



Karén Kharatyan  
A/Manager of Licensing  
Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, NU X0B 1J0

September 13, 2017

**RE: Type B Water Licence for Development Work related to the Mining of the Back River Project**

Dear Mr. Kharatyan,

Sabina Gold & Silver Corp. (Sabina) is submitting this revised Type B Water Licence application and supporting documents (Application) for proposed development work, ongoing exploration mobilization and site preparation work related to the Back River Project (Project). The original application submitted in October 2014 (8BC-BPR----) is formally withdrawn by Sabina and replaced with the current Application.

Full development of the Project requires Sabina to undergo a review by the Nunavut Impact Review Board (NIRB) to obtain a project certificate and to obtain a Type A Water Licence from the Nunavut Water Board (NWB or Board). Sabina submitted the Final Environmental Impact Statement (FEIS) and FEIS Addendum<sup>1</sup> to the NIRB. A Type A Water Licence application will be filed shortly.

The regulatory framework provided in the Nunavut Agreement (Agreement) (Section 13.5.5) and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSRTA or Act) allows for interim, short-term approvals for water uses related to exploration or development work for a proposal under development impact review. The NWB is not restricted from issuing an interim, short-term period water licence for development work related to the Project. Sabina's Type B Water Licence application includes the:

1. Application Form for Type B Development Works
2. Main Application Supporting Document (MASD) for Type B Development Works and appendices
3. Concordance Assessment for Type B Development Works
4. Supplemental Document:
  - a. D.1 Road Management Plan
  - b. D.2 Fuel Management Plan
  - c. D.3 Quarry Management Plan<sup>3</sup>
  - d. D.4 Comprehensive Spill Contingency Plan<sup>2</sup>
  - e. D.5 Interim Closure and Reclamation Plan
  - f. D.6 Environmental Management and Protection Plan
  - g. D.7 Oil Pollution Emergency Plan

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<sup>1</sup> FEIS submitted to NIRB in November 2015. FEIS addendum submitted to NIRB in February 2017.

<sup>2</sup> Revised Spill Plan associated with 2BE-GOO1520, 2BE-GEO1520 and 2BE-MLL1722 to reflect development works.

<sup>3</sup> Revised Addenda associated with 2BE-GOO1520 Quarry Management Plan (July 2017).

Sabina believes the scope of activities proposed for this Application are consistent with scope identified in the Project Proposal submitted to the NIRB for review. By copy of this letter to the NIRB, Sabina is requesting that NIRB provide the NWB with written confirmation that while development impact review is ongoing, the scope of works proposed can be processed as a short interim approval consistent with Agreement Article 13.5.5, and the NWB can proceed with regulatory review of the Type B Application.

Sabina would like to confirm Golder Associates Ltd. as applicant representatives for the purposes of this Application. In addition, Sabina confirms our financial responsibility is adequate for completion of the undertaking, mitigating adverse impacts, ongoing maintenance, reclamation, and restoration of the undertaking. Sabina is confident in assuming its position taking into account its current ongoing and past performance in the Kitikmeot Region, Nunavut, and Canada.

I trust the above and attached information meets the NWB requirements for a Type B Water Licence for the Back River Project. Should you have any questions, please do not hesitate to contact me at the below.

Yours truly,



Matthew Pickard  
Vice President, Environment and Sustainability  
Sabina Gold & Silver Corp.  
#1800 - 555 Burrard Street  
Box 220  
Vancouver, BC V7X 1M9

CC: Nunavut Impact Review Board

Attachments: A - Water Licence Application Form  
B - NTS sheet 076G and 076J Scale 1:50,000  
B1-NPC Conformity  
B2-NWB acknowledgment of Fees  
C - Main Application Supporting Document

## ATTACHMENT A:

BACK RIVER PROJECT

Type B Water Licence Application  
for Development Work

Application Submission Date: September 13, 2017



P.O. Box 119

GJOA HAVEN, NU X0B 1J0

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kNK5 wmoEp5 vtmp5

NUNAVUT WATER BOARD

NUNAVUT IMALIRIYIN KATIMAYIT

OFFICE DES EAUX DU NUNAVUT

### GENERAL WATER LICENCE APPLICATION (APPLICATION FOR NEW WATER LICENCE)

The applicant is referred to the NWB's Guide 4: Guide to Completing and Submitting a Water Licence Application for a New Licence for more information about this application form.

LICENCE NO: (for NWB use only)	
<b>1. APPLICANT (PROPOSED LICENSEE) CONTACT INFORMATION</b> (name, address)  Corporate Head Office Sabina Gold & Silver Corp. # 375 - 555 Burrard Street Box 220 Vancouver, BC Canada V7X 1M7 Tel: (604) 998-4175 Fax: (604) 998-1051 Toll Free: (888) 648-4218  Registered Head Office 1200 - 750 West Pender Street Vancouver, BC Canada V6C 2T8  e-mail: <a href="mailto:info@sabinagoldsilver.com">info@sabinagoldsilver.com</a> <a href="http://www.sabinagoldsilver.com">www.sabinagoldsilver.com</a>	<b>2. APPLICANT REPRESENTATIVE CONTACT INFORMATION</b> if different from Block 1 (name, address)  A list of representatives is provided in the accompanying Type B Water Licence Main Application Supporting Document, Appendix D
<b>3. NAME OF PROJECT</b> (including the name of the project location)  Back River Project, Nunavut	
<b>4. LOCATION OF UNDERTAKING</b>  The Back River Project is located in the Kitikmeot region of Nunavut, and includes the Goose Property, a Marine Laydown Area in southern Bathurst Inlet, and connecting winter roads. The closest communities to the Project are Kingaok, located approximately 160 km to the north of the Goose Property, and Omingmaktok, located approximately 250 km to the northeast of the Goose Property.	

