



Back River Project

Abandonment and Restoration Plan

George Camp and Exploration Project

DECEMBER 2016

Table of Contents

1.0 INTRODUCTION	4
1.1 General	4
1.2 Sabina Sustainable Development Policy	5
1.3 Legal Requirement.....	6
1.4 Site Location and Description.....	6
1.5 Scope of Reporting	7
2.0 RESPONSIBILITIES FOR THE PLAN	7
3.0 SCHEDULE FOR ABANDONMENT AND RESTORATION	8
3.1 List of Infrastructure at George Camp.....	8
3.2 Progressive Reclamation.....	9
3.2.1 Contaminated Area Reclamation.....	9
4.0 WINTER RESTORATION PLAN	9
4.1 Buildings and Contents	10
4.2 Water Supply System	10
4.3 Sewage System	10
4.4 Waste Incinerator	10
4.5 Electrical System	10
4.6 Camp Heating Systems	10
4.7 Petroleum Products and Storage Facilities.....	11
4.8 Chemicals	12
4.9 Spill Response Kits	12
4.10 Transportation.....	12
4.11 Drill Sites	12
4.12 General Camp area	12
4.13 Final Documentation.....	12
5.0 FINAL ABANDONMENT AND RESTORATION PLAN	12
5.1 Administration.....	13
5.1.1 Building Structures	13
5.1.2 Office and Household Furniture	13
5.1.3 Water Supply System.....	13

5.1.4	Sewage System	13
5.1.5	Waste Incinerator	13
5.1.6	Electrical System	13
5.1.7	Camp Heating Systems	14
5.1.8	Petroleum Products and Storage Facilities	14
5.1.9	Household Chemicals	15
5.1.10	Transportation	15
5.2	Exploration	16
5.2.1	Drill Sites Management	16
5.2.2	Drill Holes Management	16
5.2.3	Chemicals associated with Drilling Operations	16
5.2.4	Drill Core	16
5.2.5	Excavated Trenches	17
5.3	Environmental	17
5.3.1	Long-term Monitoring	17
5.3.2	Documentation and Final Inspection	17
5.3.3	Land Relinquishment	17
5.4	Abandonment & Restoration Cost Estimates	17
6.0	REVIEW OF THE ABANDONMENT AND RESTORATION PLAN	18
	APPENDIX A – MAPS, FIGURES, AND PHOTOS GEORGE CAMP AND EXPLORATION PROJECT	19
	APPENDIX B – ABANDONMENT & RECLAMATION COST ESTIMATE	21

1.0 INTRODUCTION

1.1 General

Sabina Gold & Silver Corp. (Sabina) is actively exploring the Back River property mineral rights (encompassing the primary exploration camp at Goose Lake, as well as a satellite camp at George Lake and unoccupied claim groups at Boot Lake, Boulder Pond, Wishbone, and Del Lake). Advanced exploration programs have been carried out in previous years with similar activities anticipated in 2010 and beyond as Sabina continues to advance the project.

Sabina is also responsible for maintaining all permits and claims required for the project in good standing. The Back River Project is covered by the following land use licenses:

Table 1. List of licenses and permits applicable to the Back River Project

Permit No.	Permit Name	Type	Expiry	Agency
N2011F0029	Winter Road Beechy Area	Class A	13-Dec-2016	INAC
N2010F0017	Winter road Bathurst Inlet to Back River	Class A	16-Sep-2017	INAC
KTL304F049 - Amended	Winter Road Bathurst Inlet to Goose Lake and George Lake	Level 3	13-Dec-2016	KIA
N2016C0011	Back River Mineral Exploration	Class A	26-Oct-2021	INAC
N2012C0003	Wishbone Malley Mineral Exploration	Class A	6-Feb-2016	INAC
KTL304C017 - Amended	Goose Camp	Level 3	12-Dec-2017	KIA
KTL204C012 - Amended	Boulder	Level 2	12-Dec-2017	KIA
KTL304C018 - Amended	George Camp	Level 3	12-Dec-2017	KIA
KTL204C020 - Amended	Boot	Level 2	12-Dec-2017	KIA
KTP11Q001	Goose Rock Quarry	n/a	12-Dec-2017	KIA
KTP12Q001	Goose Airstrip Borrow Area	n/a	12-Dec-2017	KIA
KTP12Q002	George Borrow Quarry	n/a	12-Dec-2017	KIA
2BE-GEO1520	George Water	Type B	29-May-2020	NWB
2BE-GOO1520	Goose Water	Type B	18-Feb-2020	NWB
2BE-MLL1217	Wishbone Malley Water	Type B	26-Mar-2017	NWB

Operating and managing an exploration project on tundra requires a lot of effort from all parties involved. The area is environmentally sensitive and all aspects of exploration because of our activities, products, and services will be risk assessed with management protocols developed, implemented, and

communicated to our employees, interested parties, and suppliers to eliminate or minimize any negative impacts to the receiving environment.

