - Fisheries Act, RS 1985 - s.34, 35, 36 and 37
 - DFO - Freshwater Intake End of Pipe Fish Screen Guideline
 - NWTWB - Guidelines for the Discharge of Treated Municipal Wastewater in the NWT
 - Canadian Council for Ministers of the Environment (CCME); Canadian Drinking Water Quality Guidelines, 1987
 - Public Health Act - Camp Sanitation Regulations
 - Public Health Act - Water Supply Regulations
 - Territorial Lands Act and Territorial Land Use Regulations; Updated 2000

9. List the approvals, permits and licenses required to conduct the project.

| Permit | Description | Agency | Expiry |
|---------------|---------------------------------------|---------------|-----------------|
| KTL304C017 | Goose Lake LUP | KIA | March 13, 2011 |
| KTL304C018 | George Lake LUP | KIA | March 13, 2011 |
| KTL204C012 | Boulder Pond LUP | KIA | March 14, 2011 |
| KTL204C020 | Boot Lake LUP | KIA | March 12, 2011 |
| KTL304F049 | Winter Road | KIA | March 13, 2011 |
| N2006C0008 | Mineral Exploration, Beechy Lake Area | INAC | May 22, 2011 |
| N2004F0006 | Winter Road, Beechy Lake Area | INAC | May 11, 2011 |
| 2BE-GOO1015 | Goose Lake Water License | NWB | March 31, 2015 |
| 2BE-GEO0210 | George Lake Water License | NWB | Renewal pending |

DFO Operational Statement (OS) Conformity

10. Indicate whether any of the following Department of Fisheries and Oceans (DFO) Operational Statement (OS) activities apply to the project proposal:

- Bridge Maintenance
- Clear Span Bridge
- Culvert Maintenance
- Ice Bridge
- Routine Maintenance Dredging
- Installation of Moorings

Please see DFO's OS for specific definitions of these activities available from DFO's web-site at <http://www.dfo-mpo.gc.ca/regions/central/habitat/os-eo/index-eng.htm>

Not applicable.

11. If any of the DFO's OS apply to the project proposal, does the Proponent agree to meet the conditions and incorporate the measures to protect fish and fish habitat as outlined in the applicable OS? If yes, provide a signed statement of confirmation.

Not applicable.

Transportation

12. Describe how the project site will be accessed and how supplies will be brought to site. Provide a map showing access route(s).

Supplies and personnel will access the site at Goose Lake via charter air carrier; there is no road access to the site at any point through the year. In the winter, an ice strip on Goose Lake will be used; float-equipped aircraft will be used in the summer time. During the breakup period wheel-equipped aircraft will use the prepared esker strip at the George Lake camp, or a small gravel strip located to the northwest of Goose Lake camp or an airstrip located at the Sage esker approximately 35 km to the southwest of the Goose camp. All travel throughout the project area will be accomplished using helicopters, as will drill moves and drilling support. In the winter when there is sufficient snow cover to avoid damage to the tundra, local transport in the Goose Lake area is done with snowmobiles, and a Caterpillar D6 may be used for drill moves.

Map not applicable.

13. If a previous airstrip is being used, provide a description of the type of airstrip (ice-strip/all-weather), including its location. Describe dust management procedures (if applicable) and provide a map showing location of airstrip.

The airstrip at George Lake is a prepared esker which may be used for a 2-3 week period during breakup in the spring. The strip is located immediately adjacent to the camp buildings at this site. Due to the very low frequency of use, no dust management practices have been implemented for this airstrip.

The Sage esker is an all-weather gravel airstrip with no supporting facilities southwest of Goose Camp. As it is also used intermittently, there are no dust management practices in place.

The airstrip at Goose Lake camp is on beach sediments on the northwest side of Goose Lake and may be used for a 4-5 week period during spring breakup. Due to the intermittent seasonal use of this airstrip no dust management measures to be implemented.