## Project Extents

Project Extents	Latitude	Longitude
NW	66°42' N	107°50' W
NE	66°42' N	106°11' W
SE	65°29' N	106°12' W
SW	65°29' N	107°50' W

## Camp Location(s)

The main base of current exploration activities is Goose Camp, located at 65°32'40" N, 106°25'32" W . The Goose Camp is in the general area of the proposed mine site operations.

UTM Zone 13, 434034E, 7269928N 434011E, 7269945N

Refer to Main Application Supporting Document Appendix A for general layout/location figures for the Project.

## 5. MAP - Attach a topographical map, indicating the main components of the undertaking.

NTS Map Sheet No: 76G (Beechey Lake) and 76J (Tinney Hills)  
Scale 1:50,000  
See Attachment B to cover letter NTS Sheets

Also See Figures in Appendix A of the Main Application Supporting Document

NTS Map Sheet No.: \_\_\_\_\_ Map Name: \_\_\_\_\_ Map Scale: 1:50,000

## 6. NATURE OF INTEREST IN THE LAND - Check any of the following that are applicable to the proposed undertaking (at least one box under the 'Surface' header must be checked).

The **X** below denotes where leases or authorization are required. However, given that Sabina holds a number of land use permits, leases and authorizations for the Project with the Kitikmeot Inuit Association (KIA), and Indigenous and Northern Affairs Canada (INAC), a full list of land use permits, leases and authorizations for the Project is provided in the accompanying Main Application Supporting Document, Appendix F. This list includes dates of issuance and dates of expiry.

### Sub-surface

☒ Mineral Lease from Nunavut Tunngavik Incorporated (NTI)  
Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

☒ Mineral Lease from Aboriginal Affairs and Northern Development Canada (AANDC)  
Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

### Surface

☐ Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC)  
Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

☒ Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA)  
Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

☐ IOL Authorization from Kivalliq Inuit Association (KivIA)  
Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

☐ IOL Authorization from Qikiqtani Inuit Association (QIA)  
Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

☐ Commissioner's Land Use Authorization  
Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

☐ Other: GN Department of Government and Community Services  
Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

Name of entity(s) holding authorizations: [Sabina Gold & Silver Corp.](#)

**7. NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION**

Indicate the land use planning area in which the project is located.

- |                                       |  |
|---------------------------------------|--|
| <input type="checkbox"/> North Baffin | <input type="checkbox"/> Keewatin                  |
| <input type="checkbox"/> South Baffin | <input type="checkbox"/> Sanikiluaq                |
| <input type="checkbox"/> Akunnig      | <input checked="" type="checkbox"/> West Kitikmeot |

Is a land use plan conformity determination required?

- ☐ Yes ☒ No

If Yes, indicate date issued and attach copy.

If No, provide written confirmation from NPC confirming that a land use plan conformity review is not required.

Project outside valid land use planning region.

[Project NPC determination made, see attachment B1](#)

[Note: Following consultation with regulators conformity re-assessment not required.](#)

**8. NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION**

Is an Article 12 Part 4 screening determination required?

- ☒ Yes ☐ No

[Project screening was completed in 2012.](#)

[120925-12MN036-Screening Decision Report – OEDE.pdf](#)

[121217-12MN036- Minister decision re: screening report](#)

If Yes, indicate date issued and attach copy

[The review of the Project is pending with NIRB. NIRB File 12MN036.](#)

If No, provide written confirmation from NIRB confirming that a screening determination is not required.

Project NIRB final decision report filed with Minister: <http://www.nirb.ca/application?strP=r>  
Note: Following consultation with regulators specifically, NIRB confirmed screening/review re-assessment not required.

Refer to table 2 in box 9 for FIES references for development work activities.

**9. DESCRIPTION OF UNDERTAKING** – List and attach plans and drawings or project proposal.

The Back River Project (the Project) is a proposed gold project owned by Sabina Gold & Silver Corp. (Sabina) within the West Kitikmeot region of southwestern Nunavut. It is situated approximately 400 km southwest of Cambridge Bay, 95 km southeast of the southern end of Bathurst Inlet, and 520 km northeast of Yellowknife, Northwest Territories. The Project is located predominantly within the Queen Maud Gulf Watershed (Nunavut Water Regulations [NWR], Schedule 4) (MASD Appendix A, base Figure 1).

The Project is comprised of two main areas with interconnecting winter ice roads (WIR) (MASD Appendix A, base Figure 2): Goose Property (MASD Appendix A, base Figure 3) and the Marine Laydown Area (MLA) (MASD Appendix A, base Figure 4) situated along the western shore of southern Bathurst Inlet. The majority of annual resupply will be completed using the MLA, and an approximately 160 km long winter ice road will interconnect these sites.