The George Lake exploration camp (George camp) was not operational in 2016; only the Goose Lake exploration camp (Goose camp) was open. During the June and August Goose camp openings, Sabina personnel visited George camp on both June 26th and August 29th to confirm all camp infrastructure including containment remained in good condition, which was confirmed.

The last active program at George camp occurred during the 2013 season, which included camp improvements to support a 60-person camp and exploration drill program. Historically during active operations at George camp, crew, equipment, supplies were flown into Goose camp from Yellowknife via Twin Otter or similar aircraft. Equipment, personnel, and supplies were moved between Goose camp and George camp by helicopter, or by the 750-m airstrip. At the end of the season the crew was demobilized back to Yellowknife using float-equipped aircraft or the all-weather airstrip in camp. Drill equipment and supplies may remain at the project area for use during subsequent exploration seasons. In the future, these same methods would be employed to move crew, equipment, and supplies into George camp.

Sabina will implement this Abandonment and Restoration Plan (ARP or the Plan) when scheduled and will continue to look for ways to minimize or eliminate negative impacts to the environment as a result of its activities, products, and services at Sabina's Back River properties.

1.2 Sabina Sustainable Development Policy

Sabina Gold & Silver Corp. regards itself as a responsible explorer and mineral developer. We are committed to fostering sustainable development throughout all stages of our activities. We constantly strive to conduct our operations in a manner that balances the social, economic, cultural and environmental needs of the communities in which we operate.

To build on this commitment, Sabina will:

- Meet or strive to exceed all relevant legislated sustainable development requirements in the regions where we work.
- Ensure appropriate personnel, resources and training is made available to implement our sustainable development objectives.
- Establish clear lines of responsibility and accountability throughout the company to meet these objectives.
- Implement proven management systems and procedures to facilitate our sustainable development objectives. A Priority will be placed on developing and implementing management structures related to the environment, health and safety, emergency response and stakeholder engagement.
- Act as responsible stewards of the environment for both current and future generations. We will make use of appropriate assessment methodologies, technologies and controls to minimize environmental risks throughout all stages of mineral development.

- Work closely with local communities and project stakeholders to understand their needs, address their concerns and provide project-related benefits to create win-win relationships. Our goal is to earn and maintain a social licence to operate at all our operations while building partnerships.
- Pursue economically feasible projects in order to generate shareholder profitability and support long-term positive socio-economic development in the regions where we work.
- Utilize a precautionary approach as it applies to potential effects from our activities. Work with employees, contractors and stakeholders to promote a culture of open and meaningful dialogue to ensure that any known or suspected departures from established protocols are reported to management in a timely manner.
- Regularly review this policy to ensure it is consistent with Sabina's current activities and the most recent legislation.
- Continually improve our performance and contributions to sustainable development including pollution prevention, waste minimization and resource consumption.
- Implement programs at each of our operations to monitor and report compliance and proactively address potential deficiencies in our policies and procedures.

The objectives of our Sustainable Development Policy cannot be accomplished without the active involvement and commitment of many dedicated individuals. As such, we will regularly communicate this policy and its outcomes to our employees, contractors and relevant stakeholders. Together, we can foster a culture of sustainable development at Sabina.

1.3 Legal Requirement

Under the terms of the Kitikmeot Inuit Association (KIA) Land Use Licenses and the Nunavut Water Board (NWB) Water Use Licenses, Sabina is obligated to rehabilitate the areas used to its previous standard of human utilization and natural productivity.

1.4 Site Location and Description

The Back River exploration project is located in the Kitikmeot, south of Bathurst Inlet within the Slave Structural Province. It is approximately 525 kilometres northeast of Yellowknife and 400 kilometres south of Cambridge Bay, NU. The project area is within the zone of continuous permafrost, and is represented on National Topographic System 1:250,000 scale map sheets 76F, 76G, 76J, and 76K. The primary base of operations is at Goose camp located near Goose Lake (Figure 1), supported by a satellite camp near George Lake (Figures 1 and 2) used for resupply, staging, drill support, and emergencies. Coordinates for the camps are as follows:

Goose Camp: 65°32' north 106°25' west

George Camp: 65°55' north 107°27' west

The George camp is located on the western shore of George Lake and consists of an approximate 60-person satellite camp. These facilities are located on the eastern side of an esker which has been partially leveled for use as an airstrip.

The lakeshore is approximately 50 m toward the east of the camp buildings. A lined, bermed bulk fuel storage area is located approximately 100 m off the northwest end of the airstrip. Airstrip substrate material consists of bedrock and esker material (glacially-derived sand and gravel).

1.5 Scope of Reporting

This Abandonment and Restoration Plan has been written to meet the requirements of the Nunavut Water Board (NWB) licenses listed in Table 1 and applies to the George camp, operated under NWB Licence 2BE-GEO1520. Subject to annual review and revision, it will remain applicable throughout the duration of the NWB licenses or until a material change in the scope of the project occurs.

