



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

NWB File: 2BE-GOO0510
CIDMS #: 391712

Mar 1, 2010

**Re: 2BE-GOO0510 – Application Renewal – Goose Lake – Back River
Project – Sabina Gold & Silver Corp.**

Please be advised that Indian and Northern Affairs Canada (INAC) has completed a review of the renewal application for water license 2BE-GOO0510 (Goose Lake) submitted by Sabina Gold and Silver Corp. The NWB circulated the renewal application for comments on January 29, 2010. All associated documents related to this renewal application posted on the NWB ftp site under 2BE-GOO0510 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@inac.gc.ca.

Sincerely,

Original signed by

Ian Parsons
Water Resources Technician

Cc. Lou-Ann Cornacchio, Manager of Water Resources – Indian and Northern
Affairs Canada, Nunavut Regional Office



Technical Review Memorandum

To: Lou-Ann Cornacchio, Manager of Water Resources – Indian and Northern Affairs Canada, Nunavut Regional Office
Phyllis Beaulieu – Manager of Licensing, Nunavut Water Board
Elizabeth Sherlock – Sabina Gold and Silver Corp.

From: Ian Parsons – Water Resources Technician, Indian & Northern Affairs Canada.

Re: 2BE-GOO0510 – Application Renewal – Goose Lake – Back River Project – Sabina Gold & Silver Corp.

Background

The Goose Lake project is located in the Kitikmeot Region of Nunavut 160km South of Bathurst Inlet. The Goose Lake Project is part of the much larger Back River Project which includes several other properties. Goose Lake will be the operational base for drilling activities at Boot Lake, Boulder Pond, Wishbone Trend and Del Lake claims. It is also the base of operations for George Lake; however, George Lake has its own Water License. Existing facilities at Goose Lake consists of an emergency gravel airstrip, jetty/floating dock, 4 helipads and other site structures associated with running and maintaining a drilling operation that can accommodate a maximum of 80 people.

Recommendations/Comments

- 1) The Proponent is required, since not all water will be taken from the same source, to submit to the NWB the location (GPS Coordinates) of the four drills and where they will be sourcing their water from for the upcoming season. As well, these water sources are required to be adequate for the operations being undertaken.

Also these locations are to be updated anytime drilling activities move.

- 2) Question 21 of the supplemental questionnaire is required to be answered.



Sabina Gold and Silver Corp. are required to provide the Nunavut Water Board all outstanding information referred to above in order to comply with the Renewal Application process.

Cc. Lou-Ann Cornacchio, Manager of Water Resources – Indian and Northern Affairs Canada, Nunavut Regional Office
Peter Kusugak, District Manager – Indian and Northern Affairs Canada, Nunavut Regional Office