

NIRB File Nos.: 04RN101, 09RN066, 12MN036

September 25, 2015

Matthew Pickard Vice President, Environment and Sustainability Sabina Gold & Silver Corporation 930 West 1st Street North Vancouver, BC V7P 3N4

Sent via email: mpickard@sabinagoldsilver.com

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: Sabina Gold & Silver Corporation's "Site Preparation Activities" project proposal, Kitikmeot Region

Dear Matthew Pickard:

On July 8, 2015 the Nunavut Impact Review Board (NIRB or Board) received correspondence from Sabina Gold & Silver Corporation (Sabina or the Proponent) in follow-up to its previous Site Preparation Activities proposal for the "Back River" project. Sabina noted that it was submitting the correspondence as a result of the NIRB's decision to reject its application for "Site Preparation Works" to be excepted under Section 12.10.2(b) of the Nunavut Land Claims Agreement (NLCA), which referenced some activities in the application being associated with exploration activities previously approved to proceed. In follow up to the reference, Sabina was requesting confirmation that the activities listed in its July 8, 2015 letter were considered within the scope of the previous screenings (NIRB File Nos. 04RN101 and 09RN066).

Please be advised that the original project proposal for the "Winter Road from Bathurst Inlet to Goose and George Lake" project (NIRB File No. 04RN101) was received from Indian and Northern Affairs Canada (INAC; now Aboriginal Affairs and Northern Development Canada or AANDC) on July 23, 2004 and was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On September 17, 2004 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

The "Bathurst Inlet to Back River Winter Road and Barge Landing" project proposal was received from INAC on October 19, 2009 and as a result of the new activities being proposed,

-

¹ Nunavut Impact Review Board's Decision on Sabina Gold & Silver Corporation's NLCA 12.10.2(b) application, NIRB File No. 12MN036, April 30, 2015.

the proposal was screened by the Board (NIRB File No. 09RN066) in accordance with Part 4, Article 12 of the NLCA. On November 30, 2009 the NIRB issued a NLCA 12.4.4(a) screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

The previously NIRB decisions associated with Sabina's request (NIRB File Nos.: 04RN101 and 09RN066) are presented in Table 1.

Table 1: Applications Associated with Exempt Activity Confirmation Request

| | | | <u>*</u> | | |
|----------|-------------|------------|----------------------------|---------------|-----------------|
| NIRB | Application | | | NIRB Decision | |
| File No. | Date | Type | Activity | Date Issued | Type |
| 04RN101 | July 23, | INAC Land | - Shipment of fuel and | September | Screening |
| | 2004 | Use Permit | supplies to Bathurst Inlet | 21, 2004 | Decision Report |
| | | | - Establish laydown area | | issued |
| 09RN066 | October | INAC Land | - Establishment of | September | Reissued |
| | 19, 2009 | Use Permit | temporary camp | 2, 2010 | previous SDR |
| | , | | - Temporary storage of | | with additional |
| | | | fuel | | terms and |
| | | | | | conditions |

Notes: NIRB = Nunavut Impact Review Board; INAC = Indian and Northern Affairs Canada; SDR = Screening Decision Report

The related file information is available from the NIRB's online public registry at:

http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2004/04RN101-Miramar%20Bathurst%20Resources%20Ltd/, and

http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2010/09RN066-Sabina%20Silver%20Corp-Winter%20Roads/.

The proposed Back River Gold Mine Project (NIRB File No. 12MN036) is currently under Review with the NIRB pursuant to Article 12, Part 5 of the NLCA.

PROCEDURAL HISTORY

On October 20, 2014 the NIRB received an application package from Sabina for proposed "Site Preparation Works" and request for the activities to be excepted pursuant to NLCA Section 12.10.2(b) from the Review of the Back River Gold Mine Project (NIRB File No. 12MN036). On October 27, 2014 the NIRB issued correspondence to the Proponent noting that receipt of a formal request from an authorizing agency to screen the proposed works would be required for the NIRB to commence its assessment of the updated exception application package. On November 24, 2014 the NIRB received a referral from the Kitikmeot Inuit Association to screen the applications for access to Inuit Owned Lands and consequently the NIRB commenced its assessment of the Site Preparation Works application package pursuant to NLCA Section 12.10.2(b).

On April 30, 2015 after a thorough assessment of the material provided to the NIRB, the Board rejected the request to except the activities related to the Site Preparation Works application from the NIRB's ongoing Review of the Back River Gold Mine Project.

The related file information is available from the NIRB's online public registry at:

http://ftp.nirb.ca/02-REVIEWS/ACTIVE%20REVIEWS/12MN036-SABINA-BACK%20RIVER/02-REVIEW/.

