



April 4, 2013

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

**RE: Followup to Jan 7, 2013 & Feb 5, 2013 - Resumption of operations at Goose and George camps (Back River Property)**

*NWB Licenses 2BE-GEO1015, 2BE-GOO1015*

*AANDC License N2010C0016*

*KIA Licenses KTL304C017, KTL304C018, KTL204C012, KTL204C020*

*KIA Quarry Agreements KTP11Q001, KTP12Q001, KTP12Q002*

*And*

**Winter Road Connection between Camps**

*AANDC Licenses N2011F0029, 2010F0017, 2009F0015*

*KIA Licenses KTL304F049, KTL309F012*

*And*

**Start of operations at Malley-Wishbone**

*AANDC Licenses N2012C0003*

*KIA Licenses KTL312C004*

*NWB License 2BE-MLL1217*

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Dear Amanda,

This letter is a followup to the resumption of operations notices submitted January 7 and February 2, 2013. This will advise you that Goose camp was opened for the season on January 22 and George camp was opened for the season on February 15, 2013.

The other purpose of this submission is to provide an update to the exploration activities and plans for drilling this season. The drilling program, including exploration and geomechanical targets, started on February 6 at the Goose Project and February 26, 2013 at the George Project.

Exploration drilling will focus on the Goose – Boulder – Boot - George Properties during the 2013 program. Some additional shallow drilling and test pit activities are planned for areas between these properties and Bathurst Inlet as indicated on the maps submitted



February 6. These data will provide a better understanding current underlying ground conditions, acid rock drainage/metal leaching potential, and distance to bedrock.

This notice is also to provide details on two joint Sabina-Xstrata programs. The first is to support resupply and movement of equipment between George and Hackett camps. Additional equipment needed at Hackett camp are only able to be transported via Hercules aircraft; these equipment and associated supplies will be delivered to George camp in early April and then moved overland to Hackett camp.

The second program is at the BIPR Project area at Bathurst Inlet. The purpose of the drilling is to establish geotechnical properties to assist with design of the BIPR Port Facilities including both the in-water and on-land infrastructure. The attached Figures G1 and G2 show the proposed borehole locations. This drill program will commence on or about April 12 and include diamond drilling twenty-one (21) holes up to 20m depth. The core will be transported via helicopter to Hackett camp and logged and sampled. Eight of these locations will have thermistor cables installed for long term monitoring of underlying permafrost conditions. It is anticipated that this program will be completed May 7, 2013.

The Bathurst Inlet program will be supported by Hackett and/or George camps and personnel will be transported to and from the site via helicopter on a daily basis. For safety reasons, emergency shelters and supplies will be established in the area at 66°32'3.34"N and Long -107°29'10.22"W. It is anticipated that a fuel and drill supply caches will be established in the same area as the emergency shelter. Once the emergency camp and caches are established, notice will be sent to AANDC and KIA as per current land use authorizations.

Freshwater supply for the diamond drilling will be under water license 2BEGEO1015 that allows up to 130 m<sup>3</sup>/day for drilling from George Lake and lakes local to drill locations. It is anticipated that the Bathurst Inlet drilling program will require approximately 13m<sup>3</sup>/day of freshwater or marine water and volumes used will be reported under 2BEGEO1015. Once local freshwater sources are identified, notice will be sent as required under NWB and DFO authorizations. Drilling waste will either be: contained in a portable tank within secondary containment and transported to Hackett Camp in accordance with its water license and land use authorizations; or will be disposed in a local sump to the drill location as allowed under Sabina's water and land use authorizations. The disposal method used will be determined by operational and environmental conditions and will be reported under the appropriate authorizations.

Spill response, waste, hazardous materials/fuel and progressive reclamation at these joint programs will be managed as per Sabina's management plans filed with the NWB, KIA and AANDC earlier in 2013. Once the programs are completed any shelters, equipment and remaining supplies will be backhauled to Hackett camp and the areas will be inspected in the summer months by Sabina and Xstrata personnel. Any additional cleanup and reclamation activities identified at that time will be completed.



We currently anticipate closing the Goose and George camps in mid to late September and will advise you of the date as we complete our exploration program for 2013. We are looking forward to a safe, successful season at our projects in the Kitikmeot Region again this year, and we look forward to continuing to work with all of you.

Should you have any questions or concerns, please do not hesitate to contact me by email at [jlaitin@sabinagoldsilver.com](mailto:jlaitin@sabinagoldsilver.com) or by telephone at 604-998-4175.

