



Back River (Hannigayok) Project Update

Nunavut Mining Symposium

April, 2014

Who is Sabina Gold & Silver Corp?

- Sabina is a Vancouver, Canada based precious metals company on track to become a mid-tier gold producer
- Listed on the Toronto Stock Exchange (TSX: SBB)
- Skilled staff with extensive northern experience
- Projects in Nunavut and other parts of Canada
 - Back River Gold Project, Nunavut
 - Wishbone Greenstone Belt, Nunavut
 - Newman Madsen, Ontario
 - A significant silver royalty on the Hackett River Project, Nunavut
- Approximately \$58 million year end balance



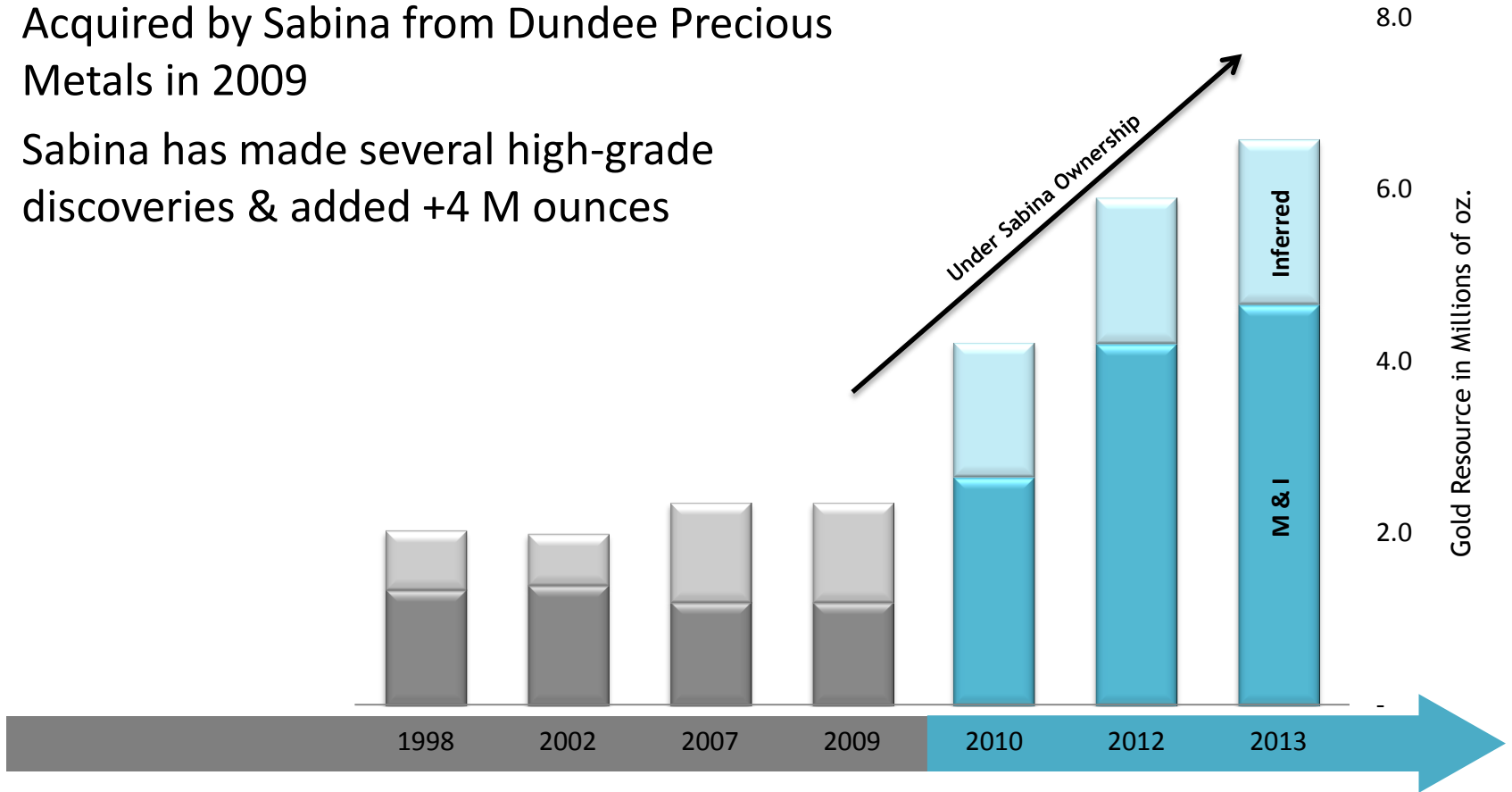
Back River Project

- A proposed gold mine in the western Kitikmeot Region of Nunavut, 100% owned by Sabina Gold & Silver Corp.
- Exploration commenced in 1982. Project has had a number of different owners since. Sabina acquired the Project in 2009.
- 5.2 M Oz in Measured & Indicated and 2 M Oz in Inferred
- Currently in the engineering & environmental assessment stage
- Investors and positive investment perceptions will be required
- Positive Pre-Feasibility Study issued in October 2013
- Three key Project Areas
 - Goose, George, & Marine Laydown Area



