



NIRB File No.: 08EA084

AANDC File No.: N2010C0016

NWB File No.: 2BE-GEO0210

November 15, 2013

The Honourable Bernard Valcourt
Minister of Aboriginal Affairs and Northern Development
c/o Jeff Mercer, Manager Land Administration
Aboriginal Affairs and Northern Development Canada
P.O. Box 100
Iqaluit, NU X0A 0H0

Sent via email: jeff.mercer@aandc.gc.ca; landsmining@aandc.gc.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: Sabina Gold & Silver Corp.'s "Beechy Lake" project, Kitikmeot Region

Dear Jeff Mercer:

On September 26, 2013 the Nunavut Impact Review Board (NIRB or Board) received an application from Aboriginal Affairs and Northern Development Canada (AANDC) for an extension to Sabina Gold & Silver Corp.'s (Sabina) Land Use Permit (No. N2010C0016) for its "Beechy Lake" project proposal. Please note that a conformity determination from the Nunavut Planning Commission was not required for this file, as the proposed project is located within a region that does not currently have an approved land use plan in place (Kitikmeot Region).

Please be advised that the original project proposal (NIRB File No.: 08EA084) was received by the NIRB from Indian and Northern Affairs Canada (INAC; now Aboriginal Affairs and Northern Development Canada or AANDC) on December 9, 2008 and was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On March 3, 2009 the NIRB issued a NLCA 12.4.4(a) screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

Additional authorization and extension requests associated with the Beechy Lake project have also been reviewed by the NIRB following screening of the original project proposal (File No. 08EA084); a summary of the additional applications associated with this file are presented in Table 1.

Table 1: Additional applications associated with NIRB File No. 08EA084

Authorization	Application			Correspondence Issued by NIRB
	Date Received by NIRB	Type	Reason for Application	
AANDC LUP N2010C0015	May 26, 2010	Replace LUP	New Land Use Permit N2010C0015 replaces N2004C0005	June 14, 2010 issued 12.4.3 Exempt
AANDC LUP N2010C0016	July 5, 2010	Replace LUP	New Land Use Permit N2010C0016 replaces N2006C0008	August 5, 2010 issued 12.4.3 Exempt,
NWB Type B Water License 2BE-GOO0510	December 7, 2010	Amendment	Additional Exploration Activities	December 9, 2010 issued 12.4.3 Exempt
AANDC LUP N2012C0003	January 3, 2012	New LUP	New Land Use Permit N2012C0003 to continue exploration	January 24, 2012 issued 12.4.3 Exempt
KIA Land Use Licence KTL304C017	February 1, 2012	Amendment	Amend Land Use Licence	March 16, 2012 SDR, <i>additional terms and conditions</i>
AANDC LUP N2010C0015	October 25, 2012	Extension	Extend Land Use Permit to continue exploration/research	October 31, 2012 issued 12.4.3 Exempt
AANDC LUP N2010C0016	October 9, 2012	Extension	Extend Land Use Permit to continue exploration	November 28, 2012 issued 12.4.3 Exempt
AANDC LUP N2013C0017	October 1, 2013	New LUP	New Land Use Permit N2013C0017 replaces N2010C0015	November 14, 2013

Notes: AANDC= Aboriginal Affairs and Northern Development Canada; KIA= Kitikmeot Inuit Association; NIRB= Nunavut Impact Review Board; SDR= Screening Decision Report; LUP= Land Use Permit

The current AANDC application, the original NIRB Screening Decision Report (File No. 08EA084) and related file information are available from the NIRB's online public registry at the following location:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2009/08EA084-Dundee%20Precious%20Metals>.

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No. 08EA084), the "Hackett River" project was located within the Kitikmeot region, approximately 160 kilometres (km) south-south east of the Bathurst Inlet outpost camp, and 400 km south of the Hamlet of Cambridge Bay. The Proponent indicated that it intended to conduct mineral exploration activities on claims within the Wishbone/Hackett River area (including Wishbone, Del Lake, Lovechild, Mahna Mahna, and Malley claims) as well as its core properties (including Goose Lake, George Lake, Boot Lake

and Boulder Pond claims). Exploration activities were initially proposed to occur from March 1, 2009 to September 30, 2009 and were expected to continue into 2010. The Proponent also proposed to conduct prospecting activities on the areas to the north and south of the “Wishbone” area during 2009, with potential drilling to follow in these areas during 2010 and 2011.

