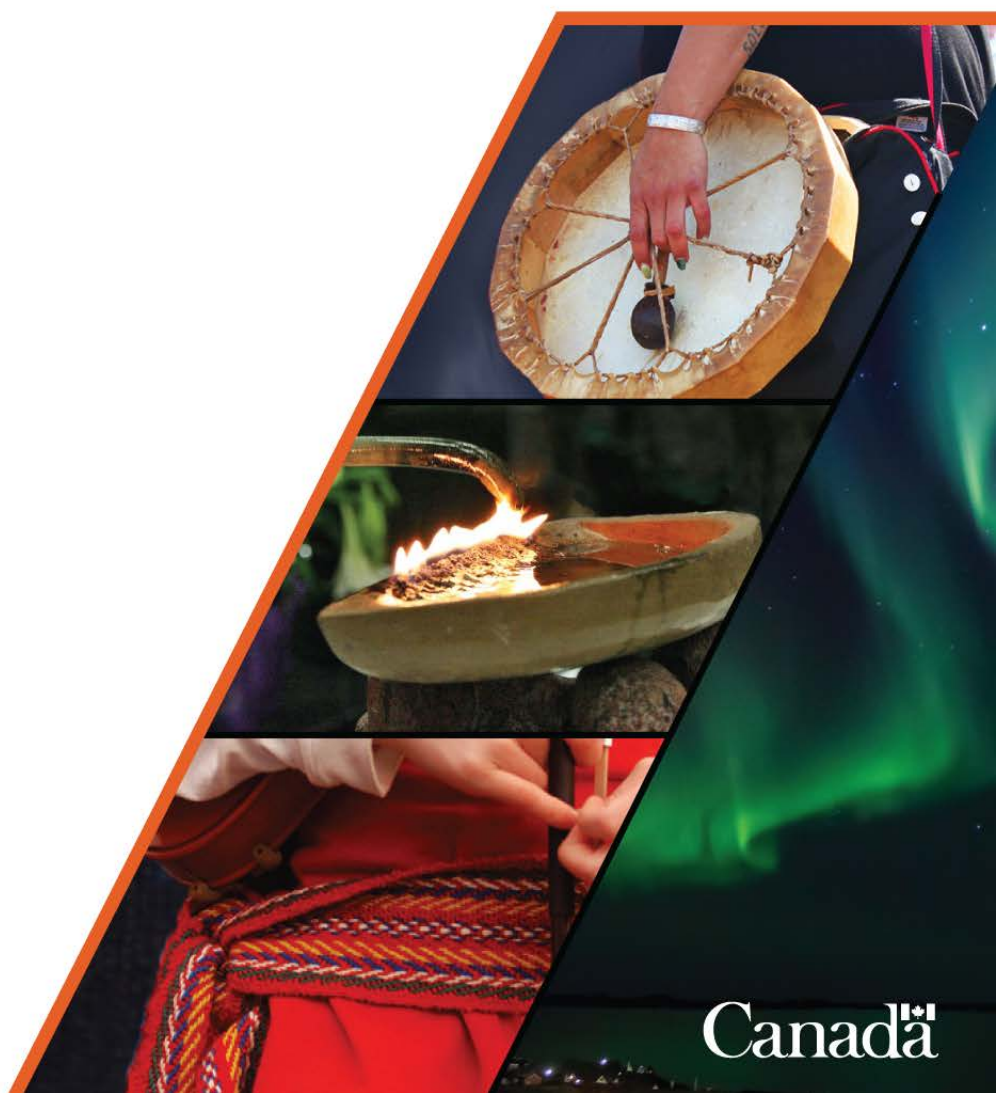




CIRNAC Comments to NIRB Re: Sabina Gold and Silver Corp.'s Back River Project 2019 Annual Report



Nunavut Regional Office
P.O. Box 100
Iqaluit, NU, X0A 0H0

Your file - Votre référence
12MN036
Our file - Notre référence
CIDMS # 1285149

May 21, 2020

Jaida Ohokannoak
Technical Advisor II
Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, NU, X0B 0C0
Via electronic mail to: info@nirb.ca

