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Memo

To: Chris Hanks, Bill Patterson, Lea-Marie **Date:** 2010.09.21

Bowes-Lyon

cc: Deborah Muggli, Christine Kowbel From: Iozsef Miskolczi, Tayfun Gurdal,

Maritz Rykaart 1CH008.027

Subject: Design Brief: Doris North Project

Cyanide and Reagent Storage

Facilities

1 Introduction

Hope Bay Mining Limited (HBML), a wholly owned subsidiary of Newmont Mining Company (NMC) is currently in the process of constructing their Doris North Project (Project) in the Kitikmeot region of Nunavut, Canada. On site reagent and cyanide storage follow best practice guidelines; however, NMC's in-house 5-star standards exceed these standards. NMC propose to construct purpose built secondary containment facilities for the reagent and cyanide storage. The amount of on-site reagent and cyanide storage has not changed from the original design intent.

Project #:

This memo provides complete design details of the secondary containment facilities for the reagent and cyanide storage. This should be read in conjunction with the attached detailed engineering drawings (Attachments A and B).

2 Design Concept

The existing reagent and cyanide storage plans at the Doris North Camp have been designed in accordance with all Federal and Territorial regulations and guidelines. In addition, NMC has internal 5-star Standards that were adopted, where they exceeded the stated Federal and Territorial regulations and standards. The NMC standards are based on the International Cyanide Code. The design of the reagent and cyanide storage areas and secondary containment facilities described in this design brief is in exact conformance.

Since the Doris North Project is being constructed on KIA land, HBML has secured a Commercial Lease for the property. The proposed locations of the reagent and cyanide storage facilities are within the Commercial Lease boundary. The KIA has approved this proposal.

3 Storage Area Alternatives

Reagent and cyanide were to be stored on the Roberts Bay and Doris Camp laydown areas. In preparing the revised plan, these alternatives were re-evaluated with an alternative to house the storage facilities on the Reagent Pads (Upper and Lower). There is no real distinction between these alternatives other than the Reagent Pads having the most available space therefore the Lower Reagent Pad was selected as the preferred location. In creating these new storage areas, the overall Project footprint does not increase in any way.

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4 System Design

4.1 Design Criteria

After incorporating all Federal and Territorial regulations and guidelines, including NMC's 5-star standards (see Section 2 of this design brief), SRK consulted with the Prime contractor and their specialist sub-contractor, who will be constructing the facility, to ensure constructability of the intended design. These inputs were collated and resulted in the following primary design criteria for the reagent and cyanide storage areas:

- A distinction will not be made between the reagent and cyanide storage areas. They will be designed according to the same standards.
- Reagents and cyanide are shipped to the site in designated packages and stored in seacans (shipping containers).
- These containers are offloaded from the barges, loaded onto a low-bed truck and then transported to the reagent or cyanide storage facility.
- From within a lined secondary containment area, the container is off-loaded using a container stacker or forklift and stacked 2 to 3 high within lined secondary containment area.
- The secondary containment area is large enough to ensure that the unloading equipment can move freely in all directions.
- The facilities are designed to contain the entire volume of one container (67 m³) in case of a spill, as well as 25% of annual snow cover combined with a 1-in-100 year 24-hr storm event. Based on this, combined required storage volume is 107 m³. Based on design footprint of the facilities, this volume corresponds to a berm height of only 60 mm.
- Ramps into and out of the facility cannot be steeper than 10%.

4.2 Survey Data

The design of the reagent and cyanide storage facilities is based on as-built topographical surveys of the Reagent Pads supplied by HBML.

4.3 Foundation Conditions

Comprehensive geotechnical investigations have been carried out at the Doris North Site (SRK 2009). This information confirms that the area lies within the zone of continuous permafrost, with the permafrost being up to 550 m deep. Permafrost temperature at the surface is about -8°C and the active layer is generally less than 1 m thick. Laboratory and in-situ tests on disturbed and undisturbed samples indicate that the overburden soils are predominantly comprised of marine silts and clays, and the pore-water in these soils has high salinity, depressing the freezing point to -2°C. The ice-rich overburden soils are typically between 5 and 20 m deep, before encountering competent bedrock, predominantly basalt. Bedrock is frequently exposed, rising columnar 5 to 100 m above the surrounding landscape.

Thermal modeling was completed to determine how much fill would be required over the tundra to ensure the permafrost would be preserved for infrastructure construction such as the reagent and cyanide storage areas (SRK 2006). The Lower Reagent Pad, where the storage facilities will be constructed, has a minimum fill thickness of 1 m. Once the reagent and cyanide facilities are constructed, the total fill thickness will increase to between 1.7 and over 2 m thick which is more than sufficient to ensure preservation of the permafrost.

4.4 Secondary Containment Design

Each facility measures about 43 m by 43 m as illustrated in Attachments A and B. Secondary containment will be provided using a pre-fabricated steel containment berm covered with a 60-mil chemical resistant HDPE liner sandwiched between two 12-oz non-woven geotextiles. The liner is underlain with crush as a bedding material and overlain with at least 60 cm of crush as a surface protection layer.

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4.5 Security

Each of the two facilities will have a 2.5 m high chain-link fence around it with gates for access control.

4.6 Access Ramps

The storage areas will be accessed through ramps entering and exiting the facility. To ensure adequate protection of the liner in this high traffic zone, the 6 m wide access road will have at least 0.9 m cover material over the liner. The access ramps will have grades that do not exceed 10%.

4.7 Sump

A sump will be constructed within the secondary containment area of each facility. The area will be graded to have positive drainage towards the sump for collection of surface water and/or chemical spills. When the sump contains liquid, it will be tested. If it meets discharge criteria it will be pumped out and spread out on the tundra or used as dust suppressant on the roads. If the liquid does not meet the discharge criteria it will be pumped to empty containers for proper off-site disposal at a registered hazardous waste disposal site.

