

NIRB File No.: 05MN047 NWB File No.: 2AM-DOH0713

July 7, 2010

Thomas Kabloona, Chairperson Nunavut Water Board c/o Phyllis Beaulieu, Manager of Licensing Nunavut Water Board Gjoa Haven, NU

Via E-mail: licensing@nunavutwaterboard.org

Re: <u>Application exempt from Screening pursuant to Section 12.4.3 of the NLCA:</u> HBML's modifications to the components of the Doris North Project

Dear Phyllis Beaulieu:

On March 24, 2010 the Nunavut Impact Review Board (NIRB or Board) received Hope Bay Mining Ltd.'s (HBML) notifications to the Nunavut Water Board (NWB) for proposed modifications to components associated with the Doris North Gold Mine Project (the Project). The submission of these modification notifications to the NWB are required to meet the provisions of HBML's Type A Water Licence (the Licence) issued by the NWB in 2007, and included the following documents:

- Explosives Facility Modification Notice
- Fuel Tank Installation Modification Notice
- Portal Modification Notice

Upon completion of a preliminary review, on April 15, 2010 the NWB determined that the proposed modifications to the Explosives Facility and Fuel Tank Installation were inconsistent with the Licence and requested HBML submit separate amendment applications detailing the proposed modifications. On May 25, 2010 the NWB formally accepted HBML's amendment application for the Explosives Facility to the NWB, and withdrew the proposed modification to the Fuel Tank Installation.

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or
- (b) its inclusion would significantly modify the project."

All information received by the NIRB pertaining to the proposed modifications to the Project can be obtained from the NIRB's ftp site at the following address:

http://ftp.nirb.ca/MONITORING/05MN047-DORIS%20NORTH/01-PROJECT%20CERTIFICATE/AUTHORIZATIONS/NWB-CLASS%20A%20WATER%20LICENSE/06-EXTENSION%20%26%20AMENDMENT/

After completing a review of the information provided in support of the current applications and consulting with relevant regulatory agencies regarding the proposed activities (including Fisheries and Oceans Canada, Natural Resources Canada and the Government of Nunavut – Culture, Language, Elders and Youth), the NIRB is of the understanding that the proposed Portal and Explosive Facility modifications do not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from further assessment by the NIRB as per Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions in the NIRB Project Certificate for the Doris North Project.

Please note that Term and Condition 34 of the "*Planned Changes*" section of the NIRB Project Certificate (#003) issued on September 15, 2006 for the Project reads:

If it becomes necessary, MHBL shall give notice of any planned changes to the mine facility, including Tail Lake and its operation, to the regulatory authorities and NIRB through its Monitoring Officer, immediately.

The NIRB appreciates HBML's efforts to ensure compliance with the provisions of the NIRB Project Certificate, and looks forward to continuing work on the monitoring objectives set out in Article 12 of the NLCA. The NIRB understands that the NWB will proceed with consideration of the proposed amendments to the Licence, and HBML will report to GN-CLEY and the NIRB should archaeological sites be encountered if the modifications proceed.

Should you have any questions or require further clarification please contact Li Wan, NIRB Technical Advisor at (867) 983-4606 or <a href="mailto:lwan@nirb.ca">lwan@nirb.ca</a>.

Sincerely,

Stephanie Autut Executive Director Cc: Chris Hanks, HBML (<a href="mailto:chris.hanks@newmont.com">chris.hanks@newmont.com</a>)

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