The current revision of the ARP has been prepared for on-going exploration activities. The Plan also takes into consideration the likelihood of premature camp closure due to:

- Sudden drop in gold prices which could make the project uneconomical;
- Drop in resource grade to a value lower than anticipated;
- Non-compliance to legislative requirements;
- Natural disasters;
- Force majeure;
- Change of ownership/operator.

In situations as such mentioned above, this plan provides the base strategy for anticipated tasks of restoring George camp in an event where exploration activity has ceased, either on a short term or a long term basis. The plan will be reviewed annually and updated with current information.

Section 1 of the Plan gives a brief account of the ownership of the property, the sustainable development policy, legal requirements, and a brief description of the camp. Section 2 outlines responsibilities for execution of the Plan. Section 3 outlines a brief time schedule for restoration activities after completion of each exploration program. A list of infrastructure at the George camp is compiled and a brief summary on the progressive restoration program is provided. Sections 4 and 5 of the Plan provide details of how each exploration aspect will be addressed, while the final section (Section 6) outlines when the next review of the Plan would be conducted.

2.0 RESPONSIBILITIES FOR THE PLAN

Senior personnel at the Back River Project (at the main camp at Goose Lake) are responsible for the implementation of this plan. However, every employee, contractor, and visitor arriving on the Back River Project site has a responsibility to ensure that they adhere to the Sabina sustainable development policy. The policy will be communicated to all employees, contractors, and visitors during their stay at Project in a formal site orientation program given by the Site Superintendent.

Contact information for key personnel is as follows, and will be updated on an as-needed basis. Currently, camp-based phone numbers are not available at this time:

- Vice President, Environment & Sustainability – Matthew Pickard
- Exploration Manager – James Maxwell
- Environmental Engineer – Merle Keefe

3.0 SCHEDULE FOR ABANDONMENT AND RESTORATION

For each exploration season, the closure of the Back River Project sites should take approximately 14-21 days to complete, allowing for variable weather conditions. As exploration activities vary from year to year and the end of the field season is difficult to predict months in advance, the restoration program will likely commence in the late summer and extend into the 4th quarter of the year. Since Goose camp is the main camp servicing outlying exploration areas, it would take the longest to shut down.

Outlying drill sites will take minimal time as their shut down requirements are much less. Other sites in the Back River Project area include the George camp and diamond drill sites. These would close down simultaneously with exploration as there is the proper support at this time (personnel, aircraft).

3.1 List of Infrastructure at George Camp

Table 2. George Camp Infrastructure and Equipment (December 2016; no change since 2013)

Category	Qty	Item Description
Buildings	10	14 x 16' Weather haven structures, including sleeping quarters and office
	2	14 x 24' sidewall tents (1 recreation and 1 exercise)
	9	Structures linked together by enclosed corridor and includes sleeping quarters, kitchen, dry, office, and generator building
	2	14 x 18' drillers dry/office
	1	12 x 16' storage building
	2	10 x 8' helicopter storage units/office
	2	Core cutting and core logging shack (also connected by enclosed corridor)
	1	Quonset garage
	2	ATCO trailers (converted to dry)
	2	Generators (250kW & 300kW)
Other Infrastructure	2	75,000L double walled ULC approved envirotanks
	1	Lined, bermed area for fuel supplies
	1	Esker airstrip
	1	Solid waste laydown area
	1	Incinerator (1 building + incinerator)
Equipment	1	IT28G Loader + accessories
	2	277 Caterpillar Skidsteer
	1	Drum crusher (not set up)
	4	15,000L fuel sleighs (some tanks separated from sleighs)
	2	ATVs
	5	Snowmobiles (functional)
	1	D6 Caterpillar Dozer

The final inventory of fuel and drilling supplies remaining in the camp at closure (as of December, 2016) includes:

- Diesel – 61 full drums in secondary containment and 75,585 litres of bulk diesel contained in the two Envirotanks;
- Jet A/B – 3 drums in secondary containment;
- Gasoline – 11 drums in secondary containment;
- Av Gas – 0 drums in secondary containment;
- Propane – 8 x 250-lb. cylinders;
- CaCl drilling salt – 2,692 x 50-lb. bags; and
- Core trays – 0 trays.

3.2 Progressive Reclamation

Sabina has embarked on a program of progressive reclamation over the entire Back River project area. Progressive restoration will be ongoing throughout the exploration programs thereby reducing the need for a full-scale restoration program at the closure of each exploration phase. Ongoing significant restoration activities are described below.

3.2.1 Contaminated Area Reclamation

3.2.1.1 *Recycle of Water Contaminated Fuel*

Contaminated fuels are recycled primarily as fuel for the garbage incinerator or as fuel for the water heaters used in the drilling program. If present in sufficient quantities, contaminated fuel may be recycled for camp heating purposes. For water with minor amounts of hydrocarbons, an oil-water separator may be used and/or activated charcoal filters. As a last resort, it may be transported off the property for disposal at an appropriate facility.