5 Construction Methodology

The steel containment berm and liner materials will be sourced from suppliers and shipped to site. Crush material, for use in the construction, will be sourced from the existing crusher plant, which uses material developed from Quarry #2. Complete quantities are presented in Attachment A and B.

6 References

SRK Consulting (Canada) Inc., 2006. Doris North Project – Thermal modeling to support design thickness for granular pads. Technical Memorandum, Prepared for Miramar Hope Bay Limited, Project Number: 1CM014.008, August 20, 2006.

Attachment A Reagent Drawings

Engineering Drawings for the Reagent Storage Facility, Doris North Project, Nunavut, Canada

ACTIVE DRAWING STATUS

SRK DWG NUMBER	NEWMONT DWG NUMBER	DRAWING TITLE	REVISION	DATE	STATUS
DN-RSF-00	HB+D-CIV-CIV-OND-0103	Engineering Drawings for the Reagent Storage Facility	Α	Sept. 17, 2010	Issued for Discussion
DN-RSF-01	HB+D-CIV-CIV-OND-0104	Reagent Storage Facility - General Arrangement	A	Sept. 17, 2010	Issued for Discussion
DN-RSF-02	HB+D-CIV-CIV-OND-0105	Reagent Storage Facility - Plan	A	Sept. 17, 2010	Issued for Discussion
DN-RSF-03	HB+D-CIV-CIV-OND-0106	Reagent Storage Facility - Sections	A	Sept. 17, 2010	Issued for Discussion
DN-RSF-04	HB+D-CIV-CIV-OND-0107	Reagent Storage Facility - Details	A	Sept. 17, 2010	Issued for Discussion
DN-RSF-05	HB+D-CIV-CIV-OND-0108	Reagent Storage Facility - Material Specifications	A	Sept. 17, 2010	Issued for Discussion

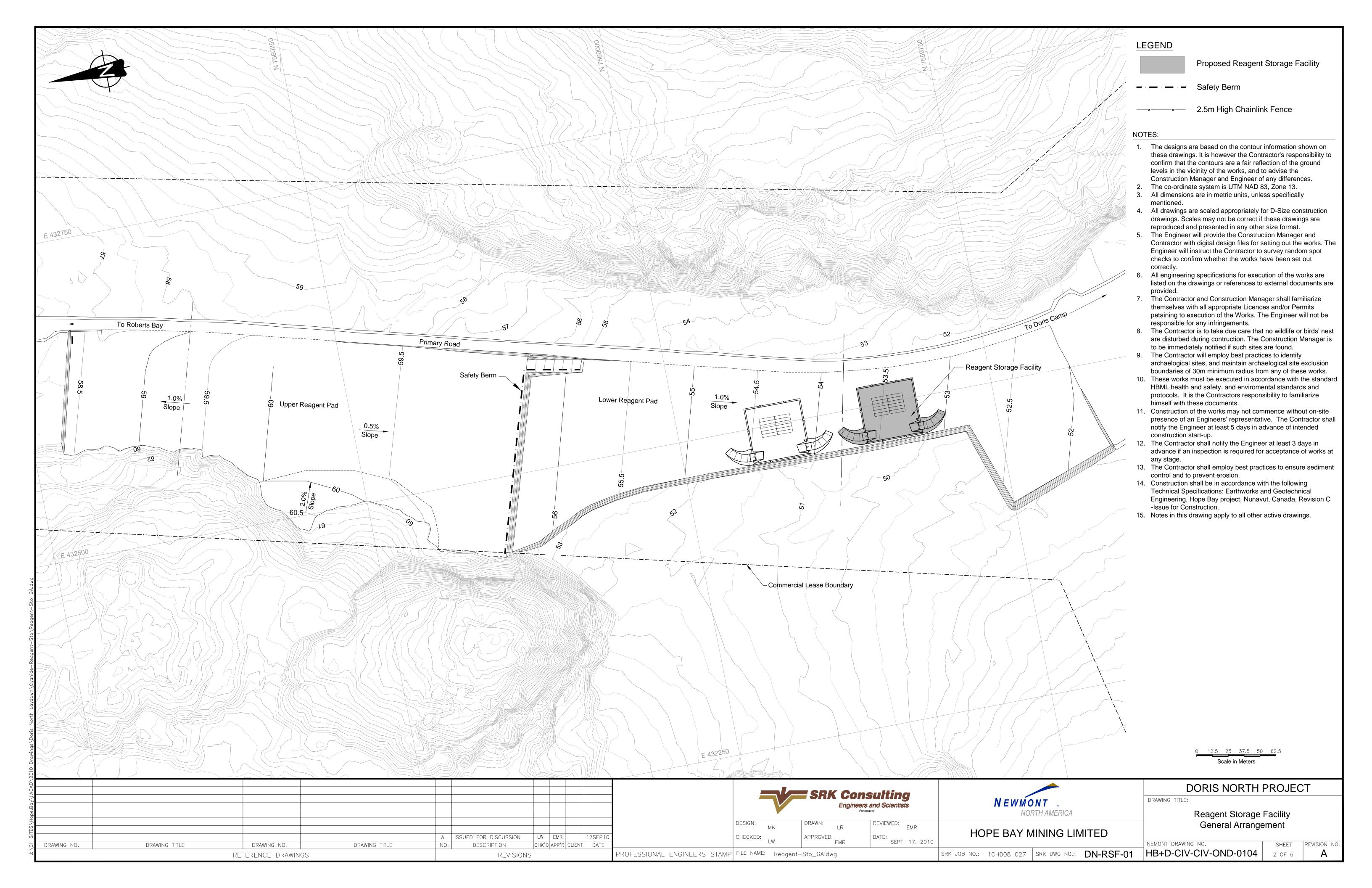
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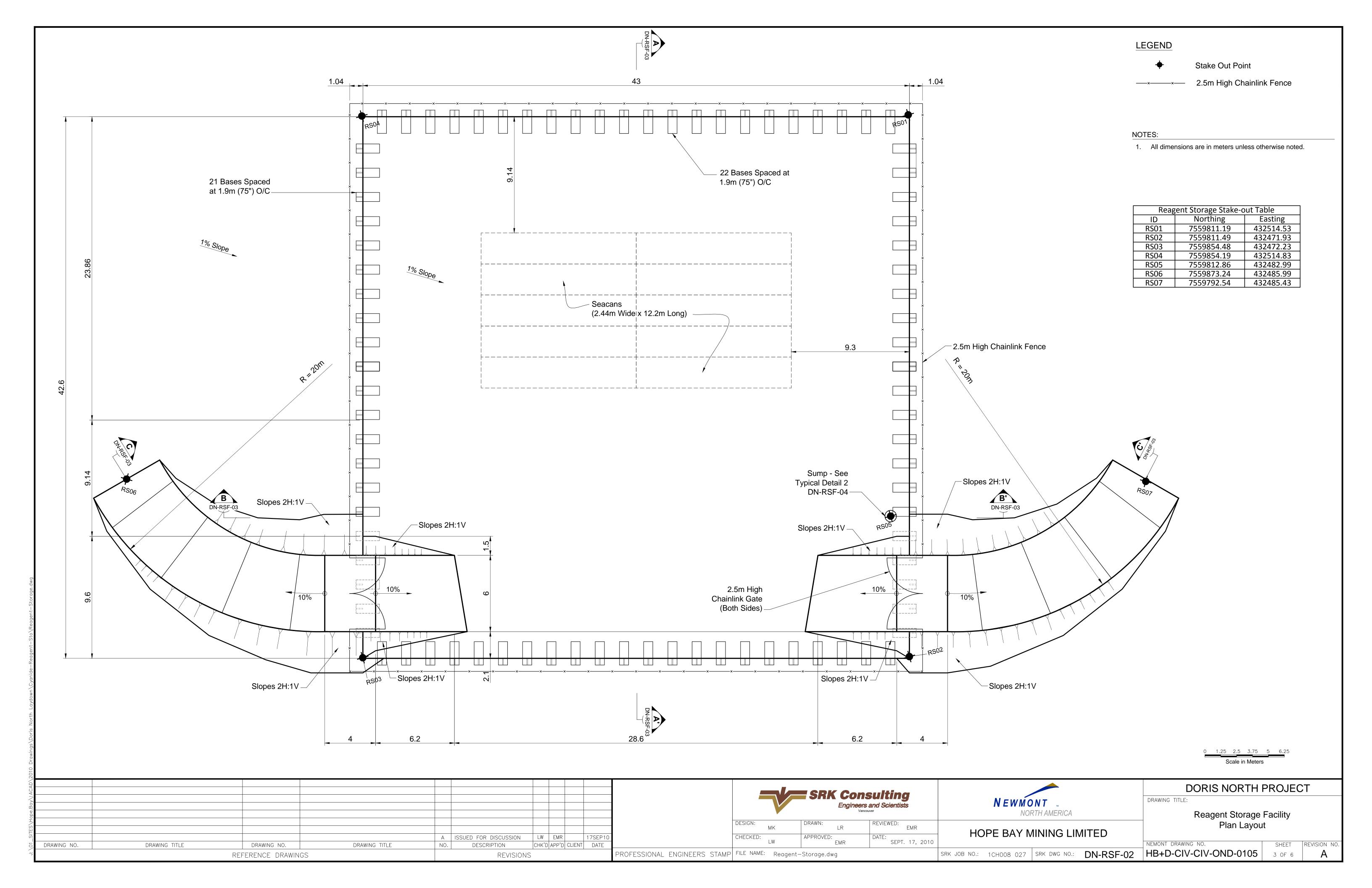