Best regards,



John Laitin,  
Manager, Logistics and Technical Services

CC: Wynter Kuliktana, Kitikmeot Inuit Association  
Eva Paul, Aboriginal Affairs and Northern Development Canada  
Tracey McCaie, Aboriginal Affairs and Northern Development Canada  
Murray Ball, Aboriginal Affairs and Northern Development Canada  
Phyllis Beaulieu, Nunavut Water Board  
Martin van Rooy, Workers' Compensation Board





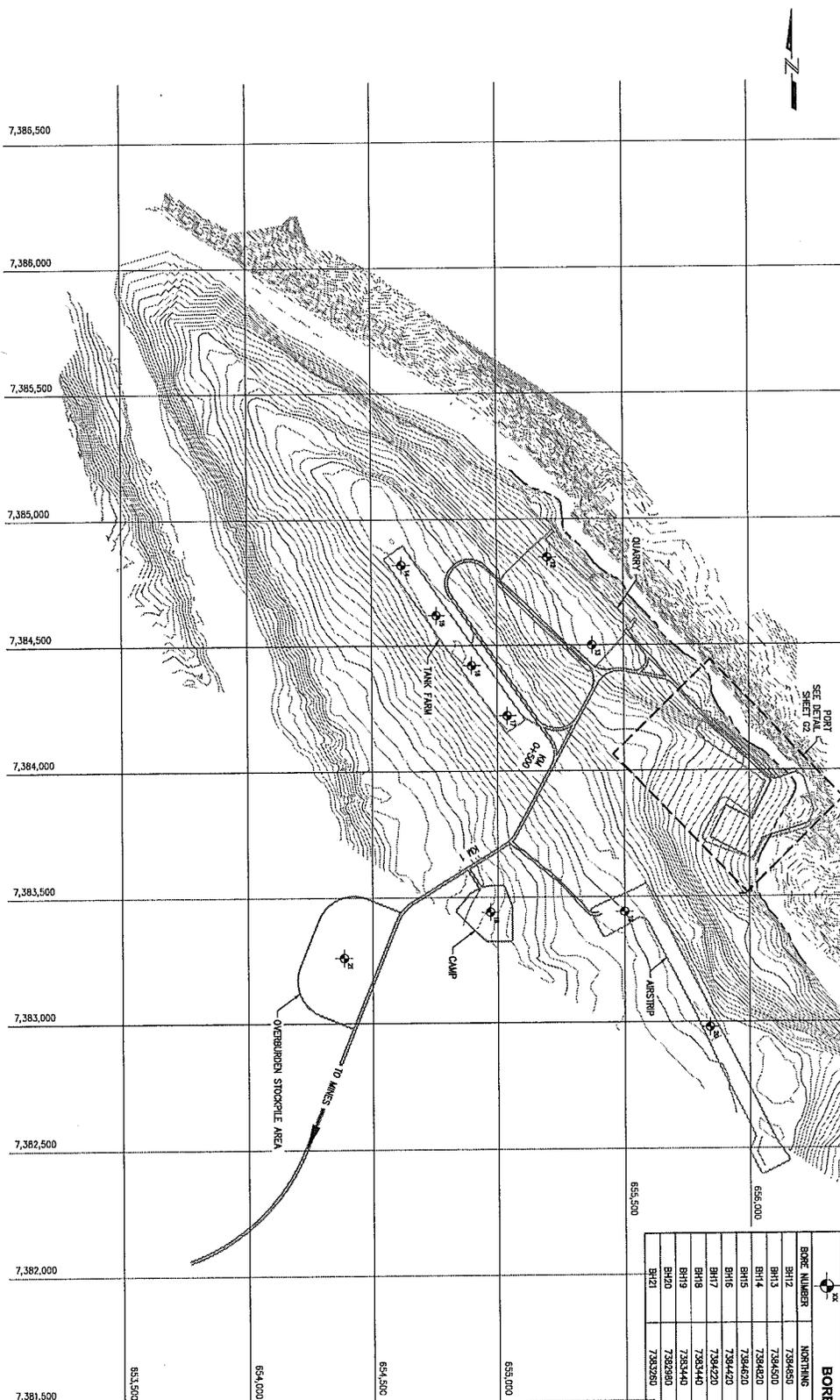
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REV	DATE	DESCRIPTION

PROJECT	BATHURST INLET PORT & ROAD PROJECT
TITLE	GEO TECHNICAL DRILLING PLAN
DESIGNED BY	
DRAWN BY	
CHECKED BY	
PROJECT NO.	
DATE	
SHEET NO.	
TOTAL SHEETS	

G1



PLAN  
 0 50 100 200m

BORE NUMBER	NORTHING	EASTING	DEPTH
BH12	7384820	655200	10M
BH13	7384820	655375	10M
BH14	7384820	654700	10M
BH15	7384820	654700	10M
BH16	7384420	654900	10M
BH17	7384420	654900	10M
BH18	7383440	654870	10M
BH19	7383440	655300	10M
BH20	7382880	655340	10M
BH21	7382280	654380	10M

