

Richard Dwyer

From: Elizabeth Sherlock [ESherlock@sabinagoldsilver.com]
Sent: Monday, December 14, 2009 11:10 AM
To: Richard Dwyer
Cc: John Wakeford; Elaine Bennett; Dan Russell
Subject: Goose water licence

Good Morning Richard,

Sabina has been attempting to address the outstanding license issue you brought to our attention last week. Some of our internal discussion includes:

- in general there is a need to identify the roles and responsibilities of the individual regulators and determine their expectations with closure; ultimately this will affect overall security needs and allocation between water and land.
- it would seem that Sabina is required to engage regulatory parties prior to submission of the NWB application to create and review a closure plan and determine security needs. Sabina sees this as an onerous task to put on a company particularly when the NWB application process involves a review of the A&R Plan. If the intent is to develop and approve closure plans outside the NWB process, we will seek clarification from all parties on this process and its links to current land and water tenure permitting processes.
- there is a need to clarify what methods in addition to RECLAIM will be acceptable to the Board. The RECLAIM program is focussed on closure of an operating minesite and may be more than what is needed for an exploration project such as Goose Lake. Associated with this is some discussion and consensus between all relevant parties on assumptions and unit costs to be used in the assessment.

It has become apparent this past week that satisfying this term of the current Goose license will be challenging to do in a timely manner as the issue of closure and security involves many other regulatory groups in addition to the NWB.

Within the Goose water license renewal and amendment application we have provided information regarding our current security for the project. This security is based on an submitted and accepted closure plan. We would suggest that the NWB accept the application as submitted and if during the review process the issue of security is raised then discussions amongst the relevant parties can be initiated about organization roles and responsibilities, approach to determining security, and the security needs at Hackett. Sabina acknowledges that this will lead to a noncompliance with the current license as you have identified in your email below, however, security under the NWB water license at exploration phase has not been expected in the past and raises issues much larger than this application. It is unacceptable to Sabina that the application be held pending resolution of these issues.

Elizabeth

From: Richard Dwyer [licensingadmin@nunavutwaterboard.org]
Sent: December 7, 2009 3:31 PM
To: Elizabeth Sherlock
Subject: RE: Wishbone property water use

Good afternoon Elizabeth;

We have no record of receiving Part B, Item 9 of the 2BE-GOO0510 amendment:

PART B, ITEM 9 reads:

The Licensee shall submit to the Board for review within three (3) months, an Assessment of Current Restoration Liability. The Assessment shall use the current version of RECLAIM, its equivalent or some other method acceptable to the Board, the report shall include a detailed cost estimate of all work required for final restoration of all components of the site and project, and shall be based on

'third party' costs, carried out once the project has terminated by independent contractors, complete with an implementation schedule. The assessment should also take into consideration the need to assign proportionately, liability for water related and land related issues.

We look forward to this submission prior to distribution for 30 day review period.

Regards,



From: Elizabeth Sherlock [mailto:ESherlock@sabinagoldsilver.com]
Sent: Friday, December 04, 2009 3:18 PM
To: Don Carr
Cc: Richard Dwyer
Subject: Wishbone property water use

Good afternoon Don,

In response to your letter sent today with respect to deficiencies in the Goose Lake application and our subsequent phone conversation, I have attached a map outlining the general division of support for exploration activities at the Wishbone Property between the Hackett River and Goose Lake camps. The line presented is at latitude 65deg28'00".

If further details and clarification is needed for the Hackett River and Goose Lake applications please contact me.
Elizabeth

Elizabeth Sherlock
Environmental/Permitting Coordinator
Sabina Gold & Silver Corp.
930 West 1st Street, Suite 202
North Vancouver, BC V7P 3N4
Phone (604) 998-4175
Fax (604) 998-1051
ESherlock@SabinaGoldSilver.com