3.2.1.2 *Contaminated Top Soil*

Spills are handled as per the Comprehensive Spill Contingency Plan. Enviromat is immediately applied to absorb spills of hydrocarbons, minimizing the amount of soil required to be removed. Remaining contaminated soils are removed and stored in barrels for transportation to permitted disposal sites.

3.2.2 *Non-combustible Solid Waste*

Solid waste including metal scraps, drill rods, household items, etc. are stored in an appropriate marshalling area for backhaul. The material is arranged in such a way that it can be easily removed from the property, and disposal will be appropriate to the material being removed, either to an approved disposal facility, metal recycler, or an approved designated landfill.

Ash from the incinerator is stored in empty 205-L drums for backhaul and disposal.

4.0 WINTER RESTORATION PLAN

The winter restoration plan is intended to cover short-term (seasonal) closure of the Back River Project. The tasks involved are important to the success of future exploration programs but require significantly less effort than the full restoration plan.

4.1 Buildings and Contents

All tents and building complexes will be secured for the winter. All the office equipment, household furniture, kitchen equipment, recreational equipment, and other mobile heavy equipment will be winterized and left secured on site. Any equipment not capable of withstanding the harsh winter conditions will be removed from site and stored in either Yellowknife or Vancouver.

4.2 Water Supply System

Water pumps, filtering systems, water lines, and any other equipment associated with the water supply system will be drained and winterized. The water pump shed will be secured.

4.3 Sewage System

The sewage system will be drained with no graywater remaining in the discharge pipe. Solid waste will be incinerated.

4.4 Waste Incinerator

The fuel supply for the incinerator is shut off using a series of valves. The fuel remains in an artificial berm in the double-walled tank adjacent to the incinerator throughout the winter. The area will be inspected for petroleum spills or contamination. If such is the case, the issue will be addressed as outlined in Section 3.2.1.2.

4.5 Electrical System

The generator and surrounding area will be inspected for signs of spills and remaining wastes such as oil and grease. If topsoil is contaminated, an attempt will be made to remove as much of the spill as possible with enviromat; remaining contaminated soil will be stored in empty drums for disposal at an approved hazardous waste facility. The generator will be drained of its fuel. Remaining waste fuel, oil, and grease will be stored in approved storage containers which are labelled for that usage and reused during summer operations. The generator will be winterized and the shed will be secured for winter. Electrical wires, plugs, and sockets will remain in their installed locations. All electrical cords temporarily connected to a building or machinery during summer work program will be unplugged, rolled, and stored in the workshop.

4.6 Camp Heating Systems

Any 205-L fuel barrel attached to respective tent or building will be secured within the secondary containment container. The remaining fuel in the line will be allowed to burn out. The lid of the containment container will be secured to prevent snow from filling up the designated containment area. All empty propane cylinders will be transported to Yellowknife for recycling.

4.7 Petroleum Products and Storage Facilities

An on-site fuel cache is of great importance during camp start-up in the late winter. Diesel fuel will be stored in the 2 double-walled envirotanks within the lined, bermed tank farm. Minimal quantities of diesel in barrels and any unused barrels of jet fuel will be stored within self-supporting artificial berms or in the tank farm berm. The barrel locations will be clearly marked to facilitate snow clearing activities during camp opening the following spring. The Site Superintendent will be responsible for determining the possible access to these fuel resources prior to the start of the next exploration program.

Empty drums at remote drill sites will be transported to the Goose camp, crushed, banded to pallets and either stored for future backhaul or transported to Yellowknife for disposal/recycling. This work is typically done progressively as fuel caches are no longer required or as drill setups are dismantled.

Fuel farm secondary containment area will be cleared of any debris. In the springtime, meltwater within the containment area will be tested for the parameters listed in Table 3. If the analytical data confirms that the water meets regulatory criteria (Table 3), the water will then be released onto the tundra in such a manner as to avoid direct entry to a surface water body. Residual water remaining after pump out as well as collected rainwater are allowed to evaporate over the summer and are unlikely to present a volume issue at camp shutdown in the fall.

Table 3. Regulatory guidelines for hydrocarbons in soils

Parameter	Maximum concentration of any Grab Sample (µg/L)
Benzene	370
Toluene	2
Ethylbenzene	90
Phenols	20
Oil and Grease	5000
pH	6 to 9 (pH units)

The spill response team and camp management will be notified immediately of any spill based on actions outlined in the Comprehensive Spill Contingency Plan. The Environmental Coordinator, Site Superintendent or designate will ensure spills are reported as required and that the relevant form is filled out as completely as possible. Sabina will externally report all spills that meet type and volume criteria to the NWT/Nunavut Spill line. Sabina will internally track all spills which take place onsite regardless of the volume spilled.

4.8 Chemicals

Chemicals stored on site will consist of drill additives, oil, grease, drill salt, and household biodegradable cleaners. Chlorine is necessary and is used to treat our drinking water system. All drill additives are stored in poly-lined seacans and the remaining salt will be tarped and stored in designated areas on the property. Drill salt is in impermeable bags and stored on pallets. Empty bags will be disposed with combustible garbage. Sabina will inspect the storage area for possible spills and contamination.