Dear Ms. Ohokannoak,

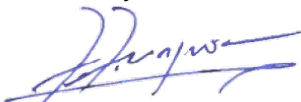
Re: Comment Request for Sabina Gold and Silver Corp.'s Back River Project 2019 Annual Report

On April 7, 2020, as per Section 12.7 of Nunavut Agreement (the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada*) and the Back River Gold Mine Project Certificate [No. 007], the Nunavut Impact Review Board (NIRB) requested parties to review Sabina Gold and Silver Corp. (Sabina)'s 2019 Annual Report with respect to effects and compliance monitoring.

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) carried out a review of the 2019 Annual Report and related documents in areas under its jurisdiction pertaining to effects and compliance monitoring. On this basis, CIRNAC would like to provide the comments below for NIRB's consideration.

CIRNAC appreciates the opportunity to review Sabina's Back River Project 2019 Annual Report and looks forward to working with the NIRB and Sabina through any future reviews for this project. Should you have any questions, please do not hesitate to contact Amal Roy at 867-975-4741 or by email at amal.roy@canada.ca.

Sincerely,



Felexce Ngwa
Manager, Impact Assessment



1. Effects Monitoring

- a. ***Whether the conclusions reached by Sabina Gold & Silver Corp. in the Back River Project 2019 Annual Monitoring Report are valid; and,***
- b. ***Any areas of significance requiring further supporting information or any changes to the monitoring program which may be required***

Comment Number:	CIRNAC-# 1
Subject:	Project Certificate (PC) Term and Condition (T&C) #7: Mine Closure and Reclamation Plan
Reference:	2019 Annual Report, Pages 4-16 to 4-17
Issue/Rationale:	<p>T&C #7 requires Sabina to submit the plan to the Nunavut Impact Review Board (NIRB) at least 60 days prior to the start of construction, with results submitted annually thereafter or as may otherwise be required by the NIRB. In the “Methods” section of the 2019 Annual Report, Sabina stated:</p> <p><i>“in conjunction with the Type A Water Licence Application, Sabina submitted an updated Interim Closure and Reclamation (ICRP, October 2017)”.</i></p> <p>As required by the reporting requirement of the Project Certificate, in the “Next Steps” section, Sabina stated:</p> <p><i>“Sabina will update the latest version of the ICRP (October 2017) and submit to the NIRB at least 60 days prior to the start of construction, with results submitted thereafter annually or as may otherwise be required by the NIRB”.</i></p> <p>But, in the “Result” section, Sabina stated:</p> <p><i>“in July 2018, additional feedback was received from stakeholders during the Type A Water Licence regulatory review process. This feedback, as well as Sabina’s final response and commitments, will be incorporated into the next iteration of the ICRP. Sabina proposes to complete the next comprehensive iteration of the ICRP within 12 months following the commencement of the Operation Phase”.</i></p> <p>The timelines proposed in the “Next Steps” and “Results” sections are inconsistent, and it is unclear if “<i>the next comprehensive iteration of the ICRP</i>” (mentioned in the “Results” section) is same as “<i>the latest version of the ICRP</i>” (mentioned in the “Next Steps” section). If “<i>the next iteration of the ICRP</i>” and “<i>the latest version of the ICRP</i>” are the same, it is unclear why different timelines are proposed in the “Results” section (12 months following the commencement of the Operation Phase) and the “Next Step” section (60 days prior to the start of construction).</p>
Recommendation:	CIRNAC recommends that Sabina provide clarification/justification for these discrepancies in timelines stated in the “Results” and “Next Steps” sections.