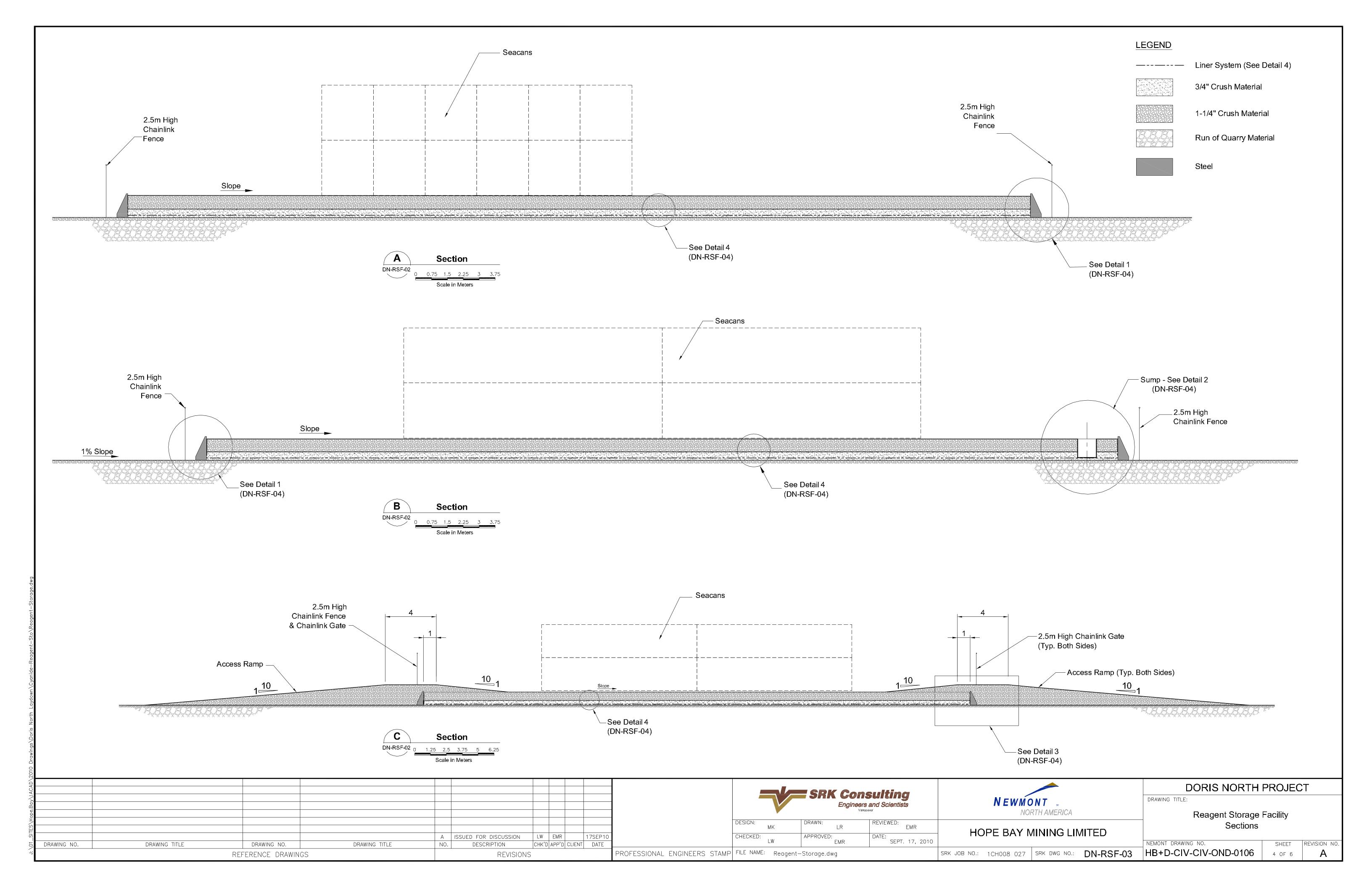
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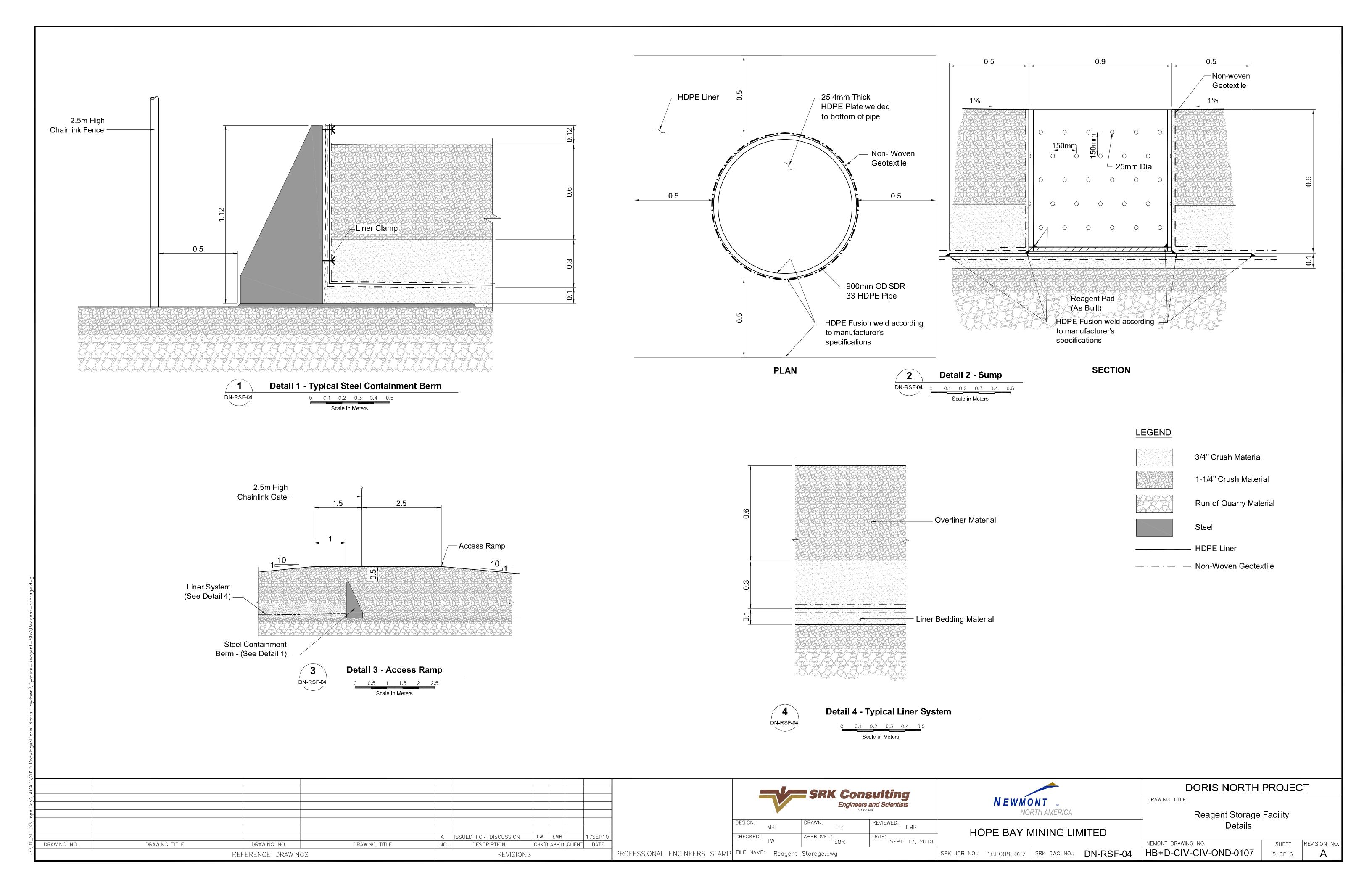
Revision A Sept. 17, 2010

