



The Nunavut Regulatory Approval Process The Back River Example

Nunavut Mining Symposium: April, 2019

Sabina – A Gold Miner In The Making

A scarcity of gold and de-risked gold projects make Sabina one of the few highly leveraged undervalued opportunities

- ❑ 80km long multi-generational mining district with embedded growth in a good jurisdiction
- ❑ Will produce ~200k ounces Au/year
- ❑ Robust at US\$1150 gold and C\$0.80, 24% after tax IRR
- ❑ Capex is attainable
- ❑ Significant de-risking by completing pre-development works
- ❑ \$50.4 million in treasury at end of 2018
- ❑ Continued exploration drilling with new discoveries still being made

Back River Gold Project – Western Nunavut – Kitikmeot region



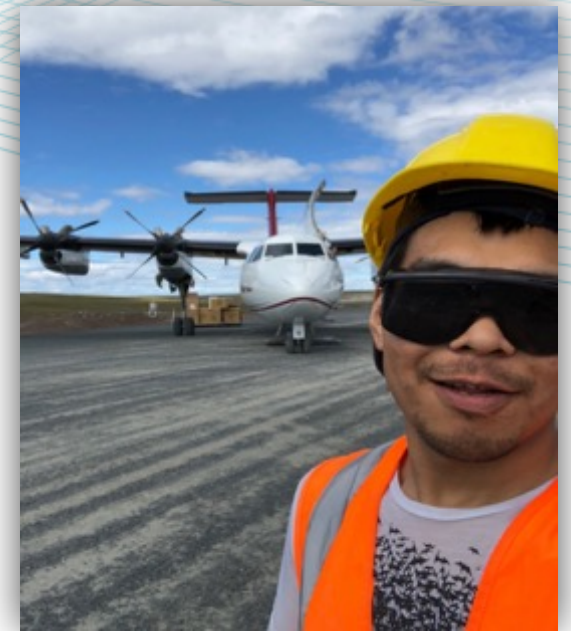
Key Steps in Advancing Back River

- ❑ Environmental Assessment Process
 - ❑ Nunavut Impact Review Board
- ❑ Type A Water License
 - ❑ Nunavut Water Board
- ❑ Impact Benefit Agreement & other Nunavut Agreement requirements
 - ❑ Kitikmeot Inuit Association
- ❑ Other approvals, authorizations, licenses and permits

Community Engagement



- ❑ 210 meetings in the Kitikmeot Region
- ❑ 269 meetings throughout the north
- ❑ Overwhelming support for the Project from Inuit



Government Engagement

	Number of Meetings	Officials Engaged
Federal Government Total	192	234
Indigenous and Northern Affairs Canada	39	37
Environment and Climate Change Canada	30	36
Fisheries and Oceans and Canadian Coast Guard (includes Canadian Hydrographic Service)	29	28
Transport Canada	10	35
Northern Development Agency (incl. Northern Projects Management Office)	27	12
Natural Resources Canada	15	15
Government of Nunavut	26	36
Government of Northwest Territories	4	8
Multi-Agency Meetings	6	N/A
Site Tours	4	27 (3 from GN on site tours)

as of August 1, 2018

Environmental Assessment Process

Process Milestone	Date
✓ Submitted Project Proposal to NIRB	June 14, 2012
✓ Minister Directs NIRB to Conduct a Part 5 Review of the Project	December 17, 2012
✓ NIRB issues Final Guidelines for the Review	April 30, 2013
✓ Draft Environmental Impact Statement Submitted by Sabina	January 20, 2014
✓ Technical Meetings, Community Roundtable and Pre-Hearing Conference	November 13 - 20, 2014
✓ Pre-Hearing Conference Decision Released	December 19, 2014
✓ Final Environmental Impact Statement Submitted by Sabina	November 23, 2015
✓ Final Technical Review and Public Hearings	April 25 – 30, 2016
✓ NIRB Project Recommendation on Minister's Desk	June 15, 2016
✓ Sabina starts work on issues raised in NIRB's Report	June 15, 2016
✓ Minister Directs NIRB to Reconsider the Project	January 12, 2017
✓ Sabina Provides FEIS Addendum	February 15, 2017
✓ NIRB Approved FEIS Addendum for Review, Technical Review Commences	February 23, 2017
✓ Final Written Submissions Submitted by Reviewing Parties	April 24, 2017
✓ Technical Meeting via Teleconference	May 24, 2017
✓ Final Hearings	May 31 - June 3, 2017
✓ NIRB Recommendation	July 18, 2017
✓ Minister Accepts NIRB Recommendation	December 6, 2017
✓ Final Project Certificate Issued	December 19, 2017

48 Months

18 Months

Water License Process

Process Milestone	Date
✓ * Sabina was previously in a coordinated process but opted to separate out the NIRB and NWB processes in 2015	January 20, 2014
✓ Revised Type A Water License Application Submitted	October 4, 2017
✓ Technical Meetings, and Pre-Hearing Conference	May 1-3, 2018
✓ Pre-Hearing Conference Decision Report	May 29, 2018
✓ Public Hearing	August 8-9, 2018
✓ NWB Project Decision on Ministers Desk	September 21, 2018
✓ Minister Accepts NWB Decision	November 6, 2018
✓ Type A Water License Issued	November 14, 2018