The Feasibility Study for the Project, completed in June 2015, positively identified the economic viability and potential of the Back River Project. The mine plan reflects an estimated 10 year operating mine life based on currently identified ore reserves, with a total ore feed of 19.8 million tonnes to a single process plant at the Goose Property. The life of the Back River Project, from Mobilization and Construction to Operations and Closure, and Post-Closure, is 27 years as indicated in Table 1.

Mobilization and Construction activities could begin in 2018 with the staging of materials at the MLA, followed by three years of construction of Goose Property infrastructure. For the purpose of the assessment, the first year of production is termed "Year 1". Production will carry on for 10 years followed by Closure activities (up to eight years). It should be noted that the Operations Phase may be extended beyond 10 years should additional mineral deposits become economical to be developed. Sabina will continue Post-Closure monitoring until closure objectives have been achieved.

**Table 1. Summary Life of Mine**

Phase	Project Year	Activities	Approximate Duration (years)
Mobilization and Construction	-4 to -1	Mobilization, earthworks, facilities, equipment, mine development	4
Operations	1 to 10	Mining, processing, progressive reclamation	10
Closure	10 to 18	Deconstruction, decommissioning, reclamation, waste rock storage area closure, water treatment	8
Post-Closure Monitoring	18 to 23	Monitoring of water quality, geotechnical, terrestrial and aquatic effects	5

The Project includes several mineral deposits: Umwelt, Llama, Echo, and Goose Main at the Goose Property. Ore will be mined using conventional open pit and underground methods, and trucked to the process plant. Waste rock will be stored in several designated waste rock storage areas (WRSAs) on the surface, or backfilled in mined out workings. Tailings from the process plant will first be stored in a Tailings Storage Facility (TSF) located near the process plant, and then backfilled in mined out open pits.

The Project will create significant socioeconomic benefits. The total GDP impact is estimated to be over \$500 million during the Construction phase, and \$2.5 billion over the 10 years of production. The Project will substantially benefit Nunavut and will contribute as much as \$44 million in GDP to Nunavut during the two years of construction, and as much as \$380 million in GDP during the Operations Phase. Construction is

estimated to result in a total of about 4,300 person-years of direct, indirect, and induced employment across Canada, and approximately 21,000 person-years over the 10-year operation.

Sabina intends to build a mine that is safe, environmentally responsible, and beneficial to all parties involved. Sabina will balance good stewardship in the protection of human health and the natural environment with the need for economic growth. The Project will bring much needed training and employment opportunities, as well as increased investment in services to the people of the Kitikmeot region, and Nunavut as a whole.

Both Project locations will have self-sufficient operating infrastructure including: accommodations, administration, laydown areas, diesel-fired power generation, emergency and medical facilities, maintenance shops, warehousing, and water and waste management facilities.

Sabina has completed Nunavut Impact Review Board (NIRB) Final Hearings on the Environmental Impact Statement (EIS) to identify and assess potential environmental and social effects resulting from the Project. A ministerial decision is pending. Upon a decision from the Minister of Indigenous and Northern Affairs Canada (INAC formerly AANDC), it is expected that the NIRB will issued a Project Certificate. (Type A MAD s. 1)

Project development scheduling and implementation in Nunavut is dependent upon, and restricted by, the seasonal sea lift to support mobilization of supplies and equipment. Proponents can wait up to a year to receive a Type A Water Licence before starting construction, and this additional time can have a significant impact on the overall project schedule.

The regulatory framework provided in the Nunavut Agreement (Agreement) and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSRTA or Act) allows for interim, short-term approvals for water uses related to exploration or development work for a proposal under development impact review. The NWB is not restricted from issuing an interim, short-term period water license for development work related to the Project, provided the scope of works being considered for development works are being considered by the NIRB as part of the review of the Project. As such Sabina is submitting this Type B application for ongoing development work (Application).

Sabina has identified specific development (site preparation) activities that may be beneficial in accelerating the overall Project schedule if they could be started as early as possible. The details of development are provided in the Type B Water Licence Main Application Supporting Document and are as follows:

GOOSE PROPERTY	FEIS REFERENCE
Goose Exploration Camp Operation <sup>a</sup>	
Ice Airstrip Construction and Operation <sup>a</sup>	
Mobilize Fuel, Equipment, and Supplies <sup>a</sup>	
Winter Ice Road Construction and Operation	Volume 2, Section 6.3.2, 6.5
Operate Airstrip Quarry <sup>a</sup>	
Operate Umwelt Quarry	FEIS Volume 10, Chapter 16
Locate Temporary Fuel Storage <sup>a</sup>	
Construct All-weather Service Roads and Water Crossings	FEIS Volume 2, Section 6.6.2
Construct Goose Plant Site and Fuel Storage Area Pad	FEIS Volume 2, Section 6.6.2, 6.6.5
Airstrip Extension	FEIS Volume 2, Section 6.3.1.1
Rascal Stream Re-alignment	FEIS Addendum Volume 6, Appendix V6-6F
Relocate Explosives Storage	FEIS Volume 2, Section 6.6.6
Water Intake Installation	FEIS Volume 2, Section 6.6.1



