



Suite 300
889 Harbourside Drive
North Vancouver, BC
V7P 3S1
Phone 604 985 - 2572
Facsimile 604 980 - 0731
www.newmont.com

November 18, 2009

Stephanie Autut
Executive Director
Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, NU
X0B 0C0
(867) 983-2594

Re: Update Re Outstanding Matters relating to the Doris North Project Certificate (the "Project Certificate")

Thank you for your email of November 9, 2009 and for the opportunity to provide you with an update on our resolution of certain issues with respect to the Project Certificate. We will be in a position to provide NIRB with a further update on certain of these matters by January 15, 2010. For your ease of reference, we have made specific reference to the applicable Term and Condition of the Project Certificate to each of the topics you raised in your email.

While I appreciate your email, given our open dialogue and active engagement and progress on these issues, I do not believe that circumstances exist that warrant any allegation of non-compliance with the requirements of the Project Certificate.

Compliance with Regulatory Requirements of Transport Canada

- 20. 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.**

HBML has always taken steps to ensure fuelling operations at Roberts Bay proceed in compliance with the requirements of Term and Condition #20. Most recently, HBML had the booms deployed again in 2009 around the NTCL barge during unloading and all

of our spill containment material was available to NTCL during unloading (photos of these operations are attached at Schedule A of this letter).

The ongoing dialogue between HBML and Transport Canada with respect to the regulatory requirements under the *Canada Shipping Act, 2001* has been open and productive as it has served to clarify our different legal interpretations of the regulatory requirements. HBML is taking the following steps to comply with Transport Canada requirements:

- At HBML's request, NTCL prepared an Oil Pollution Prevention/Emergency Plan ("OPP/EP") for the oil handling facilities at Roberts Bay and submitted it to Transport Canada for their review.
- We were recently informed by Transport Canada that revisions to the OPP/EP are required. Following several conversations and email exchanges with Craig Miller of Transport Canada, HBML is now revising the OPP/EP for the oil handling facilities at Roberts Bay, for re-submittal to Transport Canada.
- NTCL representatives and I will meet with Craig Miller of Transport Canada in Hay River, NWT on December 10, 2009, to review any outstanding issues relating to the HBML OPP/EP and to ensure that the facilities at Roberts Bay operate in full compliance with all applicable *Canada Shipping Act, 2001* requirements.
- Following this meeting and finalization of the OPP/EP, HBML will request that Transport Canada provide written confirmation of its approval.
- HBML will include an update on progress on this item in our letter to NIRB of January 15, 2010.

Wildlife Mitigation and Monitoring Plan (WMMP)

- 22. MHL, in consultation with GN-DoE and KIA, shall immediately begin the design and implementation of baseline data collection methods to establish both the wolverine and grizzly bear population of the Hope Bay Belt region. Any baseline data results shall be reported to NIRB's Monitoring Officer.**

HBML is taking the following steps to ensure compliance with Term and Condition #22:

- Throughout 2009 and since our letter to NIRB of September 11, 2009, HBML has continued to work with GN-DoE on issues relating to the WMMP. As per the most recent letter from HBML to NIRB/ GN-DoE, HBML will be working with GN-DoE biologists to incorporate the proposed changes to the WMMP during the 2010 field season, which will be reflected in the 2010 WMMP monitoring report.
- Two outstanding issues will be addressed in the 2010 WMMP monitoring report.

- 1) HBML is designing a winter/spring caribou survey to monitor the winter locations of the Dolphin and Union herds. Following conversations regarding timing for this survey between biologists from HBML (Greg Sharam - Rescan) and regional caribou biologists (Alicia Kelly, GN), as well as the NIRB review of the 2007 WMMP, HBML commenced planning for a 2010 winter/spring caribou survey at Hope Bay. HBML is currently amending research permits to allow for this survey to proceed and detailed planning will be undertaken with regional biologists as the survey commencement date approaches.
- 2) HBML is proceeding with planning with respect to the hair-snag DNA baseline study for grizzly bear and wolverine. Biologists from HBML are in communication with government biologists currently using this technique (GN-DoE biologist Mathieu Dumond and GNWT-DoE biologist Robert Mulders) and Jon Boulenger, statistical consultant to both DoE groups, on the experimental design for studies of this kind. Following a meeting between members of this group in September 2009, the plan forward was for Mr. Boulenger to re-analyze elements of Mr. Mulders' data to determine the best experimental layout in tundra locations. Further discussions with GN-DoE biologists will proceed once these analyses have been completed.

As suggested by the NIRB, following completion of these studies, HBML will evaluate all data collected for the purposes of evaluating approaches for baseline studies and monitoring of carnivore species.

