



Application for Water Licence Amendment

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NUNAVUT IMALIRIYIN KATIMAYIT
NUNAVUT WATER BOARD
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APPLICATION FOR WATER LICENCE AMENDMENT

The applicant is referred to the NWB's Guide 7: *Licensee Requirements Following the Issuance of a Water Licence* for more information about this application form.

EXISTING LICENCE NO: 2AM-DOH0713

1. LICENSEE CONTACT INFORMATION

Is the licensee the same as that referred to on the existing licence?

☒ Yes ☐ No

If No, a licence assignment must be completed and approved by the NWB. **An amendment will only be issued in the name of the current licensee in the absence of assignment of the licence.**

If the licensee is the same, but the name of the licensee has changed, attach a certificate of name change.

Name: Hope Bay Mining Ltd.

Address: 300-889 Harbourside Dr.
North Vancouver, BC
V7P 3S1

Phone: (604) 998-5400

Fax: (604) 980-0731

e-mail: chris.hanks@newmont.com

2. LICENSEE REPRESENTATIVE CONTACT INFORMATION – If different from Block 1.

Name:

Address:

Phone: _____

Fax: _____

e-mail: _____

(Attach authorization letter.)

3. NAME OF PROJECT

Has the name of the project changed?

☐ Yes ☒ No

If Yes, indicate the name of the project including the name of the location: _____

4. LOCATION OF UNDERTAKING

Does the proposed amendment change the location of the amended undertaking?

☐ Yes ☒ No

Provide the project extents and camp locations. Identify proposed changes.

Project Extents

NW:	Latitude: (68° 11' 5.05" N)	Longitude: (106° 38' 58" W)
NE:	Latitude: (68° 10' 43" N)	Longitude: (106° 36' 31" W)
SE:	Latitude: (68° 06' 34" N)	Longitude: (106° 32' 22" W)
SW:	Latitude: (68° 08' 07" N)	Longitude: (106° 37' 44" W)

Camp Location(s)

Latitude: (68° 08' 16.5" N) Longitude: (106° 36' 52.6" W)

5. MAP

Does the proposed amendment change the locations of any of the main components of the undertaking?

☐ Yes ☒ No

Attach a topographical map, indicating the main components of the undertaking. Identify proposed changes.

NTS Map Sheet No.: _____ Map Name: _____ Map Scale: _____

6. NATURE OF INTEREST IN THE LAND

Does the proposed amendment change the nature of the interest in the land?

☐ Yes ☒ No

If Yes, indicate changes. _____

Check any of the following that are applicable to the proposed undertaking (at least one box under the 'Surface' header must be checked).

Sub-surface

☒ Mineral Lease from Nunavut Tunngavik Incorporated (NTI)

Tok 1: Date of issuance: Aug. 1, 2000 Date of expiry: December 30, 2014

Tok 3: Date of issuance: Aug. 1, 2000 Date of expiry: December 30, 2014

☐ Mineral Lease from Indian and Northern Affairs Canada (INAC)

Date (expected date) of issuance: _____ Date of expiry: _____

Surface

☒ Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC)

77A/3-1-2 Jetty Lease: Date of issuance: July 1, 2007 Date of expiry: June 30, 2017

☒ Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA)

KTL303C056: Date of issuance: Feb. 1, 2007 Date of expiry: Jan. 30, 2012

KTCL308D003: Date of issuance: March 7, 2008 Date of expiry: Sept. 13, 2013

☐ IOL Authorization from Kivalliq Inuit Association (KivIA)

Date (expected date) of issuance: _____ Date of expiry: _____

☐ IOL Authorization from Qikiqtani Inuit Association (QIA)

Date (expected date) of issuance: _____ Date of expiry: _____

☐ Commissioner's Land Use Authorization

Date (expected date) of issuance: _____ Date of expiry: _____

☐ Other _____

Date (expected date) of issuance: _____ Date of expiry: _____

Is the name of the entity(s) holding authorizations the same as that considered in the existing water licence?

☒ Yes ☐ No

If No, a licence assignment must be completed and approved by the NWB.

Name of entity(s) holding authorizations:

7. NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION

Indicate the land use planning area in which the existing project is located.

☐ North Baffin

☐ South Baffin

☐ Akunnig

☐ Keewatin

☐ Sanikiluaq

☒ West Kitikmeot

Does the proposed amendment change the land use planning area?

☐ Yes ☒ No

If yes, indicate the land use planning area in which the amended undertaking is located.