DN-RSF-00/ HB+D-CIV-CIV-OND-0103







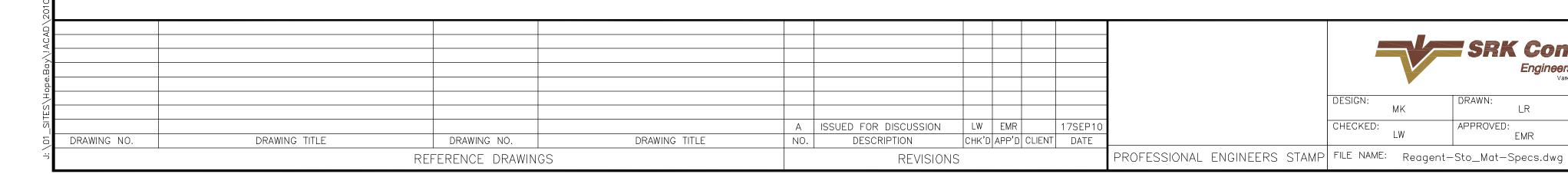


Notes

- Soil classification for these works are based on the Unified Soil Classification System (USCS).
- On bare tundra surfaces the maximum snow thickness allowed prior to fill placement shall be 102mm (4"). On all other surfaces complete snow removal is required. The Engineer must approve all surfaces prior to placement of any construction material.
- Snow and ice on construction material must be removed prior to loading for construction use.
- Due care must be taken when placing fill materials such that no damage occurs to the subgrade and/or culverts. Any damage must be immediately reported to the Engineer.
- Maximum lift thickness of ROQ is 1.85m. Staged construction will be required where fill thickness exceeds 1.85m.
- In areas where staged construction is required, all snow shall be removed and the surface scarified prior to placing the next lift. The Engineer will approve such staged construction.
- Run of Quarry, and Surfacing material has to be compacted after placement.
- Compaction will be a field specification, based on trial compaction tests to be carried out by the Contractor to the satisfaction of the Engineer.
- It is the Contractor's responsibility to create the construction materials as specified through appropriate crushing. Any deviations must be approved by the Engineer.
- Construction fill material shall be from approved rock quarries, shall be non-acid generating, free of organic material or similar impurities, as well as snow and ice.
- 11. Construction fill material must be free of overburden soils. Such unsuitable material shall be disposed of in a designated on site disposal area as outlined in the Contractors' quarry development plan.
- 12. Construction fill material will not have to be washed to remove blast residues or fines, unless specifically instructed by the Engineer.
- 13. Run of Quarry (ROQ) shall be well-graded, containing sufficient quantities of gravel, sand, and silt sized material. For fill thickness <0.85m the maximum boulder size shall not exceed 500mm. For fill thickness >0.85m the maximum boulder size shall not exceed 900mm.
- 14. Surfacing material shall be a well-graded manufactured crush product produced from ROQ material. The screen size shall be no greater than 51mm (2") but no smaller than 32mm (1 $\frac{1}{4}$ ").
- 15. 3/4" finishing material shall be well-graded manufactured crush product produced from ROQ material. The screen size shall be no greater than 32mm (1-1/4") but no smaller than 19mm (3/4").
- 16. ROQ material shall be visually inspected by the Engineer on a routine basis and the Contractor will be advised if the material does not meet the specification.
- 17. The Contractor shall collect samples of the surfacing material directly from the crusher stockpile and submit for laboratory testing including but not limited to grain size distribution, and moisture content at least 1 sample every 8,000m³. The Engineer may conduct additional sampling and testing as deemed necessary.
- Sample collection and testing of ROQ, and surface material for geochemical suitability is required and will be carried out by the Site Environmental Manager in accordance with procedures developed by SRK.

Materials List and Quantities

Item	Quantity/Area/Volume		Description	
1. 3/4" Finishing Material	Liner Subgrade	190 m ³		
	Overliner	550 m ³		
	Total	740 m ³		
2. Surfacing Material	Overliner	1,100 m ³	Approximate hand calculation	
	Ramps (2)	330 m ³	to neat lines.	
	Total	1,430 m ³		
3. Geotextile	Geotextile (2 layers)	4,020 m ²		
4. Geomembrane	Geomembrane	2,010 m ²	1	
5. C- Ring Brace	C-Ring Brace	82 units		
6. C-Ring Pad	C - Ring Pad	82 units		
7. Wall Panels	Full Wall Panels (44'x112.5")	54 units		
	Half Wall Panels (44"x56.25")	2 units		
	Corner panels	4 units		
	Total	60 units		
8. 3/8" x 1" Bolt	Full Wall Panels (44'x112.5")	1,458 units		
	Half Wall Panels (44"x56.25")	54 units		
	Corner panels	108 units	Estimate based on	
	C- Ring Brace	328 units		
	Total	1,948 units	manufacturers specifications.	
9. 3/8" Flange Nut	Full Wall Panels (44'x112.5")	1,458 units		
	Half Wall Panels (44"x56.25")	54 units		
	Corner panels	108 units		
	C- Ring Brace	328 units		
	Total	1,948 units		
10. 1/4"x1-1/2" TEKS Screw	C-Ring Brace	328 units		
	Total	328 units		







DORIS NORTH PROJECT					
DRAWING TITLE:					
Reagent Storage Facility Material Specifications					
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NEMONT DRAWING NO.	SHEET	REVISION	NO		

Attachment B Cyanide Drawings

Engineering Drawings for the Cyanide Storage Facility, Doris North Project, Nunavut, Canada

ACTIVE DRAWING STATUS

SRK DWG NUMBER	NEWMONT DWG NUMBER	DRAWING TITLE	REVISION	DATE	STATUS
DN-CSF-00	HB+D-CIV-CIV-OND-0092	Engineering Drawings for the Cyanide Storage Facility	A	Sept. 17, 2010	Issued for Discussion
DN-CSF-01	HB+D-CIV-CIV-OND-0093	Cyanide Storage Facility - General Arrangement	A	Sept. 17, 2010	Issued for Discussion
DN-CSF-02	HB+D-CIV-CIV-OND-0094	Cyanide Storage Facility - Plan	Α	Sept. 17, 2010	Issued for Discussion
DN-CSF-03	HB+D-CIV-CIV-OND-0095	Cyanide Storage Facility - Sections	A	Sept. 17, 2010	Issued for Discussion
DN-CSF-04	HB+D-CIV-CIV-OND-0096	Cyanide Storage Facility - Details	A	Sept. 17, 2010	Issued for Discussion
DN-CSF-05	HB+D-CIV-CIV-OND-0097	Cyanide Storage Facility - Material Specifications	A	Sept. 17, 2010	Issued for Discussion

