

Executive Summary

Application for Amendment No. 2 of Water Licence No. 2AM-DOH0713

In this application, Hope Bay Mining Ltd. ("HBML") is requesting that the Nunavut Water Board ("NWB") amend Type A Water Licence No. 2AM-DOH0713 to permit HBML to construct and operate the facilities described in the following paragraphs. Construction will occur in 2011. In order to meet project construction timelines, HBML respectfully requests permission to commence with ground preparation for construction of its revised Fuel Storage and Containment Facility no later than March 2011. The changes described below are designed to improve reliability, safety and access at the Doris North Project.

HBML requests that the NWB revise the definition of Fuel Storage and Containment Facility currently set out in 2AM-DOH0713 to permit the installation of four additional 5.7 ML total storage capacity diesel fuel tanks and one 1.5 ML tank for bulk storage of jet A fuel (the "Proposed Additional Roberts Bay Tanks") at a site near (approximately 100 m south) the existing 5.7 ML fuel tank at Roberts Bay. Once all tanks are filled, total diesel storage capacity at the Doris North Project site will be increased from 14 ML to 36 ML for diesel fuel and will allow for storage of 1.5 ML of Jet A fuel. The vast majority of the additional fuel capacity will be used for construction and operation of the Doris North Project and mining related activities. Some of the fuel stored at the Doris North Project will be used for exploration activities in other areas of the Hope Bay belt. An additional sump and monitoring point will be required in respect of this facility, but HBML has not identified any impacts on water that have not been previously assessed for the other tank farms that would result from the construction and operation of this facility. This additional facility would allow HBML to move away from freezing in ice class vessels in Roberts Bay, which will improve the environmental risk profile of project fuel handling.

Using the rock quarried during the construction of the revised Fuel Storage and Containment Facility, HBML will construct a short all weather service road bypassing the airstrip (which currently operates as both airstrip and road) and also extend its airstrip to permit landing of larger aircraft at site. These measures will improve access from Roberts Bay to Doris because it will eliminate delays waiting for aircraft and improve safety because it will eliminate vehicle traffic from the airstrip.

HBML also requests permission to construct purpose built secondary containment facilities for the relocated reagent and cyanide storage. The amount of on-site reagent and cyanide storage has not changed from the original design intent, but the proposed location of these facilities has changed from the Roberts Bay and Doris North Camp laydown areas to Lower Reagent Pad.