☐ North Baffin

☐ South Baffin

☐ Akunnig

☐ Keewatin

☐ Sanikiluaq

☐ West Kitikmeot

Was a land use plan conformity determination required from NPC prior to the issuance of the existing water licence?

☐ Yes ☒ No

If Yes, indicate date issued and attach copy. _____

Does the proposed amendment change the original NPC conformity determination or the need to obtain one?

☐ Yes ☒ No

If Yes, indicate date issued (or expected) and attach a copy. _____

If No, provide written confirmation from NPC confirming that a land use plan conformity review is not required.

No Land Use Plan conformity review is required as there is no approved land use plan in place in the West Kitikmeot Region.

8. NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION

Was a screening determination required from NIRB prior to the issuance of the existing water licence?

☒ Yes ☐ No

If Yes, indicate date issued and attach copy. Sept. 15, 2006

Does the proposed amendment change the original NIRB screening determination or the need to obtain one?

☐ Yes ☒ No

If Yes, indicate date issued (or expected) and attach a copy. _____

If No, provide written confirmation from NIRB confirming that a screening determination is not required.

HBML submits the proposed amendment which does not significantly change the scope of the proposal as previously screened, and is therefore exempt from further NIRB screening pursuant to Section 12.4.3 of the NLCA.

9. DESCRIPTION OF UNDERTAKING

Does the proposed amendment change the description of the undertaking?

☐ Yes ☒ No

List and attach plans and drawings or project proposal. Identify proposed changes.

10. OPTIONS

Does the proposed amendment change any of the alternative methods and locations that were considered to carry out the project?

☐ Yes ☒ No

Provide a brief explanation of the alternative methods or locations that were considered to carry out the project. Identify proposed changes.

11. CLASSIFICATION OF PRIMARY UNDERTAKING

Indicate the primary classification of undertaking for the existing licence by checking one of the following boxes:

- | | |
|--|--|
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Agricultural |
| <input checked="" type="checkbox"/> Mining and Milling (includes exploration/drilling/exploration camps) | |
| <input type="checkbox"/> Conservation | <input type="checkbox"/> Recreational |
| <input type="checkbox"/> Municipal (includes camps/lodges) | <input type="checkbox"/> Miscellaneous (describe below): |
| <input type="checkbox"/> Power | |

Does the proposed amendment change the classification of primary undertaking?

☐ Yes ☒ No

If Yes, indicate the primary undertaking of the amendment: _____

Information in accordance with applicable Supplemental Information Guidelines (SIG) must be updated and submitted with an Application for Amendment. Indicate which SIG(s) are applicable to your application.

- ☐ Hydrostatic Testing
- ☐ Tannery
- ☐ Tourist / Remote Camp
- ☐ Landfarm & On-Site Storage of Hydrocarbon Contaminated Soil
- ☐ Onshore Oil and Gas Exploration Drilling
- ☐ Mineral Exploration / Remote Camp
- ☐ Advanced Exploration
- ☒ Mine Development
- ☐ Municipal
- ☐ General Water Works
- ☐ Power

12. WATER USE

Indicate, using the boxes below, the types of water use(s) approved in the existing licence.

- | | |
|--|--|
| <input checked="" type="checkbox"/> To obtain water for camp/ municipal purposes | |
| <input checked="" type="checkbox"/> To obtain water for industrial purposes | <input checked="" type="checkbox"/> To divert a watercourse |
| <input checked="" type="checkbox"/> To cross a watercourse | <input checked="" type="checkbox"/> To modify the bed or bank of a watercourse |
| <input checked="" type="checkbox"/> To alter the flow of, or store water | <input type="checkbox"/> Flood control |
| <input type="checkbox"/> Other: _____ | |

Does the proposed amendment change the type(s) of water use(s)?

☐ Yes ☒ No

If Yes, indicate using the boxes below, the proposed change(s) to the type(s) of water use(s) noting any water use(s) that are to be added, continued, or removed.

- | | |
|---|---|
| <input type="checkbox"/> To obtain water for camp/ municipal purposes | <input type="checkbox"/> To divert a watercourse |
| <input type="checkbox"/> To obtain water for industrial purposes | <input type="checkbox"/> To modify the bed or bank of a watercourse |
| <input type="checkbox"/> To cross a watercourse | <input type="checkbox"/> Flood control |
| <input type="checkbox"/> To alter the flow of, or store water | |
| <input type="checkbox"/> Other: _____ | |

13. QUANTITY OF WATER INVOLVED

Does the proposed amendment change the source of water? ☒ Yes ☐ No

Indicate the water source(s). Identify proposed changes.:

From time to time, HBML may draw water from Windy Lake for camp use as Doris Lake is often not a potable water source

(show location(s) on map)

(see attached Rescan supporting document)

Does the proposed amendment change the quality of the water source and/or its available capacity?

