



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

NWB File: 2BE-GOO1015
CIDMS #: 881481

January 8, 2014

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.O. Box 119
GJOA HAVEN, NU X0A 1J0

Re: 2BE-GOO1015 – Water License Renewal Application – Goose Lake Project – Sabina Gold and Silver Corporation

Dear Ms. Beaulieu:

Thank you for your email on August 12, 2014, concerning the above mentioned application. A memorandum is provided for the Board's consideration. Comments and recommendations have been provided pursuant to Aboriginal Affairs and Northern Development Canada's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me by telephone at 867-975-4282 or email at ian.parsons@aandc-aadnc.gc.ca for further information.

Sincerely,

Ian Parsons, B.Sc.
Regional Coordinator
Water Resources Division
Resource Management Directorate
Aboriginal Affairs and Northern Development Canada
Iqaluit, NU X0A 0H0

Cc. Andrea Morgan, A/Manager of Water Resources – AANDC, Nunavut
Regional Office (NRO)
Erik Allain, Manager of Field Operations – AANDC, NRO



Technical Review Memorandum

January 8, 2015

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

From: Ian Parsons, Regional Coordinator, Water Resources Division AANDC-NU

Re: Licence No. 2BE-GOO1015, Goose Lake Project, Back River Watershed, Kitikmeot Region, Licensee: Sabina Gold and 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. Existing facilities at Goose Lake consists of a gravel airstrip, jetty/floating dock, 4 helipads and several other site structures associated with running and maintaining a drilling operation that can accommodate approximately 120 people.

Recommendations/Comments

The following comments and recommendations are provided based on water licence renewal package distributed by the NWB on December 9, 2014 and contained the following documents;

- a) Location Map
- b) NIRB Aug 5 2010 Exemption Letter
- c) April 2014 AANDC Inspection Report Greywater Disposal Details
- d) July 2014 Inspection Report
- e) NIRB May 15 2006 Screening Decision
- f) NPC Email
- g) Nontechnical Summary
- h) Sabina Application
- i) Sabina License Application Cover Letter
- j) Updated Liability Assessment October 2014



1. Application

The water licence renewal application package did not contain any plans (e.g., spill contingency plan, transportation plan, waste management plan, abandonment and restoration plan, etc). All applicable plans should be submitted with the water licence renewal application.

AANDC notes that it appears that some authorizations approved for this site have expired. AANDC recommends that all relevant leases, permits, conformity checks and screenings, as well as, any other authorizations are in place and proper approvals received before any work commences.

2. Comprehensive Spill Contingency Plan

AANDC recommends that the proponent submit a revised site specific spill plan that contains only relevant information pertaining to water license application #2BE-GOO1015. Any other information contained in the spill plan not relevant to this specific water license should be omitted from the spill plan.

AANDC recommends the use of drip pans and/or other secondary containment device when refuelling or fuel transfer operations take place.

AANDC recommends that all references to specific AANDC personnel contained within any plans and applications submitted by Sabina be replaced with the AANDC Manager of Field Operations. Contact numbers for the manager of field operations are as follows: Telephone at (867) 975-4295 or Fax at (867) 975-6445.

3. Transportation Management Plan

AANDC recommends the use of best management practices to minimize sedimentation and siltation of waterways from erosion caused during the construction and upgrade of the airstrip and connecting road, as per Part C Item 7 of water license #2BE-GOO1015.

AANDC notes in *Section 2.3 - Rock Quarries* that the number and locations of the rock quarries are not indicated. AANDC recommends that the number and locations of the rock quarries be submitted to the NWB.

AANDC notes that the rock quarries have been pre-tested and determined to be non- potentially acid generating and metal leaching. The associated water management plan appears to be adequate. Water that collects within the rock quarries will be directed to a holding area within the quarry boundaries. The



water will be sampled and subsequently discharged (no direct flow into receiving water bodies) after analysis results confirm that the limits for applicable parameters have not been exceeded.

AANDC also recommends that when discharging water or wastewater the proponent take all necessary measures and precautions to minimize and eliminate any erosion that may arise from such activities as per Part C Item 7.

AANDC reminds the proponent of the requirement to notify an AANDC inspector 10 days prior to any discharge of water or wastewater to the environment as per Part D Item 12 of Water License #2BE-GOO1015.

AANDC notes that *Section 3.1 – Surface Inspection and Maintenance* states “*water may be used as a dust suppressant*”. AANDC recommends that the proponent keep a log of how much water is being used for this purpose as well as notifying the water board. This additional water use may involve another amendment.

AANDC notes that *Section 5.2 – Water Quality* states “*when there is noticeable flow out of a quarry, likely during spring melt, a water sample will be collected before this water enters a receiving water body*”. AANDC would like clarification on how the water will be prevented from entering a receiving water body if it has already exited the quarry.

AANDC recommends that the proponent submit exact locations of water quality monitoring/sampling stations.

As well AANDC recommends that in addition to monthly sampling events sampling should also be conducted during or just after a major rain event to give an indication of suspended sediment loading during rain events.

AANDC recommends keeping silt curtains or other applicable materials in place to prevent siltation/sedimentation of the waterways.

4. Waste Management Plan

AANDC recommends that the proponent have the proper authorizations from any hamlet or any other municipality or landfill where project wastes will be deposited.

AANDC also recommends that the proponent be advised that in order to transport hazardous wastes in Nunavut the waste generator must be registered with the Government of Nunavut, Environmental Protection Division and provide the final destination for the hazardous wastes (approved registered facility).



5. Abandonment and Restoration (A&R) Plan

AANDC recommends that the proponent submit an updated and revised site specific Abandonment and Restoration plan to reflect any new structures associated with the Goose Lake project, Water License #2BE-GOO1015, that will be constructed and that will have to undergo reclamation activities in the future. Any other information contained in the Abandonment and Restoration plan not relevant to this specific water license should be omitted from the A&R plan.

End of comments.