- HBML is currently scheduling a call between Greg Sharam (Rescan), Mathieu Dumond (Biologist, GN-DoE) and Michael Mifflin (Manager of Land Use and Environmental Assessment, GN-DoE) with a view to obtaining GN DoE's written confirmation that implementation of the hair snag DNA study and 2010 caribou study will address the concerns that GN previously expressed to NIRB with respect to the WMMP. Issues related to revising the mitigation plan will also be discussed in the meeting.
- HBML will include an update on progress on this item in our letter to NIRB of January 15, 2010.

Training for HBML's on-site wildlife specialist

24. **As part of the training for HBML's on-site wildlife specialist, HBML shall provide training to that person in areas of bear encounters and safety, effects of noise on wildlife, recording wildlife sightings, waste management, records management, and reporting to NIRB's Monitoring Officer and regulatory officials.**

With respect to assigning of responsibilities under Term and Condition #24, compliance with wildlife mitigation and monitoring obligations is primarily the responsibility of HBML's ESR Team. The on-site ESR Team (the Environmental Coordinators) have primary responsibility and authority over noise mitigation, wildlife deterrence, response and reporting and record-keeping matters. We have provided an organizational chart (attached as Schedule B of this letter) for your reference of ESR Team roles and responsibilities.

With respect to providing further information on scheduling of personnel under Term and Condition #24, in our prior communications regarding our compliance with Term and Condition #24, we clarified and you agreed that due to our rotating shift-schedules at the Project Site, one person could not be assigned to fulfill the role of "On-Site Wildlife Specialist" full time. Instead, we have assigned the role of the On-Site Wildlife Specialist as the responsibility of HBML's Environmental Coordinators – the ESR Team position that is on-site. During the current construction phase, HBML has two Environmental Coordinators who work on site, each in 3-week shifts.

With respect to training of personnel on matters under Term and Condition #24, HBML has provided training to the Environmental Coordinators, as well as 17 other on-site personnel in areas of bear deterrence, encounters and safety and effects of noise on wildlife. HBML has provided training on Bear Safety to approximately 300 of its on-site personnel. We have provided a roster of attendees at these 2009 training sessions (attached as Schedule C of this letter). This training was provided by Bear Wise. Additional Bear Wise training and re-training is scheduled for 2010. The training was targeted to a large group of site personnel who work in cross-shifts and cross-functions at the Project site. The training was provided so that there would be a number of people, including our Environmental Coordinators, on each shift who had this valuable training.

Additionally, HBML's ESR Group and namely, the Environmental Coordinators as the ESR Group's on-site representatives have implemented wildlife precautions and procedures as part of the daily Standard Operating Procedure (SOP) of the project site. The Environmental Coordinators have personally drafted and implemented site SOPs that provide requirements for avoiding and deterring wildlife interaction, recording wildlife sightings, waste management to limit wildlife attractants, records management, and reporting requirements related to wildlife sightings and interactions. HBML's on-site supervisors and Environmental Coordinators actively implement and manage compliance with these SOPs on a daily basis and monitor and disclose "Environmental Incident" reports at site to third parties.

These policies and procedures and HBML's extensive training on wildlife issues to a variety of its personnel have made compliance with NIRB Certificate requirements regarding wildlife management an integral part of our daily operations at site.

Socio-Economic Monitoring Program (SEMP)

- 28. Within six (6) months of the issuance of a Project Certificate, a Hope Bay Belt Socio-Economic Monitoring Committee ("SEMC") shall be formed to**

supplement, not duplicate areas covered by the Inuit Impact Benefit Agreement negotiated for this project. In order to ensure consistent data collection and tracking of data trends in a comparable form to be shared at the regional level and to minimize the duplication of efforts, the composition of the SEMC should include the same membership as the Kitikmeot Socio-Economic Monitoring Committee approved by the Minister. Additionally, the SEMC must engage the affected communities of Cambridge Bay, Kugluktuk, Gjoa Haven, Taloyoak, and NIRB's Monitoring Officer, and consider concerns from Bathurst Inlet and Omingmaktok. In consultation with these parties and immediately upon the SEMC's formation, MHL shall provide the terms of reference for a socio-economic monitoring program to the SEMC for review and subsequent direction by NIRB. The terms of reference are to include the role of MHL in data collection and analysis; the key socio-economic indicators to be monitored; the reporting requirements; and the funding formula.

HBML is taking the following steps to ensure compliance with Term and Condition #28:

- As you are aware, the Doris North SEMC Terms of Reference (which have previously been submitted to NIRB) indicate that the SEMC and related SEMP would be initiated upon a Construction Decision for the Doris North Project. In 2008, HBML deferred the Doris North Project. Since HBML had not yet made a Construction Decision, neither the SEMC nor the SEMP had been initiated to date.
- With the October 29, 2009 announcement that HBML is moving towards construction of the Doris North Project, at the Kitikmeot SEMC meeting in Cambridge Bay during the week of November 16th, 2009, HBML intends to commence meetings of the SEMC and to implement the SEMC Terms of Reference, which sets out next steps relating to the Doris North SEMP.
- The NIRB Monitoring Officer has been invited to attend the Doris North SEMC meeting in order to track ongoing progress on fulfilling Term and Condition #28 of the Project Certificate.
- HBML will include an update on progress on this item in our letter to NIRB of January 15, 2010.

