



Water Resources Division
Nunavut Regional Office
Iqaluit, NU
X0A 0H0

NWB File: 2BE-GEO1015
CIDMS #: 512239

Mar 8, 2012

**Re: 2BE-GEO1015 – Amendment Application – George Lake – Back River
Project – Sabina Gold & Silver Corp.**

Please be advised that Aboriginal Affairs and Northern Development Canada (AANDC) has completed a review of the amendment application for water license 2BE-GEO1015 (George Lake) submitted by Sabina Gold and Silver Corp. The NWB circulated the renewal application for comments on February 8, 2010. All associated documents related to this amendment application posted on the NWB ftp site under 2BE-GEO1015 were included in my review (See attached Technical Review Memo).

Should you have any questions or comments, please do not hesitate to contact me at (867) 979-4282 or by email at Ian.Parsons@aandc.gc.ca.

Sincerely,

Original signed by

Ian Parsons
Regional Coordinator

Cc. Murray Ball, Manager of Water Resources – AANDC, Nunavut Regional
Office



Technical Review Memorandum

To: Phyllis Beaulieu – Manager of Licensing, Nunavut Water Board

From: Ian Parsons – Regional Coordinator, AANDC.

Re: 2BE-GEO1015 – Amendment Application – George Lake – Back River Project – Sabina Gold & Silver Corp.

Background

The George Lake project is located in the Kitikmeot Region of Nunavut 100km South of Bathurst Inlet. The George Lake Project is part of the much larger Back River Project which includes several other properties. Existing facilities at George Lake consists of a gravel airstrip, 5 small structures for (office, sleeping quarters and kitchen) and a building for maintenance and storage. The drilling activities at George Lake will be based out of Goose Lake, with 2 shifts being rotated every 12 hours. Travel to the site would be via helicopter.

The amendment application activities include:

- 1) Increased water use from 143m³/day to 175m³/day to support increased mining exploration related activities.
- 2) Project boundaries associated with land use permit.

Recommendations/Comments

- 1) AANDC recommends that the proponent provide evidence that the increased water use will not cause a drawn down, that exceeds the Department of Fisheries and Oceans (DFO) Guidelines, of the water source to be used. AANDC recommends that the Proponent follow the DFO Protocol for winter water withdrawal in the Northwest Territories (see link below).

<http://www.mvlwb.ca/mv/Registry/2010/MV2010L1-0001/app/Environmental%20Protection%20Program/MV2010L1-0001%20-%20DFO%20PROTOCOL%20for%20Winter%20Water%20Withdrawal%20NWT%20-%20May12-10.pdf>



- 2) AANDC recommends that the proponent submit the appropriate paperwork to AANDC's Lands Division to reflect the desired change to the project boundaries of their land use permit associated with the George Lake project. At this time no paperwork has been received by AANDC's land's division and as a consequence the land use permit boundaries have not been amended to reflect the proponent's desired change. Therefore AANDC recommends that the Land use permit be first amended before the water license amendment is approved
- 3) AANDC recommends that the proponent submit to the NWB all the locations of any new camp structures to be constructed and water sources to be used.
- 4) Although the spill contingency plan contains all pertinent information for the safe handling and clean-up of different types of spills on different substrates AANDC recommends that the proponent submit a revised site specific spill plan that contains all relevant information to water license application 2BE-GEO1015. Any other information contained in the spill plan not relevant to the water license should be omitted from the spill plan.

The Spill Contingency Plan should be revised to include the AANDC Manager of Field Operations as the primary AANDC contact for reporting hazardous material spills. The manager can be reached by telephone at (867) 975-4295 or fax at (867) 975-6445.

- 5) AANDC recommends that the proponent submit an updated and revised site specific Abandonment and Restoration plan to reflect any new structures associated with the George Lake project that will be constructed and that will have to undergo reclamation activities in the future.
- 6) AANDC also recommends that the proponent ensure and demonstrate that the increased camp size will not negatively impact on the waste facilities at George Lake under water license 2BE-GEO1015.

AANDC recommends that Sabina Gold and Silver Corp. provide the Nunavut Water Board all outstanding information referred to above in order to comply with the Amendment Application process.

Cc. Murray Ball, Manager of Water Resources – AANDC, Nunavut Regional Office
Andrew Keim, A/Manager Field Operations– AANDC, Nunavut Regional Office