☐ Yes ☒ No

Describe the quality of the water source(s) and the available capacity(s). Identify any changes.: _____

Does the proposed amendment change the overall quantity of water to be used?

☐ Yes ☒ No

Provide the overall estimated quantity to be used. Identify proposed changes. : _____ m³/day

Does the proposed amendment change the quantity of water to be used from each source?

☐ Yes ☒ No

Provide the estimated quantity(s) of water to be used from each source. Identify proposed changes. : _____

Does the proposed amendment change the quantity of water to be used for each purpose?

☐ Yes ☒ No

Provide the estimated quantities to be used for each purpose (camp, drilling, etc.). Identify proposed changes.: _____

Does the proposed amendment change the method(s) of extraction? ☐ Yes ☒ No

Describe the method(s) of extraction. Identify proposed changes. : _____

Does the proposed amendment change the quantity(s) of water returned to source(s)?

☐ Yes ☒ No

Estimated quantity(s) of water returned to source(s). Identify proposed changes. : _____ m³/day

Does the proposed amendment change the quality(s) of water returned to source(s)?

☐ Yes ☒ No

Describe the quality(s) of water(s) returned to source(s). Identify any changes. : _____

14. WASTE

Check the appropriate box(s) to indicate the types of waste(s) approved in the existing licence.

- | | |
|--|--|
| <input checked="" type="checkbox"/> Sewage | <input checked="" type="checkbox"/> Waste oil |
| <input checked="" type="checkbox"/> Solid Waste | <input checked="" type="checkbox"/> Greywater |
| <input checked="" type="checkbox"/> Hazardous (disposal offsite) | <input checked="" type="checkbox"/> Sludges |
| <input checked="" type="checkbox"/> Bulky Items/Scrap Metal | <input checked="" type="checkbox"/> Contaminated soil and/or water |
| <input type="checkbox"/> Animal Waste | |
| <input type="checkbox"/> Other (describe): _____ | |

Does the proposed amendment change the type(s) of waste(s) to be generated or deposited?

☐ Yes ☒ No

If Yes, indicate using the boxes below, the proposed change(s) to the type(s) of waste(s) to be generated and/or deposited noting the addition, removal or continued generation and/or disposal of waste(s).

- | | |
|--|---|
| <input type="checkbox"/> Sewage | <input type="checkbox"/> Waste oil |
| <input type="checkbox"/> Solid Waste | <input type="checkbox"/> Greywater |
| <input type="checkbox"/> Hazardous | <input type="checkbox"/> Sludges |
| <input type="checkbox"/> Bulky Items/Scrap Metal | <input type="checkbox"/> Contaminated soil and/or water |
| <input type="checkbox"/> Animal Waste | |
| <input type="checkbox"/> Other (describe): _____ | |

15. QUANTITY AND QUALITY OF WASTE INVOLVED

Does the proposed amendment change the quantity(s) of the types of wastes involved?

☐ Yes ☒ No

Does the proposed amendment change the composition(s) of the types of wastes involved?

☐ Yes ☒ No

Does the proposed amendment change the method(s) of treatment for the types of waste involved?

☐ Yes ☒ No

Does the proposed amendment change the method(s) of disposal for the types of waste involved?

☐ Yes ☒ No

If Yes to any of the above, describe the proposed changes: _____

For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.

Type of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method

16. OTHER AUTHORIZATIONS

Does the proposed amendment change the need for other authorizations in addition to the sub-surface and surface land use authorizations provided in Block 6?

☐ Yes ☒ No

If Yes, indicate any additional authorizations required, which authorizations are no longer required, and which authorizations continue to be required.

For each provide the following:

Authorization: _____

Administering Agency: _____

Project Activity: _____

Date (expected date) of issuance: _____ Date of expiry: _____

17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES

Does the proposed amendment change the predicted environmental impacts of the undertaking or the mitigation measures?

☐ Yes ☒ No

Describe direct, indirect, and cumulative impacts related to water and waste. Identify any changes.

As per the enclosed Application Summary, the proposed changes to the monitoring program during care and maintenance are reasonable in respect of current site construction and expected site activity. In the event that project construction or operation re-commences in the future, HBML would revert from the Care and Maintenance monitoring program back to the current site conditions.

