April 12, 2023

Robert Hunter
Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0B 1J0
E-mail: licensing@nwb-oen.ca

Re: Response to Comments Received on Application for Renewal of Water Licence 2BE-MLL1722

Dear Robert,

Sabina Gold & Silver Corp. (Sabina) is providing herein response to comments received from parties on our application for renewal without amendment of water licence 2BE- MLL1722 (the Licence) for the Wishbone-Malley Project.

Should you have any questions or concerns or require additional information, please do not hesitate to contact me.

Regards,

Merle Keefe
Manager, Environmental Permitting
Sabina Gold & Silver Corp.
#1800 – 555 Burrard Street
Vancouver, BC
V7X 1M9

RESPONSE TO COMMENTS ON APPLICATION FOR RENEWAL OF 2BE-MLL1722

CIRNAC-1. Treatment of Water Contaminated with Fuel

Comment:
The applicant states in the Abandonment and Restoration Plan under section 3.2.1.1 that "For water with minor amounts of hydrocarbons, an oil-water separator may be used and/or activated charcoal filters".
The concern is that a carbon filter might not be sufficient in removing the contamination from the water therefore may lead to contamination ending up in a waterbody if it is discharged less than 31 meters away from any normal high watermark of any waterbody.

Recommendation:
CIRNAC recommends that the applicant state how they will test the treated water, to confirm that it is safe to be deposited into the environment, prior to discharge.

Response:
For water with hydrocarbon contamination or exhibiting an oily sheen, Sabina agrees to confirm the water meets the discharge criteria required under 2BE-GEO2025 for the GEO-1 Bulk Fuel Storage Facility (outlined below) prior to release of treated water. Any water that cannot be treated at Wishbone to meet these criteria would be backhauled to the Back River Project for management as outlined in the approved waste management plans.

Parameter	Maximum Concentration of any Grab Sample (µg/L)
Benzene	370
Toluene	2
Ethylbenzene	90
Oil and Grease	5000
pH	6 to 9 (pH Units)

CIRNAC-2. Building Structures Burned on Site

Comment:
The applicant states in the Abandonment and Restoration Plan under section 5.1.1 that "Other combustible, non-recyclable building structures will be incinerated off site or burned onsite".
This is a concern as the applicant does not state how they will be burning the material; such as open burning, or burn cage to include some examples. Please note that CIRNAC does not recommend open burning of materials.

Recommendation:

CIRNAC recommends that the applicant clarify how they plan on burning the building structures on site.

Response:
Any on site burning would be undertaken in alignment with guidance issued by the Government of Nunavut, including:

- ECCC Solid Waste Management for Northern and Remote Communities, Planning and Technical Guidance Document, March 2017; and
- Government of Nunavut Environmental Guideline for the Burning and Incineration of Solid Waste

And will adhere to Part D, Item 5 of 2BE-MLL1722, which prohibits open-burning of "plastics, wood treated with preservatives, electric wire, Styrofoam, asbestos or painted wood to prevent the deposition of waste materials of incomplete combustion and/or leachate from contaminated ash residual, from impacting any surrounding waters, unless otherwise approved by the Board in writing".

Any suitable material (per Nunavut guidance and 2BE-MLL1722) burnt on site would be at a location >31 m from the high water mark of any waterbody and safely removed from surrounding vegetation (e.g. on bare ground or within a burn cage). Ash and any residual material would be backhauled to the Back River Project for management as outlined in their approved management plans.

CIRNAC-3. Spill Contingency Plan

Comment:
Spill contingency plan is three different licenses in one and has more information that are not related to this process and is not specific to the wishbone area.

Recommendation:
CIRNAC recommends that when submitting a final version of the spill contingency plan that the applicant removes the areas that do not pertain to the wishbone area and that the information presented is that for only water license 2BE-MLL1722.

Response:
Sabina will consider creating a Wishbone-only Spill Contingency Plan (SCP) if a wishbone camp is to be established. Until that time, activities at Wishbone are fully reliant on facilities at Goose and George and, as such, will abide by the exploration SCP developed for those projects, and which considers remote exploration drilling.

CIRNAC-4. Spill Contingency Plan Greywater Release

Comment:
The applicant states in the Spill Contingency Plan under section 2.2 that "Greywater from the kitchen and shower facilities is screened for coarse particles (e.g., food), and released to a sump for settling, after which it is released to the environment at least 31 m away from the closest waterbody".
This is a concern as it is not clear if the applicant plans on removing the water from the sump mechanically into another location or if the applicant is stating that from within the sump the water will naturally percolate.

Recommendation:
CIRNAC recommends that the applicant clarify how greywater will be released into the environment.

Response:
Greywater discharged to the sump will be left to naturally percolate.

CIRNAC-5. Spill Contingency Plan Contact Water with Oily Sheen

Comment:
The applicant states in the Spill Contingency Plan under section 2.2 that "Water collected in temporary berms is discharged using an oil/water separator unless an oily sheen is noted".
The applicant does not state what will be done in the event that an oily sheen is observed.

Recommendation:
CIRNAC recommends that the applicant clarify what will happen with contact water that was observed to have an oily sheen.

Response:
See response to CIRNAC-1.

CIRNAC-6. Consolidation Trench
Comment:
The applicant states in the Exploration Non-Hazardous Waste Management Plan under section 3.5 that "Mineral waste from drilling with brine or rock saw use is collected, consolidated through settlement and/or drying, and transported to a designated cuttings consolidation trench for permanent disposal".

The water license 2BE-MLL1722 defines a sump as
"A structure or depression that collects, controls, and filters liquid waste before it is released to the environment. This structure should be designed to prevent erosion while allowing percolation of liquid waste"

It is unclear is the applicant meant by a consolidation trench.

Response:
The Cuttings Consolidation Trench is a sump as defined in 2BE-MLL1722; it is "designed to prevent erosion while allowing percolation of liquid waste".

ECCC-1. Open Burning

Comment:
ECCC acknowledges that Sabina Gold & Silver's plan for open burning of appropriately segregated untreated wood and cardboard is in accordance with guidance from the Government of Nunavut. However, ECCC guidelines discourage the use of open burning.

Recommendation:
ECCC recommends that the Proponent investigate waste disposal practices that minimize or eliminate the use of open burning to the extent practical given the location context of the project.

Response:

Sabina thanks ECCC for their comment and commits to investigating waste disposal practices that minimize or eliminate the use of open burning to the extent practical.

Any on site burning that does occur would be undertaken in alignment with guidance issued by the Government of Nunavut. Additionally, it will adhere to Part D, Item 5 of 2BE-MLL1722, which prohibits open-burning of “plastics, wood treated with preservatives, electric wire, Styrofoam, asbestos or painted wood to prevent the deposition of waste materials of incomplete combustion and/or leachate from contaminated ash residual, from impacting any surrounding waters, unless otherwise approved by the Board in writing”.

Any suitable material (per Nunavut guidance and 2BE-MLL1722) burnt on site would be at a location >31 m from the high water mark of any waterbody and safely removed from surrounding vegetation (e.g. on bare ground or within a burn cage). Ash and any residual material would be backhauled to the Back River Project for management as outlined in their approved management plans.