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NUNAVUT WATER BOARD  
NUNAVUT IMALIRIYIN KATIMAYINGI  
OFFICE DES EAUX DU NUNAVUT

File Nos: **2BE-GEO2025**  
**2BE-GOO2028**  
**2BE-MLL1722**

August 28, 2020

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**RE: NWB Technical Review of Sabina Gold & Silver Corp.'s Revised Spill Contingency Plan for Water Licences Nos:  
2BE-GEO2025, George Lake Property, Back River Project;  
2BE-GOO2028, Goose Lake, Back River Project; and  
2BE-MLL1722, Wishbone-Malley Project.**

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Dear Mr. Keefe and Mr. Pickard:

The Nunavut Water Board (NWB or Board) has completed its technical review of the Plan entitled "*Sabina Gold & Silver Corp. Comprehensive Spill Contingency Plan*" dated June 2020 (Plan) provided to the Board by Sabina Gold & Silver Corp. (Sabina) on June 10, 2020 to fulfill the requirements of Part H, Item 2 of Water Licence No: 2BE-GEO2025 (Licence). In its submission, Sabina also noted that this Plan *is also being submitted as a revision under Water Licences Nos: 2BE-GOO2028 and 2BE-MLL1722.*

The updated version of the Plan included details on the management of drilling fluids and wastes, as requested by Crown-Indigenous Relations and Northern Affairs (CIRNA)<sup>1</sup> during the 2020 renewal of the Licence.

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<sup>1</sup> Crown-Indigenous Relations and Northern Affairs (CIRNA) Letter, Re: Crown-Indigenous Relations and Northern Affairs Canada's comments on 2BE-GEO1520 Water Licence Renewal Application, dated February 28, 2020.

Upon receipt, the submission was distributed for a three (3) week public review with a deadline set at June 26, 2020. On or before the deadline, the comments were received from the Kitikmeot Inuit Association (KIA). In its submission, the KIA indicated that they *have only one comment and recommendation pertaining to sections 2.4 Chemicals and 2.5 Drilling Fluid and Cuttings.*

All correspondence relevant to this submission is available from the NWB's ftp site using the following link:

<ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-GEO2025%20Sabina/3%20TECH/H%20SPILL%20CP/>

The table below summarises the recommendations provided by the KIA as part of the Plan review, as well as the responses submitted by Sabina on July 14, 2020 to address these recommendations.

No.	KIA Recommendations	Status
1.	The KIA recommends that Sabina preheat freshwater prior to adding salt and re-heat the re-circulate drilling fluid to minimize the amount of salt and fresh water used in drilling operations. Also, Calcium Chloride should be the salt used in creating brine drilling fluid.	Addressed
	<p><u>Sabina Response:</u></p> <ul style="list-style-type: none"> <li><i>In the Winter and shoulder seasons of Spring and Fall, the water is preheated at all times. In Summer operations, the water is not heated or reheated with the exception of adding the calcium chloride.</i></li> <li><i>Calcium Chloride is used exclusively.</i></li> </ul>	
2.	Drill casing should be inspected prior to use to ensure that there are no cracks or damage to the casing that would result in brine leakage. There should also be active monitoring of drill casings during drilling to detect any cracking or damage and resultant leakage of drilling fluids.	Addressed
	<p><u>Sabina Response</u></p> <ul style="list-style-type: none"> <li><i>Drillers, and their fifth man (maintenance crew), are working with and inspecting their equipment (including casing) on a daily basis. All casing is inspected prior to and during usage, and cracked or damaged casing causing leakage would be rectified immediately.</i></li> <li><i>Return volumes from the hole being actively drilled are routinely monitored. These return volumes are the primary method of indicating whether or not drilling fluids are being lost throughout the hole in the deep bedrock. Drillers report the loss of return water immediately and take actions to rectify.</i></li> <li><i>In holes where return is noticeably reduced, drill casing can be reamed into the bedrock in an effort to tighten up any improperly sealed casing.</i></li> </ul>	

3.	Spill pads composed of coco-nut fibre with absorbent materials should also be placed under the drilling platforms to proactively contain any drilling fluid leakage that may occur.	Addressed
	<p><u>Sabina Response</u></p> <ul style="list-style-type: none"> <li>Actives drills at Back River maintain a level of secondary containment which is not limited to the installation of coco matting. Best management practices include the installation of tarps underneath the rigs, coco matting, spill pads, drip trays, as well as a catchment basin for drips and return water directly where the bit enters the ground which houses an active sump pump. Sabina also notes that all fuel and oils at active drill rigs are stored within secondary containment at a minimum.</li> </ul>	

The above mentioned responses provided by Sabina were forwarded to the KIA for confirmation of satisfaction. In correspondence dated August 27, 2020, the KIA indicated that they *have read Sabina's response and it addresses KIA's concerns*.

By copy of this letter, the Board accepts the aforementioned Plan and acknowledges that it is functional and can be implemented.

The NWB looks forward to receiving the final version of the Plan, which will incorporate all Sabina's responses provided in the table above, as well as the correct KIA's contact number specified in the KIA's comments (attached).

Should you have any questions, please feel free to contact the undersigned at (867) 360-6338 (extension 29) or at [sergey.kuflevskiy@nwb-oen.ca](mailto:sergey.kuflevskiy@nwb-oen.ca), at your earliest convenience.

Sincerely,




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Sergey Kuflevskiy  
Technical Advisor  
**NUNAVUT WATER BOARD**

Enclosure: Comments – KIA

Cc: Distribution List – Kitikmeot