18. WATER RIGHTS OF EXISTING AND OTHER WATER USERS

Was compensation paid and/or an agreement(s) for compensation been entered into with any existing or other users of water during consideration of the existing licence?

☐ Yes ☒ No

If Yes, provide the names, addresses and the nature of water use by those persons or properties.

Does the proposed amendment adversely affect any known persons or property including those that hold licences for water use in precedence to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature?

☐ Yes ☒ No

If Yes, provide the names, addresses and the nature of water use of those persons or properties.

Advise the Board if compensation has been paid and/or an agreement(s) for compensation has been reached with any existing or other water users with respect to the proposed amendment.

19. INUIT WATER RIGHTS

Was compensation paid/ or an agreement(s) for compensation been entered into with any Designated Inuit Organization (DIO) during consideration of the existing licence?

☒ Yes ☐ No

If Yes, which DIO(s) Kitikmeot Inuit Association

Does the proposed amendment substantially affect the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL)?

☐ Yes ☒ No

If Yes, advise the Board if negotiations have commenced or an agreement to pay compensation for any loss or damage has been reached with one or more DIO(s) with respect to the proposed amendment.

20. CONSULTATION - Provide a summary of any consultation meetings including when the meetings were held, where and with whom. Include a list of concerns expressed and measures to address concerns.

In May 2012, HBML conducted community consultations to provide stakeholders with a project update and information on our care and maintenance planning. Consultation materials included details of our intention to seek water license amendments and renewals in support of the Doris North Gold Project and Hope Bay gold exploration generally.

On May 11, HBML met with representatives of the Hamlet of Taloyoak. No concerns were raised regarding water and comments received generally supported the maintenance of Hope Bay infrastructure for potential future development. Also on May 11, HBML hosted a local radio program

presenting the same information (a planned public meeting was cancelled due to the death of an Elder). No questions were received during this radio program. Late on May 11, HBML hosted a public meeting in Gjoa Haven, attended by 15 persons. No concerns were raised regarding water. Attendees asked for details regarding the scope of monitoring during care and maintenance and who would be responsible for these activities. HBML Representatives explained how limited the care and maintenance workforce would be, the seasonal nature of the camp, and their main duties in preserving Hope Bay infrastructure and compliance monitoring.

A Public Meeting scheduled for Kugaaruk was cancelled due to inclement weather. On May 15, HBML met with representatives of the Hamlet of Kugluktuk via teleconference. A concern was raised regarding potential arsenic contamination at Hope Bay similar to Giant Mine in the NWT. HBML representatives explained that Doris North host rock does not contain appreciable amounts of arsenic. Also on May 15, HBML conducted a public meeting in Cambridge Bay which 16 persons attended. No water related concerns were voiced.

On May 16, a meeting was held with representatives of the Hamlet of Cambridge Bay. No water related concerns were raised. On May 23, a public meeting was held in Kugluktuk which 55 persons attended. Several questions and concerns were raised related to the timing and disposition of fish from the Tail Lake Fish Out operation conducted in summer 2011, and clarifications sought on what Tail Lake looked like and how this facility would be used in the future. HBML responded that the distribution of fish from Tail Lake was made based on input and consultation with Kitikmeot HTOs; and a picture of Tail Lake was shown explaining how the facility would work, including the role of frozen core dams to control the flow of water.

Public comment focused throughout these events on the reasons why Hope Bay was shutting down, when the project could be reactivated, access to surplus equipment, and generally, the economic impact of the decision to place the project under care and maintenance.

21. SECURITY INFORMATION

Does the proposed amendment change the financial security assessment?

☐ Yes ☒ No

Does the proposed amendment change the estimate of the total financial security for final reclamation?

☐ Yes ☒ No

Provide an estimate of the total financial security for final reclamation equal to the total outstanding reclamation liability for land and water combined sufficient to cover the highest liability over the life of the undertaking. Estimates of reclamation costs must be based on the cost of having the necessary reclamation work done by a third party contractor if the operator defaults. The estimate must also include contingency factors appropriate to the particular work to be undertaken. Identify any changes in the financial security assessment resulting from the proposed amendment.

Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the *Mine Site Reclamation Policy for Nunavut*, Indian and Northern Affairs Canada, 2002.

22. FINANCIAL INFORMATION

Is the statement of financial security the same as that considered in the existing water licence?

☒ Yes ☐ No

Provide an updated statement of financial security.

If the applicant is a business entity please answer the questions below:

Is the list of the officers of the company the same as those considered in the existing water licence?

☒ Yes ☐ No

Provide a list of the officers of the company.

