



WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

Licensee	Licensee Representative
Sabina Gold and Silver Corp.	Rob Davidson
Licence No. / Expiry	Representative's Title
2BE-GOO1520	Site Superintendent
Land / Other Authorizations	Land / Other Authorizations
N2016C0011	
Date of Inspection	Inspector
17-18/08/2017	Eva Paul
Activities Inspected	
<input checked="" type="checkbox"/> Camp	<input checked="" type="checkbox"/> Drilling
<input type="checkbox"/> Roads/Hauling	<input type="checkbox"/> Mining
	<input type="checkbox"/> Construction
	<input type="checkbox"/> Other:
	<input checked="" type="checkbox"/> Reclamation
	<input checked="" type="checkbox"/> Fuel Storage

Conditions:	A- Acceptable	U-Unacceptable	C-Concern	NI-Not Inspected	NA- Not applicable
PART:	Item No.*	Condition	Observation No.*		
A: SCOPE, DEFINITIONS AND ENFORCEMENT		A			
B: GENERAL CONDITIONS		A			
C: CONDITIONS APPLYING TO WATER USE		A			
D: CONDITIONS APPLYING TO WASTE DISPOSAL		A	1		
E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS		A			
F: CONDITIONS APPLYING TO DRILLING OPERATIONS		A	2		
G: CONDITIONS APPLYING TO MODIFICATIONS		A			
H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING		A			
I: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION OR TEMPORARY CLOSING	4, 10,12	C	3,4		
J: CONDITIONS APPLYING TO THE MONITORING PROGRAM		A			
*The item number corresponds with specific conditions within the licence and the observation number corresponds with specific comments provided below.					
Samples taken by Inspector:	Location(s): Potable intake, greywater discharge				
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					

SECTION 1	<input checked="" type="checkbox"/> Comments (s.1)	<input checked="" type="checkbox"/> Non-Compliance with Act or Licence (s.2)	<input checked="" type="checkbox"/> Action Required (s.3)
An inspection was conducted August 17 and 18, 2017 at Goose Camp and the nearby drill rigs. Three drills were operating at the time of the inspection. I was accompanied throughout the inspection by Rob Davidson.			
<ol style="list-style-type: none">In the licence considerations, (p. ix), the NWB discusses changes that were proposed with respect to conditions for greywater discharge (D.10), concluding that: "The Board has included conditions in Part D of the Licence allowing the Licensee to discharge the greywater directly to the wetland." However, the new conditions appear to have been omitted from the licence as issued, and the licence still only authorizes discharge to a sump. I believe this was an oversight, and not what the Board intended. That said, we do not know what conditions the Board intended to include with respect to wetland discharge. As I have not been on-site when the camp was active since the issuance of this licence, I did not discover this licence error until now.Drilling activities are compliant with the water licence. Water is being drawn from approved sources and pumped to the drills. No recirculation is currently employed, so with the pump running continuously, water is deemed 'used' at the rate that it is pumped from the lake. With only three drills running, Sabina is able to stay within their allowance. Recirculation and cuttings management practices in use at other sites were discussed for potential improvements to efficiency and reducing localized impacts.One of the historic trenches to the east of camp (marked by orange pylons; may have been used as a cuttings sump) has water ponding on the surface. Surface ponding will impact the anticipated freeze-back of the permafrost into this feature. Contouring of this site should be completed as per licence conditions I-4 and I-12 (whether considered a trench or a sump).Historic drill sites are still visible around the project area with casings and/or anchors well above the ground surface. This work was begun following the 2012 inspection but lost momentum after 2013.			
8.a	<input type="checkbox"/> Comments	<input checked="" type="checkbox"/> Non-Compliance with Act or Licence	<input type="checkbox"/> Action Required
I-10.The Licensee shall restore all drill holes and disturbed areas to natural conditions immediately upon completion of the drilling. The restoration of drill holes must include the removal of any drill casing materials			
SECTION 3	<input type="checkbox"/> Comments	<input type="checkbox"/> Non-Compliance with Act or Licence	<input checked="" type="checkbox"/> Action Required
<ol style="list-style-type: none">Enquire with the NWB as to whether they would issue an errata to include the intended conditions with respect to greywater discharge.Contouring of the trench to eliminate ponding on the surface should be undertaken prior to freeze-up.Continue to cut and restore historic drill sites as part of the regular program as per 2012 commitments.			



Licensee or Representative	Inspector's Name
Rob Davidson	Eva Paul
Signature	Signature
Date	Date
<i>Rob Davidson</i>	<i>[Signature]</i>
<i>Aug-20/17</i>	<i>20/Aug/17</i>

Office Use Only:	Follow-up report to be issued by Inspector	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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CC: Licensing Department, NWB
 Erik Allain, Manager of Field Operations, INAC