



February 28th, 2007

P.O. Box 119
GJOA HAVEN, NU X0B 1J0
TEL: (867) 360-6338
FAX: (867) 360-6369

NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI

File: 2BE-HAK
By Email: burgeology@hotmail.com

Scott Burgess
Operations Manager, Hackett River
Sabina Silver Corporation
401-1113 Jade Court
Thunder Bay, Ontario P7B 6M7

Subject: Response to February 22nd, 2007 Letter to the NWB

Dear Mr. Burgess,

The NWB acknowledges receipt of your February 22nd, 2007 letter and its contents have been noted. Sabina Silver Corporation's (SSC) **2BE-HAK0606** Licence came to expiration on December 31st, 2006. I would like to point you to **Part B, Item 5** of **2BE-HAK0606** where the NWB recommends licence renewal filing three (3) months prior to licence expiry. The NWB received your renewal application December 6th, 2006. Additional information was required and SSC had filed a response on December 18th, 2006. The Intervention comment period of a minimum of thirty (30) days (as per 55(4) of the Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWANSRTA)) was set to end January 26th, 2007. Following this closing date, Intervener comments then need to be reviewed, recommendations are then to be developed, and the administrative issuance of the developed recommendations and a licence (if approved by the Board) are to then take place. As indicated in numerous correspondences, since your application filing, the NWB is currently evaluating Intervener concerns and developing recommendations for licensing.

As detailed in my February 15th, 2007 email I recommended you contacting and seeking advisement from our Federal partners at Indian and Northern Affairs Canada (INAC) in if the ice strip activities you are proposing are in contravention of NWANSRTA if not licensed. INAC carries through the enforcement provisions set in NWANSRTA. I once again recommend in contacting INAC for their advisement.

The NWB is hopeful that SSC, in the future, will consider recommendations set out in water licences in terms of filing for amendments and/or renewals. The NWB will continue to process your water licence application in the time being.

If you have any questions whatsoever please feel free to contact me at telephone number 867.360.6338, mobile number 867.445.3924, or email dirts@nunavutwaterboard.org.

Regards,

Original signed by:

Joe

Joe Murdock
Director of Technical Services
Nunavut Water Board