MARINE LAYDOWN AREA	
Ice Airstrip Construction and Operation	FEIS Volume 2, Section 6.4.15
Mobilize Fuel, Equipment, and Supplies (Air)	FEIS Volume 2, Section 6.4.5, 6.4.15
Upgrade Temporary Exploration Camp <sup>b</sup>	
Operate MLA Quarry	FEIS Volume 2, Table 6.4-1, Section 6.4.3
Construct All-weather Service Roads, Laydown Areas, and Fuel Storage Area	FEIS Volume 2, Section 6.4.3, 6.4.5.1
Mobilize Additional Fuel, Equipment, and Supplies (Vessels)	FEIS Volume 2, Section 6.4.5
Install One Steel Bulk Fuel Tank	FEIS Volume 2, Section 6.4.6
Water Intake/Discharge Installation	FEIS Volume 2, Section 6.4.11

<sup>a</sup> activities authorized under 2BE-GOO1520  
<sup>b</sup> activities authorized under 2BE-GEO1520

**10. OPTIONS** – Provide a brief explanation of the alternative methods or locations that were considered to carry out the project.

Alternatives within the Project have been evaluated according to the following criteria: technical feasibility; economic validity; potential impacts to the environment; and amenability to reclamation. Input received during community and government engagement and consultation has been considered in the alternatives assessments. As the Project planning advances, alternatives assessment criteria will also include community acceptability or preference, as well as the potential for enhancing socio-economic effects.

Sabina completed an analysis of all of the reasonable identified means of carrying out the Project components or activities. The alternatives analysis is summarized in the FEIS Information Request Responses – Part 2, Appendix N (February 2016).

**11. CLASSIFICATION OF PRIMARY UNDERTAKING** - Indicate the primary classification of undertaking by checking one of the following boxes.

- |  |  |
|--|--|
| <input type="checkbox"/> Industrial  | <input type="checkbox"/> Agricultural                    |
| <input checked="" type="checkbox"/> Mining and Milling (includes exploration/drilling/exploration camps) |  |
| <input type="checkbox"/> Conservation  |  |
| <input type="checkbox"/> Municipal (includes camps/lodges)   | <input type="checkbox"/> Recreational                    |
| <input type="checkbox"/> Power   | <input type="checkbox"/> Miscellaneous (describe below): |

Undertaking is in support of the Back River Project; application includes development works, site preparation, mobilization and ongoing exploration.

See Schedule II of *Northwest Territories Waters Regulations* for Description of Undertakings.

Information in accordance with applicable Supplemental Information Guidelines (SIG) must be submitted with a New Water Licence Application. Indicate which SIG(s) are applicable to your application.

- ☐ Hydrostatic Testing
- ☐ Tannery
- ☐ Tourist / Remote Camp
- ☐ Landfarm & On-Site Storage of Hydrocarbon Contaminated Soil
- ☐ Onshore Oil and Gas Exploration Drilling
- ☒ Mineral Exploration / Remote Camp (MM1)
- ☐ Advanced Exploration
- ☐ Mine Development
- ☐ Municipal
- ☒ General Water Works
- ☐ Power

**12. WATER USE** - Check the appropriate box(s) to indicate the type(s) of water use(s) being applied for.

- |   |  |
|---|--|
| <input type="checkbox"/> To obtain water for camp/ municipal purposes       | <input type="checkbox"/> To divert a watercourse                               |
| <input checked="" type="checkbox"/> To obtain water for industrial purposes | <input checked="" type="checkbox"/> To modify the bed or bank of a watercourse |
| <input checked="" type="checkbox"/> To cross a watercourse                  | <input checked="" type="checkbox"/> Flood control                              |
| <input type="checkbox"/> To alter the flow of or store water                |  |
| <input type="checkbox"/> Other:   |  |

To cross a watercourse and modify bed and bank of a watercourse and control surface drainage – Culvert Installation as shown on base figure and detailed in the main application

All direct water use for domestic potable use and drilling authorized previously under 2BE-GEO1520 and 2BE-GOO1520.

Direct water use required under this application at 297 cubic metres per day for dust suppression, compaction during construction and winter ice road construction.

**13. QUANTITY AND QUALITY OF WATER INVOLVED** - For each type of water use indicated in Block 12, provide the source of water, the quality of the water source and available capacity, the estimated quantity to be used in cubic meters per day, method of extraction, as well as the quantities and qualities of water to be returned to source.

Water Use for winter road construction, maintenance and dust suppression is requested in this Application. Refer to Block 12.

For additional information on water management for development works refer to the Main Application Supporting Document, Section 3.3

Name of water source(s) (show location(s) on map): Refer to Block 12.

Describe the quality of the water source(s) and the available capacity Refer to Block 12.

Provide the overall estimated quantity of water to be used: 297 m<sup>3</sup>/day

Provide the estimated quantity(s) of water to be used from each source: Refer to Block 12.

Indicate the estimated quantities to be used for each purpose (camp, drilling, etc.)  
Refer to Block 12.