Comment Number:	CIRNAC-# 2
Subject:	Project Certificate (PC) Term and Condition (T&C) #8: Weather Monitoring and Adaptive Management
Reference:	2019 Annual Report, Page 4-18
Issue/Rationale:	<p>T&C #8 requires Sabina to “...provide a summary report of meteorological conditions experienced within the project area...” during all project phases (Pre-construction, Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure).</p> <p>In both 2018 and 2019 Annual Reports, Sabina stated that “results and analysis will be provided once monitoring during the Construction Phase of the Project has commenced”. This statement suggests Sabina does not intend to submit monitoring results during Pre-construction as stipulated in the T&C #8. CIRNAC notes that failure to provide meteorological data during pre-construction phase may constitute non-compliance with this condition.</p> <p>During the review of the 2018 Annual Report for Back River, CIRNAC recommended that Sabina provide justification for not providing a summary report of the meteorological conditions experienced within the project area during pre-construction or alternatively, provide summary results and analysis of pre-construction meteorological conditions within the project area in subsequent annual reports. In response, Sabina stated:</p> <p><i>“In 2018, Sabina was undertaking on-site field inspections of existing monitoring equipment to assess its health and ensure its proper working order. With the completion of Atmospheric baseline data collection related to the Back River Project Environmental Assessment, meteorological stations on-site received minimal service. While servicing of the Project’s meteorological stations is ongoing, Sabina will provide any available summary results and analysis of the 2019 meteorological conditions in the 2019 Annual Report”.</i></p> <p>The 2019 Annual Report provided for review does not contain any summary report of meteorological conditions nor justification for not providing this information.</p>
Recommendation:	CIRNAC recommends, as it recommended for the 2018 Annual Report, that Sabina provide justification for not providing a summary report of the meteorological conditions experienced within the project area during pre-construction phase.



Comment Number:	CIRNAC-# 3
Subject:	PC T&C #15: Progressive Reclamation Plan
Reference:	2019 Annual Report, Pages 4-27 to 4-28
Issue/Rationale:	<p>T&C #15 requires Sabina to:</p> <p><i>“...have in place a plan for the progressive reclamation of project components, areas, and infrastructure throughout the life of the Project”.</i></p> <p>Sabina is required to submit the plan to the Nunavut Impact Review Board (NIRB) at least 90 days prior to construction, with results and details submitted annually thereafter or as may otherwise be required by the NIRB.</p> <p>Similar to the 2018 Annual Report, Sabina again indicated under the “Results” section of the 2019 Annual Report:</p> <p><i>“in July 2018, additional feedback was received from stakeholders during the Type A Water Licence regulatory review process. This feedback, as well as Sabina’s final response and commitments related to progressive reclamation, will be incorporated into the next iteration of the ICRP. Sabina proposes to complete the next comprehensive iteration of the ICRP within 12 months following the commencement of the Operations Phase”.</i></p> <p>Under the “Next Steps” section, Sabina stated:</p> <p><i>“Sabina will update the latest version of the ICRP (October 2017) and resubmit to the NIRB at least 60 days prior to the start of construction, with results submitted annually thereafter or as may otherwise be required by the NIRB”.</i></p> <p>As noted during CIRNAC’s review of the 2018 Annual Report, there is apparent inconsistency in the proposed timelines for submission of the ICRP to NIRB. Further, the proposed timelines do not match with the “90 days prior to construction” stipulated in this T&C.</p> <p>In the review of the 2018 Annual Report for Back River, CIRNAC recommended that Sabina submit the updated ICRP to the NIRB at least 90 days prior to the start of construction, unless otherwise authorized by the NIRB. In response, Sabina stated the following:</p> <p><i>“Sabina will submit the updated ICRP to the NIRB at least 90 days prior to the start of construction, unless otherwise authorized by the NIRB”.</i></p> <p>It is unclear why the 2019 Annual Report does not reflect this commitment.</p>
Recommendation:	CIRNAC recommends that subsequent annual reports reflect Sabina’s commitment to submit the updated ICRP to the NIRB at least 90 days prior to the start of construction, unless otherwise authorized by the NIRB.