4.9 Spill Response Kits

Sabina will carry out an inventory of the spill kits located on the property. Over the winter months, all spill kits will be relocated into a secured building, except for kits designated for the remaining petroleum storage areas.

4.10 Transportation

All transport areas will be inspected for contamination. Areas will be remediated using enviromat and removal of contaminated soil should any contamination be found.

4.11 Drill Sites

The diamond drills will be dismantled into the main components as per the drilling contractor procedure and secured along with ancillary equipment and drill rods. The drills will be moved by helicopter over the tundra and left at designated storage areas on the property and will undergo a drill close-out inspection. All drill sites will be inspected for contamination. Any remaining waste will be removed and disposed of accordingly. Diamond drill site restoration will commence as soon as practical after completion of the hole. Site clean-up of litter, debris, and drill fluids will commence immediately. Drill core and core boxes will be properly secured and stored at the designated core storage area. Photographs will be taken before and after the drilling has been completed.

4.12 General Camp area

A general inspection of the camp area will be carried out. Waste items will be picked up, and areas contaminated by petroleum products unnoticed from the previous year will be reclaimed.

4.13 Final Documentation

A year-end inventory of all equipment and buildings remaining on site will be carried out prior to leaving site. Photos will be taken of the camp and drill laydown storage areas. Once the site is secured for winter, it will be documented with photos.

5.0 FINAL ABANDONMENT AND RESTORATION PLAN

5.1 Administration

5.1.1 Building Structures

All the reusable tents, frames, tarpaulins, and wooden structures will be dismantled and where possible be recycled for use at another exploration site.

Other combustible, non-recyclable building structures will be incinerated or burned onsite. Non-combustible structures or materials such as nails, screws, or metal frames will be recovered, packed, and transported off site for proper disposal.

5.1.2 Office and Household Furniture

All reusable office, household, kitchen, and recreational equipment will be packed and transported for use at other exploration camps. Some equipment, depending on what level of liability is accepted by Sabina, may be donated to local communities or schools. The equipment that is not reusable will be recycled or disposed of at an approved disposal facility, appropriate to the type of material.

5.1.3 Water Supply System

Water pumps, filtering systems, water lines, and any other equipment associated with the water supply system will be drained, disassembled, packed, and transported off site for use at other exploration camps.

Water lines that are not reusable will be disposed of at an approved facility.

5.1.4 Sewage System

The Pactos will be dismantled and relocated to another exploration camp or transported to Yellowknife for disposal. All lines from showers, washing machines, and sinks will be drained, disconnected, securely packed, and transported off site to an approved landfill site.

5.1.5 Waste Incinerator

Once the camp is entirely dismantled to the satisfaction of the supervisor in-charge, all remaining combustible waste will be burned. The incinerator will be dismantled and shipped to another exploration camp or to Yellowknife for sale or disposal in an approved facility.

5.1.6 Electrical System

All electrical wires will be removed from the buildings and any other installations at site. Extension cords and other fittings will be transported to other exploration camps for reuse. Used electrical wires will be packed and transported to Yellowknife for recycling. Unused bulbs and fluorescent tubes will be packed and relocated to other camps.

The generator and surrounding area will be inspected for signs of spills and remaining wastes such as oil and grease. The area will be cleaned as necessary.

The generator will be drained of its fuel. Remaining waste fuel, oil, and grease will be stored in approved storage containers, labelled, and transported off site. The generator will be dismantled and transported off site to another exploration camp or to Yellowknife for sale.

5.1.7 Camp Heating Systems

Each 205-L fuel barrel attached to tents or buildings will be disconnected with the remaining fuel in the line allowed to burn out. The drums will be appropriately labelled and stored with other petroleum products. The secondary containment container will be closed, secured, and stored ready for transportation off site. The fuel burner will be dismantled and remaining fuel will be allowed to drain off into waste oil collecting system. All fuel lines will be drained, disconnected, and packed for use in other camps or transported to an approved disposal facility. The area around each installation will be inspected for contamination and reclaimed as per the Comprehensive Spill Contingency Plan. All empty propane cylinders will be transported to Yellowknife for recycling.

5.1.8 Petroleum Products and Storage Facilities

5.1.8.1 205-Litre drums

The fuel storage area will consist of segregated groups of drums with empties stored separately from the full drums. An inventory of remaining fuel will be completed and all full drums will be inspected. Transportation of Dangerous Goods (TDG) labels will be attached to the drums before transportation off site. Remaining waste fuel will be labelled with TDG labels and transported to other camps for heating purposes or transported to Yellowknife for disposal in an approved facility.

In 2006, a drum crusher was purchased and located at George camp; one is also located at Goose camp. Empty drums will be crushed and palletized for backhaul and disposal. Some drums will be retained for waste containment and subsequent backhaul.