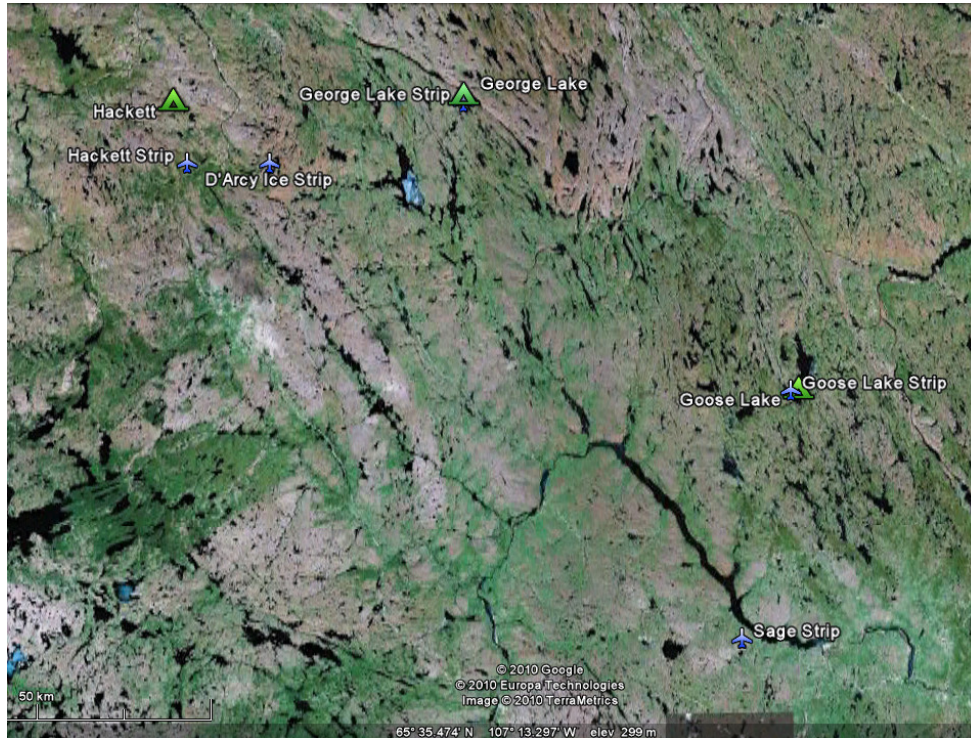


Figure 5: Location of Airstrips to be used by Sabina for access to exploration projects in the Kitikmeot Region. Each camp site is located adjacent to a lake that supports an ice strip in the winter and lake access in the summer. During breakup there are airstrips located on land (labelled Hackett strip, George Lake strip, Goose Lake strip and Sage strip).

14. If an airstrip is being constructed, provide the following information:

- a. Discuss design considerations for permafrost
- b. Discuss construction techniques
- c. Describe the construction materials, type and sources, and the acid rock drainage (ARD) and metal leaching (ML) characteristics (if rock material is required for airstrip bed).
- d. Describe dust management procedures.
- e. Provide a map showing location of proposed airstrip.

The airstrips identified have been used in previous seasonal exploration programs by Sabina and previous owners; it is anticipated that most airstrips were established with the camps. The land based airstrips will require on-going maintenance to ensure safety for personnel and aircraft. In order to accommodate larger aircraft during break-up, the Goose Lake gravel strip will be extended by 400ft from its current 800 ft length (width is 80ft); this extension is over 30m from the waters edge in the beach gravel and can be accomplished redistributing material within the airstrip area and not from a secondary source. Ice airstrips involved clearing of snow and ensuring the appropriate ice thickness.

15. Describe expected flight altitudes, frequency of flights and anticipated flight routes.

Charter flights to/from Yellowknife are flown at the pilot's discretion depending on weather conditions, but may be expected to be at an altitude of 5,000-10,000' ASL. These flights occur twice weekly with supplemental flights added as required. Resupply flights occur early in the season and may be any day of the week, and 24 hours a day in the case of the Hercules. All of these flights pass over the Ekati/Diavik area enroute.

Helicopter flights in the area may occur anywhere from 1 every 2-3 days to several per day, depending on the operational requirements at the time. The most highly travelled flight routes include the corridor between Goose Lake and George Lake and the corridor between Goose Lake and Sabina Silver's Hackett River camp. As per several of our operating licenses, the pilots are instructed to maintain a minimum altitude of 1000' (300 m) AGL unless weather or operating requirements indicate otherwise.

Camp Site

16. Describe all existing and proposed camp structures and infrastructure

The majority of buildings, including sleeping quarters, kitchen, dry, offices and drillers' shop, at Goose Lake are wood-constructed, with insulated walls and tarps to seal the roofs. The core processing facility which was constructed in 2007 consists of 2 20'x40' weather havens for logging core attached to a plywood building used for core photography, cutting and sampling.

Two Quonset huts (approx. 20'x40' each) are located toward the north end of the camp and are used for vehicle maintenance and storage. In 2008 the northernmost of these two buildings was retrofitted with a lined floor and is used for maintenance of the fleet of heavy equipment, snowmobiles and ATVs at Goose Lake.

Power for the camp is supplied by a 365 kW diesel-powered generator which was installed in 2007. This generator has enough capacity to supply power for electric heating in all of the offices and sleeping quarters, resulting in an overall reduction in the amount of diesel fuel used for heating purposes (when considered against the diesel fuel stoves), as well as an increase in personal safety from the removal of a flame source from numerous buildings, and the reduction of environmental risk associated with transporting fuel barrels throughout the camp.

The George Lake camp is located on the western shore of George Lake and consists of an approximate 10-person satellite/emergency camp, used primarily for short periods of supply restocking in the spring and emergency use throughout the season. Camp facilities consist of 5 weatherhaven structures for sleeping and living quarters and a large Quonset hut for vehicle maintenance and storage. These facilities are located on the eastern side of an esker which has been partially leveled for use as an airstrip. The lakeshore is approximately 60 m to the east of the camp buildings. A lined, bermed bulk fuel storage area is located approximately 100 m off the northwest end of the airstrip. This camp will be used intermittently during the exploration programs; Goose Lake camp will be the main support camp for the Back River Project.

The temporary satellite camps (e.g. Del Lake) will consist of approximately 4-6 weatherhaven-type structures which are set up for the duration of the exploration program and/or resupply period.

17. Describe the type of camp:

- a. Mobile
- b. Temporary
- c. Seasonal
- d. Permanent
- e. Other

Both the Goose Lake and George Lake camps are used seasonally. At the end of each season, all buildings and infrastructure are prepared for winter and left in place.

