



Fisheries and Oceans
Canada

Pêches et Océans
Canada

Eastern Arctic Area

P.O. Box 358
Iqaluit, Nunavut X0A 0H0

Tel: (867) 979-8000
Fax: (867) 979-8039

Secteur de l'Arctique de l'est

Boite postale 358
Iqaluit, Nunavut X0A 0H0

Tél: (867) 979-800
Télé: (867) 979-8039

Your file *Votre référence*
2BE-GEO0210

Our file *Notre référence*
NU-10-0004

February 17, 2010

Richard Dwyer
Licensing Administrator
Nunavut Water Board
PO Box 119
Gjoa Haven, Nunavut
X0B 1J0

via e-mail: licensingadmin@nunavutboard.org

Dear R. Dwyer:

Subject: Sabina Gold & Silver Corp – George Lake Project – Renewal – Type “B”

Fisheries and Oceans Canada (DFO), Habitat Management, would like to thank the Nunavut Water Board for the opportunity to provide input into the water license renewal application submitted by Sabina Gold & Silver Corp. in support of their George Lake project proposal.

DFO is the federal department responsible for developing and implementing policies and programs in support of Canada's scientific, ecological, social and economic interests in oceans and freshwater. DFO would like to provide the following comments on the proposal within the scope of our mandate and regulatory responsibilities.

Our review consisted of:

- “*Water Licence Application Form*” submitted by Sabina Gold & Silver Corp., received by DFO January 20, 2010.
- “*Exploration/Remote Camp Supplementary Questionnaire*” completed by Sabina Gold & Silver Corp., dated June 21, 2006, received by DFO January 20, 2010.
- “*George Lake camp Abandonment & Restoration Plan*” submitted by Sabina Gold & Silver Corp., dated December 2009, received by DFO January 20, 2010.

It is our understanding that the proposal consists of the following key elements:

- *The establishment of three exploration camps located at George Lake (65° 55'13"N, 107° 27'35"W), Goose Lake (65° 32'40N, 106° 25'35"W) and Hackett River (65° 54'45N, 108° 22'05"W) from April 1, 2010 to March 31, 2015.*
- *Withdraw up to 3 cubic meters of water per day from George Lake for domestic consumption. Approximately 35 cubic meters of water will be withdrawn from lakes proximal to activities per day for each drill (up to four drills) at a rate of 12 gallons per minute for exploration activities. Water from drilling operations will be recycled to minimize the quantity used.*
- *Exploration activities include prospecting, geological mapping, geophysical surveying, land based and on ice drilling.*

DFO has produced a new Operational Statement titled “Mineral Exploration Activities” which can be found at the following website:

<http://www.dfo-mpo.gc.ca/region/central/habitat/os-ao/provinces-territoires-territoires/nu/os-ao24-eng.htm>

This operational statement covers activities associated with mineral exploration on land including:

- site reconnaissance,
- water withdrawal,
- line cutting,
- temporary work camp operations,
- small diameter/low density drilling,
- high density drilling and/or bulk sampling (extraction of large samples of mineralized material) through large diameter drilling, pitting, trenching and surface stripping, and
- small diameter/low density drilling carried out on ice.

The Operational Statement outlines the conditions under which the Operational Statement is applicable to and also outlines measures to protect fish and fish habitat. If the proponent is able to follow the Operational Statement they do not require a DFO review. If the proponent cannot meet all of the conditions and cannot incorporate all of the measures then the project could result in the violation of the Fisheries Act and could be subject to enforcement action. In this case, it is recommended that the proponent contact the Nunavut DFO office to obtain DFO's opinion on the possible options to avoid contravention of the Fisheries Act.

I trust the information provided will be of assistance in the Nunavut Water Board's review for the Type “B” water license renewal application submitted by Sabina Gold & Silver Corp. in support of their George Lake project proposal. If you or the proponent have any questions concerning the above, or if my understanding of the proposal is either incorrect, incomplete, or if there are changes to the proposed work, please contact me directly by telephone at (204) 983-2632, by fax (204) 983-7983, or by e-mail at Loriena.Melnick@dfo-mpo.gc.ca.

Yours sincerely,



Loriena Melnick
Habitat Management Biologist
Fisheries and Oceans Canada – Eastern Arctic Area

Copy: Eric Kan – Fisheries and Oceans Canada