The activities and components associated with the previously screened proposal included:

- Base metal mineral exploration; including prospecting, sampling, soil sampling, exploration trenching, diamond drilling (on land and on ice), and air and ground geophysics;
- Use of existing Goose Lake Camp site as the base of operations, with maximum capacity of 80 personnel;
- Helicopter supported drill program, including daily transportation of field crew to drill sites;
- Potential use of snow machines around the Goose Lake area;
- Use of temporary fuel caches (up to 19 drums each) throughout the area to support exploration;
- Fuel storage at Goose Lake (6 bulk tanks) and George Lake (2 bulk tanks and drums);
- Storage of chemicals and hazardous materials at site;
- Water to be used for drilling and camp uses;
- Sewage, grey water and waste production related to camp operation;
- Incineration of sewage and combustible waste;
- Use of Goose Lake for summer access via aircraft; winter use of an ice-strip at Goose Lake; and,
- Potential use of esker strip at George Lake camp or gravel strip northwest of Goose Lake during breakup period in spring.

The activities and components associated with the previous May 26, 2010 INAC LUP application included:

- Continued exploration of the Hackett River and Wishbone areas including the Hackett River camp.

The activities and components associated with the previous July 5, 2010 INAC LUP application included:

- Operations at the George Lake and Goose Lake camps, in addition to outlying claim areas at Boot Lake, Boulder Pond and Del Lake – for a period of two years (commencing November 1, 2010).
- Establish small temporary camps and ice airstrips proximal to exploration areas on an “as-needed” basis; and,
- Store fuel and chemicals used for exploration activities at locations other than Goose Lake Camp, with established fuel and material storage at the George Lake Camp site.

The activities and components associated with the previous December 7, 2010 NWB water licence amendment application included:

- Establishment and use of winter roads and trails;
- Increase water volume use to 297 cubic metres per day (m³/day);

- Include water use for purposes of water diversion, collection, dust management, and water crossings; and,
- Include open burning of untreated wood products such as paper, cardboard and lumber.

The activities and components associated with the previous February 1, 2012 amendment to the KIA Land Use Licence (No. KTL304C017) included the following additional components:

- Increase camp size to a maximum of 120 personnel;
- Construction of an all-weather airstrip (previously an ice airstrip, screened under NIRB File No. 06EN033);
- Conversion of a previously permitted winter road/trail (screened under NIRB File No. 06EN033) to an approximately one (1) kilometre all-weather road connecting the new all-weather airstrip to the Goose Camp;
- Conduct quarrying activities to supply construction materials for the all-weather airstrip and road connecting the airstrip to the Goose Camp, including:
 - Establishment of three new quarry sources;
 - Estimated total of up to 27,000 cubic metres of material required for construction of both the airstrip and road; and,
 - Transportation between quarry sites and either the airstrip or road during snow/ice conditions only, via previously permitted winter corridors; and
- Proposed activities to occur through 2013.

The activities associated with the previous October 25, 2012 AANDC application included an amendment and extension to the LUP for the project (No. N2010C0015) to allow for continued exploration activities and the collection of baseline data throughout 2012 and 2013 (per previously issued Scientific Research Licence No. 04 040 11R-M).

The activities associated with the previous October 9, 2012 AANDC application for an extension to the LUP for the project (No. N2010C0016) included the continuation of exploration activities in the Back River, Wishbone and Malley areas.

The activities associated with the previous October 1, 2013 AANDC application submitted by Glencore Canada Corporation was for a new Land Use Permit (N2013C0017) to replace the previous permit (No. N2010C0015) held by Xstrata Canada for the ongoing exploration of the Hackett River-Wishbone areas, including:

- Ongoing exploration of the Hackett River and Wishbone areas using the existing Hackett River camp (previously screened NIRB File No. 08EA084 and 04EN012, as related to File No. 08MN006 currently undergoing Review under Section 12.5 of the NLCA);
- Construction of temporary camps for up to 15 people erected to support exploration and resupply activities (including but not limited to D'Arcy Lake, Bathurst Inlet proposed port location, proposed BIPR road route and Contwoyto Lake areas; previously screened per NIRB File No. 08EA084); and
- Increase the area permitted for work to conduct mapping, geophysical surveys and geotechnical drilling to identify best locations for BIPR infrastructure including but not limited to: port, tank farm, airstrip, road, bridge and camps (associated with NIRB File No. 03UN114 currently undergoing Review under Section 12.5 of the NLCA).

CURRENT APPLICATION:

Sabina is proposing to extend its AANDC Land Use Permit (No. N2010C0016) for one additional year to continue exploration activities in 2013 and 2014.

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:


(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed extension does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the most recent March 16, 2012 Screening Decision Report (enclosed).

If you have any questions or require additional clarification, please contact Tara Arko, Technical Advisor, at (867) 983-4611 or tarko@nirb.ca.

Sincerely,



Ryan Barry
Executive Director
Nunavut Impact Review Board

cc: John Laitin, Sabina Gold & Silver Corp.
Tracey McCaie, Aboriginal Affairs and Northern Development Canada
Phyllis Beaulieu, Nunavut Water Board
Geoff Clark, Kitikmeot Inuit Association

Enclosure: NIRB Screening Decision Report, File No.: 08EA084 (March 16, 2012)