Noise Abatement Plan

29. **MHL shall develop and implement a noise abatement plan to protect people and wildlife from mine activity noise, including blasting, drilling, equipment, vehicles and aircraft. The noise abatement plan will be developed in consultation with GN-DoE, EC and HC, and includes: restrictions on blasting and drilling when migrating caribou, birds or local carnivores may be affected; the establishment of strict standards for noise levels; use of**

equipment and vehicles with the best noise attenuation devices; when practical, the use of fences or berms around noisy machinery or sites; flight corridor restrictions over sensitive areas with known concentrations of wildlife and birds whenever possible; and requiring with the exception of take off and approach for landing, a minimum flight altitude of 300 metres above ground level when flights to and from the mine site are passing near sensitive wildlife and bird areas. The noise abatement plan will also incorporate the use of sound meters to monitor sound levels at sites in and around the mine site and local study area. The location and design of the sound meters shall be selected in consultation with EC and set up immediately upon issuance of the Project Certificate for the purpose of obtaining baseline data, and during and after operations. The final noise abatement plan shall be filed with NIRB's Monitoring Officer within six (6) months of the issuance of the Project Certificate.

In our prior responses, we provided that, due to our deferral of the Doris North Project and the limited nature of our operations at the Project Site, we did not feel that active mitigation measures were a necessary part of our established Noise Abatement Plan. Given our current initiation of construction of the Doris North Project, HBML currently agrees that more detail should be added to its current Noise Abatement Plan with the understanding that at the moment, the Doris North Project is not in operation.

During the construction period, to effectively mitigate for noise effects measures will be designed to interrupt known pathways between noise-producing infrastructure and wildlife species found at Hope Bay. In general, wildlife in the Hope Bay region can be divided into three groups: resident wildlife which may be disturbed by ambient noise, resident wildlife which are attracted to human occupation and migratory wildlife such as caribou for which there are known or inferred disturbance pathways from mines and exploration camps.

For resident wildlife species, considerable research has been conducted on how breeding birds respond to operating mines in NWT (BHP Billiton 2009). To date, no effects have been detected for breeding birds at operating mines. HBML also avoids greenfields construction in areas where there is the potential for the disturbance of migratory birds between late May and mid-August. Hence, no effects are expected on breeding birds at construction sites, due to the much smaller scale of these operations. Data for raptors is mixed, with data suggesting that raptors are not disturbed by static noise such as generators, but may be disturbed by blasting noises.

For other resident wildlife, such as wolves, wolverines, bears, and foxes, camps and human presence are considered an attractant, so no noise mitigation is planned.

Migratory species such as caribou and muskox are known to react to noise disturbances at operating mines. Caribou have been shown to avoid operating mines, creating a zone of influence 12-14 km in radius (BHP Billiton 2009). The zone of influence for exploration camps is unknown at this time, but assumed to be considerably smaller due to the limited scale of activities. The principal producers of noise in exploration and construction

camps are helicopters.

HBML will further develop a noise abatement plan applicable to the current phase of the Doris North Project. This plan will contain two sections: reduction of noise from camp and construction, and reduction of helicopter noise. Construction noise mitigation will focus on the timing of blasting at quarries to minimize the effects on animals near the quarries at the time. Helicopter noise mitigation will focus on reducing flight patterns that may disturb caribou, primarily during the northward migration of the Dolphin and Union herd in spring (helicopters are not active during the southern migration), pilot education and guidelines for reducing potential effects. This plan will include concrete goals, monitoring and reporting objectives and will be submitted to NIRB by April 1, 2010.

Reference

BHP Billiton. 2009. EKATI Diamond Mine 2008 Wildlife Effects Monitoring Program. Prepared for BHP Billiton Diamonds Inc. by Rescan Environmental Services Ltd. March 2009.

We look forward to discussing these matters with you during our meeting in Cambridge Bay on November 19, 2009. Thank you for your time and consideration of this letter. If you should have any further questions please feel free to contact me at chris.hanks@newmont.com.