Comment Number:	CIRNAC-# 4
Subject:	PC T&C # 94: Fuel Transportation
Reference:	2019 Annual Report, Page 4-142
Issue/Rationale:	<p>T&C #94 requires Sabina to ensure fuel trucks meet industry design standards and receive regularly scheduled maintenance of fuel lines, nozzles and dust caps. To meet this requirement, Sabina is expected to submit in its annual report, a summary of results of the applicable maintenance schedules and summary of inspections throughout all project phases.</p> <p>The 2018 and 2019 Annual Reports did not contain any maintenance schedules or inspection results. During our review of the 2018 Annual Report, CIRNAC requested that Sabina provide a rationale for not providing this information in the 2018 Annual Report. In response, Sabina indicated that there were no fuel trucks operating at the project site in 2018; hence no maintenance schedule or summary inspection data was provided.</p> <p>In the 2019 Annual Report Sabina did not provide summary maintenance schedules or inspection data and did not indicate if there were fuel trucks or other vehicles in operation at the Back River project site in 2019. Instead, they stated: <i>“a summary of the results of the applicable maintenance schedules and a summary of inspections shall be included in Sabina’s 2020 Annual Report to the Nunavut Impact Review Board”</i>, without providing any rationale why the information could not be provided in the 2019 Annual Report.</p>
Recommendation:	CIRNAC recommends that Sabina provide a rationale for not providing summary results of the applicable maintenance schedules and summary of inspections of fuel trucks in the 2019 Annual Report.

Comment Number:	CIRNAC-# 5
Subject	Effects Assessment of Valued Socio-economic Component Indicators
Reference	<p>PC T&C #68: Economic Development and Opportunities – Socio-economic Monitoring</p> <p>2019 Annual Report, Appendix F: 2019 Socio-economic Monitoring Report</p>
Issue/Rationale	<p>Sabina’s 2019 Socio-economic Monitoring Report (SEMR) provides effects assessments for each of the project’s valued socio-economic components (VSEC) pursuant to the requirements of T&C #68. These VSECs are:</p> <ol style="list-style-type: none"> 1. Population Demographics; 2. Employment; 3. Business Opportunities; 4. Economic Development; 5. Education and Training; 6. Health and Community Well-being; 7. Non-traditional Land and Resource Use; and



	<p>8. Subsistence Economy and Land Use.</p> <p>One of the requirements of T&C #68 is for Sabina to develop a project-specific Socio-economic Monitoring Program designed to:</p> <p><i>“Monitor for project-induced effects, including the impacts predicted in the Final Environmental Impact Statement (FEIS) through indicators presented in the Back River Socio-economic Monitoring Plan”.</i></p> <p>There is an absence of direct comparisons between the SEMR’s effects assessments and impacts predicted in the FEIS (i.e., references to specific FEIS document sections). This information would assist the evaluation of effects assessments.</p>
Recommendation	CIRNAC recommends that future SEMR submissions reference FEIS document sections, as well as any other applicable documentation, relevant to VSEC effects assessments. Such details will facilitate the understanding of possible project effects and, when necessary, applied mitigation measures.

Comment Number:	CIRNAC-# 6
Subject:	Listing of Formal Certificates and Licences
Reference:	PC T&C #74: Transferable Skills and Certifications 2019 Annual Report, Page 4-118 2018 Annual Report, Appendix L: Socio-economic Monitoring Report, Page 30
Issue/Rationale:	<p>Term and Condition #74 of Sabina’s NIRB Project Certificate requires Sabina to:</p> <p><i>“...develop and maintain an easily referenced listing of formal certificates and licences that may be acquired via on-site training or training during project employment. The listing shall indicate which of these certifications and licences would be transferable to a similar job site within Nunavut”.</i></p> <p>This requirement is applicable to the project’s entire life cycle, including the present Pre-construction Phase. In November 2018, the Sabina provided the NIRB a summary of certificate courses offered on site that year. On Page 30 of the 2018 Socio-economic Monitoring Report (SEMR), Sabina stated that updates to this listing would be included in future SEMR submissions. An updated listing is not included in the 2019 SEMR.</p> <p>Page 4-118 of the 2019 Annual Report and Page 30 of the 2019 SEMR stated that updated listings of formal certificates and licences offered to project personnel will be included in future SEMR submissions.</p>
Recommendation:	Pursuant to T&C #74, CIRNAC recommends that Sabina provide an updated listing of formal certificates and licences that may be acquired via on-site training or training during project employment.



