



WATER LICENCE INSPECTION FORM

☒ Original  
☐ Follow-Up Report

Licensee	Licensee Representative
Sabina Gold and Silver Corp.	Rob Davidson
Licence No. / Expiry	Representative's Title
2BE-GEO1520	Site Superintendent
Land / Other Authorizations	Land / Other Authorizations
N2017F0016	N2016C0011
Date of Inspection	Inspector
18/08/2017	Eva Paul
Activities Inspected	
<input checked="" type="checkbox"/> Camp	<input checked="" type="checkbox"/> Drilling
<input type="checkbox"/> Roads/Hauling	<input type="checkbox"/> Mining
	<input type="checkbox"/> Construction
	<input type="checkbox"/> Reclamation
	<input checked="" type="checkbox"/> Fuel Storage
	<input type="checkbox"/> Other:

Conditions:	A- Acceptable	U-Unacceptable	C-Concern	NI-Not Inspected	NA- Not applicable
PART:	Item No.*	Condition	Observation No.*		
A: SCOPE, DEFINITIONS AND ENFORCEMENT		A			
B: GENERAL CONDITIONS		A			
C: CONDITIONS APPLYING TO WATER USE		A	1		
D: CONDITIONS APPLYING TO WASTE DISPOSAL		A			
E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS	5	A	2		
F: CONDITIONS APPLYING TO DRILLING OPERATIONS		A	3		
G: CONDITIONS APPLYING TO MODIFICATIONS		A			
H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING	3	C	4		
I: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION OR TEMPORARY CLOSING		C	5		
J: CONDITIONS APPLYING TO THE MONITORING PROGRAM		A			
*The item number corresponds with specific conditions within the licence and the observation number corresponds with specific comments provided below.					
Samples taken by Inspector:		Location(s):			
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					

SECTION 1	<input checked="" type="checkbox"/> Comments (s.1)	<input checked="" type="checkbox"/> Non-Compliance with Act or Licence (s.2)	<input checked="" type="checkbox"/> Action Required (s.3)
An inspection was conducted at George Camp and the Marine Laydown Area (MLA) to assess compliance with the above water licence. I was accompanied by Rob Davidson, Sabina's Site Superintendent. The new camp for the MLA has been established at N66°38'37" W107°41'37"; slightly to the north of the previous work that was done at Bathurst Inlet. The new camp consists of 7 weatherhaven tents, a privy, and a "Burnadette" style fuel-fired incinerator. Matrix established and was operating the camp. A bear fence will be completed for camp shut-down later in August.			
George Camp was not in use at the time of the inspection and has not been open for several years.			
<div>1. Water is currently slung from a nearby river for camp use, as the closest water is the saline Bathurst Inlet. Salt water from the inlet was being used for the drill.</div> <div>2. Slumping was identified in the 2015 inspection off of the fuel pad and silt fences were subsequently installed to prevent sediment from impacting the surrounding wetlands. The silt fence does not appear to have been maintained since that time.</div> <div>3. Drilling consisted of short geotechnical holes at Bathurst Inlet for the MLA. The site was found to be clean and operating in compliance with the licence.</div> <div>4. Workers at George Camp for the day were inspecting tarped berms of materials at the fuel storage pad at the time of the inspection, and found that some of the pails of drill lubricants stored there had been crushed over time, resulting in release of the lubricants within the berm but none to the environment. Similarly, some drums had leaked within the lined berm area. A large quantity of drill salt bags are palletized on the pad, but many bags were compromised resulting in dissolution of salts into the pad.</div> <div>5. Some core remains in proximity to the lake at George. It is understood that it is impractical to address this when the camp is not operational.</div>			
SECTION 2	<input type="checkbox"/> Comments	<input checked="" type="checkbox"/> Non-Compliance with Act or Licence	<input type="checkbox"/> Action Required
E-5. With respect to access road, pad construction or other earthworks, the deposition of debris or sediment into or onto any water body is prohibited.			
H-3. The Licensee shall prevent any chemicals, petroleum products or wastes associated with the project from entering Water. [including ponds]			
I-12. The Licensee may store drill cores produced by the appurtenant undertaking in an appropriate manner and location at least thirty-one (31) metres above the ordinary High Water Mark of any adjacent Water body.			



SECTION 3	<input type="checkbox"/> Comments	<input type="checkbox"/> Non-Compliance with Act or Licence	<input checked="" type="checkbox"/> Action Required
<p>A. Maintenance of the silt fence off the George fuel pad is required.</p> <p>B. Please confirm whether the pad surrounding the fuel berm is lined. Regardless, the salt must be stored in satisfactory containment and protected from the elements. Steps are to be taken to ensure dissolved salts are not entering the nearby ponds.</p> <p>C. Please provide an update in writing on the George core relocation plan/program.</p>			

Licensee or Representative	Inspector's Name
Rob Davidson	Eva Paul
Signature	Signature
Date	Date
Aug-20/17	20/Aug/17

Office Use Only:	Follow-up report to be issued by Inspector	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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CC: Licensing Department, NWB  
Erik Allain, Manager of Field Operations, INAC