

Appendix A – Summary of the Application in English

Hope Bay Mining Ltd.

Type A Water Licence Renewal and Amendment No. 4 Application Summary Doris North Project, Nunavut

August 10, 2012

1. Introduction

Hope Bay Mining Ltd. ("HBML") is submitting this application No. 4 to amend Type A Water Licence 2AM-DOH0713 (the "Type A Water Licence") to:

- apply for the renewal of the current Type A Water Licence for a ten year period commencing in September 2013;
- apply for minor amendments relating to site monitoring and reporting during the care and maintenance period which reflect the current state of site construction and expected level of site activity during care and maintenance. HBML suggests that the NWB insert a Part M, "Care and Maintenance" section which outlines these updated requirements. In the event the site is brought out of care and maintenance, these requirements would be suspended and the requirements which currently apply during construction and production would come back into effect; and
- make various administrative revisions to the Type A Water Licence to reflect the current state of construction (for example, update all references to preliminary engineering drawings to as-built engineering drawings) and to consolidate all previous approved amendments.

In the application, HBML provides a description of the company's planned site activity during the care and maintenance that relates to the Water Licence, as well as technical rationale for the proposed changes to site monitoring and reporting during care and maintenance.

This application is intended to replace the previous application No. 4 to amend Type A Water Licence 2AM-DOH0713 provided to the Nunavut Water Board in December 2011.

2. Background

Proponent Information

Operator:

Hope Bay Mining Ltd.
300-899 Harbourside Drive
North Vancouver, BC V7P 3S1

Parent Company:

Newmont Mining Corporation
800-6363 South Fiddler's Green Circle
Greenwood Village, CO 80111

Newmont Mining Corporation ("Newmont") is primarily a gold producer, with significant assets or operations in the United States, Australia, Peru, Indonesia, Ghana, Canada, New Zealand, and Mexico. Founded in 1921 and publicly traded since 1925, Newmont is one of the world's largest gold producers. Headquartered near Denver, Colorado, the company has over 35,000 employees and contractors worldwide. As of December 31, 2010, Newmont had proven and probable gold reserves of 91.8 million equity ounces and an aggregate land position of approximately 38,840 mi² (100,600 km²).

In late 2007, Newmont Mining B.C. Limited, an indirect wholly-owned subsidiary of Newmont, purchased Miramar Hope Bay Limited ("Miramar"), a Canadian gold company that controlled the Hope Bay Belt. This includes the Doris North Mine and exploration and mineral rights over one of the largest undeveloped greenstone belts in North America. Hope Bay Mining Ltd. ("HBML") was created to develop and operate the Hope Bay Greenstone Belt. HBML is a wholly owned subsidiary of Newmont.

Newmont's vision is to be the most valued and respected mining company through industry leading performance. Key to achieving that vision is the ability to make a lasting and positive contribution toward sustainable development through environmental stewardship, social responsibility, and the protection of human health. Newmont is globally committed to sustainable development, as demonstrated by their commitment to international initiatives such as the International Council on Mining and Metals' Sustainable Development Framework, United Nations Global Compact, and listing on the Dow Jones Sustainability Index.

In January 2012, Newmont made the decision to place the Doris North Project into long-term care and maintenance.

3. Summary of Proposed Amendments

In this application, HBML is applying to renew the Type A Water Licence for a 10 year term. In addition, HBML is proposing certain amendments to the licence to reflect the current level of site construction and anticipated site occupation and activity.

Specifically, the proposed changes are outlined in the attached marked up Type A Water Licence. In HBML's view, 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. The following paragraphs provide further rationale for these changes.

- *Part G. Item 3. Sewage Treatment Plant Discharge Location* This section requires that treated sewage effluent be discharged to the Tailings Impoundment Area (TIA) once it is in operation. During care and maintenance treated sewage effluent will not be discharged to Tail Lake. The discharge location for the treated sewage effluent will remain at the same location as during construction. Camp loading during care and maintenance will be much less than during construction. Therefore, the impact of discharging treated sewage effluent will be less than during construction.
- *Part G. Item 24. Operate TIA to Engineering Standards* This section requires that the tailings impoundment area (Tail Lake or the "TIA") must be operated and maintained to engineering standards and requires weekly inspections to identify and remediate any seepage, cracking, and ponding of any structures associated with the TIA. During care and maintenance, water management pipes and pumps to and from the TIA will be inspected daily when water is actively managed as described in the Interim Water Management Plan. The North Dam will be inspected weekly while site is occupied and records will be kept in a log book.
- *Part G. Item 31. Frequency of Water Balance and Water Quality Model Updates* This section requires that the water quality model be updated monthly. During care and maintenance, the water balance model does not need to be updated because there is no need for a model to forecast water quality based on changing operations. HBML proposes that the reporting requirement should be reduced from monthly updates to an annual data summary report. This annual report will summarize water quality data at the compliance monitoring locations and volumes of water pumped to and from Tail Lake. .
- *Part J. Item 2. Flow Measurement in Doris Creek* This section requires that flow in Doris Creek is monitored on a real-time and continuous basis when ice conditions allow. This monitoring station is already installed in Doris Creek. HBML proposes that this station only be monitored during care and maintenance when water is being discharged from Tail Lake.
- *Part J. Item 12. Monthly Flow and Volume Measurements* This section requires that monthly measurements are made of the following:
 - Potable water withdrawn from Doris Creek,
 - Tonnages of unmineralized and mineralized waste rock stored on the waste rock pad,

- Volume of sewage sludge removed from the sewage treatment plant and the disposal location or method of the sludge, and
- Ice thickness in Tail Lake.

