



NIRB File Nos.: 04RN015, 04RN101, 09RN066

INAC File Nos.: N2004F0006, N2009F0015

KIA File Nos.: KTL304F049, KTL399C010, KTL399C027

January 19, 2011

Honourable John Duncan
Minister of Indian and Northern Affairs Canada
c/o Jeff Mercer, Manager Land Administration
Indian and Northern Affairs Canada
Iqaluit, NU

Sent via email: jeff.mercer@inac-ainc.gc.ca; landsmining@inac-ainc.gc.ca

Re: Applications Exempt from Screening pursuant to Section 12.4.3 of the NLCA: Sabina Gold and Silver Corp.'s "Winter Roads - Hackett, George and Goose Camps" project

Dear Jeff Mercer:

On January 17, 2011 the Nunavut Impact Review Board (NIRB or Board) received two separate applications from Indian and Northern Affairs Canada (INAC) for extensions to the INAC Land Use Permits N2004F0006 and N2009F0015 in support of Sabina Gold and Silver Corp.'s (Sabina or the proponent) "Winter Roads – Hackett, George and Goose Camps" project.

Please be advised that elements of this project proposal have previously been screened by the NIRB under separate files; a detailed file history and scope of each of the original files has been provided in the section below.

The current INAC application, the original NIRB Screening Decision Reports (04RN015, 04RN101, 09RN066) and related file information are available from the NIRB's ftp site at the following link:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/>

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

1. NIRB 04RN015

The NIRB received a proposal for a winter road corridor between George Lake camp and Goose Lake camp (NIRB File No. 04RN015) from the Kitikmeot Inuit Association on February 25, 2004. The project proposal was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on April 7, 2004 the NIRB issued the

enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC indicating the proposed project could proceed subject to NIRB's recommended project-specific terms and conditions.

Project components and activities within the original proposal included the following:

- Establishment of an 85.5 kilometre long winter road between George Lake and Goose Lake in the Back River area; and
- Transportation of equipment and supplies to and from the previously established and separately permitted George Lake and Goose Lake camps.

All materials associated with the original NIRB screening file **04RN015** are available from the NIRB's ftp site at the following link:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2004/04RN015-Miramar%20Bathurst%20Resources%20Ltd/>

2. NIRB 04RN101

The NIRB received a proposal for a winter road from Bathurst Inlet to the Back River area (NIRB File No.: 04RN101) from INAC on July 23, 2004. The project proposal was screened by the Board in accordance with Part 4, Article 12 of the NLCA and on September 17, 2004 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC indicating the proposed project could proceed subject to NIRB's recommended project-specific terms and conditions.

Project components and activities included the following:

- Shipment of fuel (approx. 600,000 litres) and supplies from southern port locations to a barge offloading area at Bathurst Inlet during summer months;
- Establishment of a barge landing site at Bathurst Inlet to include:
 - Lay down area for supplies
 - 700,000 litre tank farm (10 EnviroTanks) (*later withdrawn from proposal*)
 - Equipment storage building
 - Temporary camp accommodations for 18 personnel (*later withdrawn from proposal*)
- Fuel barge to overwinter at Bathurst Inlet (i.e. barge to be frozen-in at Bathurst Inlet);
- Establishment of a winter road from Bathurst Inlet to George Lake camp and Goose Lake camp in the Back River project area;
- Movement of fuel (2 travel tanks of 16,000-20,000 litre capacity), supplies, equipment and other chemical/hazardous materials from Bathurst Inlet barge site to George Lake camp and Goose Lake camp via bulldozer, loader, and challenger pulling sleds along winter road routes; and
- Establishment of second 18 person temporary camp at junction of winter road from Bathurst Inlet and the road between George Lake and Goose Lake camps.