The satellite camps are temporary and would be removed at the completion of the annual exploration program and/or resupply activities.

18. Describe the maximum number of personnel expected on site, including the timing for those personnel involved with the project.

The Goose Lake camp has a maximum capacity of about 80 people, though the largest number expected on site at any one time is about 65. This number would include Sabina personnel, drilling contractors, pilots and any other contractors and/or guests once the exploration season is underway. Normally this number of people only lasts for up to a week when personnel rotate out. Populations are dynamic, but the typical daily number of people in the camp is between 30-40.

The population of the George Lake and the temporary satellite camps is expected to be approximately up to 15 personnel.

Equipment

19. Provide a list of equipment required for the project and discuss the uses for the equipment.

| Equipment type and number | | Proposed use |
|--|--|--|
| <i>Up to 5 diamond drills</i> | | <i>Diamond drilling</i> |
| <i>1-4 helicopters</i> | <i>AS350-B2, 206B3, 206L3, or other type as required</i> | <i>Moving personnel, drill moves</i> |
| <i>2 loaders</i> | <i>IT28G</i> | <i>Moving supplies</i> |
| <i>3 bulldozers</i> | <i>Caterpillar D6, D7</i> | <i>Moving equipment, snow</i> |
| <i>1 tractor</i> | <i>Caterpillar Challenger</i> | <i>Snowplowing</i> |
| <i>3 skidsteers</i> | | <i>Moving supplies</i> |
| <i>1 forklift</i> | | <i>Moving equipment and supplies</i> |
| <i>1 swamp buggy (nodwell)</i> | | <i>Moving equipment and supplies</i> |
| <i>Up to 16 light vehicles (ie ATV's snowmobile,boats)</i> | | <i>Local transport of personnel and equipment around camp and to/from drill rigs</i> |

With the purchase of the Back River project from Dundee Precious Metals in June of 2009, Sabina will, from time to time, reposition some of the listed assets between the Goose Lake, George Lake and Hackett River project sites as operational or maintenance requirements dictate. This repositioning will occur along properly permitted winter roads with sufficient snow cover to inhibit damage to the tundra. The ability to move the equipment between the project sites is important to allow for economical resupply of all the exploration camps in the area, as well as to position equipment in preparation for the start of subsequent seasons.

Sabina will include, as part of the annual regulatory reports, an inventory of equipment remaining at each site at the end of each season.

20. If possible, provide digital photos of equipment.
Photos not available.

Water

21. Describe the location of water source(s), the water intake methods, and all methods employed to prevent fish entrapment. Provide a map showing the water intake locations.

At the Goose Lake camp, water is taken from Goose Lake adjacent to the camp using a small domestic water pump. The intake hose is equipped with a screen suitable to prevent the entrapment of fish. As the camp at George Lake is currently used as a resupply point or emergency camp, bottled water is used for consumption. Should a decision be made in the future to station personnel at George Lake, a setup similar to that at Goose Lake can be installed.

As drilling activities are not restricted to the immediate vicinity of the Goose Lake or George Lake camps, water intake is from the nearest suitable lake or pond to drilling operations. Local lakes would also supply water to the temporary camps with intakes screened to prevent the extrapment of fish.

See photo, page 2 for location of intake at Goose Lake camp.

22. Describe the estimated rate of water consumption (m³/day).

Camp operations have historically consumed an average of 6-8 m³/day. Drill consumption is estimated at up to 35 m³/drill/day and the temporary camps are estimated to consume 3 m³/day. The current limit under the Goose Lake water license is 155 m³/day and for George Lake water license 100 m³/day.

23. Describe how waste water will be managed. If relevant, provide detail regarding location of sumps, including capacity of sumps and monitoring.

Water from the drill will be recycled to minimize the quantity used, and allowed to freeze in the hole upon completion of the drilling. Experience in this region indicates that freezing of the hole can occur in a timeframe ranging from hours to days. Water from the drill will be recycled to minimize the quantity used, and allowed to freeze in the hole upon completion of the drilling. Experience in this region indicates that freezing of the hole takes place in a timeframe ranging from hours to days.

Most of the water pumped to the drill site is not used for drilling and spills out of the surge tank and returns to the environment as surface run-off and percolation through the soil. Return from the drill collar would be via a settling sump before the decanted water would join surface run-off and percolate through the moss and soil. In both cases the water would in time likely rejoin the same small drainage basin that it was pumped from.

Greywater from use in the kitchen and dry will be screened for large particles before being deposited into a sump behind camp. The water will be allowed to percolate into the surrounding soil, and is expected to eventually return into the Goose Lake basin. Greywater generated at the temporary camp locations would be disposed in a sump located 30m away from the nearby waterways.

24. If applicable, discuss how surface water and underground water will be managed and monitored.

Not applicable.