HBML proposes the following modification of the above monitoring requirements during care and maintenance:

- Continue to monitor potable water volume extracted from Doris Lake monthly when the camp is occupied.
 - The tonnage of mineralized and unmineralized waste rock stored on the pad will not change during care and maintenance. Monthly reporting is no longer needed. If waste rock is moved, the tonnage and location where it is moved will be recorded.
 - The volume of sewage sludge removed from the treatment plant and its disposal location will be recorded when the plant is operating.
 - Ice thickness in Tail Lake will not be measured during care and maintenance.
- *Part J. Item 14. Thermal Monitoring Program Requirement* During care and maintenance, all thermistors (with the exception of those installed at the North Dam) will be monitored once a year at the end of August when the active layer is at its maximum thickness. With the extensive database of thermistor readings available for the site a reduced monitoring program as proposed is warranted. Thermistors at the North Dam will be monitored more frequently). These thermistors are to be equipped with data loggers and the data will be downloaded annually. Data will be reported in the annual geotechnical report submitted to the NWB.
 - *Part J. Item 16. Thermistor Monitoring Surrounding the Underground Workings* This section requires that additional thermistors be installed around the underground workings. SRK recommends that no additional thermistors need to be installed because the mine has not been developed far enough to warrant their installation. Existing thermistors will be monitored as described previously.
 - *Part J. Item 20. Visually Monitor and Record During Periods of Discharge* This section requires daily inspection and recording of conditions at sumps, ponds, containment areas and the sewage treatment plant. These areas will be monitored as described in the current approved Interim Water Management Plan and Sewage Treatment Management Plan during care and maintenance when the site is occupied.
 - *Part J. Item 21. Monthly Summary of Compliance Data and Model Updates and Daily Visual Inspections of Total Suspended Solids in the TIA* This section requires that monthly monitoring reports including all data collected, operational assessments of the water balance and quality model, and daily visual assessments of total suspended solids be submitted. The report should also assess the data to identify areas of non-compliance. SRK propose that an annual data summary report of all monitoring data will be prepared. The water balance model will not be updated during care and maintenance because there is no need to make water quality predictions. Tail Lake will be visually inspected daily for TSS when personnel are onsite.
 - *Aquatic Effects Monitoring Program:* An Aquatic Effects Monitoring Program (AEMP) has been in place for the Doris North Project since 2010. No effects of Project activity on the aquatic and marine environment have been found to date. Under care and maintenance, it is proposed that the AEMP continue with certain reductions to reflect current site activity. This approach would be adaptively managed, with the program reviewed annually, and if significant effects on the water quality are attributed to Project activity, then additional aquatic components could be included in future monitoring cycles. If approved, the AEMP will be updated to reflect these changes.
 - *Amendment to definition of "Landfill" and discharge location described at Part G22(b):* Since HBML is proposing to move the landfill location, the discharge location will be changed from east of Quarry 2 to an area closer to Quarry A. HBML will not construct this design on KIA lands without approval to proceed from the KIA.
 - *Addition of Windy Lake water source:* Due to persistent naturally occurring blooms of blue-green algae in Doris Lake, HBML may in the future switch the water source for Doris Camp to Windy Lake. HBML requests that it be permitted to make this change as it deems necessary on notice to the NWB.

4. Closure and Reclamation

An updated Doris North Project Closure and Reclamation Plan and security estimate will be provided to the Nunavut Water Board in Fall 2012.

5. Updated Plans/Annual Report

HBML has reviewed all plans currently required pursuant to the Type A Water Licence, and plans to revise the following plans. HBML proposes to provide updated plans as follows:

- In the event HBML obtains KIA approval and constructs a landfill, an updated Landfill Management Plan will be submitted to the Nunavut Water Board 6 months prior to use.
- The Spill Contingency Plan and Emergency Response Plan will need to continue to be revised annually, and in particular to account for changes in site personnel and organization that accompanied care and maintenance.
- HBML proposes to revise the Aquatic Effects Monitoring Program in accordance with all approved changes within 90 days of issuance of the Type A Water Licence.
- With respect to Annual Reports, 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.

HBML has not identified any required amendments triggered by care and maintenance to the following plans:

- Interim Non-Hazardous Waste Management Plan (version 1.1);
- Interim Water Management Plan (version 3.0);
- Sewage Management Plan (may require updating if camp transitions to smaller STP in the future);
- Hazardous Waste Management Plan (version 2.1);
- Incineration Management Plan (version 2.1);
- Landfarm Management Plan (version 1.0);
- Waste Rock and Ore Management Plan (version 1.1);
- The Quality Assurance/Quality Control (QA/QC) Plan will not change as a result of care and maintenance, however, the plan will be revised to address only the specific sampling programs that will be completed during care and maintenance.