



June 25, 2013

Karén Kharatyan
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Dear Mr. Kharatyan:

RE: Sampling Recommendations For Open Burning

On April 8, 2013, we received your letter providing approval to conduct open burning of acceptable materials under the Type B licenses 2BE-GEO1015 and 2BE-GOO1015. Within this approval was a note referring to a recommendation from Aboriginal Affairs and Northern Development Canada (AANDC) with regard to sampling before and after burning. This letter is to confirm that this is a recommendation and not a requirement.

In reviewing the approval letter, Sabina believes that although there are no concerns specific to waste management practices at the Goose and George Lake Projects, the recommendations have stemmed from improper waste handling and sorting practices which have resulted in inappropriate materials being burned. As an alternative to the sampling recommendations, we believe that maintaining our current management practices will provide the operational controls required to ensure that only acceptable waste is burned. Our preference is to use mitigation and prevention as control measures. Additionally, as we do for many of our site projects, we will keep records and take photographs of materials before and after the open burning is undertaken. Documentation, along with before and after photographs, will be included in the annual reports.

We trust that our waste handling practices and documentation will be satisfactory mitigation and reporting measures and look forward to receiving your confirmatory response.

Sincerely,

A handwritten signature in black ink, appearing to read "John Laitin". The signature is fluid and cursive, with a long horizontal stroke at the end.

John Laitin
Manager, Technical Services and Logistics
Email: jlaitin@sabinagoldsilver.com

