

Pêches et Océans Canada

Eastern Arctic Area Iqaluit Office

Region Arctique de L'est Bureau de Calgary

P.O Box 358. Iqaluit NU X0A 0H0

C P 358

Iqaluit NU X0A 0H0

Tel: (867) 979-8007 Fax: (867) 979-8039 Tél: (867) 979-8007 Téléc: (867) 979-8039

January 5, 2011

Nunavut Water Board Richard Dwyer Licensing Administrator PO Box 119 Gjoa Haven, Nunavut X0B 1J0

Dear Mr. Dwyer:

Subject: Proposed works or undertakings will not likely result in negative effects to fish habitat if additional protection measures are implemented.

Your file Votre référence 2BE-GOO1015

Our file Notre référence

NU-10-0004

Fisheries and Oceans Canada (DFO) received the proposal concerning the water withdrawal amendment associated with Sabina Gold and Silver Corp, Goose Lake Project on December 7, 2010. To expedite future correspondence or inquiries, please refer to your referral title and habitat file number when you contact us.

Habitat File No.: NU-10-0004

Referral Title: Type B Water Licence, Sabina Gold Corp, George Lake Project

It is our understanding that the proposal consists of:

- A second amendment to an existing Nunavut Water Board license 2BEGOO1015 issued to Sabina Gold and Silver Corp for water removal associated with the Goose Lake mineral exploration activities;
- The previously existing water licence allows for 155 cubic meters of water extraction from Goose Lake and surrounding lakes. The amendment request is for 297 cubic meters of water to be removed from Goose Lake and local lakes in the area of the seasonal exploration camps in the region;
- The water will be used for drilling operations, seasonal domestic camp purposes and exploration activities;
- Water extraction will occur between March and October until 2015.

as outlined in the following plans:

Written correspondence from Richard Dwyer, Nunavut Water Board, titled Sabina Gold and Silver Corp, Goose Lake Project, Amendment, Type B, dated December 7, 2010;

DFO File: NU-10-0004

- Nunavut Water Board, Amendment 2 Request 2 BEGOO1015 Application for Water Licence Amendment, Completed by John Laitin, Sabina Gold and Silver Corp;
- Nunavut Water Board, Amendment 2 Request 2 BEGOO1015 Application for Water licence Amendment, *Appendix C-NWB Supplementary Information Guide for Amendment 2 Request, Water Licence Renewal (Dec 2009) and Amendment 1 (June 2010).*

We have reviewed this proposal under the habitat protection provisions of the *Fisheries Act*. The measures described in the plans are not adequate to protect fish and fish habitat. Therefore, please ensure that the following additional measures are incorporated into the project plans.

- Pumps should be screened with a maximum mesh size of 2.54 mm and a maximum screen approach velocity of 0.038 m/s as per 'DFO's Freshwater Intake End-of-pipe Fish Screen Guideline' (1995). Pump outlet(s) should be placed in a manner or location that does not create erosion from the outflow.
- Non-flowing fish-bearing waterbodies with less than 1.5m of free water beneath the ice are particularly vulnerable to the effects of water withdrawal and should be avoided.
- Where possible, water should be drawn from deeper areas (>2 meters). Care should be taken to ensure the bottom substrate is not disturbed during water withdrawal.
- The total water withdrawal from a non-flowing fish bearing waterbody should not result in a reduction in water surface elevation of more than 5 cm, or result in a reduction in flow at the lake outlet of 5% or more of instantaneous flow.
- Disturbance of riparian vegetation shall be kept to a minimum. Approaches shall be stabilized, vegetated and/or seeded as soon as possible after disturbance, and effective, long-term erosion control measures shall be implemented.
- Equipment operating near the water shall be free of external fluid leaks, grease, oil and mud. The cleaning, fuelling, and servicing of equipment shall be conducted in an area from which spills and wash water will not enter the water.

By implementing these additional measures, it is our opinion that the proposed works and undertakings will not likely result in the harmful alteration, disruption or destruction (HADD) of fish habitat, which is prohibited unless authorized by DFO. These are recommendations to ensure that the proposed works will likely not result in a HADD of fish habitat. Therefore a subsection 35(2) authorization is not necessary.

The proponent could contravene subsection 35(1) of the *Fisheries Act* if a HADD of fish habitat results from any change in your proposed plan or from failure to properly implement these additional measures. Subsection 35(1) states, "No person shall carry on any work or undertaking that results in the harmful alteration, disruption or destruction of fish habitat."

This letter of advice does not permit the deposit of a deleterious substance (section 36 of the *Fisheries Act*) into waters frequented by fish nor does it release you from the responsibility to obtain any other federal, territorial or municipal approvals.

If these plans have changed since the time of submission, the advice in this letter may no longer apply and the proponent should consult with us to determine if further review is required.

If you have any questions concerning the above, or if my understanding of the proposal is either incorrect, incomplete, or if there are changes to the proposed works or undertakings, please contact me directly by telephone at (403) 292-8675 by email at Robert.Bedingfield@dfo-mpo.gc.ca

Sincerely,

Bobby Bedingfield Fish Habitat Biologist Eastern Arctic Area, Iqaluit Office

cc. Derrick Moggy, DFO Eastern Arctic John Laitin, Sabina Gold and Silver Corp Nunavut Impact Review Board