All materials associated with the original NIRB screening file **04RN101** are available from the NIRB's ftp site at the following link:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2004/04RN101-Miramar%20Bathurst%20Resources%20Ltd/>

3. NIRB 09RN066

On October 19, 2009 the NIRB received an application from INAC for the establishment of winter roads between George Lake and Goose Lake camps and between the George Lake and Hackett River camps ("Winter Roads" project proposal). In recognition of Sabina's 2009 acquisition of the Goose Lake and George Lake properties, and in order to manage related filing and permit applications, the NIRB consolidated the previous NIRB file 04RN015 with the 2009 application for the establishment of winter roads in the Back River area under NIRB file 09RN066. The project proposal was screened by the Board in accordance with Part 4, Article 12 of the NLCA and on November 30, 2009 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC indicating the proposed project could proceed subject to NIRB's recommended project-specific terms and conditions (a second related decision was also released for this file on February 11, 2010).

Project components and activities within the proposal included the following:

- Construction of winter road route between the George Lake and Goose Lake camps (per file 04RN015);
- Construction of winter road route between the George Lake and Hackett River camps (approximately 60 kilometres in length);
- Redistribution of inventory via Cat-haul transportation between the George Lake, Goose Lake, and Hackett River camps; and
- Abandonment and restoration of road routes upon completion of transportation activities.
- Construction and operation of an ice airstrip at D'Arcy Lake to support the use of a Hercules aircraft for up to sixty days;
- Construction and use of a winter road route between the D'Arcy Lake airstrip and the winter road between Hackett River and George Lake camps (approximately 2 kilometres in length).

On July 6, 2010 the NIRB received an application from INAC for a new Land Use Permit for Sabina's "Bathurst Inlet to Back River Winter Road and Barge Landing" project proposal. Sabina proposed to move supplies and fuel from Bathurst Inlet to its Goose Lake, George Lake, and Hackett River camps via barge and winter road transport, and applied for a new Land Use Permit with INAC to permit the following additional components and project activities which had not been previously screened by the NIRB:

- Establishment of a temporary camp at Bathurst Inlet;
- Establishment of an ice airstrip at Bathurst Inlet; and
- Storage of fuel at Bathurst Inlet including:

- Drummed fuel (approximately 410,000 litres diesel, 61,500 litres gasoline, 410,000 litres aviation fuel, 7500 pounds of propane and 100 pounds of acetelyne) to be stored within secondary containment at the Bathurst Inlet lay down area
- Bulk fuel (approximately 600,000 litres diesel) to be stored on barge prior to being transferred to tanks or sleighs for transport to Hackett River/Goose Lake camps via Cat-train (involves overwinter storage via barge freeze-in during the winter of 2011-2012)

The project proposal was screened by the Board in accordance with Part 4, Article 12 of the NLCA and on September 2, 2010 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC indicating the proposed project could proceed subject to NIRB's recommended project-specific terms and conditions.

All materials associated with the original NIRB screening file **09RN066** are available from the NIRB's ftp site at the following link:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2010/09RN066-Sabina%20Silver%20Corp-Winter%20Roads/>.

CURRENT APPLICATION:

The Proponent is currently proposing to extend its INAC land use permits (N2004F0006 and N2009F0015) for an additional year to continue project activities in the Hackett River and Back River areas.

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, the NIRB is of the understanding that the application received from INAC 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 screening as per Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original Screening Decision Reports (enclosed).

If you have any questions or require clarification, feel free to contact Kofi Boa-Antwi, Assistant Technical Advisor, at 867-983-4609 or kboa-antwi@nirb.ca.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stephanie Autut', enclosed within a light gray rectangular border.

Stephanie Autut
Executive Director

cc: Peter Manojlovic, Sabina Gold & Silver Corp.
Elizabeth Sherlock, Sabina Gold & Silver Corp.
John Laitin, Sabina Gold & Silver Corp.

Enclosed: NIRB Screening Decision Reports, File No.: 09RN066 (September 2, 2010; February 11, 2010;
November 30, 2009)
NIRB Screening Decision Report, File No.: 04RN101 (September 17, 2004)
NIRB Screening Decision Report, File No.: 04RN015 (April 7, 2004)