Back River – History

- Acquired by Sabina from Dundee Precious Metals in 2009
- Sabina has made several high-grade discoveries & added +4 M ounces



1980's & 90s
George & Goose deposit discoveries

1997-2009
Project owned by Arauco, Kinross, Miramar & DPM

June 2009
Project acquired by Sabina

2010-2013
+170% resource growth under Sabina





Back River Project – Existing Camps



Goose Property (Summer, 2013)

Back River Project – Existing Camps



George Property (Summer, 2013)

What are we proposing to build?

- Open pit and underground mining operations
 - 6 mining areas
 - 10 years + of production
 - ~300,000 ounces of gold annually
 - Supplied via some combination of seasonal shipping, year-round aircraft, and/or winter roads to the south
 - Remote, fly in/fly out mine site
 - Gold produced at the mine will be shipped by air as doré bars
- Accommodations (not all occupied at the same time):
 - Goose: up to 700 person camp
 - George: up to 150 person camp
 - Marine Laydown Area: up to 100 person camp
- Processing plant at Goose Property (up to 5,000 tonnes/day)
 - Crushing and grinding, gravity separation, cyanide leaching, carbon recovery
- Tailings facility at Goose Property
- Waste rock storage areas

What are we proposing to build? (Continued)

- Marine Laydown Area (MLA) at Bathurst Inlet
- Open water shipping only
- All-weather roads within each property
- Seasonal winter roads to connect the three properties
- All-weather airstrips at Goose and George, seasonal airstrip at MLA
- Other buildings (e.g. administrative complex, facilities, maintenance facilities, warehousing)
- Fuel and bulk storage areas
- Water and waste management facilities
- Power generation facilities
- Explosives storage

Opportunities from the Back River Project

2013 Economic Impact Model Report – Draft Findings*

Direct employment of approximately:

- 1,291 person-years for the Kitikmeot Region
- 5,642 person-years for all of Canada

Total employment (direct, indirect, and induced) of approximately:

- 2,674 person-years for the Kitikmeot Region
- 5,352 person-years for Nunavut
- 34,286 person-years for all of Canada

*Construction and operations combined from PEA

Opportunities from the Back River Project

2013 Economic Impact Model Report – Draft Findings*

Total GDP (direct, indirect, and induced) contributions of approximately:

- \$403.0 million in the Kitikmeot Region
- \$629.1 million in Nunavut
- \$3,454.7 million in all of Canada

Total tax revenue (federal and provincial/territorial) contributions of approximately:

- \$113.2 million from economic activity in the Kitikmeot Region
- \$137.0 million in Nunavut
- \$616.3 million for all of Canada

*Construction and operations combined from PEA

Opportunities from the Back River Project

- Hiring preference for those located in nearby Kitikmeot communities
- Training programs for northern hires to be established
- Contracting and business development opportunities will be made available
- Contracting preference for Kitikmeot and Nunavut companies
- Taxes, royalties, Inuit Impact and Benefit Agreement (IIBA)



2013 & Planned 2014 Work Programs

2013

- Approximately \$75M spent
- 83,000 m of drilling
 - Geotechnical, infill and extension drilling, regional exploration program
- Engineering and environmental studies continue to advance
- Site improvements
 - Permanent Airstrip & Fuel Storage
- Community engagement

2014

- Approximately \$19M planned
- 8,600 m of drilling
- Engineering (FS) and environmental studies continue to advance
- Community Engagement



Northern Hiring and Contracting – 2013

Employment

- 58 Inuit employees (of approximately 200 total employees)
 - Kugluktuk (9)
 - Cambridge Bay (17)
 - Gjoa Haven (24)
 - Taloyoak (4)
 - Kugaaruk (2)
- \$1,654,590.00 gross payroll value

