

Water Resources Nunavut Regional Office P.O. Box 100 Iqaluit, NU, X0A 0H0

January 29, 2018

AANDC reference CIDM# 1210599

NWB reference #8BC-BRP----

Via email to: licensing@nwb-oen.ca

Karen Kharatyan A/Manager of Licencing Nunavut Water Board Gjoa Haven, NU, X0E 1J0

Dear Mr. Kharatyan:

Re: Sabina Gold and Silver Corporation's Application for a New Type B Water Licence for Pre-Development Work for the Proposed Back River Project.

Dear Mr. Kharatyan,

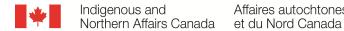
Thank you for your email on December 7, 2017, concerning the above mentioned water licence application process.

A memorandum is provided for the Nunavut Water Board's (NWB) consideration. Comments have been provided pursuant to the Department's mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Department of Indian Affairs and Northern Development Act.

Please do not hesitate to contact me by telephone at 819-953-8988 or email at ian.parsons@canada.ca for further comments or any questions.

Sincerely,

Ian Parsons, B.Sc. A/Manager Water Resources



# Memorandum

To: Karen Kharatyan, Nunavut Water Board

From: Ian Parsons, A/Manager of Water Resources, Water Resources Division, INAC

CC: Spencer Dewar, Director of Resource Management (INAC), Erik Allain, Director of Lands

(INAC), Eva Paul Water Resource Officer (INAC)

Date: January 29, 2018

Re: Sabina Gold and Silver Corporation's Application for a New Type B Water Licence

for Pre-Development Work for its Proposed Back River Project.

Applicant: Sabina Gold and Silver Corporation

Project: **Back River Project** 

Kitikmeot Region:

#### A. BACKGROUND

On December 7, 2017 the Nunavut Water Board (NWB) provided notification to interested parties that Sabina Gold and Silver Corporation (Sabina) had completed submission of an application for a Type "B" water licence # 8BC-BRP---- for development work related to the mining of the Back River Project.

The licence is for water use associated with pre-development construction and is intended to allow construction to begin while the entire project undergoes a Type "A" water licence review. The Type "B" licence is requesting to undertake activities in two separate and distinct areas. These areas are the Goose Property and the Marine Laydown Area. The specific activities for which the Type "B" licence is being requested are:

# GOOSE PROPERTY (Pre-Development Activities)

- Goose Exploration Camp Operation
- Ice Airstrip Construction and Operation
- Mobilize Fuel, Equipment, and Supplies
- Winter Ice Road Construction and Operation
- Operate Airstrip Quarry



- Operate Umwelt Quarry
- Locate Temporary Fuel Storage
- Construct All-weather Service Roads and Water Crossings
- Construct Goose Plant Site and Fuel Storage Area Pad
- Airstrip Extension
- Rascal Stream Re-alignment
- Relocate Explosives Storage Area
- Water Intake Installation

# MARINE LAYDOWN AREA (Pre-Development Activities)

- Ice Airstrip Construction and Operation
- Mobilize Fuel, Equipment, and Supplies (Air)
- Upgrade Temporary Exploration Camp
- Operate MLA Quarry
- Construct All-weather Service Roads, Laydown Areas, and Fuel Storage Area
- Mobilize Additional Fuel, Equipment, and Supplies (Vessels)
- Install One Steel Bulk Fuel Tank
- Water Intake/Discharge Installation

These activities were identified as pre-development in Section 1.5 of the Main Application Document of the Water Licence Application.

The project application does include direct water use (297 m<sup>3</sup>/day) as Sabina proposes that certain pre-development activities will require water use (i.e. Winter Ice Road Construction).

The licence application requests a term of until their type A Water License is approved.

Interested parties were asked to review the information and provide comments by January 19, 2018. However, an extension has been granted.

## **B. RESULTS OF REVIEW**

The following comments and recommendations are provided for the consideration of the Water Board:

#### 1. Water Use

#### Reference:

Main Application Document

#### Comment:



The applicant has proposed that water use under this licence will be 297m<sup>3</sup>/day.

# Recommendation:

INAC does not have a problem with this allotted water usage. INAC requests that the applicant be diligent and keep records of water use, to ensure that to the applicant does not go over licence limits established under all other licences (2BE-GOO1520, 2BE-GEO1520, 8BC-BRP----).

#### 2. 15 ML Fuel Tank

#### Reference:

Main Application Document, Section 3.1.2.5

#### Comment:

Section 3.1.2.5 of the application indicates that the applicant plans to construct a 15 ML fuel tank.

# Recommendation:

INAC could find no details on whether or not this fuel tank will be hydrostatically tested and where the water will come from to complete such a task.

INAC recommends that the applicant provide these details of the fuel tank.

### 3. Water Containment Structures

#### Reference:

Main Application Document Section 3.3.4

### Comment:

In Section 3.3.4 the applicant has stated "Contact water management includes managing surface water that is impacted by/contacts with site infrastructure (i.e., runoff). All contact water from the development works will be sampled as part of ongoing monitoring and allowed to discharge to the environment if it meets discharge criteria as defined in the Type B Water Licence. Water quality monitoring applicable to the current scope of development works is provided in the EMPP".

#### Recommendation:

It is unclear in the application how and where this contact water will be collected. INAC recommends that the applicant provide details on how and where the contact water for pre-development work will be controlled as not to impact the environment.

### 4. Security

#### Reference:

Main Application Document – Section 7.3



D5 Interim Closure and Reclamation Plan

### Comment:

INAC notes that there is no financial liability associated with surface and groundwater management.

# Recommendation:

INAC is of the opinion that there should be cost associated with the capital cost line item mentioned above, given that the applicant has described managing contact water (building of sumps, etc, to collect water).

Also INAC could not find any closure costs associated with the construction of allweather or winter ice roads

INAC recommends that the applicant either provide justification for not including any costs associated with the roads or point out where these costs have been already accounted for or come up with an estimate for this cost and include it in the closure costs estimate.