Describe the method of extraction(s): Section 3.3.1 of MASD

Estimated quantity(s) of water returned to source(s) not applicable m<sup>3</sup>/day

Describe the quality of water(s) returned to source(s): not applicable

**14. WASTE** – Check the appropriate box(s) to indicate the types of waste(s) generated and deposited.

- |   |  |
|---|--|
| <input type="checkbox"/> Sewage                             | <input checked="" type="checkbox"/> Waste oil                      |
| <input checked="" type="checkbox"/> Solid Waste             | <input type="checkbox"/> Greywater                                 |
| <input checked="" type="checkbox"/> Hazardous               | <input type="checkbox"/> Sludges                                   |
| <input checked="" type="checkbox"/> Bulky Items/Scrap Metal | <input checked="" type="checkbox"/> Contaminated soil and/or water |
| <input type="checkbox"/> Animal Waste                       |  |
| <input type="checkbox"/> Other (describe):                  |  |

Solid waste, hazardous waste, bulky items/scrap metal and waste oil to be managed in accordance with current exploration activities in accordance with 2BE-GEO1520 and 2BE-GOO1520 water licences.

Refer to MASD Section 3 for additional information on development works and water management

**15. QUANTITY AND QUALITY OF WASTE INVOLVED** – For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.

Solid waste, hazardous waste, bulky items/scrap metal and waste oil to be managed in accordance with current exploration activities in accordance with 2BE-GEO1520 and 2BE-GOO1520 water licenses.

Type of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method
Domestic Waste	n/a	n/a	n/a	In accordance with existing water licences
Domestic Solid Waste	n/a	n/a	n/a	In accordance with existing water licences
Hazardous, bulky metal, waste oil, Contaminated soil and/or water	n/a	n/a	n/a	In accordance with existing water licences

- 16. OTHER AUTHORIZATIONS** – In addition to the sub-surface and surface land use authorizations provided in Block 6, indicate any other authorizations required in relation to the proposed undertaking.

Refer to Section 2.3 in the Main Application Supporting Document for licenses currently held by Sabina for the project area.

A full list of existing and required authorizations for development activities is provided in Appendix F of the Main Application Supporting Document for development activities.

- 17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES** - Describe direct, indirect, and cumulative impacts related to water and waste.

Baseline data collected Sabina, predicted environmental impacts of the Project and proposed mitigation measures are provided in the Final Environmental Impact Statement (FEIS) (November 2016) and the FEIS Addendum (February 2017), and are available to the public, and any interested party, through the NIRB Online Registry.

A summary of the environmental impacts relating to the use of water and disposal of waste is provided in Section 5 of the accompanying Type B Main Application Supporting Document for development activities.

- 18. WATER RIGHTS OF EXISTING AND OTHER USERS OF WATER**

Provide the names, addresses and nature of use for any known persons or properties that may be adversely affected by the proposed undertaking, including those that hold licenses for water use in precedent to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature.

None identified.

Advise the Board if compensation has been paid and/or agreement(s) for compensation have been reached with any existing or other users.

N/A

- 19. INUIT WATER RIGHTS**

Advise the Board of any substantial effect of the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL), and advise the Board if negotiations have commenced or an agreement to pay compensation for any loss or damage has been reached with one or more Designated Inuit Organization (DIO).

Sabina is currently negotiating a Water Compensation Agreement for the Back River Project with the KIA in accordance with the requirements of Article 20 of the Agreement. It is expected that these agreements (i.e., wildlife agreement and water compensation agreement) will be finalized during the regulatory process to cover the development of the proposed Project (Type A water licence).

Sabina knows of no other water rights that must be secured for the proposed Project.

- 20. CONSULTATION** – Provide a summary of any consultation meetings including when the meetings were held, where and with whom. Include a list of concerns expressed and measures to address concerns.

Public consultation and engagement is a legal requirement in Nunavut, an industry best practice, and an important corporate commitment. Effective public consultation and engagement helps ensure that community members are informed and knowledgeable about proposed projects, that community support for those projects is more readily obtained, and sustainable development goals are achieved. A key goal of Sabina's public consultation and engagement program has been to ensure the Company obtains a "social licence to operate", by securing the support of a majority of residents from potentially impacted local communities.

A record of Sabina's public consultation, government engagement, and traditional knowledge is provided in the Volume 3 of the FEIS (November 2015) and the FEIS Addendum (February 2017). Specifically, refer to Addendum Appendix V3-1A; V3-1B, V3-1C, and V3-2A.

Sabina has, and will continue to engage with the KIA and other stakeholders as the Project progresses.

- 21. SECURITY INFORMATION**

Provide an estimate of the total financial security for final reclamation equal to the total outstanding reclamation liability for land and water combined sufficient to cover the highest liability over the life of the undertaking. Estimates of reclamation costs must be based on the cost of having the necessary reclamation work done by a third party contractor if the operator defaults. The estimate must also include contingency factors appropriate to the particular work to be undertaken.

Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the *Mine Site Reclamation Policy for Nunavut*, Indian and Northern Affairs Canada, 2002.