Waste Water (Grey water, Sewage, Other)

25. Describe the quantities, treatment, storage, transportation, and disposal methods for the following (where relevant):

- Sewage
- Camp grey water
- Combustible solid waste
- Non-combustible solid waste, including bulky items/scrap metal
- Hazardous waste or oil
- Contaminated soils/snow

- Empty barrels/ fuel drums
- Any other waste produced

| Type | Est. Quantity | Storage | Transport | Disposal | Additional treatment |
|------------------------|---------------------|------------------------------|-----------------------|----------------------|---------------------------------|
| Sewage | 150 m ³ | Pacto bags | ATV/Snowmobile | Incineration on site | Backhaul ash |
| Greywater | 6600 m ³ | NA | NA | Sump | Lime as needed |
| Combustibles | 300 m ³ | Empty drums, bins, bag | ATV/Snowmobile/Loader | Incineration on site | Backhaul ash |
| Non-Combustibles | 100 m ³ | Varies according to material | ATV/Snowmobile/Loader | Backhaul | Landfill |
| Hazardous waste | 20 m ³ | Empty drum, sealed top | Aircraft, truck | Backhaul | Disposal at accredited facility |
| Contaminated snow/soil | 0.5 m ³ | Empty drum, sealed top | Aircraft, truck | Backhaul | Disposal at accredited facility |
| Empty drums | 1000-1500 | Crushed, pallets | Aircraft, truck | Backhaul | Disposal at accredited facility |

In addition to the above, a waste oil heater is installed in one of the Quonsets at Goose Lake. This heater will be used throughout the winter months to heat the building using a combination of diesel, spent oils and water-contaminated and residual fuels, thereby reducing the need for primary heating fuel as well as the need to transport otherwise unusable fuel offsite.

26. If the project proposal includes a landfill or landfarm, indicate the locations on a map, provide the conceptual design parameters, and discuss waste management and contact-water management procedures.

Not applicable.

Fuel

27. Describe the types of fuel, quantities (number of containers, type of containers and capacity of containers), method of storage and containment. Indicate the location on a map where fuel is to be stored, and method of transportation of fuel to project site.

| Fuel | Number and Capacity of Containers | Total Amount of Fuel (in Litres) | Proposed Storage Methods |
|---------------|-----------------------------------|----------------------------------|---|
| Diesel | (8) 60,000L tanks | 480,000 L | Double-walled enviro tanks contained within a lined berm. |
| | (50) 205L drums | 10,250 L | Artificial berms |
| Gasoline | (20) 205L drums | 4100 L | Artificial berms |
| Aviation fuel | (1200) 205L drums | 246,000 L | Artificial berms |
| Propane | (3) 1000L tanks | 3000 L | Level tanks adjacent to kitchen |
| | (200) 100# tanks | 20,000 lbs | |

Drummed fuel is transported to the project site strapped together on pallets, and using the most economical air transport available, typically a Hercules in the winter months. Bulk fuel is transported in large tanks in a Hercules.

See photos, pp. 2-3 for locations of fuel storage.

Where necessary, supplies of fuel may be strategically located throughout the project area to fulfill drilling or helicopter requirements most likely in the area of the temporary camps.

28. Describe any secondary containment measures to be employed, including the type of material or system used. If no secondary containment is to be employed, please provide justification.

Bulk storage tanks are kept within a lined berm with sufficient capacity to contain the volume of at least 2 of the tanks. The tank farm at Goose Lake holds 6 tanks, and the farm at George Lake contains 2 tanks.

Drums of diesel, Jet B and gasoline fuels will be stored outside in separate fuel caches enclosed within impermeable berms to prevent any leaks from entering the soil. Each of the containment berms is equipped with a RainDrain™ filtration system that continuously filters out the rainwater while containing any hydrocarbons. These are monitored on a regular basis to ensure proper operation. The fuel would be stored well back from any lake or stream.

29. Describe the method of fuel transfer and the method of refuelling.

A fuel transfer pump and appropriate hoses are used to transfer bulk fuel from the tanks in the Hercules to the bulk storage tanks. The pump is encased in a box which acts as a secondary containment measure. Personnel are stationed at the aircraft, the intermediate pump and at the bulk tanks to observe the process and ensure that spills do not occur.

Vehicles and small storage tanks are refuelled at a station adjacent to the fuel storage areas in camp by personnel trained to conduct these transfers using appropriate equipment. Drip trays and enviromat are used to catch any minor drips.

At each drill location, fuel and supplies will be delivered daily and waste material returned to camp. Two to three, double-walled, fuel tanks will be at the drill rig during its operation. One tank would have a pump and be used to supply the drill rig and a second tank will be available as a back-up supply. Each morning a third full tank will be delivered to the location to replace the tank (now empty) that has been used to resupply the rig. Spill response kits are also located at each of the drills in use.

Spill kits are available at all refuelling points/areas and throughout the camp.

30. Describe spill control measures in place.

Spill Contingency Plan is included with this submission.

Please refer to Environment Canada's fuel storage tank system regulations (*Storage Tank System for Petroleum and Allied Petroleum Products*) website at <http://www.ec.gc.ca/st-rs/> for details on fuel storage requirements.

Chemicals and Hazardous Materials*

**included but not limited to oils, greases, drill mud, antifreeze, calcium or sodium chloride salt, lead acid batteries and cleaners*

31. Describe the types, quantities (number of containers, the type of container and capacity of containers), method of storage and containment. Indicate the location on a map where material is to be stored, and method of transportation of materials to project site.