Is the Certificate of Incorporation or evidence of registration of the company name the same?

☒ Yes ☐ No

Attach a copy of the Certificate of Incorporation or evidence of registration of the company name.

23. STUDIES UNDERTAKEN TO DATE

List and attach updated studies, reports, research etc.

See the Application Summary for a listing of updated plans. These plans will be updated according approved terms within the time frame set by the NWB following approval of the renewed licence.

Provide a compliance assessment and status report including a response to any inspector's reports. The licensee must contact the NWB for licence specific direction in completing the assessment and report.

See enclosed compliance assessment.

If in non-compliance, a licence may not be issued until compliance is achieved. If in non-compliance, attach plans/reports for consideration. Application will not be processed if significant issues of non-compliance exist.

24. PROPOSED TIME SCHEDULE

Does the proposed amendment change the time schedule considered in the existing licence for any phase of development?

☒ Yes ☐ No

Indicate the start and completion dates for each applicable phase of development (construction, operation, closure, and post closure). Identify proposed changes.

Construction

Proposed Start Date: N/A Proposed Completion Date: TBD
(month/year) (month/year)

Operation

Proposed Start Date: TBD Proposed Completion Date: TBD
(month/year) (month/year)

Closure

Proposed Start Date: TBD Proposed Completion Date: TBD
(month/year) (month/year)

Post - Closure

Proposed Start Date: TBD Proposed Completion Date: TBD

(month/year)

(month/year)

For each applicable phase of development indicate which season(s) activities occur.

Construction

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☒ All season

Operation

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☒ All season

Closure

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☒ All season

Post - Closure

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☒ All season

In the event the site is brought out of care and maintenance, the above schedules shall apply. However, it is noted that care and maintenance is planned for an indefinite period at this time and the camp will not be occupied from November – March of each year for the foreseeable future.

25. PROPOSED TERM OF LICENCE

On what date does the existing licence expire? Sept. 30, 2013

Is the Licensee applying for a combined renewal and amendment of the existing licence?

☒ Yes ☐ No

If Yes, indicate the proposed term of the renewal (maximum of 25 years): **10+ years (maximum renewal term)**

Requested date of renewal issuance: 10/2013 (month/year) Requested Expiry Date: 09/2023 (month/year)

(The requested date of renewal issuance must be at least three (3) months from the date of application for a type B water licence and at least one (1) year from the date of application for a type A water licence, to allow for processing of the water licence application. These timeframes are approximate and do not account for the time to complete any pre-licensing land use planning or development impact requirements, time for the applicant to prepare and submit a water licence application in accordance with any project specific guidelines issued by the NWB, or the time for the applicant to respond to requests for additional information. See the NWB's Guide 5: Processing Water Licence Applications for more information)

26. ANNUAL REPORTING

Will the proposed amendment change the content of annual reports or the annual report template?

Yes ☒ No

If Yes, provide details regarding the content of annual reports and a proposed outline or template of the annual report.

See the Application Summary for a description of updated content of Annual Reports during the care and maintenance period. The current format will be maintained, however, much of the current content would be marked as n/a. The format and content of Annual Reports in the event that construction and/or production recommences will remain as set out in the current Type A Water Licence.

27. CHECKLIST

The following must be included with the application for Amendment for the water licensing process to begin.

Completed Application for Water Licence Amendment form.

☒ Yes ☐ No If no, date expected _____

Information addressing Supplement Information Guideline (SIG), where applicable (see Block 11)

☐ Yes ☐ No ☒ N/A

Compliance Assessment / Status Report (see Block 23).

☒ Yes ☐ No If no, date expected _____

Indication of Renewal Requirement (see Block 26)

☒ Yes ☐ No If no, date expected _____

English Summary of Amendment Application.

☒ Yes ☐ No If no, date expected _____

Inuktitut and/or Inuinnaqtun Summary of Amendment Application.

☒ Yes ☐ No If no, date expected _____

Application fee of \$30.00 CDN (Payee Receiver General for Canada).

☒ Yes ☐ No If no, date expected _____

Water Use Fee Deposit of \$30.00 CDN (Payee Receiver General for Canada). The actual water use fee will be calculated by the NWB based upon the amount of water authorized for use in accordance with the Regulations at the time of issuance of the licence.

☐ Yes ☒ No If no, date expected Full fee to be paid in Oct. 2012.

28. SIGNATURE

Chris Hanks

VP Environmental
Affairs

for Chris Hanks

Name (Print)

Title (Print)

Signature

Aug. 10, 2012

Date