Comment Number:	CIRNAC # 7
Subject:	Community engagement
Reference:	PC T&C #78: Traditional Activity and Knowledge – Incorporation of IQ and TK 2019 Annual Report, Page 2-1 2019 Annual Report, Appendix F: 2019 Socio-economic Monitoring Report
Issue/Rationale:	<p>Term and Condition (T&C) #78 of Sabina's NIRB Project Certificate encourages Sabina to:</p> <p><i>"...ensure that the development of all project monitoring plans and associated reporting and updates are undertaken with active engagement of Kitikmeot communities, land users, and harvesters".</i></p> <p>The Reporting Requirement for this T&C states:</p> <p><i>"To the extent the sharing of such information is consistent with, and not limited by, any confidentiality or other agreements with the Kitikmeot Inuit Association, summaries addressing the Proponent's fulfillment of this Term and Condition should be included in the annual Back River socio-economic monitoring reports submitted to the Nunavut Impact Review Board".</i></p> <p>Page 2-1 of the 2019 Annual Report provided a high level summary of the number of community engagements conducted to date by community in the Kitikmeot Region. No details are provided on whether Sabina actively engaged with community stakeholders regarding the development of project monitoring plans, reporting, and updates.</p> <p>It would be helpful for Sabina to provide details of any community engagement efforts undertaken in 2019 regarding the development of project monitoring plans. The following information would help demonstrate community involvement:</p> <ul style="list-style-type: none"> • meeting dates; • participants; • means of communication (e.g., in-person meetings, conference calls, email correspondence, etc.); • issues discussed, including monitoring plans and associated reporting requirements; and • follow-up measures (where applicable).
Recommendation:	Pursuant to T&C #78, CIRNAC recommends that Sabina provide details of active engagement conducted with Kitikmeot communities, land users, and harvesters regarding the development of project monitoring plans, associated reporting, and updates. This information should also be provided in future annual report submissions.



Comment Number:	CIRNAC # 8
Subject:	Land use in close proximity to project infrastructure - consultation
References:	PC T&C #81: Non-Traditional Activity and Resource Use 2019 Annual Report, Appendix F: 2019 Socio-economic Monitoring Report
Issue/Rationale:	<p>Included as an Appendix to the 2019 Socio-economic Monitoring Report is an “Outfitting/Guiding Business Protocol” that Sabina prepared pursuant to T&C #81 of their NIRB Project Certificate. This T&C requires Sabina to:</p> <p><i>“...consult with outfitting and guiding businesses that operate in the regional study area regarding use of the land and marine areas in proximity to project infrastructure or activities and any noted project effects, particularly for effects in relation to the experience of the natural environment”.</i></p> <p>Although this T&C does not apply to the project’s current Pre-construction Phase, Sabina has committed to distributing information letters to licensed outfitter companies that operate out of Cambridge Bay and Kugluktuk, the two communities in closest proximity to the project. Sabina will also distribute information letters to the Hunters and Trappers Organizations (HTO) of Iqaluktuuttiaq (Cambridge Bay), Kugluktuk, Burnside (Bathurst Inlet), and Umingmaktok. CIRNAC appreciates Sabina’s efforts to communicate with licensed outfitter companies and community organizations that have an interest in the natural environment.</p>
Recommendation:	CIRNAC commends Sabina’s efforts to implement T&C #81 during the project’s Pre-construction Phase.