The total estimated financial security for the development activities is \$1,394,653. Further details on the financial security estimate can be found in the accompanying Interim Closure and Reclamation Plan.

- 22. FINANCIAL INFORMATION**

Provide a statement of financial responsibility.

A statement of financial responsibility is provided in the Main Application Supporting Document, s.7.2.

A copy of Sabina's audited financial statements for the 2016 fiscal years are provided in the Type B Water Licence Main Application Supporting Document, Appendix E

If the applicant is a business entity, provide a list of the officers of the company.

Current list of officers for Sabina (as of 1 May 2017):

Director, President, and CEO – Bruce McLeod  
Director and Chairman – LeRoy Wilkes

Directors: David Fennell, Jonathan Goodman, James N. Morton, Anthony P. Walsh, Walter Segsworth, and Anna Stylianides

	<p>Vice Presidents: Elaine Bennett, Nicole Hoeller, Angus Campbell, Matthew Pickard</p> <p>Source: <a href="http://www.sabinagoldsilver.com/corporate">www.sabinagoldsilver.com/corporate</a></p> <p>A list of company representatives for the Application are provided in the Type B Water Licence Main Application Supporting Document, Appendix D.</p> <p>If the applicant is a business entity attach a copy of the Certificate of Incorporation or evidence of registration of the company name.</p> <p>A copy of the Certificate of Incorporation is provided in the Type B Water Licence Main Application Supporting Document, Appendix C.</p>
<b>23.</b>	<p><b>STUDIES UNDERTAKEN TO DATE</b> - List and attach copies of studies, reports, research, etc.</p> <p>A full list of studies, reports and research completed for the Project as referenced within the Application and supporting documents can be provided upon request.</p> <p>The FEIS and the FEIS Addendum for the Project is available on the NIRB public registry (<a href="http://www.nirb.ca">http://www.nirb.ca</a>).</p> <p>The following documents have been submitted in support of the Type B water licence for development works and site preparation:</p> <ul style="list-style-type: none"> <li>h. Comprehensive Spill Contingency Plan</li> <li>i. Quarry Management Plan</li> <li>j. Road Management Plan</li> <li>k. Environmental Management and Protection Plan</li> <li>l. Oil Pollution Emergency Plan</li> <li>m. Fuel Management Plan</li> <li>n. Interim Closure and Reclamation Plan and Cost Estimate</li> </ul>
<b>24.</b>	<p><b>PROPOSED TIME SCHEDULE</b> – Indicate the proposed start and completion dates for each applicable phase of development (construction, operation, closure, and post closure).</p> <p><b>Proposed Start Date: Q1 2018</b></p> <p><u>Predevelopment</u>  Proposed Start Date: <b>Q1 2018</b> Proposed Completion Date: <b>Approval of Type A</b>  (month/year) (month/year)</p> <p><u>Construction</u>  Proposed Start Date: <b>Q1 2018</b> Proposed Completion Date: <b>Approval of Type A</b>  (month/year) (month/year)</p> <p><u>Operation</u>  Proposed Start Date: <b>n/a</b> Proposed Completion Date: <b>n/a</b>  (month/year) (month/year)</p> <p><u>Closure</u>  Proposed Start Date: <b>n/a</b> Proposed Completion Date: <b>n/a</b>  (month/year) (month/year)</p> <p><u>Post - Closure</u>  Proposed Start Date: <b>n/a</b> Proposed Completion Date: <b>n/a</b>  month/year) (month/year)</p>

For each applicable phase of development indicate which season(s) activities occur.

Construction

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☒ All season

Operation

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

Closure

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

Post - Closure

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

**25. PROPOSED TERM OF LICENCE**

Number of years (maximum of 25 years): n/a years

Requested Date of Issuance: Q1 2018 Request Expiry Date: Approval of Type A (month/year)  
(month/year)

At least one year term requested

(The requested date of issuance must be at least three (3) months from the date of application for a type B water licence and at least one (1) year from the date of application for a type A water licence, to allow for processing of the water licence application. These timeframes are approximate and do not account for the time to complete any pre-licensing land use planning or development impact requirements, time for the applicant to prepare and submit a water licence application in accordance with any project specific guidelines issued by the NWB, or the time for the applicant to respond to requests for additional information. See the NWB's Guide 5: Processing Water Licence Applications for more information)

**26. ANNUAL REPORTING** – If not using the NWB's *Standardized Form for Annual Reporting*, provide details regarding the content of annual reports and a proposed outline or template of the annual report.

Sabina will comply with reporting format stipulated in the Water Licence.

**27. CHECKLIST** – The following must be included with the application for the water licensing process to begin.

Written confirmation from the NPC confirming that NPC's requirements regarding land use plan conformity have been addressed.

☒ Yes ☐ No If no, date expected (see NWB public registry)

Written confirmation from the NIRB confirming that NIRB's requirements regarding development impact assessment have been addressed.

☒ Yes ☐ No If no, date expected (see NWB public registry)


Completed General Water Licence Application form.