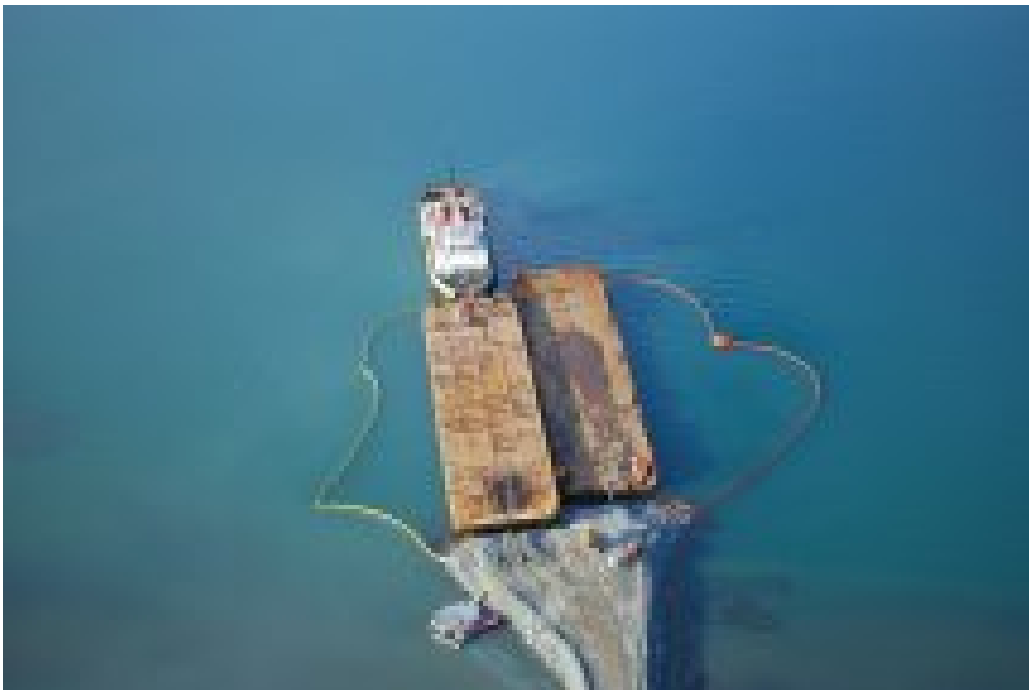
Sincerely yours,

Chris Hanks
Director, Environment and Social Responsibility
Hope Bay Mining Ltd.

**Fuel Off-loading – MV Pisurayak Kootook ~ 5 Million liters
Roberts Bay, Hope Bay Mine Site (October 01, 2009)**



Photos show Oil Containment Boom surrounding Fuel Barges



Oil Boom Deployment at Hope Bay Mine Site – September 29, 2009
Fuel Off-loading – MV Henry Christoffersen (~ 800,000 liters)



Western side of Jetty - Roberts Bay (looking south)



Eastern side of Jetty – Roberts Bay (looking south)



Roberts Bay (looking south) – MV Henry Christoffersen and fuel barge at Jetty



Roberts Bay (looking north) – showing Oil Boom surrounding fuel barge

Hope Bay Project Environmental and Social Responsibility Organizational Chart

11/13/2009

Director Environmental and Social Responsibility

Roles
Single Point of External
Communication, Relations
with all National, Regional
and Local Agencies

Manager Social Responsibility

Roles
External Affairs and
Communications with
Communities, Facilitation of
the IIBA, Relations with
Stakeholder Groups, SIA,
Community Investment
Program

Manager Environmental Compliance

Roles
Compliance, Development
and Implementation of
Environmental Management
System, Reporting, Incident/
Accident Investigation,
Cross-functional
Communications

Manager Permitting

Roles
Drafting and Tracking all
External Communications,
Document Control,
Development of Permitting
Documents

Consultant Government Relations

Roles
High Level Communications
with Government Officials

Sr. Environmental Coordinator

Roles
Compliance, Reporting,
Wildlife Management,
Sampling, Data
Management, Site
Inspections, Inductions, Risk
Assessment, Development
of SOP's

Environmental Coordinator

Roles
Compliance, Reporting,
Wildlife Management,
Sampling, Data
Management, Site
Inspections, Inductions, Risk
Assessment, Development
of SOP's

Hope Bay Mining Ltd.
2009
Bear Safety – Bear Wise Training

2009 Bear Safety Training					
Newmont Positions	53	Contractors Positions	196	Total	249
Area Manager Infrastructure	1	Caterer Personal	15		
Core Cutter	11	Consultant	5		
Drill Supervisor	2	Engineer	5		
Environmental Social Responsibility	6	Environmental Technician	16		
Geologist	16	Exploration Driller	61		
Geotechnician	13	General Laborer	1		
Safety	2	IT Technician	4		
Logistics Manager	1	Logistics	9		
Site Management	1	Maintenance	2		
		Medic	2		
		Operator	37		
		Pilot	21		
		Security	3		
		Surveyor	15		

2009 Bear Wise					
Newmont Position	12	Contractors Positions	5	Total	17
Drill Supervisor	2	Environmental Social Responsibility	1		
Geologist	2	Logistics Manager	1		
Environmental Social Responsibility	1	Medic	1		
Safety	3	Security	2		
Site Management	4				