At Goose Lake camp an old storage shed was refitted in 2007 with enviromat and 10 mil plastic sheeting in the floor and is being used as a storage shed for petroleum products (engine oil, hydraulic fluid, grease, etc). Quantities of each of these materials are highly variable, but there may typically be up to 20 5-gallon pails (or the equivalent) of each material stored in the shed. These materials are brought into camp as needed on regular supply flights.

Drill additives and mud are stored in lined sea-cans in the drillers' laydown area.

CaCl₂ is currently stored in 50-lb bags on pallets within secondary containment.

Batteries are stored inside the tool crib in a lined bin.

32. Describe any secondary containment measures to be employed, including the type of material or system used.

See question above.

33. Describe the method of chemical transfer.

Fluids and oils on vehicles are changed in the north Quonset, which has a lined floor and is intended for vehicle maintenance. Drip trays or enviromat will be used to minimize any risks associated with spills arising from fluid transfers.

34. Describe spill control measures in place.

Spill Contingency Plan is included with this submission.

Workforce and Human Resources/Socio-Economic Impacts

35. Discuss opportunities for training and employment of local Inuit beneficiaries.

Local Inuit hires have the opportunity to learn skills associated with the operation of an exploration camp as well as the associated exploration activities. Several Inuit employees have been hired in previous programs to help with exploration activities including prospecting, drilling, sampling, core splitting, sample shipping, maintenance, equipment operation, environmental monitoring and reclamation.

36. Discuss workforce mobilization and schedule, including the duration of work and rotation length, and the transportation of workers to site.

The initial setup crew is expected to arrive in camp sometime between early February and early March, with remaining personnel (geologists, geotechnicians, logistics, drillers) to follow around starting around mid-March. Personnel will be working a 4-week in/2-week out rotation, with transport to/from Yellowknife via charter aircraft. Commercial flights from the Yellowknife airport will be used to transport people to and from their point of hire. The project is expected to run until the end October at the latest.

37. Discuss, where relevant, any specific hiring policies for Inuit beneficiaries.

Where possible, Sabina aims to rehire Inuit employees from previous years. In addition to reducing recruitment costs and uncertainty for the company, this practice has the added benefit of allowing for greater skill development for those employees who show dedication to the job and wish to return. It typically also results in a higher per-capita salary with the resultant benefits to individuals and families rather than having the payments spread out over a larger number of shorter-term employees

Public Involvement/Traditional Knowledge

38. Indicate which communities, groups, or organizations would be affected by this project proposal.

The communities of Gjoa Haven, Taloyoak and Kugluktuk are primary points of hire for Inuit beneficiaries. The communities of Bathurst Inlet and Umingmaktok are the closest communities to the project site, but with very limited workforces and cost-effective access.

Sabina aims to use Inuit-owned suppliers where possible.

39. Describe any consultation with interested Parties which has occurred regarding the development of the project proposal.

Since the sale of the Back River and Wishbone projects to Sabina Gold & Silver Corp. in the early part of 2009, there have not been any direct consultations with the nearby communities. Sabina representatives annually attend the Yellowknife Mining Symposium in November, as well as attending meetings in Cambridge Bay and the Nunavut Mining Symposium, all of which will provide opportunities for informal discussions about the projects. Sabina is planning to bring local community representatives and Elders to the site during the 2010 exploration season.

40. Provide a summary of public involvement measures, a summary of concerns expressed, and strategies employed to address any concerns.

The project has been previously screened by NIRB (06EN033 and 08EA084) and the NWB, with all applications and amendments distributed for public comment. Comments included

recommendations such as secondary containment of fuel supplies, avoidance of groups of wildlife in both aerial and ground operations and to continue hiring NLCA beneficiaries. Many of the comments become integrated into the current operating permits through the annexed terms and conditions. Where practical, Sabina will take all comments under consideration and develop operating procedures to address them.

41. Describe how traditional knowledge was obtained, and how it has been integrated into the project.

No traditional knowledge studies have been undertaken to date. Sabina is currently in discussion with the Kitikmeot Inuit Association to identify potential Elders with regional/local knowledge and opportunities for engaging them with the project.

42. Discuss future consultation plans.

Community consultation will be conducted as part of the advanced development project at Back River. With the acquisition of the Back River properties, Sabina has focussed on revisiting the mineral potential of the area and minimized community consultation until the re-evaluation is complete. It is anticipated that community consultation will be start again in 2010 once internal decisions have been made regarding the next steps of the project.

3. PROJECT SPECIFIC INFORMATION

The following table identifies the project types identified in Section 3 of the NIRB, Part 1 Form. Please complete all relevant sections.

It is the proponent's responsibility to review all sections in addition to the required sections to ensure a complete application form.