All unused jet fuel will be relocated to other exploration camps for use in further exploration programs, or returned to Yellowknife. The areas around the drums will be inspected for contamination.

5.1.8.2 Tidy Tanks

All Tidy tanks will be disconnected from any tents or buildings. All installations will be disconnected and drained. An inventory of the remaining fuel in each tank will be recorded. The tanks will be secured and transported to other camps or to Yellowknife for sale or disposal. The area around the tanks will be inspected for contamination.

5.1.8.3 Aboveground Storage Tanks (AST)

All installations on respective tanks will be disconnected and various hatches inspected and locked. An inventory of the remaining fuel in each tank will be recorded and all fuel tanks will be drained prior to transportation. The AST tanks will only be moved during winter months to either another camp or using winter road to a designated area on the coast and loaded onto a barge for transportation to Hay River or to Yellowknife during summer months.

5.1.8.4 Lined Fuel Farm

Once AST tanks have been removed, the lined storage areas where the tanks were located will be inspected for contamination. If contamination is evident, then procedures outlined in the Comprehensive Spill Contingency Plan will be applied to reclaim the area.

Subsequently, the high-density polyethylene (HDPE) liner will be removed, rolled, and packed for transportation off site to either another exploration camp or an approved landfill. The berms will be graded with a front loader and levelled to a natural gradient and to cover any exposed areas.

5.1.9 Household Chemicals

Household cleaners will mainly be stored in the kitchen and mine dry/change room area. Upon camp closure, any unused products will either be transported to other camps or disposed of at an appropriate facility. Half-empty containers will be taken off site to be properly disposed in an approved discharge facility. Empty containers will either be recycled or disposed of with regular garbage, if appropriate.

5.1.10 Transportation

5.1.10.1 Airstrip

A 750-metre long prepared airstrip exists at the George camp. The airstrip is located on a natural esker and no additional gravel materials were used for construction purposes. Inspection for potential top soil contamination due to refueling of aircrafts will continue until no more flights use the airstrip at the close of the program.

5.1.10.2 Helipad

Wooden deck helipads were installed southeast of the fuel farm at George camp. Inspection for potential contamination due to refueling of helicopter aircraft will continue until no more flights use the pads at the close of the program. The wood deck helipads allow for refueling to take place away from the tundra. Upon closure, the helipads will be disassembled and the clean wood will be burned.

5.2 Exploration

5.2.1 Drill Sites Management

The diamond drills will be dismantled into their main components as per the drilling contractor procedure, packaged, and secured along with its ancillary equipment and rods. The drills will be moved by helicopter over the tundra, inspected, and left at designated storage areas on the property before transporting off site.

All drill sites will be inspected for contamination. All wastes will be taken back to the camp by the drillers and disposed of as appropriate. As part of Sabina's progressive reclamation activities, diamond drill sites will be restored as soon as practical after the drill has been moved to the next site. Photos are taken prior to and after the drill work is completed and an inspection sheet is in place for the geologist to verify the site was left in good condition.

5.2.2 Drill Holes Management

5.2.2.1 Drill sump

All drill sumps (if constructed) will be recontoured and allowed to naturally revegetate. Natural sumps (if used) will simply be allowed to revegetate.

5.2.2.2 Iron Casing Management

Casing protruding above ground will be cut off to a level that will not pose a hazard and capped. The cut portion will be disposed of in an approved landfill in Yellowknife or recycled as scrap metal. Drill holes which encounter artesian water flow will be plugged with cement and capped. The collar locations of all holes will be surveyed in and will be recorded in the exploration reports.

5.2.3 Chemicals associated with Drilling Operations

5.2.3.1 Drill Additives, Cement, and Salt Management

All remaining drill additives and salt will be inventoried, packed, and transported to other projects or transported to Yellowknife or Hay River for re-sale or disposal at an appropriate facility. Empty containers and pallets will be incinerated (pallets), recycled if possible or disposed of with regular garbage.

5.2.4 Drill Core

Drill core will be properly secured and stored at a designated core storage area on the property for long-term storage. A site reference plan will be maintained to catalogue the core.

5.2.5 Excavated Trenches

Any excavated trenches will be backfilled with local material. The area will be recontoured to match the surrounding landscape, and allowed to revegetate naturally.

5.3 Environmental

5.3.1 Long-term Monitoring

Ongoing monitoring will be conducted during the summer months to ensure the area has been cleared of any hazards that may cause a significant adverse impact to the receiving environment. The monitoring will continue on a set schedule after the final abandonment until the land is relinquished and accepted by the owner. Weather collection data (Goose/George weather stations) and environmental baseline data (e.g. water sampling data) will be turned over to whoever takes over the property.

5.3.2 Documentation and Final Inspection

A detailed project site reclamation and remediation report will be created by Sabina which will specifically document and catalogue project reclamation activities. This report will be generated for distribution to specific governing agencies. This report will identify all reclamation efforts undertaken at the project site and will be supported with information pertaining to contractors used, methodology, costs, and findings. Digital photographs will be taken which will support the reclamation activities. These will be appended to the report.

