

NIRB File No.: 05MN047

December 5, 2008

Chris Hanks Hope Bay Mining Limited 300-889 Harbourside Drive North Vancouver, BC

Via email: Chris.Hanks@Newmont.com

Re NIRB Recommendations for Doris North Project

Dear Mr. Hanks:

Pursuant to NLCA Sections 12.7.1 and 12.7.2, in order to fulfill the post environmental assessment monitoring mandate, and achieve objectives specified in the Project Certificate of Doris North Gold Mine Project, the Nunavut Impact Review Board (NIRB) suggests the following recommendations to Hope Bay Mining Ltd. (HBML) based on NIRB's 2008 Monitoring activities, and the comments from Parities regarding HBML's 2007 Annual Report for Doris North Project.

We understand that there are changes related to the overall plans Newmont has for their operations in this area and we appreciate your indication that further information will be provided to NIRB at the earliest opportunity. We look forward to correspondence from Newmont related to this direction, specifically where it is relevant to the information requirements of Conditions 5 and 34 of the Project Certificate. In the meantime, the Board is issuing a number of recommendations which should be taken into consideration by Newmont to ensure appropriate monitoring activities continue in relation to the Project Certificate issued for this file.

1. HBML 2007 Annual Report for Doris North project

On May 30, 2008 NIRB received HBML's 2007 Annual Report for Doris North Project with Summary of Baseline Studies in Hope Bay for 2007 attached. On July 7, 2008 NIRB distributed this report to Doris North distribution list for comments. Based on a complete review by the Monitoring Officer, and comments received by NIRB from Parties:

Recommendations:

- a. HBML submit a copy of the detailed 2007 aquatic baseline studies to DFO for their permitting and monitoring requirements.
- b. HBML submit to NIRB a detailed supplementary report in respect to the implementation of the Noise Abatement Plan regarding results analysis of the noise monitoring activities during construction/blasting activities, as well as associated noise abatement measures employed to mitigate noise impacts.

c. HBML submit to NIRB a detailed section in its 2008 Doris North Annual Report, in respect to the infrastructure completed in 2007, with details regarding construction, impacts and associated mitigation measurements implemented and/or monitoring conducted related to ecosystem (including water quality) and wildlife during each construction activities.

2. Roberts Bay Jetty

The thermistor cables and temperature loggers in the jetty foundation required by Condition 19 of the Project Certificate were not installed at the time of the 2008 site visit.

Recommendation: HBML report to NIRB a schedule for installing required thermistor cables and temperature loggers in the jetty foundation, in conjunction with its 2009 development plan by January 30, 2009.

3. Project Modification

Modifications to the original Doris North mine site layout plan have been implemented during construction, without formal notification being given to the NIRB's Monitoring Officer as per Condition 34 of the Project Certificate.

Recommendation: MHBL be encouraged to give notice of planned significant changes to the mine facility, with associated rational and potential impacts analysis for components of mine facility; this includes the completed modifications at Doris camp site in 2008 construction period.

4. Oil Pollution Prevention/Emergency Plan for fuel transfer from barge to shore facility

Transport Canada (TC) regulating requires an Oil Pollution Prevention/Emergency Plan. Also, according to condition 20, which states that MHBL shall ensure the use of containment booms and berms to control potential spills whenever fuel and or waste is transferred between a barge and the shore, MHBL shall ensure spill kits are at hand at these locations at all times.

Recommendation: HBML be encouraged to submit an Oil Pollution Prevention/Emergency Plan to TC for review and approval for its Oil Handlin Facility (OHF) at Roberts Bay jetty and fuel tank in Quarry #1, and submit to NIRB the final Oil Pollution Prevention/Emergency Plan after it is approved by TC.

5. The post Environmental Assessment Monitoring Program (PEAMP)

By way of correspondences to the NIRB, HBML has decided to defer underground mine and mill development in Doris North project.

Recommendation: HBML submit to NIRB a comprehensive update of PEAMP required by Appendix D of the Project Certificate, in particular the Environmental, Health and Safety Management Plan comprising of eleven (11) sub-plans, by indicating development/update/amendment status, viability of immediate/future implementation upon completing of its new development plan for whole Hope Bay district, with consideration of project

components to be built, to be altered or to be canceled, which have been covered by the NIRB Project Certificate.

6. Training for HBML's on-site wildlife specialist and wildlife quarterly report

This training is part of the requirements of Condition 24. However, there is no information provided to NIRB's Monitoring Officer on the training HBML has provided to its on-site wildlife specialist regarding:

- Effects of noise on wildlife;
- Recording wildlife sightings;
- Waste management; and
- Records management.

Recommendation: HBML submit to NIRB's Monitoring Officer information with regards to the required training which have been or to be implemented for its on-site wildlife specialist with time. And submit NIRB the quarterly wildlife report (due July 30, and October 30 for 2008) before January 30, 2009.

7. Air Quality

Condition 30 requires MHBL to install and fund an atmospheric monitoring station, and the results of air-quality monitoring are to be reported every six (6) months to NIRB through the Monitoring Officer. Although this atmospheric station has been built and been in operation, air quality monitoring reports have not been provided to NIRB.

Recommendation: HBML submit NIRB's Monitoring Officer its first 6-month air quality monitoring report by January 30, 2009 with monitoring results, analysis and planned reporting schedule through the project life time.