Table 1: Project Type and Information Required

| Project Type | Type of Project Proposal | Information Request |
|--------------|--|----------------------------------|
| 1 | All-Weather Road/Access Trail | Section A-1 and Section A-2 |
| 2 | Winter Road/Winter Trail | Section A-1 and Section A-3 |
| 3 | Mineral Exploration | Section B-1 through Section B-4 |
| 4 | Advanced Mineral Exploration | Section B-1 through Section B-8 |
| 5 | Mine Development/Bulk Sampling | Section B-1 through Section B-12 |
| 6 | Pits and Quarries | Section C |
| 7 | Offshore Infrastructure(port, break water, dock) | Section D |
| 8 | Seismic Survey | Section E |
| 9 | Site Cleanup/Remediation | Section F |
| 10 | Oil and Natural Gas Exploration/Activities | Section B-3 and Section G |
| 11 | Marine Based Activities | Section H |
| 12 | Municipal and Industrial Development | Section I |

SECTION B: Mineral Exploration /Advanced Exploration /Development

B-1. Project Information

1. Describe the type of mineral resource under exploration.

The mineral resource under exploration at the Goose Lake and George Lake areas consists of iron formation-hosted Archaean lode gold deposits.

B-2. Exploration Activity

2. Indicate the type of exploration activity:

- Bulk Sampling (underground or other)
- Stripping (mining shallow bedded mineral deposits in which the overlying material is stripped off, the mineral removed and the overburden replaced)
- Trenching
- Pitting
- Delineation drilling
- Preliminary Delineation drilling
- ✓ **Exploration drilling**
- ✓ **Geophysical work (airborne)**
- ✓ **Other (prospecting, sampling)**

3. Describe the exploration activities associated with this project:

- Satellite remote sensing
- Aircraft remote sensing
- ✓ **Soil sampling**
- ✓ **Sediment sampling**
- ✓ **On land drilling (diamond drill)**
- ✓ **On ice drilling (diamond drill)**
- Water based drilling (indicate drill type)
- Overburden removal
- Explosives transportation and storage
- Work within navigable waters
- ✓ **On site sample processing (logging, cutting, sampling at Goose Lake camp)**
- ✓ **Off site sample processing (sample preparation, analytical work)**
- Waste rock storage
- Ore storage
- Tailings disposal
- Portal and underground ramp construction
- Landfilling
- Landfarming
- Other

B-3. Geosciences

4. Indicate the geophysical operation type:

- Seismic (please complete Section E)
- ✓ **Magnetic**
- Gravimetric
- ✓ **Electromagnetic**
- Other (specify)

5. Indicate the geological operation type:

- ✓ **Geological Mapping (including grab sampling)**
- Aerial Photography

- Geotechnical Survey
- Ground Penetrating Survey
- Other (specify)

6. Indicate on a map the boundary subject to air and/or ground geophysical work.

Geophysical studies may be considered for any of the claim areas indicated on the annexed map, and are subject to budgetary and logistical considerations, as well as internal research into regional exploration potential. Sabina will provide authorities with the appropriate notification of geophysical surveys when/if plans are finalized, and as part of the notification process for seasonal opening of the camps.

7. Provide flight altitudes and locations where flight altitudes will be below 610m.

Owing to technical requirements of the airborne EM survey method, all areas which are chosen to be surveyed by this methods will have flight altitudes below 610 m. The aircraft altitude would be approximately 75 m, and the EM instrument would be approximately 30 m above ground. Other methods may have different operating requirements, which Sabina will include with the notification indicated in the previous question.

B-4. Drilling

8. Provide the number of drill holes and depths (provide estimates and maximums where possible).

The total number of holes for each season's program will vary depending on whether the program is focused on exploration or resource definition, or both, and on the available budget for that year. Drilling is also evaluated on a continuous basis, so holes may be added or removed in some areas depending on the results obtained.

A typical maximum downhole depth would be about 300 m (inclination of about 50-60°), though some deep holes (approximately 700 m) have been completed by previous operators to test the depth extents of the deposit at Goose Lake.

9. Discuss any drill additives to be used.

MSDS sheets for drill additives are included with this submission.

10. Describe method for dealing with drill cuttings.

Sludge from the drills is captured using the megabag system and deposited in a sump dedicated to this purpose at the Goose Lake camp. Owing to the significant transport distance between potential drill sites on the Wishbone property, as per Part F, Section 2 of the current terms and conditions of the Goose Lake water license, a natural depression in the vicinity of drilling may be used for disposal of the cuttings in lieu of transporting them for over 100 km by helicopter back to Goose Lake. Doing so will reduce the costs of the operation, fuel consumption and emissions from the helicopters, as well as the risk of a spill resulting from transporting the cuttings over such a long distance.

11. Describe method for dealing with drill water.

Water from the drill will be recycled to minimize the quantity used, and allowed to freeze in the hole upon completion of the drilling. Experience in this region indicates that freezing of the hole can be completed in a timeframe ranging from hours to days. Clarified water drains through the megabag and is allowed to disperse on the tundra (directed away from any surface water body) where it percolates into the ground and returns to the local watershed.

12. Describe how drill equipment will be mobilized.

Drill moves will be accomplished by helicopter. In areas near Goose Lake, if there is sufficient snow cover to protect the tundra, ground-based equipment (Caterpillar D6) may be used to move the rig from one setup to the next.

13. Describe how drill holes will be abandoned.

Current practice is to remove all equipment and any debris from the drill setup. The hole is left to freeze in, which takes very little time under the existing permafrost ground conditions. Data from a thermistor installed in a hole at Goose Lake in 2008 suggest that the thermal regime in the vicinity of the hole had recovered substantially within 1 month of drilling. Casing is currently left in place to facilitate survey activities, and to allow for the ability to redrill a hole if deemed necessary. As per the Abandonment and Restoration Plan, final abandonment of drill holes on the property will consist of flush-cutting casing to ground surface and capping or cementing the holes.

