

File No.: 2BE-GEO1015/TR/B2

May 10, 2013

Elizabeth Sherlock Sabina Gold and Silver Corp. 920 West 1st Street, Suite 202 North Vancouver, BC V7P 3N4

E-mail: esherlock@sabinagoldsilver.com

Dear Elizabeth Sherlock:

RE: Licence No. 2BE-GEO1015 – Review of 2012 Annual Report for the Back River Project – George Lake Camp

The Nunavut Water Board (NWB or Board) received from Sabina Gold and Silver Corp., on March 26, 2013, a copy of the 2012 Annual Report (Report), as required under the relevant terms and conditions of Licence 2BE-GEO1015 issued to the Back River Project-George Lake Camp, situated approximately 100 kilometres south of Bathurst Inlet within the Kitikmeot Region of Nunavut.

On April 19, 2013, the NWB acknowledged receipt of the Report and distributed the document publicly for information purposes. No comments pertaining to the document have been received by the Board to date. NWB's staff has reviewed the document and determined that it is generally satisfactory and consistent with the reporting requirements under the terms and conditions in Licence 2BE-GEO1015.

The NWB advises, however, that the Licensee should continue to keep the Board informed of all progress made in addressing the recommendations and/or outstanding issues identified in Aboriginal Affairs and Northern Development Canada's (AANDC) 2012 inspection report. In addition, the Licensee is encouraged to continue to implement relevant mitigation measure to prevent and minimize the possibility of spill occurrence associated with the project.

Should you have any questions, please do contact the undersigned at (604) 321-8185 or by email at sjoseph@nunavutwaterboard.org.

Yours truly,

Original Signed By:

Sean Joseph Technical Advisor

Cc: Distribution List – Kitikmeot Distribution List