8. Socio-Economic Monitoring Program (SEMP)

Considering the construction of various infrastructures for the Doris North Project has been ongoing since 2007, and the SEMP document has been accepted in principle by the SEMC members, immediate action is recommended to finalize the SEMP to achieve the objective of the Doris North SEMP and the Project Certificate.

Recommendation: the NIRB recommends that INAC, GN and HBML meet as soon as practical, and resolve the remaining issues, such that a satisfactory final SEMP is developed and implemented provided that the SEMP document has been consented to in principle by the SEMC (please see Appendix A).

If you have any questions or concerns, please feel free to contact me at (867) 983-4606 or via email, lwan@nirb.ca.

Sincerely.

Li Wan Technical Advisor Monitoring Officer for the Doris North Gold Mine Project Nunavut Impact Review Board

cc: Doris North Project Distribution list Attachment: NIRB Letter to Doris North SEMC

Appendix A

NIRB Letter to Doris North SEMC

NIRB File No.: 05MN047

December 4, 2008

To: Doris North Project Socio-Economic Monitoring Committee

Via email

Re: <u>Doris North Project Socio-Economic Monitoring Program</u>

Dear Committee Members:

A draft Terms of Reference (TOR) for the Doris North Project Socio-Economic Monitoring Committee (SEMC) and an associated Socio-Economic Monitoring Program (SEMP) were developed by Hope Bay Mining Ltd's (HBML, previously Miramar Hope Bay Ltd.). The TOR and SEMP were reviewed by SEMC members in Iqaluit during the SEMC meeting in April, 2007. These two documents are requirements of Term and Condition # 28 of the Doris North Gold Mine Project Certificate, issued on September 15, 2006 by the Nunavut Impact Review Board (NIRB). The NIRB would like to take this opportunity to recognize the progress made by the SEMC members

Based on comments submitted to the NIRB by INAC and GN regarding the draft TOR and the SEMP, HBML revised both documents and resubmitted them to the NIRB in August 2007. The NIRB distributed the revised SEMP to INAC and GN for further review and comments. By October 12, 2007 the NIRB received comments from both parties with indications that both were generally satisfied the revised document, particularly with the level of the detail and the perceived ability of indicators to fulfill the monitoring objectives as designed. However, several issues were identified that required further discussion with HBML. The following is a summary of these issues:

INAC:

- **Reporting process:** It is the proponent who has the primary responsibility for socio-economic monitoring reporting to NIRB.
- **Communities' engagement**: There is no indication in the revised SEMP on how the proponent intends to engage impacted communities in socio-economic monitoring throughout the life of the project.

<u>GN:</u>

- **Communities' engagement:** The SEMP does not include a discussion of how Miramar plans to fulfill the engagement of affected communities as required by the project certificated.
- **Data availability required by HBML**: The Nunavut Bureau of Statistics has provided a table outlining the availability regarding the data, noting that some of the information requested by HBML is not available in respect of the 19 indicators.
- **Baseline Report:** The SEMP does not indicate how monitoring will tie in with baseline information. Miramar should provide clarity on this issue as soon as possible.
- Other specific issues: Specific issues raised by the Department of Economic Development & Transportation and the Nunavut Bureau of Statistics regarding the SEMP document.

The NIRB subsequently provided HBML with an opportunity to respond to the above issues and HBML submitted its formal response to the NIRB in June, 2008

The key point in the revised SEMP, over which both HBML and GN differ in opinion, is the data gap associated with socio-economic indicators. The revised SEMP currently contains 42 socio-economic indicators; HBML committed to provide data for 23 indicators and requested other members of the SEMC provide data for the remaining 19. The NIRB has reviewed the indicators proposed by HBML and comments from the Nunavut Bureau of Statistics, and acknowledges that some of the required data may not be readily available. However, as mentioned in INAC's October 2007 submission of comment in respect to the revised SEMP, the GN Bureau of Statistics' "Nunavut Data Development Action Plan" (NDDAP) is being funded by INAC and could rectify this data gap in the near future. Therefore, the NIRB is of the opinion that the current data gap should not be an obstacle for finalizing and implementing the SEMP if relevant modification is deemed appropriate by SEMP members.

As for the issue in respect to engagement of impacted communities, which is a requirement of Condition 28 of the Project Certificate and has been implemented by HBML as indicated in its 2007 annual report, HBML shall include it in the revised SEMP as an organic part. HBML indicated in its reply that this issue had been addressed by its Community Relations Plan. NIRB encourages the Doris North SEMC members to review this plan (Community Relations Plan) and incorporate it into finalized SEMP.

It is the NIRB's understanding that other issues, such as reporting responsibility and the reporting process itself, are procedural matters in nature and can be successfully resolved by the SEMC members within SEMC.

It is important to bear in mind that the Doris North Gold Mine project, was previously proposed to be operating for a total period of two years. Even though HBML has deferred the underground mine and mill development, however in light the construction of infrastructure has been ongoing since 2007, immediate action is required to finalize the SEMP to achieve the objective of the Doris North SEMP and the Project Certificate. Therefore the NIRB strongly recommends that INAC, GN and HBML meet as soon as practical, and resolve the remaining issues such that a satisfactory final SEMP is developed and implemented provided that the SEMP document has been consented to in principle by the SEMC. Furthermore, the NIRB requests that HBML copy the NIRB on all correspondences between the SEMC and HBML in this regard.

If you have any questions or concerns, please feel free to contact me at (867) 983-4606 or via email, lwan@nirb.ca.

Sincerely,

Li Wan

Technical Advisor

Monitoring Officer for the Doris North Gold Mine Project

Nunavut Impact Review Board