

File: 2BE-GOO1520/TR/F7

June 25, 2019

Merle Keefe Sabina Gold & Silver Corp. 930 West 1st Street, Suite 202 Suite 202, North Vancouveer, BC, V7P 3N4

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Subject: Goose Exploration 2019 Trenching Plan; Type "B" Water Licence 2BE-

GOO1520, Goose Lake, Back River Project, Sabina Gold & Silver Corp.

Dear Mr. Keefe:

The Nunavut Water Board (NWB or Board) received from Sabina Gold & Silver Corp. (Sabina or Licensee) on May 13, 2019, the document entitled: "Goose Exploration 2019 Trenching Plan" dated May 2019 (Plan) as required by Part F, Item 7 of the Water Licence 2BE-GOO1520 (Licence).

The Plan indicates that the primary objective of the trenching program will be to uncover, examine and sample bedrock exposure within a proposed open pit area of the Goose Main deposit. Sabina states that the excavation will be approximate 75-100 m long by 25 m wide. Expected cover in this area is an average of 3 m thick resulting in the disturbance of approximately $\sim 7600 m^3$ of overburden material.

For the prevention of the transport of sediments, blasting residues, fly rock and other materials, from the trench area to nearby water bodies, Sabina shall follow industry best practices and in accordance with existing licence requirements.

Sabina shall also comply with the conditions applying to water use (Part C of Licence) wherein the use of water from Goose Lake, Llama Lake and Umwelt Lake in summer, including proximal sources to drilling targets [and trenches] shall not exceed two hundred and sixty-seven (267) cubic metres per day.

The Plan was distributed for a public review and comments with a deadline for submission set at June 13, 2019. On May 30, 2019, the Environment and Climate Change Canada (ECCC) advised the Board that it has no comments regarding this trenching proposal in accordance with the department's mandate.

On June 13, 2019, Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) requested clarification on "the details of the parameters that will be monitored in the monitoring program, and the method and frequency with which the measurements will be taken". On June 17, 2019, Sabina advised that the waste water monitoring program outlined in Sabina's Trenching Application (2BE-GOO1520) will consist of daily visual inspection for evaluation of suspended sediments (i.e. murkiness) and confirmation of gravity separation. Should efficient settling not occur, and additional mitigation measures be required, the rinse water will not be discharged to the receiving environment and instead redirected to Sabina's existing cuttings sump and excavation. On June 19, 2019, CIRNAC confirmed that "the concern put forward by Crown-Indigenous Relations and Northern Affairs Canada has been resolved".

By copy of this letter the Board acknowledges that the Plan addresses the requirements of Part F Item 7 of Licence 2BE-GOO1520. The Board generally agrees also with the monitoring strategy of water to be used in the cleaning of surface exposure during proposed trenching program, and has approved the Plan through the Board Motion No. 2019-B1-009, dated June 24, 2019, as required by Part F, Item 7 of Licence.

Should you have any questions, please feel free to contact the undersigned at (867) 360-6338 or by email at karen.kharatyan@nwb-oen.ca.

Regards,

Karén Kharatyan Director of Technical Services

cc: Distribution List - Kitikmeot