5.3.3 Land Relinquishment

Once the reclamation plan is accepted and approved by Sabina, the permit holder will invite and organize a final site inspection visit with community representatives, Land Inspectors, Nunavut Water Board and the KIA. Other government organizations such as Environment Canada and Department of Fisheries and Oceans will be invited to visit the area. A written submission will be sent to the regulatory authorities asking to relinquish the land.

5.4 Abandonment & Restoration Cost Estimates

The total cost estimation for A&R plan for the Project is presented in Appendix 2. The approximate costing will be reviewed annually relative to the long-term exploration strategy for the Project and may include the following items:

- Infrastructure Demolition Cost;
- Transportation – (Labour, equipment, recycle, relocation of waste, etc.);
- Labour Cost;
 - Offsite Administrative Cost;
 - Contractor;

- Rehabilitation Cost;
 - Site Supervision – (Sabina);
 - Remedial supplies;
 - Native species supplies;
 - Contractor;
- Environmental Monitoring Cost;
 - Labour - (Sabina or Contractor);
 - Transportation – (Field sampling);
 - Analytical Cost – (External Lab);
 - Reporting – (Sabina or Contractor);
 - Consultant Costs;
- Final Documentation – (Labour Cost – Sabina or Contractor); and
- Land Relinquishment – (Travel, Reports, Site Visits, Meetings, etc.).

6.0 REVIEW OF THE ABANDONMENT AND RESTORATION PLAN

The Back River Abandonment & Restoration Plan will be reviewed on an annual basis. The next planned internal review is scheduled to take place in 2017.

APPENDIX A – MAPS, FIGURES, AND PHOTOS GEORGE CAMP AND EXPLORATION PROJECT

Figure 1. Sabina's Exploration Properties and Mineral Tenures Map, western Nunavut (as of Dec 2016).