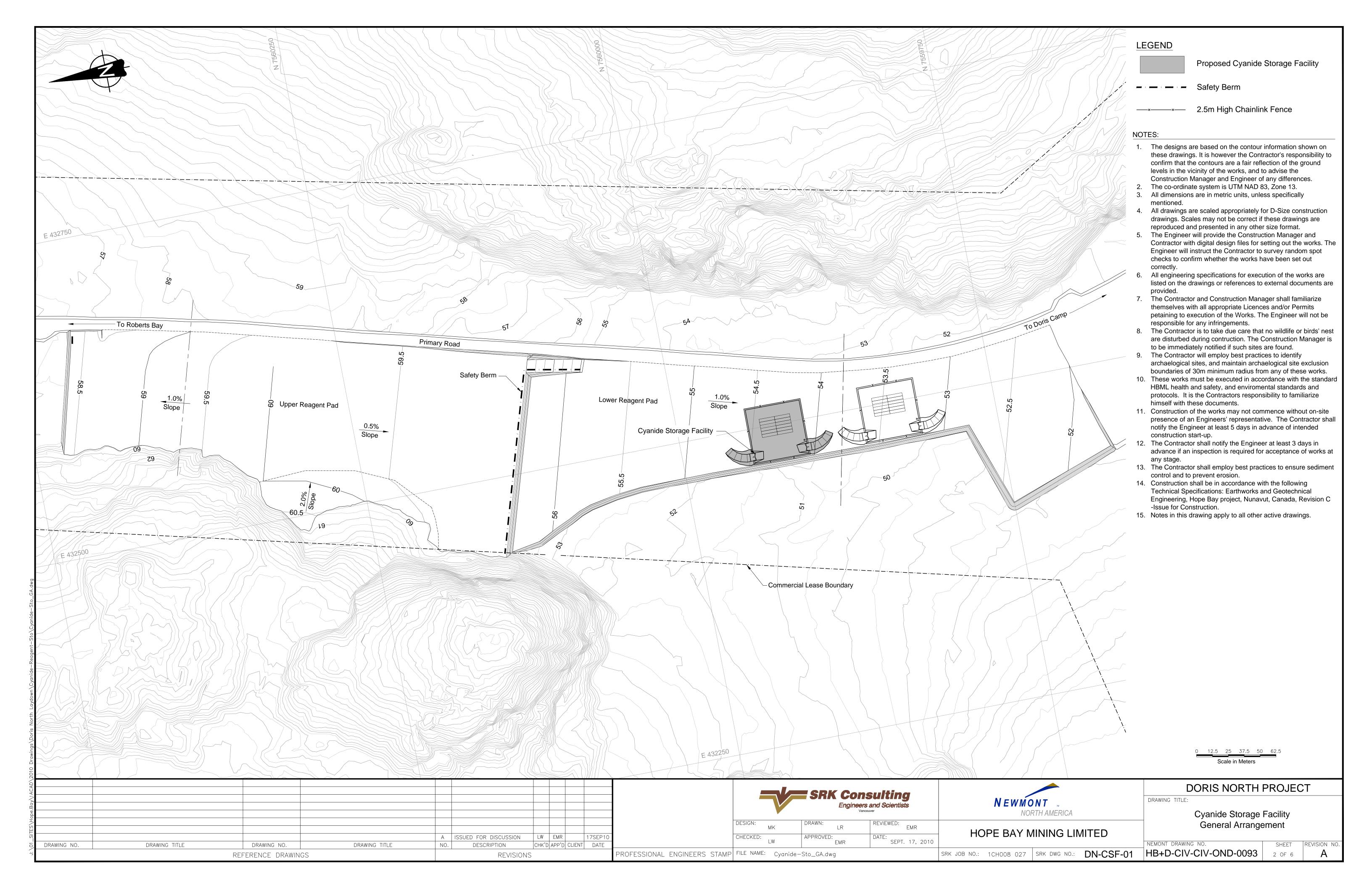
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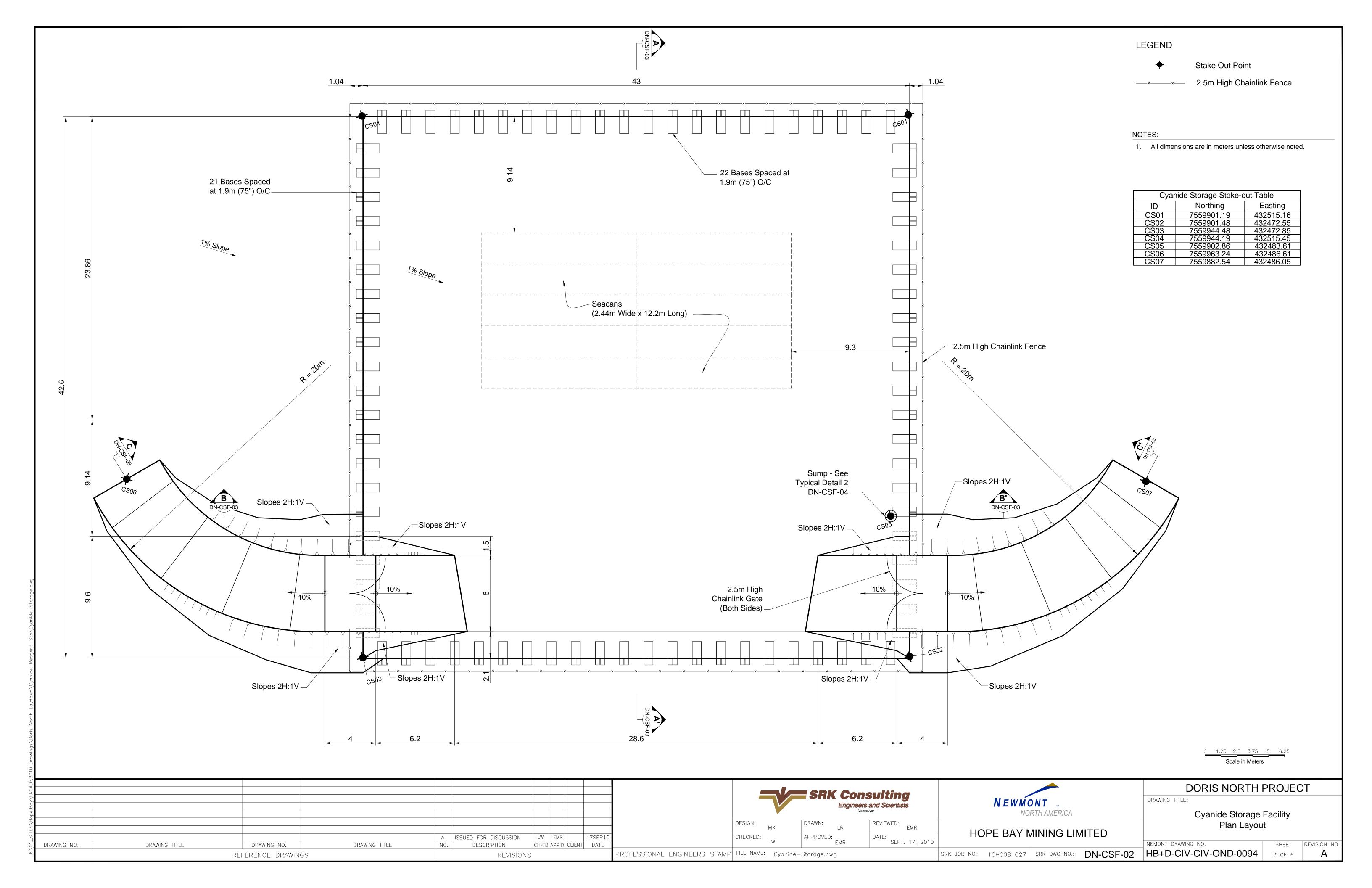


