



NEWS RELEASE

NIRB File No. 12MN036

Nunavut Impact Review Board issues revised Final Hearing Report following further Review of Sabina Gold & Silver Corp.'s Back River Gold Mine Project Proposal

CAMBRIDGE BAY, NU – July 18, 2017: The Nunavut Impact Review Board (NIRB or the Board) has completed its assessment of Sabina Gold & Silver Corp.'s Back River Gold Mine Project Proposal and has submitted its revised Final Hearing Report, including recommendations, to the Honourable Carolyn Bennett, Minister of Indigenous and Northern Affairs, and other Responsible Ministers for their review and decision. After a thorough review of the potential ecosystemic and socio-economic impacts of the proposed project, the Board has concluded that the Back River Gold Mine Project Proposal may proceed at this time.

Having recommended that the Project proceed, the Board has also recommended 94 terms and conditions that should govern the Project going forward, directed at ensuring that the Back River Project is developed, operated and reclaimed in a manner that would not unduly and adversely impact the ecosystemic integrity of the Nunavut Settlement Area. The terms and conditions include requirements and recommendations for:

- An Aquatic Effects Monitoring Plans Maintain designed to determine the short and long-term effects in the aquatic environment resulting from the Project and to assess the effectiveness of mitigation and management measures on Project effects;
- A Wildlife Mitigation and Monitoring Program Plan that includes detailed monitoring, mitigation and adaptive management measures for terrestrial wildlife and that reflects Inuit Qaujimagatuqangit, Traditional Knowledge and significant changes to the Project, wildlife, and surrounding environment;
- Detailed measures for the staged reduction of project activities, as well as rapid and planned operational shutdowns, should caribou occur in proximity to the project site;
- An Inuit Environmental Advisory Committee to ensure that Inuit Qaujimagatuqangit, Traditional Knowledge and the perspective of the communities affected by the Project are incorporated into Project designs and plans;
- A Caribou Technical Advisory Group that will include the Proponent, the Kitikmeot Inuit Association, the Government of Nunavut, and other relevant parties; and
- Contracted shipping companies to avoid sensitive wildlife habitat and species, monitor for marine mammals during transit, and utilize appropriate protocols and equipment required to reduce the potential for an accidental release of fuel or other deleterious substances into the marine environment; and
- A Back River Socio-Economic Monitoring Committee to develop and oversee the project's Socio-Economic Monitoring Program, in collaboration with other socio-economic stakeholders.

The scope of the Back River Gold Mine Project Proposal consists of the proposed mobilization, construction, operation, closure, reclamation, and post-closure monitoring of a gold mine operation in the Kitikmeot region of Nunavut. The Project would be located approximately 400 kilometres (km) southwest of the community of Cambridge Bay, 95 km southeast of the southern end of Bathurst Inlet, and 520 km northeast of Yellowknife, Northwest Territories. The proponent for the Back River Project is Sabina Gold & Silver Corp. (the Proponent).

Between 2012-2016, the Board conducted a thorough assessment of the Project involving the review of a *Draft* Environmental Impact Statement (DEIS) and a Final Environmental Impact Statement (FEIS) submitted by Sabina, numerous written comment periods, community meetings, technical meetings, a Pre-hearing Conference and a Final Hearing held in Cambridge Bay in April 2016. At the end of that process, as indicated in the Board's 2016 Final Hearing Report, the Board was left with concerns, uncertainty and a lack of confidence in proposed mitigations for specific effects that resulted in the Board concluding that the Project should not be allowed to proceed. The Board had particular concerns about the potential for serious adverse project-induced ecosystemic effects on caribou and other terrestrial wildlife, fish, freshwater and the marine environment and also concerns about the potential for adverse socio-economic effects associated with these ecosystemic effects that could not be reliably and adequately managed and mitigated.

In January 2017, the Minister of Indigenous and Northern Affairs (on behalf of the other Ministers with regulatory responsibility for the Project), referred the 2016 Final Hearing Report back to the Board under Article 12, Section 12.5.7(e) of the *Nunavut Agreement*. The referral required the Board to address and report back to the Minister regarding five (5) key areas of the Board's Report that the Minister considered to be deficient. Upon receipt of the Minister's referral, the Board directed that additional information was required from Sabina and the Intervenors to address the areas of uncertainty identified by the Board in the 2016 Final Hearing Report, specifically the potential for significant adverse effects associated with: caribou and terrestrial wildlife; freshwater aquatic environment; marine environment; water quality (ground and surface); and climate and meteorology.

In response, Sabina filed an Addendum to the Final Environmental Impact Statement (FEIS Addendum) in February 2017 and Intervenors provided further written submissions about the FEIS Addendum and the areas of deficiency. A technical meeting was conducted by teleconference amongst the parties and a supplemental Final Hearing focused primarily on the areas of deficiency and updated information in the FEIS Addendum was held for four (4) days in Cambridge Bay on May 31-June 3, 2017.

The revised Final Hearing Report builds onto, updates and replaces the Board's 2016 Final Hearing Report and reflects the significant additions to the effects assessment and important major revisions to the Proponent's proposed mitigation, management and monitoring measures for specific effects that have taken place in the 13 months since the release of the 2016 Final Hearing Report. For those who may have expressed concern that the Board's further consideration of the Project would be a "rubber stamp" only and would not lead to any substantive improvements to the Project, the Board notes that the further consideration was conducted with the same care and thoroughness as the original assessment.

The Board notes that Sabina's revised plans now constitute some of the most protective caribou protection measures ever developed for the Arctic. The revisions to the Project and plans are also unique in ensuring that there are clear adaptive management plans in place to prepare for the possibility of the Project overlapping with caribou calving grounds, even though the current caribou

calving grounds do not overlap with the Project. In the Board's view, this unique and highly protective approach to adaptive management of the potential for project-induced effects on already declining caribou populations is warranted, as the area surrounding the Project is relatively pristine and untouched by development. In addition, Inuit Qaujimaningit and Traditional Knowledge indicate that caribou used the area in the past for caribou calving and may one day return to the area over the projected 27-year span of the Project (from mobilization to decommissioning).

The 2017 revisions to the Proponent's plans not only improve the potential mitigation of project-induced effects on caribou and other terrestrial wildlife such as grizzlies, Sabina has also proposed significant enhancements and additions to the Project's effects monitoring programs. If fully implemented, this enhanced monitoring greatly increases the Board's confidence that Sabina would have the information necessary to respond rapidly if unpredicted or greater than predicted effects are identified.

The revised Final Hearing Report and the complete record of the technical review comments, extensive written submissions and evidence presented at both public hearings in respect of the Board's review are available online from the Board's public registry at www.nirb.ca by using either of the following search criteria:

- Project Name: Back River Project
- NIRB File No.: 12MN036
- Application No.: 124149

The NIRB is very grateful to all who actively participated in this assessment, and who worked in a collaborative and productive manner during the review process. Specifically, the Board thanks Sabina Gold & Silver Corp., various federal, territorial, and local government representatives, the Kitikmeot Inuit Association, Elders, community representatives, and members of the public who gave of their time, shared their experiences and expertise, and supported the Board's efforts to complete a thorough and timely assessment of the proposed project.

Sincerely,



Phillip (Omingmakyok) Kadlun
Board Panel Chairperson
Nunavut Impact Review Board

For more information, the media may contact:

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