

September 24, 2012

Amanda Hanson, Technical Manager Nunavut Impact Review Board PO Box 1360 Cambridge Bay, NU X0B 0C0

RE: Seasonal Closure of operations at Goose and George camps and exploration (Back River Project)

NWB Licenses 2BE-GEO1015, 2BÉ-GÓO1015 AANDC License N2010C0016

KIA Licenses KTL304C017, KTL304C018, KTL204C012, KTL204C020

And

Winter Road Connection between Camps
AANDC Licenses N2011F0029, 2010F0017, 2009F0015
KIA Licenses KTL304F049, KTL309F012

And

Malley-Wishbone Exploration Project

INAC Licenses N2012C0003 KIA Licenses KTL3012C004 NWB License 2BEMLL1217

Dear Amanda,

This letter will serve to advise you that Sabina Gold & Silver Corp. will be finishing exploration activities and drilling on or about October 5, 2012 and will closing camps for the season at the Back River Project on or about October 31, 2012.

Annual reports and summaries will be completed over the next 2-3 month period and will be forwarded to the respective agencies as outlines in the terms and conditions of our permits.

Should you have any questions or concerns, please do not hesitate to contact me by email at mpickard@sabinagoldsilver.com or by telephone at 604-998-4175.

Best regards.

Matthew Pickard

Director, Environment and Community Relations

CC: Wynter Kuliktana, Kitikmeot Inuit Association

Keith Robertson, Aboriginal Affairs and Northern Development Canada

Phyllis Beaulieu, Nunavut Water Board

Sylvester Wong and Peter Bengts, Workers' Compensation Board