PREVIOUSLY SCREENED PROJECT PROPOSAL

As previously screened by the NIRB (File Nos. 04RN101 and 09RN066) the "Winter Road from Bathurst Inlet to Goose and George Lake" project was located within the Kitikmeot region, approximately 150 kilometres (km) south of Bathurst Inlet. The Proponent indicated that it intended to construct winter trails which connected its barge offloading area at Bathurst Inlet to the Goose Lake, George Lake and the Hackett River camps in order to facilitate the movement of supplies and fuel needed for year-round exploration activities in that area.

The activities and components associated with the proposed project as originally received by the NIRB on July 23, 2004 and which were screened under the consolidated NIRB file number 04RN101 included:

• Establishment of a laydown area at Bathurst Inlet for the temporary staging of supplies, store up to 700,000 litres of fuel in bulk tanks, develop an equipment storage building and an accommodation camp.

The activities and components associated with the proposed project as originally received by the NIRB on October 19, 2009 and which were screened under the consolidated NIRB file number 09RN066 included:

- Construction of winter road route between the George Lake and Goose Lake camps (per NIRB File No.: 04RN015);
- Construction of winter road route between the George Lake and Hackett River camps (approximately 60 km in length);
- Finalized route selection to be based upon environmental conditions, determined via helicopter and/or snow machine reconnaissance trips;
- Temporary survival tents (1-2) to be established along the winter road routes, for the duration of permitted activities only;
- Redistribution of equipment and materials (including chemicals) via Cat-haul transportation between the George Lake, Goose Lake, and Hackett River camps;
- Fuel and supplies delivered daily to personnel along the routes, with removal of waste material to camp as required;
- Clean-up of the routes in preparation for closure;
- Abandonment and restoration of road routes upon completion of transportation activities;
- Additional activities from January 11, 2010 amendment application included:
 - o Construction and operation of an ice airstrip at D'Arcy Lake including:
 - Use of Hercules aircraft at airstrip,
 - Airstrip operation between February 20 and May 31, 2010;
 - Construction and use of a winter road route (approximately 2 km in length) between the D'Arcy Lake and the previously permitted winter road between Hackett River and George Lake camps;

- Conduct the proposed activities between February and May 2010;
- Additional activities from July 6, 2010 amendment application included:
 - o Establishment of a temporary camp at Bathurst Inlet;
 - o Establishment of an ice airstrip at Bathurst Inlet;
 - Storage of fuel at Bathurst Inlet including:
 - Drummed fuel (approximately 881,500 litres various fuel types, 7500 pounds of propane and 100 pounds of acetylene) to be stored within secondary containment at the Bathurst Inlet lay down area;
 - Bulk fuel (approximately 600,000 litres diesel) to be stored on barge prior to being transferred to tanks or sleighs for transport to Hackett River/Goose Lake camps via Cat-train (involves overwinter storage via barge freeze-in during the winter of 2011-2012).

PROPONENT INQUIRY

Sabina is currently proposing to undertake the transportation and staging of supplies to the Bathurst Inlet area, in continuation of previously approved exploration activities, specifically:

- Use of the Temporary Laydown Area at Bathurst Inlet;
- Shipping and temporary storage of fuel and equipment; and
- Continued operation of temporary camp.

The correspondence submitted by Sabina specified a list of supplies to be transported and staged at the Temporary Laydown Area. Please note that NIRB decisions are made on the scope of activities associated with a project, and not in relation to a specific list of supplies and equipment; as such this determination is provided based on the activities outlined in the proposal and not in specific approval of an inventory of materials associated with the project activities.

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or
- (b) its inclusion would significantly modify the project."

After completing a review of the information provided in support of the current request for confirmation of activity exemption, the NIRB is of the understanding that the proposed activities does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the both the September 21, 2004 and September 2, 2010 Screening Decision Reports (enclosed).

If you have any questions or require additional clarification, please contact Kristina Benoit, Technical Advisor, at (867) 983-4607 or kbenoit@nirb.ca.

Sincerely,

Ryan Barry

Executive Director

Ryan Barry

Nunavut Impact Review Board

cc: Tracey McCaie, Aboriginal Affairs and Northern Development Canada

Phyllis Beaulieu, Nunavut Water Board Geoff Clark, Kitikmeot Inuit Association

Enclosure: NIRB Screening Decision Report, File No.: 04RN101 (September 21, 2004)

NIRB Screening Decision Report, File No.: 09RN066 (September 2, 2010)