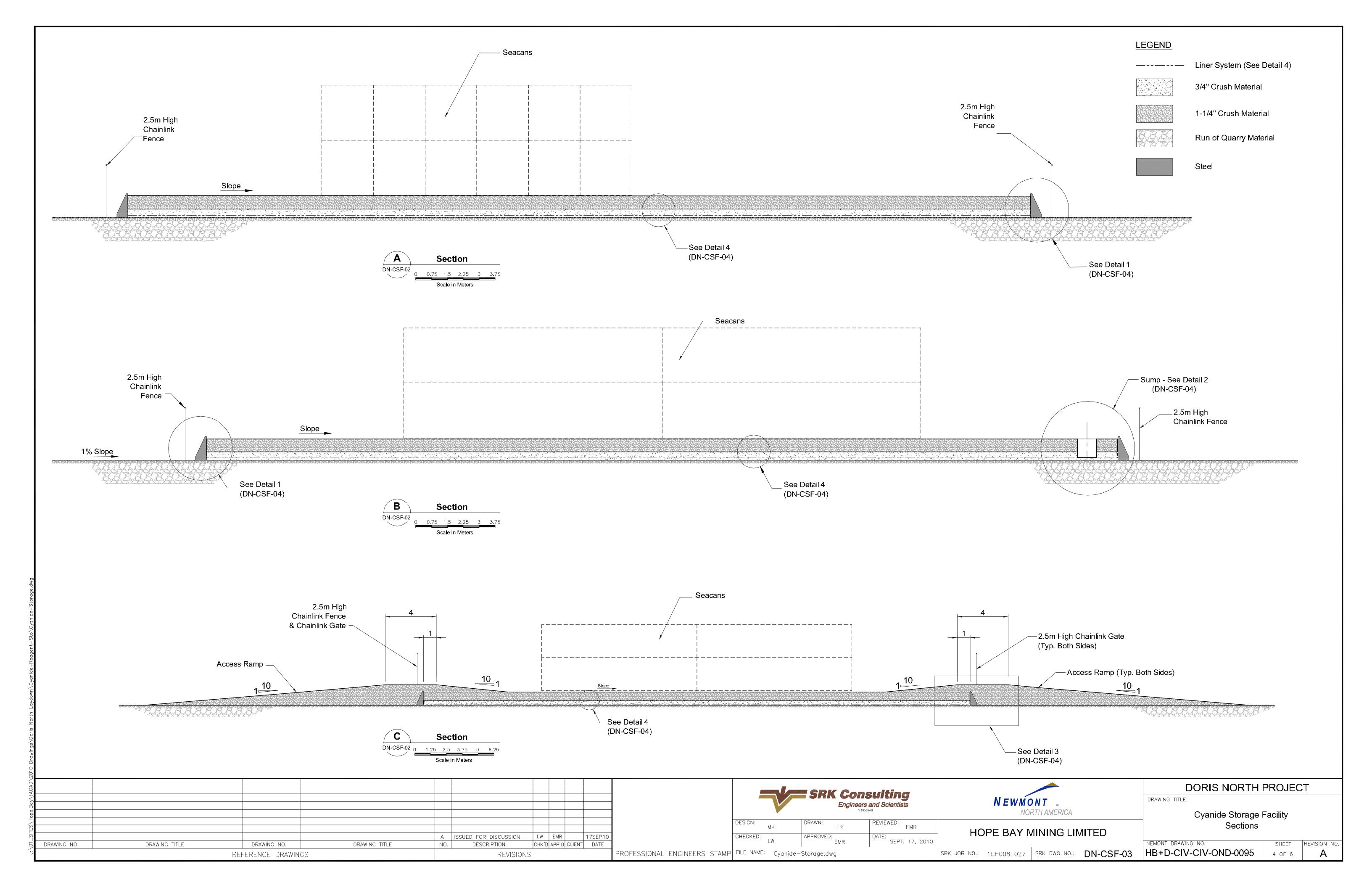
PROJECT NO: 1CH008.027 ISSUED FOR DISCUSSION