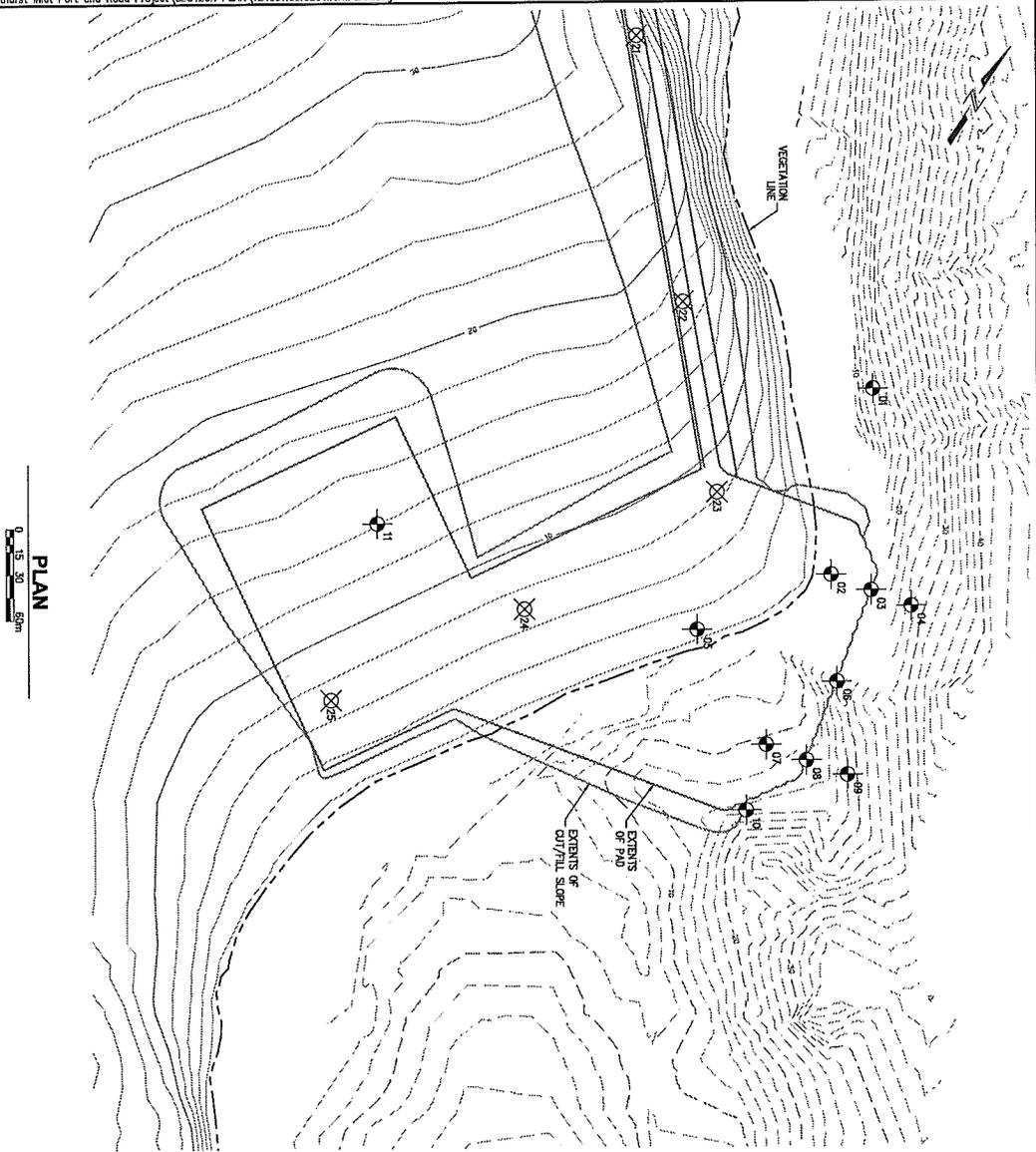


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REV	DATE	DESCRIPTION

PROJECT:	BATHURST INLET PORT & ROAD PROJECT
TITLE:	GEOTECHNICAL DRILLING PLAN
DESIGNED BY:	124051.03
DRAWN BY:	124051.03
CHECKED BY:	124051.03
DATE:	124051.03
SCALE:	AS SHOWN
PROJECT NO.:	124051.03
DATE:	124051.03
SCALE:	AS SHOWN
SHEET NO.:	G2



BORE NUMBER	NORTHING	EASTING	DEPTH
BH1	7384068	656143	20M
BH2	7383933	656136	20M
BH3	7383981	656223	20M
BH4	7383969	656250	20M
BH5	7383871	656149	20M
BH6	7383773	656048	20M
BH7	7383675	655947	20M
BH8	7383577	655846	20M
BH9	7383479	655745	20M
BH10	7383381	655644	20M
BH11	7383283	655543	20M

BORE NUMBER	NORTHING	EASTING
BS21	7384154	655879
BS22	7384035	656010
BS23	7383920	656104
BS24	7383812	656201
BS25	7383697	656297