14. If project proposal involves uranium exploration drilling, discuss the potential for radiation exposure and radiation protection measures. Please refer to the *Canadian Guidelines for Naturally Occurring Radioactive Materials* for more information.
Not applicable.

4. DESCRIPTION OF THE EXISTING ENVIRONMENT

Describe the existing environment, including physical, biological and socioeconomic aspects. Where appropriate, identify local study areas (LSA) and regional study areas (RSA).

Please note that the detail provided in the description of the existing environment should be appropriate for the type of project proposal and its scope.

The following is intended as a guide only.

Physical Environment

Please note that a description of the physical environment is intended to cover all components of a project, including roads/trails, marine routes, etc. that are in existence at present time.

- Proximity to protected areas, including:
 - i. designated environmental areas, including parks;
 - ii. heritage sites;
 - iii. sensitive areas, including all sensitive marine habitat areas;
 - iv. recreational areas;
 - v. sport and commercial fishing areas;
 - vi. breeding, spawning and nursery areas;
 - vii. known migration routes of terrestrial and marine species;
 - viii. marine resources;
 - ix. areas of natural beauty, cultural or historical history;
 - x. protected wildlife areas; and
 - xi. other protected areas.
- Eskers and other unique landscapes (e.g. sand hills, marshes, wetlands, floodplains).
- Evidence of ground, slope or rock instability, seismicity.
- Evidence of thermokarsts.
- Evidence of ice lenses.
- Surface and bedrock geology.
- Topography.
- Permafrost (e.g. stability, depth, thickness, continuity, taliks).
- Sediment and soil quality.
- Hydrology/ limnology (e.g. watershed boundaries, lakes, streams, sediment geochemistry, surface water flow, groundwater flow, flood zones).
- Tidal processes and bathymetry in the project area (if applicable).
- Water quality and quantity.
- Air quality.

- Climate conditions and predicted future climate trends.
- Noise levels.
- Other physical Valued Ecosystem Components (VEC) as determined through community consultation and/or literature review.

Biological Environment

- Vegetation (terrestrial as well as freshwater and marine where applicable).
- Wildlife, including habitat and migration patterns.
- Birds, including habitat and migration patterns.
- Species of concern as identified by federal or territorial agencies, including any wildlife species listed under the Species at Risk Act (SARA), its critical habitat or the residences of individuals of the species.
- Aquatic (freshwater and marine) species, including habitat and migration/spawning patterns.
- Other biological Valued Ecosystem Components (VEC) as determined through community consultation and/or literature review.

Socioeconomic Environment

- Proximity to communities.
- Archaeological and culturally significant sites (e.g. pingos, soap stone quarries) in the project (Local Study Area) and adjacent area (Regional Study Area).
- Palaeontological component of surface and bedrock geology.
- Land and resource use in the area, including subsistence harvesting, tourism, trapping and guiding operations.
- Local and regional traffic patterns.
- Human Health, broadly defined as a complete state of wellbeing (including physical, social, psychological, and spiritual aspects).
- Other Valued Socioeconomic Components (VSEC) as determined through community consultation and/or literature review.

Information provided for Screening 06EN033 and 08EA084 and previous screenings would be applicable for all of these components. The current application, while for a new license, does not represent a change in the scope of work for the project

The Goose Lake camp is located on the slope of the western bank of Goose Lake and consists of an 80-person camp constructed for support services directed towards exploration activities. The lakeshore is approximately 50 m toward the north and the regional topographical gradient surrounding the camp ranges from 2% to 6% towards the north. The camp is approximately 300 metres (m) in length from east to west and 100 m wide from north to south, covering an area of 30,000 m². A small but visible creek runs east northeast on the eastern side of the camp. The camp facilities are located on natural tundra underlain by a 10 cm organic layer overlying silt-sand parent material.

The Del Lake property is located southwest of the Goose Lake property.

Regionally this exploration area lies within the Takijug Lake Uplands ecoregion, which covers the south central portion of the West Kitikmeot region. This area is made up of broad, sloping uplands, plateaus, and lowlands. Much of the area is largely composed of unvegetated rock outcrops and boulder fields. The landscape is characterized by higher elevations, which are moderated by open water during the late summer and early fall. The exploration properties occur within the Bathurst Inlet- Burnside Watershed and the area is dotted by thousands of lakes, collected by streams or by one of the major rivers in the area (e.g., Burnside, Mara). The exploration area lies within two geological provinces; the Slave Province and the Bear Province. The Slave Geological Province is underlain by granite and related gneisses, as well as by sedimentary and volcanic rocks (more than 2.5 billion years old). The Bear Geological Province contains mainly volcanic and sedimentary rocks ranging in age from about two billion years.

Several observations of caribou have been noted throughout the area during field activities. These are typically single or small (family?) groups of transitory animals; groups of up to several thousand animals have been observed during the migration. Calving areas for the Bathurst herd are known to exist several hundred kilometres to the north of the study area (west of Bathurst Inlet) while the Ahiak herd are known to calve east of Bathurst Inlet in the Queen Maud Gulf area. Other observations of occasional muskox, wolves, and grizzly bear have been noted in the area.