☒ Yes ☐ No If no, date expected \_\_\_\_\_

Information addressing Supplemental Information Guideline (SIG) , where applicable (see Block 11)

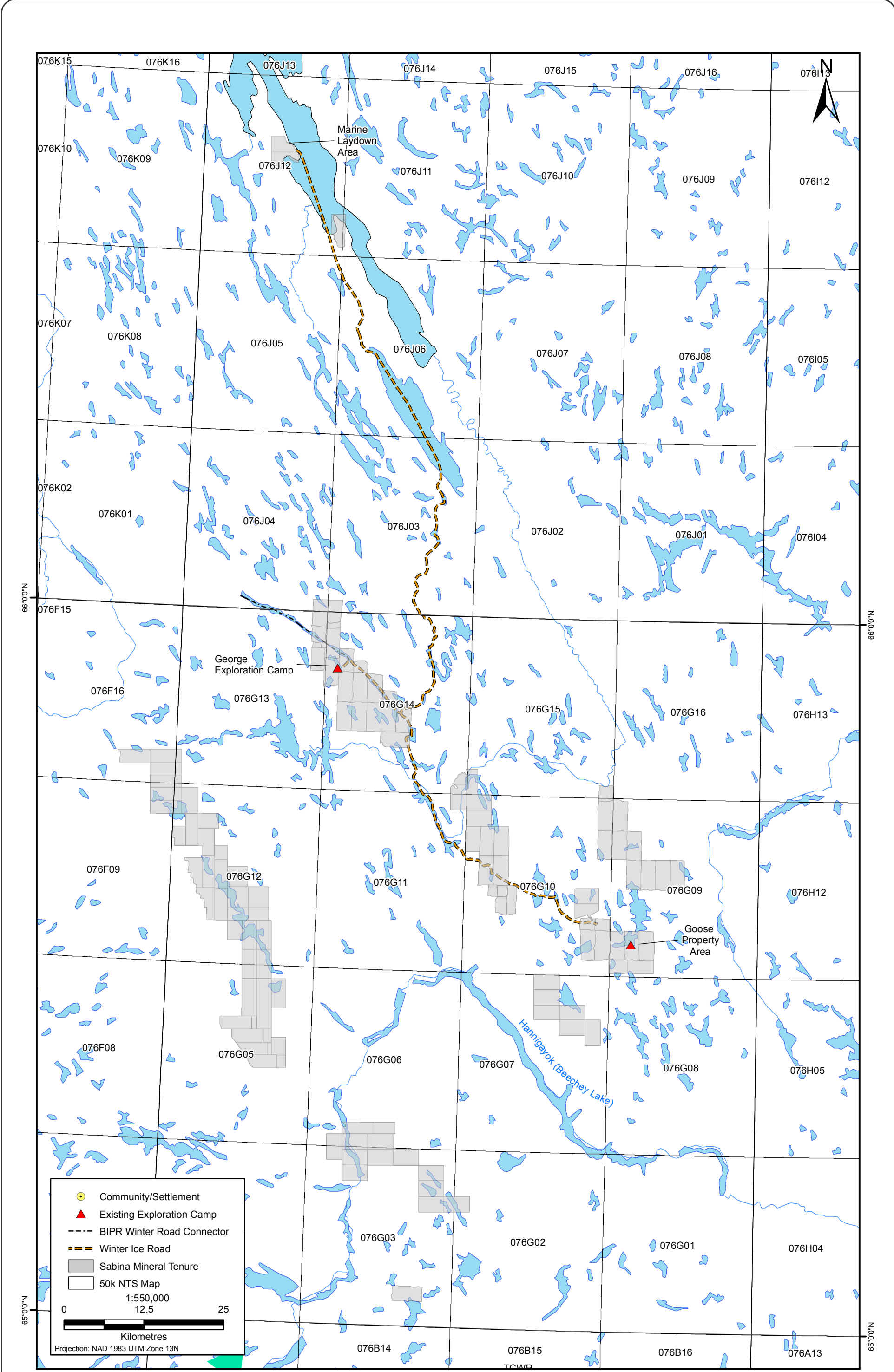
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	If no, date expected _____
English Summary of Application.		
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	If no, date expected _____
Inuktitut and/or Inuinnaqtun Summary of Application.		
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	If no, date expected _____
Application Fee of \$30.00 CDN (Payee Receiver General for Canada).		
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	If no, date expected _____
<a href="#">Application Fee and Water Use fee paid – refer to Attachment B2.</a>		
_____		
Water Use Fee Deposit of \$30.00 CDN (Payee Receiver General for Canada). The actual water use fee will be calculated by the NWB based upon the amount of water authorized for use in accordance with the Regulations at the time of issuance of the licence.		
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	If no, date expected _____

<b>28. SIGNATURE</b>			
Matthew Pickard	Vice President, Environment and Sustainability		September 13, 2017
<b>Name (Print)</b>	<b>Title (Print)</b>	<b>Signature</b>	<b>Date</b>



**ATTACHMENT B:** NTS sheet 076G and 076J Scale 1:50,000



## **ATTACHMENT B1:**



February 27, 2017

Geoff Clark  
Director, Lands, Environment & Resources  
Kitikmeot Inuit Association  
P.O. Box 360, Kugluktuk, NU X0B 0E0  
By email: [dirlands@kitia.ca](mailto:dirlands@kitia.ca)

