



Hope Bay Mining Ltd.
Suite 300
889 Harbourside Drive
North Vancouver, BC
V7P 3S1
T 604.985.2572
F 604.980.0731
www.newmont.com

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Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
X0B 1JO

Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, NU
X0B 0C0

Attn: Phyllis Beaulieu, Nunavut Water Board
Ryan Berry, Nunavut Impact Review Board

**Applications for Amendment No. 2 of Type A Water Licence No. 2-AM-DOH0713
(the "Type A Water Licence")**

Please find enclosed our Application No. 2 to amend Type A Water Licence 2AM-DOH0713 (the "Type A Water Licence").

After listening to several of the regulators, including the Nunavut Water Board ("NWB"), at the Mineral Development Advisory Group Meeting held October 26-27, 2011, we have decided not to include the revision to the Doris North camp potable water source or amendment to permit use of clean underground rock in surface infrastructure in this application. These will be included in the upcoming Amendment Application No. 3. These important items were deferred because the approval of the additional fuel tanks at Roberts Bay is critical to 2011 Project development.

In order to meet Project construction timelines, HBML seeks the NWB's permission to commence construction of its expanded Fuel Storage and Containment Facility no later than March 2011. Amendment Application No. 2 originally contained all of the changes that we require to continue construction of the Doris North Project in 2011. HBML recognizes that processing timelines for this application may be challenging as HBML delayed submission in order to respond to requests by regulatory authorities to consolidate amendment applications to the extent possible. It is hoped that the March

2011 date for the fuel tanks can still be achieved as a result of the changes HBML has made to Application No. 2. To that end, please let HBML know if there is any additional information required in order for the NWB or NIRB to proceed with processing this application.

In this application, HBML is requesting that the NWB amend the Type A Water Licence to permit HBML to construct and operate the following:

- expansion of fuel storage and containment facility from 14 to 36 ML to provide Doris North with adequate operational and contingency fuel in the best possible environmentally protective manner;
- airstrip/bypass road expansion; and
- revised location of cyanide/reagent storage facility.

It is noted that all of these facilities are critical for the Doris North Project and these expansions are not associated with or required for the currently conceptual Phase 2 Hope Bay Belt Project.

As discussed with Board staff previously, the information in this amendment application has been prepared to meet the information requirements of the draft Supplemental Information Guidelines ("SIG") for mining and milling. However, as these documents remain in draft form, as directed by staff we have not included the completed SIG form with this application. The enclosed application includes the following materials.

- Application for Water Licence Amendment Form;
- Executive summary of Project Description in English, Inuktitut (Inuinnaqtun to follow as soon as available);
- Project Description;
- Executive summary of consultant supporting reports (SRK, Rescan) in English, Inuktitut (Inuinnaqtun to follow as soon as available);
- Project Description, Appendix A: Detailed design memo and drawings prepared by SRK Consultant Engineers describing the additional fuel tanks at Roberts Bay;
- Project Description, Appendix B: Detailed design memo and drawings prepared by SRK Consultant Engineers describing the airstrip expansion and bypass road;
- Project Description, Appendix C: Detailed design memo and drawings prepared by SRK Consultant Engineers describing reagent and cyanide storage;
- Project Description, Appendix D: Memo prepared by Rescan Environmental Services Ltd. considering environmental matters identified in the SIG;
- Project Description, Appendix E: Memo prepared by Points West considering archeological matters;
- Project Description, Appendix F: HBML compliance report;
- Project Description, Appendix G: Reclamation security calculation.

In Appendix A, SRK has included a breakdown of fuel consumption associated with the change. This table is reproduced below and confirms that this fuel is allocated in its

entirety to the Doris North Project, with the exception of a small volume allocated to exploration. Since fuel tanks are not yet built at the new Windy Camp, some exploration fuel is proposed to be stored at Roberts Bay until it can be transferred down belt via fuel truck and until winter roads are built to Boston Camp. This reduces environmental risks associated with fuel handling.

Fuel Type	Primary Use	Estimated Volume (ML)
Diesel	Normal Surface Operations	14.0
	Underground Mining	4.0
	Construction	5.0
	District Exploration	4.0
	Contingency	4.0
Aviation Fuel (Jet A)	Normal Operations	0.5
	District Exploration	0.5
	Contingency	0.5

Thank you for your consideration of our application. Should you have any questions regarding this submission or require any additional information, please contact me directly at chris.hanks@newmont.com.

Sincerely,

Chris Hanks
Director, Environmental & Social Responsibility
Hope Bay Mining Ltd.

cc.
KIA
Stephanie Autut, NIRB
Dionne Filiatrault, NWB