5. IDENTIFICATION OF IMPACTS AND PROPOSED MITIGATION MEASURES

1. Please complete the attached Table 1 – Identification of Environmental Impacts, taking into consideration the components/activities and project phase(s) identified in Section 4 of this document. Identify impacts in Table 1 as either positive (P), negative and mitigable (M), negative and non-mitigable (N), or unknown (U).

2. Discuss the impacts identified in the above table.

As activities for the project as it is currently defined consist of prospecting, drilling, and potentially airborne geophysics, all impacts are expected to be restricted to the immediate area of undertaking, as discussed in the Cumulative Effects section, below.

Each activity will be of relatively short duration in any one location (1-2 hours for prospecting, several days for drilling, and transitory helicopter flights for geophysics), thus any impacts are likely to be highly limited.

3. Discuss potential socioeconomic impacts, including human health.

Positive socioeconomic impacts are anticipated from this project in terms of opportunities for employment and training and business directed to Inuit-owned firms. The amendment and renewal of this license will contribute to the economic development of the region, hopefully leading to the development of a base and precious metal mine. Should this happen, employment, training, and economic opportunities will increase.

Human health impacts are not expected to be significant. Occupational risk factors include environmental exposure (extremes of cold and heat), heavy machinery (loader, skidsteer, diamond drills, etc.), air transport of personnel, and specific task-oriented risks (incinerator operation, core cutting, fall from height, etc). All of these risk factors are well-understood and easily mitigated through the use of appropriate protective equipment and instruction on safe work practices.

4. Discuss potential for transboundary effects related to the project.

Not applicable.

5. Identify any potentially adverse effects of the project proposal on species listed under the *Species at Risk Act (SARA)* and their critical habitats or residences, what measures will be taken to avoid or lessen those effects and how the effects will be monitored.

There are no anticipated adverse effects on the listed species or their habitats. The existing camps at Goose Lake and George Lake have been established for well over 10 years, with no apparent detriments. Field activities (drilling and prospecting) have a minimal footprint and are short-lived, resulting in an extremely low to immeasurable likelihood of disruption to wildlife patterns.

6. Discuss proposed measures to mitigate all identified negative impacts.

The current scope of work for the project is by nature relatively low impact, with easily mitigated impacts. Any potentially harmful impacts can be mitigated with best management practises such as the use of drip trays and secondary containment when fuel or hazardous materials are concerned, avoiding groups of animals, maintaining an appropriate distance from water bodies, and general good housekeeping and safety practices.

6. CUMULATIVE EFFECTS

Discuss how the effects of this project interact with the effects of relevant past, present and reasonably foreseeable projects in a regional context.

Cumulative effects of the current project (and for the proposed expanded camp and exploration) are expected to be minimal. The Goose and George camps have been in the area for well over 10 years. Any impacts are restricted to the immediate area of the camp due to personnel and vehicle traffic. Anecdotal observations of wildlife and formal surveys of caribou movement do not indicate an avoidance of the area as a result of either camp or the associated exploration activities. Noise levels are limited to vehicle and helicopter traffic during the day and the camp generator 24 hours a day. This noise level is mitigated by the topography of the area and is not heard within a few hundred metres of the camp. The same effect is observed in the area of the drill rigs, which are typically in any one area for a short period of time (2-10 days).

At drill sites, minimal amounts of rock flour and drill cuttings may be deposited on the tundra, however, this material will be of similar composition to the local outcrops and overburden material that it would not represent a source of significant impact to the local environment. Compression of vegetation in the vicinity of the drill rig will occur, however, this impact naturally corrects itself once the drill has been moved from the location. Progressive reclamation measures of each drill site are also implemented to support the re-establishment of pre-drilling conditions.

Sampling during prospecting is possibly the only non-mitigable impact since it involves the hammering and removal of rock material. Note that there is no other sampling method to collect this information. The samples are typically small (1-2kg) and once the fresh outcrop surface is exposed to the elements and weathering occurs, the exact location of these samples will be difficult to identify. These samples do not disturb any important habitat nor affect water quality or quantity.

Because the impacts of this project are relatively low, and that there is significant distance between Back River and other mineral exploration/development projects in the Kitikmeot Region, it is not anticipated that there would be a cumulative impact.

7. SUPPORTING DOCUMENTS

Where relevant, provide the following supporting documents:

- **Abandonment and Decommissioning Plan**
- Existing site photos with descriptions
- Emergency Response Plan
- Comprehensive **Spill Prevention/Plan** (must consider hazardous waste and fuel handling, storage, disposal, spill prevention measures, staff training and emergency contacts)
- Waste Management Plan/Program
- Monitoring and Management Plans (e.g. water quality, air pollution, noise control and wildlife protection etc.)
- If project activities are located within Caribou Protection Areas or Schedule 1 Species at Risk known locations, please provide a Wildlife Mitigation and Monitoring Plan

In addition, for Project Type 9 (Site Cleanup/Remediation), please provide the following additional supporting documents:

- Remediation Plan including cleanup criteria and how the criteria were derived.
- Human Health Risk Assessment of the contaminants at the site.