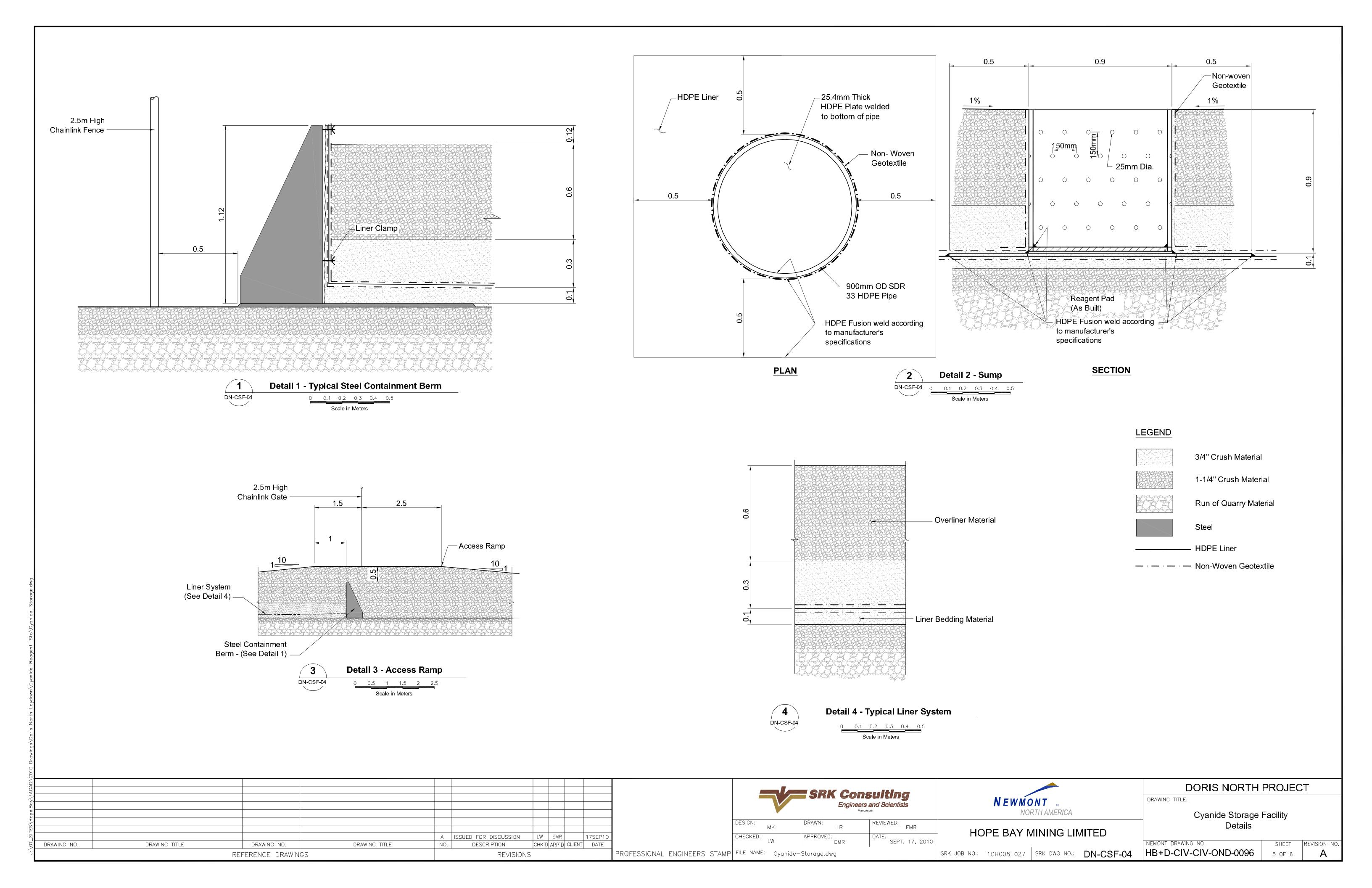
Revision A Sept. 17, 2010

DN-CSF-00/ HB+D-CIV-CIV-OND-0092







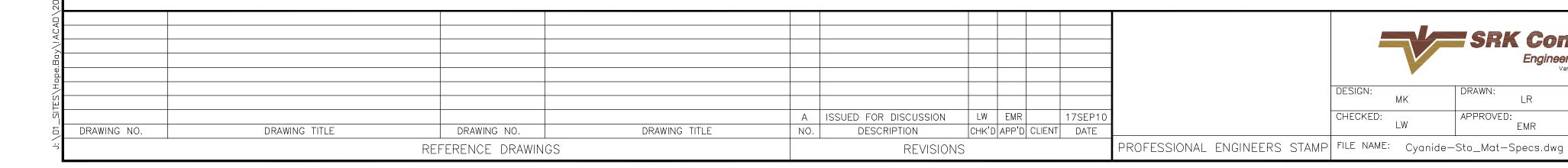


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	Total	328 units		





NEWMONT ... NORTH AMERICA

DORIS NORTH PROJECT DRAWING TITLE: Cyanide Storage Facility

SEPT. 17, 2010 SRK JOB NO.: 1CH008 027 | SRK DWG NO.: DN-CSF-05 | HB+D-CIV-CIV-OND-0097

Material Specifications NEMONT DRAWING NO. REVISION NO. SHEET

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