

APPENDIX B

SABINA BACK RIVER PROJECT SITE PREPARATION ACTIVITIES PROJECT DESCRIPTION / ENVIRONMENTAL SCREENING REPORT



SABINA BACK RIVER PROJECT

2015 SITE PREPARATION ACTIVITIES PROJECT DESCRIPTION / ENVIRONMENTAL SCREENING REPORT

NON-TECHNICAL SUMMARY

Sabina Gold & Silver Corp.'s (Sabina) Back River Gold Project (the Project) is an advanced exploration gold project located in the West Kitikmeot region of Nunavut, at approximately 65° to 66° north latitude, and 106° to 107° west longitude. Since 2009, nearly all exploration has been confined to the Goose Property Area, focused on finding new gold mineralization away from the existing Goose deposit.

The proposed Project includes the development of open pits at the Goose Property (Goose, Umwelt and Llama), an underground mine at the Goose Property (Umwelt) and open pits at the George Property (Locale 1, Locale 2, and LCP North). Ore would be mined and trucked to a conventional processing plant at the Goose Property to produce gold. The processing of the ore to recover gold would include crushing and grinding of the ore, followed by gravity and flotation concentration, and leaching of the concentrate. Waste material from the mine operations would be placed on the land in certain areas and tailings would be deposited in a nearby impoundment.

The Project is currently under review with the Nunavut Impact Review Board (NIRB); however, Sabina is seeking approvals for the staging of equipment and materials, and site preparation works, for the Project prior to completion of the NIRB review and issuance of the Type A water licence and surface leases. In April, 2012 the NIRB released Guide 9 - Draft Guide to Exceptions from the Review Process (the Guide). As per the Guide there are limited circumstances where the NIRB may determine that exploration and/or development activities can be allowed to proceed while a related project is undergoing review, including supporting research, extension and amendments to previously approved activities, construction and support of infrastructure required for research and exploration, and storage of fuel, equipment and materials associated with the Project under review.

Proposed site preparation activities for which an exception is being applied for include the following:

- Umwelt quarry construction and operation;
- Goose quarry expansion and operation;
- All-weather airstrip extension;
- Rascal Lake outflow stream realignment;
- Construction and use of an all –weather road and associated crossings;
- Ice road and water use; and
- Staging of a Temporary Laydown Area (TLA) at the site of the proposed Marine Laydown Area (MLA) for the Project.

The quarries, airstrip extension, Rascal Lake outflow stream realignment, all-weather road, winter road and staging of the TLA are considered new activities, and are subject to an assessment of effects carried out in this report. All other activities are ongoing and are authorized under Sabina's existing permits and licences.

The existing Goose exploration camp operates seasonally from approximately January to October, Sabina proposes to continue this seasonal operation during 2015. Subject to obtaining the necessary Project authorizations, Sabina plans to commence the site preparation activities in February 2015 and estimate works will be completed by August 2015. Staging of the TLA is expected to take 25 days and will be completed during the open water season, likely August 2015.

Site preparation activities will take place within the Goose Property and Marine Laydown Area. The Goose Property area is characterized by mesic and moist tundra, with isolated rocky outcrops. The MLA, located at the south end of Bathurst Inlet, occurs on dry and mesic tundra, surrounded by a mosaic of ecosystems derived from marine and fluvial sediments. Valued Ecosystem Components (VECs) identified within these two areas include those associated with the Atmospheric Environment (Air Quality, Noise and Vibration), Terrestrial Environment (Vegetation, Caribou, Grizzly Bear, Muskox, Wolverine/Furbearers, Migratory Birds, and Raptors), Freshwater and Marine Environment (Hydrology/ Limnology, Groundwater, Water Quality, Sediment Quality, and Fish/Aquatic Habitat) and the Human Environment (Archaeological and Cultural Historic Sites).

Environmental effects associated with site preparation activities include localized loss and alteration of vegetation and wildlife habitat, low levels of wildlife disturbance and avoidance due to noise from construction and operation of quarries, the all-weather road, and airstrip, potential spills of deleterious substances onto the land or in water, and the effects on fish habitat due to the realignment of Rascal Stream East. These effects will be minor in extent, when mitigated by following the relevant environmental management plans including the Spill Contingency Plan, and Waste Management Plan, as well as others that may apply. Losses to fish habitat at Rascal Stream East due to stream realignment will be compensated for within the realignment. This will provide newly available spawning, rearing and foraging habitat for Arctic Grayling at approximately six times the area lost and will maintain the migratory corridor between Goose and Wolf Watersheds. This will equal a habitat area gain to loss ratio of 5.9 to 1 and habitat value ratio of 2.3 to 1.

As a result, with proposed mitigation and habitat compensation in place, no significant adverse effects are expected to result from these site preparation activities.