Contracting and Services

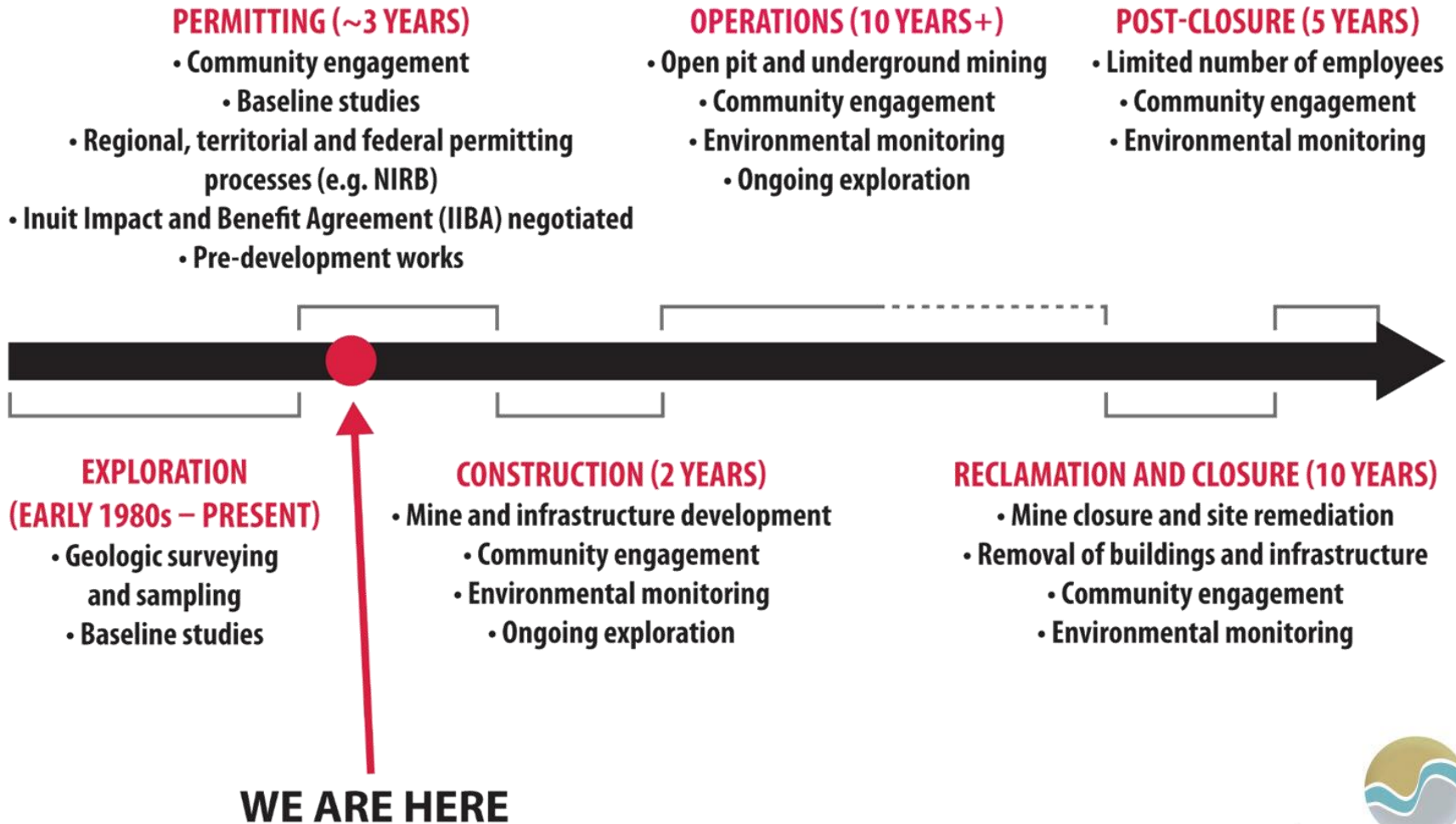
- Total value of transactions with Inuit registered-firms: \$9,478,380.00

Working with Local Communities

- Community Liaison Officer and office in Cambridge Bay
- Public meetings
- Community advisory groups
- Meetings with key stakeholder groups (e.g. HTOs, Hamlets, youth)
- TK study with the KIA leading
- Donations
- Social media (e.g. website, Twitter)
- Community newsletters and informational materials (e.g. fact sheets, posters, maps)
- Radio shows and information booths
- IIBA to be negotiated



Project Timeline



Completed Permitting Milestones

- ✓ June, 2012: Process commenced with submission of Project Description
- ✓ Dec, 2012: Part 5 Review decision by the Minister of Aboriginal Affairs and Northern Development Canada
- ✓ May, 2013: EIS Guidelines were developed by NIRB
- ✓ Oct, 2013: Sabina submitted a positive Prefeasibility study
- ✓ Jan, 2014: Draft EIS Submitted
- ✓ Feb, 2014: NIRB decision of positive conformity
- Currently in the Technical Review Phase



www.backriverproject.com

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