2. Compliance Monitoring

a. Provide a summary of any compliance monitoring and/or site inspections undertaken in association with the project, including specifically:

i. Identify the terms and conditions from the Project Certificate which have been incorporated into any permits, certificates, licenses or other approvals issued for the project, where applicable;

CIRNAC has a broad mandate for the co-management of water resources and the management of Crown Land in Nunavut under the following applicable acts and regulations:

- The *Department of Crown-Indigenous Relations and Northern Affairs Act*;
- The *Nunavut Land Claims Agreement Act* and the *Nunavut Agreement*;
- The *Arctic Waters Pollution Prevention Act* and *Regulations*;
- The *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and *Regulations*; and
- The *Territorial Lands Act* and *Regulations*.

In terms of water management in Nunavut, CIRNAC has a number of different responsibilities. The Minister of CIRNAC has a decision-making role with regards to the Nunavut Water Board’s (NWB) issuance of any Water Licences associated with a project. Furthermore, the Department participates as an intervenor in the water licensing process, providing advice and expertise.



When a proposed project is approved to proceed, CIRNAC is responsible for inspecting and enforcing any terms and conditions (T&Cs) contained within the Water Licences associated with the project.

In 2019, the projects activities and monitoring were conducted under the following Water Licences:

- Type A Water Licence 2AM-BRP1831,
- Type B Water Licence 2BC – BRP1819,
- Type B Water Licence GOO1520,
- Type B Water Licence GEO1520, and
- Type B Water Licence 2BE-MLL1722.

ii. A summary of any inspections conducted during the 2019 reporting period, and the results of these inspections:

CIRNAC's Water Resource Officers (WROs) conducted two inspections of the project on January 30 and May 9, 2019. Summaries of these two inspection reports are presented below for the NIRB's consideration.

January 30, 2019

The inspection was conducted on all water management structures and deposits of waste in Marine Laydown Area (MLA). The specific facilities inspected include but not limited to fresh water intake facilities, fuel storage areas, upper and lower laydown areas, camp pad, and Sabina's Winter Ice Road (WIR). Overall, no concerns were noted by the inspector.

May 9, 2019

The inspection was done on the 160 km-long Winter Ice Road (WIR) connecting the Marine Laydown Area (MLA) to the Goose Bay Property. During the inspection, the inspector noticed one spill on the road at approximately 42.5 kms away from the MLA and another spill on a small lake beside the WIR around 130 km from the MLA. The first spill on the road was found to be cleaned and the second spill on the lake was partially cleaned. However, the inspector noted that on a follow up call to Sabina he found the spill was fully cleaned. During the inspection, the inspector also noted that a fuel transfer cube (approximately 1/16th full) was placed on a small lake next to WIR at 130 kms from MLA. The inspector reminded Sabina to not store fuel on ice unless it is for immediate use.

iii. A summary of Sabina's compliance status with regard to authorizations that have been issued for the project.

There has been no noted instance of non-compliance regarding any of the authorizations issued by CIRNAC.

3. Other

CIRNAC is a member of the Kitikmeot Socio-economic Monitoring Committee (chaired by the Government of Nunavut's Department of Economic Development and Transportation) as well as the Back River Socio-economic Monitoring Committee Working Group (chaired by Sabina). On April 10-11, 2019, the committee held its 2019 Annual General Meeting in Cambridge Bay, Nunavut. Coinciding with this meeting, the working group met on April 10, 2019. Unfortunately,



CIRNAC was unable to participate in these in-person meetings due to competing regulatory responsibilities. Neither the committee nor the working group had any follow-up meetings during the remainder of the year. CIRNAC is committed to participating in future in-person committee and working group meetings as well as interactions by distance (e.g., conference calls and email exchanges).

Term and Condition #76 of the Project Certificate, specific to the provision of on-site second language training in Inuktitut/Inuinnaqtun, is applicable to the project's current Pre-construction Phase. This was communicated in CIRNAC's review of Sabina's 2018 Annual Report, where details on the provision of second language training programs were requested. On Page 4-120 of the 2019 Annual Report, Sabina stated that it would consider providing on-site second language training following a construction decision. Although minimal activity has been conducted on the project site to date, CIRNAC recommends that Sabina explore ways to provide second language training in Inuktitut/Inuinnaqtun throughout all project phases as specified in the Project Certificate.