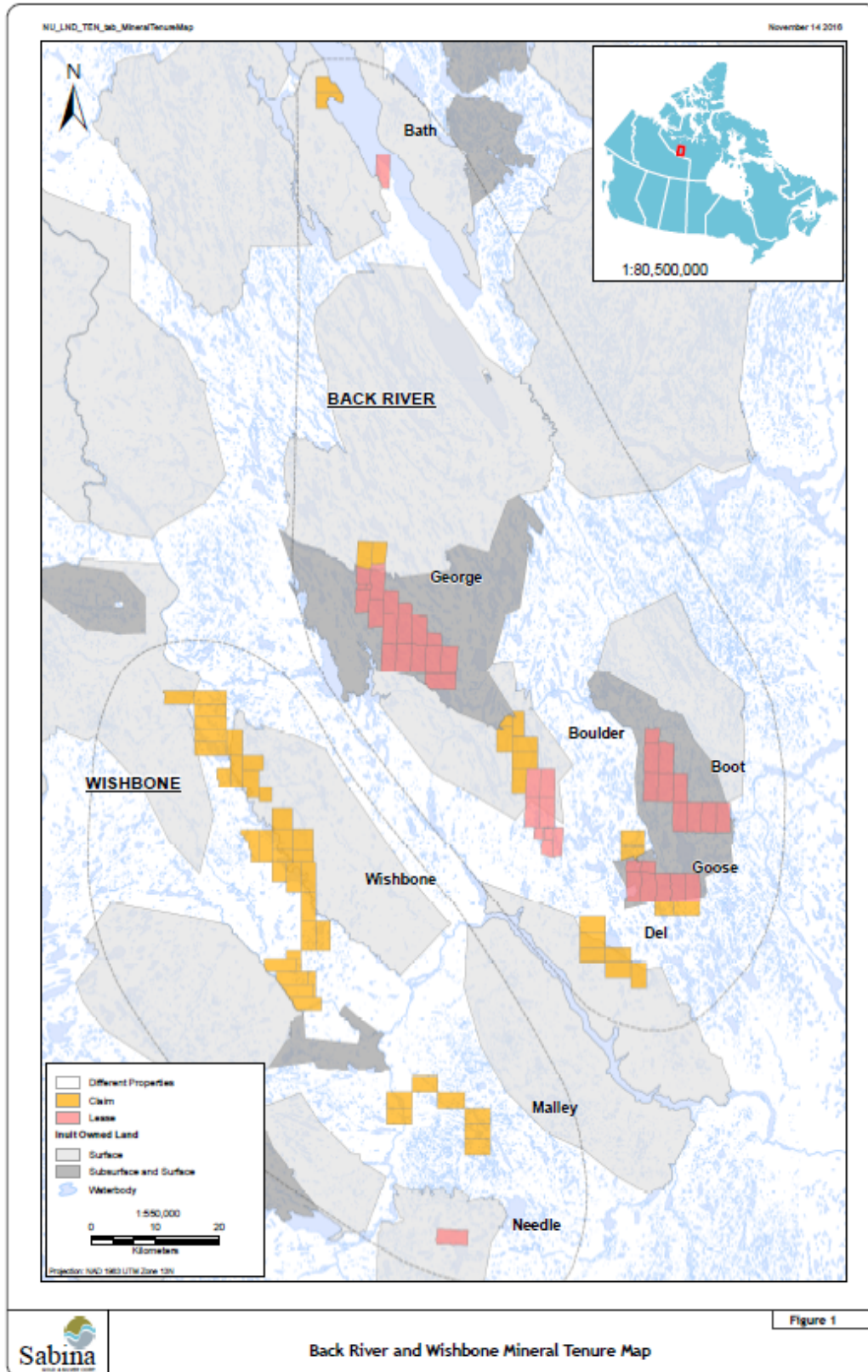


Figure 2. Aerial view of George Camp. Photo taken June 2016.



APPENDIX B – ABANDONMENT & RECLAMATION COST ESTIMATE

BACK RIVER RECLAMATION ESTIMATE - GEORGE December 2016

ACTIVITY/MATERIAL	UNITS	QUANTITY	UNIT		COST
			COST	COST	
Exploration Activities					
DRILLHOLE RECLAMATION					
Cement (30kg)	Bags	-	\$16		\$0
Helicopter support	Hours	5	\$1,360		\$6,800
Personnel - flush casing and cement	Staff Days	7	\$446		\$3,124
TRENCH					
Personnel - Backfill trenches/recontour	Staff Days	-	\$446	\$	-
Subtotal Exploration Activities					\$9,924 \$9,924
Building and Equipment					
EQUIPMENT					
Personnel - Disassemble and pickup	Staff Days	35	\$446		\$15,621
Personnel - Other (unused drilling steel/material)	Staff Days	25	\$446		\$11,158
BUILDINGS					
Personnel - Disassemble Buildings & Burn Wood	Staff Days	84	\$446		\$37,490
SPECIALIZED ITEMS					
Helicopter support	Hours	5	\$1,360		\$6,800
Subtotal Buildings and Equipment					\$71,069 \$71,069
Chemicals and Contaminated Soils					
FUEL					
Disposal once off-site: diesel, Jet A/B, aviation gas	Litres	90,960	\$0.43		\$39,113
WASTE OIL					
Oils/lubricants - disposal once off-site	Litres	-	\$0.43		\$0
Personnel					
Helicopter support	Hours	-	\$1,360		\$0
Subtotal Chemicals and Contaminated Soils					\$39,113 \$39,113
Mobilization and Camp Operation					
MOBILIZE HEAVY EQUIPMENT FROM SITE TO REGIONAL CENTRE					
Personnel - Cat-haul to Bathurst Inlet	Staff Days	128	\$446		\$57,128
Barge	lump sum	1	\$70,000		\$70,000
Helicopter support	Hours	-	\$1,360		\$0
Herc Flight	Flights	1	\$30,000		\$30,000
CAMP OPERATION					
Personnel - Site Support (cook, first aid, super)	Staff Days	90	\$0		\$0
Camp Man-days	Staff Days	383	\$459		\$175,644
Subtotal Mobilization					\$332,772 \$332,772
Clean up and Reclamation					
RECLAIM CAMP, ROADS & AIRSTRIP					
Personnel - Scarify and install water breaks	Staff Days	14	\$446		\$6,248
Revegetation (fertilizer & peat)	Bulk	1	\$12,000		\$12,000
Subtotal Reclamation					\$18,248 \$18,248
Post Closure Monitoring					
MONITORING DURING RECLAMATION					
Water sampling	Each	10	\$500		\$5,000
Helicopter Support	Hours	3	\$1,360		\$4,080
POST CLOSURE INSPECTIONS					
Annual Inspection	Each	1	\$20,000		\$20,000
Subtotal Post Closure Monitoring and Maintenance					\$29,080 \$29,080
				Subtotal Capital Costs to Close	\$500,207
PROJECT MANAGEMENT (Assumes Third Party Costs)			5	% of subtotal	\$25,010
CONTINGENCY			10	% of subtotal	\$50,021
GRAND TOTAL - CAPITAL COSTS					\$575,238

NOTES: 2016 Assumptions

- Assumes George is closed and reclaimed as part of progressive reclamation during exploration.
- That leaving the site will be "controlled" exit with more than one season available to complete.
- That all improvements and assets will be removed and site returned to stable conditions.
- Every effort will be taken to minimize time to complete.
- Unit cost sources are outlined in spreadsheet and where available recent and appropriate site-specific data is used.
- Mobilization off-site will be principally via Cat-Haul to Bathurst inlet and then barge.
- Demobilization of drill rigs and drill equipment/supplies/material to be completed under contractual agreement.
- Post closure monitoring and inspection will occur at end of final reclamation work, and for 1 year post closure.
- Barge costs are shared between both sites on a load portion basis (80% Goose, 20% George).
- Work is based on current inventory of diesel fuel at site; assumes that excess fuel will be disposed of off-site.