Tracey McCaie  
Indigenous and Northern Affairs Canada  
P.O. Box 100, Iqaluit, NU X0A 0H0  
By email: [tracey.mccaie@aandc.gc.ca](mailto:tracey.mccaie@aandc.gc.ca)

Karén Kharatyan  
Manager of Licensing  
Nunavut Water Board (NWB)  
P.O. Box 119, Gjoa Haven, NU X0B 1J0  
By email: [licensing@nwb-oen.ca](mailto:licensing@nwb-oen.ca)

Jaida Ohokannoak  
Manager, Technical Administration  
Nunavut Impact Review Board (NIRB)  
P.O. Box 1360, Cambridge Bay, NU X0B 0C0  
By email: [info@nirb.ca](mailto:info@nirb.ca)

Matthew Pickard  
Sabina Gold & Silver Corp.  
Suite 375, Two Bentall Centre  
555 Burrard Street  
Vancouver, BC B7X 1M7  
By email: [mpickard@sabinagoldsilver.com](mailto:mpickard@sabinagoldsilver.com)

Dear Mr. Clark, Ms. McCaie, Mr. Kharatyan, Ms. Ohokannoak, Mr. Pickard:

**RE: NPC File # 148419 Back River Project**

The following works and activities have been proposed in the above-noted project proposal:

1. Mine Development: In the process of permitting the proposed Back River Project
2. Scientific Research: Baseline studies could include the following components:
  - a. Site-specific meteorological data collection
  - b. Site-specific air quality data collection
  - c. Site-specific deep groundwater sampling
  - d. Site-specific permafrost data collection
  - e. Surface hydrology and bathymetric data collection
  - f. Freshwater sampling for water, sediment, and aquatic biology
  - g. Freshwater fish and fish habitat sampling
  - h. Marine sampling for water, sediment, and aquatic biology
  - i. Marine fish and fish habitat sampling
  - j. Soil sampling
  - k. Wildlife and wildlife habitat (vegetation) sampling

3. Associated NPC File No. 148294: 2016 Back River Project

A complete description of the project proposal reviewed by the NPC can be accessed online using the link below.

The Nunavut Planning Commission (NPC) has determined that this project proposal is outside the area of an applicable regional land use plan, and the works and activities listed above were previously screened by the Nunavut Impact Review Board (NIRB FILE NO.: 07YN030). This project proposal is exempt from the *Nunavut Planning and Project Assessment Act* (NUPPAA) under section 235 of that Act. The above-noted project proposal is exempt from screening by the NIRB under section 12.4.3 of the Nunavut Land Claims Agreement as amended because it is for a component or activity that was part of the original proposal and its inclusion is not a significant modification of the project.

By way of this letter, the NPC is forwarding the project proposal to the regulatory authorities identified by the proponent. Project materials are available at the following address:

<http://npc.strata360.com/portal/project-dashboard.php?appid=148419&sessionid=>

This decision applies only to the above noted project proposal as submitted. Proponents may not carry out projects and regulatory authorities may not issue licenses, permits and other authorizations in respect of projects if a review by the NPC is required.

If you have any questions, please do not hesitate to contact me at (867) 983-4634.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Alana Vigna', with a long horizontal flourish extending to the right.

Alana Vigna  
Senior Planner,  
Nunavut Planning Commission

## **ATTACHMENT B2:**



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NUNAVUT WATER BOARD  
NUNAVUT IMALIRIYIN KATIMAYINGI  
OFFICE DES EAUX DU NUNAVUT

**NWB File No: 8BC-BRP----**

November 6, 2014

Merle Keefe  
Environmental Engineer  
Sabina Gold and Silver Corp.  
930 W 1<sup>st</sup> Street, Suite 202  
North Vancouver, BC V7P 3N4  
E-mail: [mkeefe@sabinagoldsilve.com](mailto:mkeefe@sabinagoldsilve.com)

Re: Acknowledgement and Receipt of Application Fee and Water Use Fee Deposit for New Water Licence Application- 2015 Site Preparation at the Back River Project

Dear Mr. Keefe:

The Nunavut Water Board acknowledges receipt on October 30, 2014 of your application fee and water use fee deposit, cheque number 013690 & 013691, for the above project. Your information for payment has been forwarded to Aboriginal Affairs and Northern Development Canada in Iqaluit for processing. A receipt will be issued through their office for fees totaling \$60.00 (\$30.00 for administration & 30.00 for water use fee deposit). Full payment of the water use fee is required prior to issue of any water licence.

Please refer to the calculation for water use fees, in the Nunavut Waters Regulations, Section 12, to ensure that the correct fee has been submitted. A copy of this regulation is available from our ftp site or by contacting this office. This is an annual fee which is required to be submitted yearly on the anniversary of the issuance of your water licence.

Please call the undersigned at (867) 360-6338 or e-mail [licensing@nwb-oen.ca](mailto:licensing@nwb-oen.ca) if you have any questions.

Sincerely,

***Original signed by:***

Megan Porter  
Licensing Administrator Assistant

Cc: Jean Allen, AANDC  
Melanie Netser, AANDC

## **ATTACHMENT C:**

### **Main Application Supporting Document**