2013 Back River Project Baseline Program Annual Summary

This summary is intended to meet the requirements of Rescan's Research Licence No. 04 001 13R-M for the Back River Project area.

The Back River Project area is located in the West Kitikmeot region of Nunavut, approximately 50 km south of Bathurst Inlet. Sabina Gold & Silver Corp. has been conducting exploration activities for gold deposits out of both the Goose Camp and the George Camp.

Environmental baseline sampling continued in 2013. Baseline studies conducted in 2013 focused on areas in the immediate vicinity of potential development of the Back River Project (Goose Camp and George Camp, the southern tip of Bathurst Inlet), potential winter road alignments connecting project infrastructure, a potential winter road alignment within Nunavut connecting to the Tibbitt to Contwoyto Winter Road, and two reference areas far from any potential development.

2013 baseline sampling included the following:

- o collection of ambient air quality data from the Goose camp area, George camp area, and southern Bathurst Inlet by conducting dustfall sampling, passive air sampling, and particulate sampling;
- collection of meteorological data from the Goose camp area and the George camp area;
- installation of a micromet station in Goose Lake to determine water evaporation rates;
- collection of surface hydrology data at numerous streams around the Goose camp area and George camp area, along with 2 reference streams, using automated hydrometric stations to measure current velocity and discharge;
- o collection of tidal/water height fluctuations for a short period during the summer in southern Bathurst Inlet:
- collected bathymetric information from 9 lakes and 2 ponds around the Goose camp and George camp areas;
- collection of water samples from six field barrels located at Goose Camp containing crushed development-area rock to test for acid and metal run-off, and the construction of a seventh field barrel;
- purging and collection of deep groundwater water quality samples from a deep well that was installed in 2013 near the Goose Camp;
- o collection of stream freshwater water quality samples, sediment quality samples, and aquatic biology samples from 16 streams near the Goose Camp and George Camp;
- o collection of lake freshwater water quality samples, sediment quality samples, and aquatic biology samples from 22 lakes near the Goose Camp and George Camp;
- o collection of marine water quality samples, sediment quality samples, and aquatic biology samples from 8 samples sites in southern Bathurst Inlet;
- o collection of mussel tissue samples from 8 samples sites in southern Bathurst Inlet;

- o conducted stream and lake fish habitat and fish community surveys near Goose Camp and George Camp;
- o collect near-shore bathymetric and on-shore and near-shore habitat classification surveys at a site-specific location in southern Bathurst Inlet;
- o collection of wolverine and grizzly bear DNA from hair samples;
- o remote-camera surveys of caribou;
- o surveys of migratory waterbirds, seabirds, upland breeding birds, raptors, and carnivore dens in the project area; and
- o surveys for archaeological artifacts and sites in the project area.

Baseline data collection may continue in 2014 depending on how engineering studies progress and Sabina's plans for permitting and potential development.