



Fisheries and Oceans
Canada

Pêches et Océans
Canada

Eastern Arctic Area

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Your file *Votre référence*
2BE-HAK0915

Our file *Notre référence*
NU-10-0030

May 11, 2010

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, Nunavut
X0B 1J0

via e-mail: licensing@nunavutwaterboard.org

Dear P. Beaulieu:

Subject: Sabina Gold and Silver Corp. – Hackett River Project – Amendment – Type “B”

Fisheries and Oceans Canada (DFO), Fish Habitat Management Program, would like to thank the Nunavut Water Board for the opportunity to provide input regarding an amendment application for a Type “B” water license for Sabina Gold and Silver Corp.’s Hackett River Project.

DFO is the federal department responsible for developing and implementing policies and programs in support of Canada’s scientific, ecological, social and economic interests in oceans and freshwater. DFO would like to provide the following comments on the proposal within the scope of our mandate and regulatory responsibilities.

Our review consisted of:

- “Exploration/Remote Camp Supplementary Questionnaire”
- “Executive Summary: Amendment to 2BE-HAK0915 to include Temporary Exploration Camps”
- Letter to Phyllis Beaulieu (NWB) from Peter Manojlovic (Sabina Gold and Silver Corp.) dated March 25, 2010 RE: Application to amend 2BE-HAK0915 to include temporary camps to support exploration and re-supply activities

It is our understanding that the amendment proposal consists of the following key elements:

- Withdraw up to 65 cubic meters of additional water per day on an as needed basis from a nearby lake to maintain an on-ice airstrip.
- Withdraw up to 10 cubic meters of additional water per day from lakes proximal to temporary camps for domestic consumption.
- The proposal does not include an amendment to the existing licensed daily volume of up to 250 cubic meters per day.

Following our review of the above provided information, to reduce potential impacts to fish and fish habitat, we are recommending the following mitigation measures related to our regulatory mandate under the federal *Fisheries Act* and in context of our national Policy for the Management of Fish Habitat be included into the plans:

1. **The water withdrawal rate does not exceed 10% of the instantaneous flow in the water body at the withdrawal point and water is not withdrawn if the withdrawal might create isolated pools or increase the risk of fish kills.**
2. Extraction of water via intake from any water body is prohibited under Section 30 of the *Fisheries Act* unless the entrance of the intake is properly screened to prevent the entrainment of fish. Refer to the *Freshwater Intake End-of-Pipe Fish Screen Guideline* (DFO 1995), available at www.dfo-mpo.gc.ca/library/223669.pdf. No harm should come to fish during water removal as long as the following mitigation measures are implemented:
 - Ensure that the holes in the screen are small enough that no fish of any size can pass through the screen and into the intake.
 - The rate of water withdrawal should be such that fish do not become impinged on the screen.
 - Make certain that the fish guard or screen is properly maintained, in a good state of repair, and is not removable except for renewal or repair.
 - During the time in which a renewal or repair is being conducted, the entrance of the water intake should be closed in order to prevent the passage of fish into the intake.
3. If the operations requires water in sufficient volume that the source water body may be drawn down, details should be submitted (volume required, size of water body, percent of total volume of water in source lake to be used, fish species etc.) to DFO for review. DFO strongly discourages the use of streams as a water source.
4. No material should be left on the ice when there is potential for that material to enter the water (i.e. spring break-up).

Provided that the additional mitigation measures described above are incorporated into the plans, DFO has concluded that the proposal is not likely to result in impacts to fish and fish habitat.

Please be advised that any impacts to fish and fish habitat which result from a failure to implement this proposal as described or incorporate the additional mitigation measures included in this letter could lead to corrective action such as enforcement.

I trust the information provided will be of assistance in the Nunavut Water Board's review for an application to amend a Type "B" water license for Sabina Gold and Silver Corp.'s Hackett River Project. If you or the proponent have any questions concerning the above, or if my understanding of the proposal is either incorrect, incomplete, or if there are changes to the proposed work, please contact me directly by telephone at (204) 983-2632, by fax (204) 983-7983, or by e-mail at Loriena.Melnick@dfo-mpo.gc.ca.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Lornick', with a stylized, cursive script.

Loriena Melnick
Habitat Management Biologist
Fisheries and Oceans Canada – Eastern Arctic Area

Copy: Eric Kan – Fisheries and Oceans Canada