NON-TECHNICAL SUMMARY – INUINNAQTUN

Sabina-kun Hanigayuqmi Kulmik Uyaraktaqvik (Havaaq) navlvaqhiuqviukhaaqtuq kulmik uyaraqtaqvikhaq iniqatuq Ualiqhiani Kitiqmiuni Nunavumi, qanituani 65° uvuga 66° ukiuqtaqtuani haniliriini qunmugayuni, unalu 106° uvuga 107° ualiqhiani hanimun avatknuraqtuni.

2009-min, tamaitavyak nalvaqhiuqnigin Goose-miluaq igluqpaqaqvikmi pihimayun, nanihinahuaqhutik nutaanik kulmik uyaraqtaakhanik ahivani taja Goose-mi uyaraqtaakhan. Atulirumayaan Havaaq ilaqaqtuq pivalianiganik nunam qaaganin anmun uyaraqtaqvikmik Goose-mi Igluqpaqaqvikmi (Goose-mi, Umwelt-mi, Liama-milu), nunami hitiliuqlutik uyaraqtaqvikhaq Goose-mi Igluqpaqaqvikmi (Goose-mi Umwelt-milu) George-milu Igluqpaqaqvikmi (Locale 1-mi, Locale 2-mi, Lone Cow-mi, GH-mi, Slave-milu). Uyaraqtaakhan ahivaqtigauniaqtun akhalutikulu akyaqtaulutik uyaqiqivikmun Goose-mi Igluqpaqaqvikmi kul ahivagauyaagani. Uyaqiqiyutin ahivariagani kul ilaqaqtuk hiquptiqniginik uyaraqtaan, kiviyaqniginiklu puktalaqniganiklu akutaayun, ahivaiyutilu kulqaqniganik uyaraqtaan. Iqagun uyaraqtaqvikmin iliyauniaqtun maniqamun humiliqaa ihuaqhaqhimaayuni atakulu iliyauniaqtun haniani ataguuqvikmun.

Havaaq taja ihivriuqtauliqtuq Nunavumi Avatiliqiyin Katimayinin (NIRB), kihiani, Sabina-kun qiniqhiayun agirutinin akyariagani piqutinin hanayakhaniklu, igluqpaqaqvikhaqlu ihuaqhaqluguj, Hanigayuqmi Havaami iniqtautinagu NIRB-kun ihivgiuqniga tuniyaunigalu Qanuriniganik A-mik imaqmik aturiagani laisimik nunalu qaaganik atuqnigagun. April-mi 2012-mi NIRB-kun tunihiyun Maliruakhaq 9 – Titiraaqaqniga Maliruakhaq Aturiaqaginiginik Ihivgiuqnigin Aulaniganik (Maliruaq). Atuqan Maliruaq ikitun qanurinigin NIRB-kun ihumaliurutigilaaqtain nalvaqhiuqniq pivalianikuluniin havaan atulaaqmagaa ilagiyaa havaam Ihivriuqtauhimaqtilugu, ukualu ikayutin ilituqhautin, iliagarutin nutaaguqtiqniginiklu agiqtautaaqhimayun havaakhan, hanayakhan ikayuqtuqniginiklu napaqtigaayun ihariagiyaayun ilituqhainikmi nalvaqhiuqniqmilu, tutquqtiqnigilu uqhukhan, piqutin hanaugakhalu ilagiyain havaam ihivriugaayum.

Atuqtauyumayun igluqpaqaqvikmi huliyutikhan aturiaqaqinigagun piyutaayunik tukhigaayunik ukunigalu:

- Goose-mi Igluqpaqaqvikmi aulanigin;
- Nalvaqhiuqniq ikayutilu hulilugaarutin;
- Uyaraqhaqvikhan hananigagun atuqnigagulu;
- Ukiuraaluq milvik ilagiqniga;
- Rascal Lake-mi talvanga kuuknigin nalguhitaqnigin;
- Ukiuraaluq apqun ilaginilu akaariarutin;
- Hikumi apqun imaqniklu atuqnigagun;
- Hikumi Milvikhaq; unalu
- Hananiga atuqnigalu Uhiiyaqvikhalak Tamayanik (TLA) Taqyum Hinaani Uhiiyaqvikhamik.

Atuqhimaqtun Goose-mi nalvaqhiuqtin igluqpaqaqvian atuqtuq ilainaanik ukium qanituani January-min October-mun, Sabina-kun atuqhimarumainaqun ukium ilainaani aulaniganik atuliqan 2015 ukiuq. Piniqata piyariaqaqtun Havaami agirutin, Sabina-kun upalugaiayaqtun igluqpaqaqvikhaq ihuaqhariagani February-mi 2015-mi havaaqlu