13 Months

Inuit Impact Benefit Agreement with KIA

- ❑ Signed April 2018
- ❑ 20 year term
- ❑ 1% Net Smelter Royalty
- ❑ 6.7 million shares – alignment as a shareholder
- ❑ Other definitive agreements
- ❑ Contracting Opportunities for Kitikmeot businesses
- ❑ Inuit Employment Targets
- ❑ \$4 million cash payment towards Regional Wealth Creation - A new initiative for creating long term benefits to the region and jobs outside of the mining industry



Other Approvals - Permits in Hand

- All major authorizations received for Construction, Operations & ongoing Exploration

Authorization No.	Expiry (year-mo-day)	Agency	Description
PC No. 007	N/A	Nunavut Impact Review Board	Back River Project NIRB Project Certificate
2AM-BRP1831	2031-12-31	Nunavut Water Board	Back River Type A Water License
N/A	2038-06-31	Kitikmeot Inuit Association	Inuit Impact and Benefit Agreement
KTCL-18D001	2038-04-20	Kitikmeot Inuit Association	Commercial Lease - Goose
KTCL-18D002	2038-04-20	Kitikmeot Inuit Association	Commercial Lease - MLA
KTCL-18D003	2038-04-20	Kitikmeot Inuit Association	Commercial Lease - Winter Road
KTAEL-18C001	2023-04-20	Kitikmeot Inuit Association	Advanced Exploration Lease - George
LUL-XX	5 years from Effective Date	Kitikmeot Inuit Association	Land Use Licence as per KIA Framework Agreement
KTL312C004	2018-12-12	Kitikmeot Inuit Association	Wishbone-Malley Exploration Activities
N2011F0029	2018-12-13	Crown-Indigenous Relations & Northern Affairs Canada	CAT Train Beechy Lake Area
N2017F0016	2022-07-20	Crown-Indigenous Relations & Northern Affairs Canada	CAT Train connecting Bathurst Inlet - Back River Project
N2012C0003	2019-02-06	Crown-Indigenous Relations & Northern Affairs Canada	Wishbone-Malley Exploration Activities
N2016C0011	2021-10-26	Crown-Indigenous Relations & Northern Affairs Canada	Back River Exploration Activities
N2018F0017	2023-10-11	Crown-Indigenous Relations & Northern Affairs Canada	Winter Ice Road Back River Project
Lease No. 76J/12-7-2	2048-08-14	Crown-Indigenous Relations & Northern Affairs Canada	Marine environment land lease - adjacent to MLA
2BE-GOO1520	2020-02-18	Nunavut Water Board	Goose Water Licence (Type B)
2BE-GEO1520	2020-05-29	Nunavut Water Board	George Water Licence (Type B)
2BE-MLL1722	2022-06-29	Nunavut Water Board	Wishbone-Malley Water Licence (Type B)
2BC-BRP1819	2018-11-14	Nunavut Water Board	Type B Development Works Water Licence (Replaced by Type A)
18-HCAA-00185	N/A	Department of Fisheries & Oceans	Letter of Authorization - Gander Culvert
18-HCAA-00971	N/A	Department of Fisheries & Oceans	Letter of Authorization - MLA
04 005 18R-M	2018-12-31	Nunavut Research Institute	Back River Project Scientific Research License
2012-600767-002	N/A	Transport Canada	Navigation Protection Act - MLA Discharge Pipeline Permission
2012-600767-003	N/A	Transport Canada	Navigation Protection Act - MLA Intake Pipeline Permission



Permits Required for Full Advancement

Permits	Submission Date	Expected Date of Receipt	Required Date
Environment & Climate Change Canada • Metal & Diamond Mining Effluent Regulation Schedule 2 Listing for the Tailing Storage Facility	Q4, 2018	H2, 2020	H2, 2022
Department of Fisheries & Oceans • Fisheries Offset Plan Authorization	September 12, 2018	Q2, 2019	Q2, 2020
Crown-Indigenous Relations & Northern Affairs • Tailings Storage Facility Land Lease	April 24, 2018	Q4, 2018	H1, 2022
Transport Canada Approval • Lightering Barge Terminal	May 16, 2018	Q1, 2019	Q2, 2020
Transport Canada Approval (x2) • Llama Lake Dewatering • Umwelt Lake Dewatering	July 19, 2018	Q2, 2019	Q2, 2020



What did it take to get here

- ❑ Patience
- ❑ 6 years of effort
- ❑ Approximately \$40 million dollars
- ❑ A lot of facetime, thus flying – VP took an estimated 400 flights!
- ❑ Over 450 meetings with communities and government
- ❑ Building strong relationships with Inuit, Nunavummiut, KIA, and Government

Things to keep in Mind – In my Experience...

- Remember whose land you are on – Back River is on Inuit Owned Land thus we are only able to advance with Inuit support
- Nunavummiut, and particularly Inuit, are resourceful, caring, respectful individuals and know their land and their surrounding better than anyone – their knowledge and insights are invaluable
- Strong trusting relationships aren't built in a day – they take time and effort from both sides
- Nunavut, like many jurisdictions, is notorious for moderate functioning government staff with extremely high turnover
- Governments generally support responsible resource development – but Government staff don't always follow the Governments lead
- Most Nunavummiut understand the challenges for employment and economic prosperity in Nunavut and most believe responsible resource development will play an important role in Nunavut's future

