

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

February 23, 2012

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Sent via Email

Re: <u>Hope Bay Mining Ltd.'s Application for Reconsideration of the NIRB Project</u> <u>Certificate [No. 003] Terms and Conditions for the Doris North Project</u>

Dear Sirs:

On November 14, 2011 the Nunavut Impact Review Board (NIRB or Board) received an application package from Hope Bay Mining Ltd. (HBML or the Proponent) which requested amendments to the NIRB Project Certificate [No. 003] and Nunavut Water Board (NWB) Type A Water Licence (NWB Licence No. 2AM-DOH0713) previously issued for the Doris North Gold Mine Project (Doris North Project, NIRB File No. 05MN047). The application for amendments to both the NIRB Project Certificate and NWB Type A Water License associated with the Doris North Project are referred to collectively as the "amendment application" throughout this correspondence.

After completing an initial review of the amendment application, on November 25, 2011 the NIRB requested that HBML provide clarification regarding the relationship between the scope of activities as set out in the amendment application and HBML's "Hope Bay Belt Phase 2" project proposal (Phase 2 Project). On December 8, 2011 the NIRB received additional information from HBML including an indication to the NIRB that the complete Phase 2 project proposal would be forthcoming and on December 21, 2011 the NIRB received HBML's Phase 2 project proposal. The NIRB issued the Phase 2 proposal file number 12MN001 and commenced screening of the proposal pursuant to Article 12, Part 4 of the Nunavut Land Claims agreement (NLCA).

On December 16, 2011 the NIRB distributed the amendment application package and supplemental information to the Doris North Distribution List, and invited interested parties to provide comments to the Board.

On or before January 27, 2012 the NIRB received comments from the following parties:

- Aboriginal Affairs and Northern Development Canada (AANDC)
- Kitikmeot Inuit Association (KIA)
- Transport Canada (TC)

In addition to these submissions, on February 3, 2012 the NIRB received comments from Environment Canada (EC).

The NIRB appreciates the comments provided by all parties and will ensure that the issues raised therein are given full consideration. The complete amendment application and comments received are available online from the NIRB's public registry at the following location:

http://ftp.nirb.ca/03-MONITORING/05MN047-DORIS%20NORTH%20GOLD%20MINE/01-PROJECT%20CERTIFICATE/03-PC%20AMENDMENTS/PC%20AMENDMENT%20No.1/

Please be advised that in a letter to the NIRB dated January 31, 2012, HBML advised the NIRB that its parent company, Newmont Mining Corporation had placed the development of the Doris North Project and exploration of the Hope Bay belt into a care and maintenance suspension phase. While it noted that on-site activities would currently be limited to care and maintenance as a result of the decision, HBML requested that the NIRB continue to process two applications currently before the Board, namely:

- The amendment application consisting of proposed Doris North Project modifications and related amendments to NIRB Project Certificate [No. 003] and NWB Type A Water Licence No. 2AMDOHO713; and,
- The Phase 2 Hope Bay Belt Project Proposal (NIRB File No. 12MN001).

HBML'S AMENDMENT APPLICATION

A *summary* of the proposed modifications to the Doris North Project as presented in HBML's November 2011 amendment application to the NIRB include:

- 1. Extension to mine life by 2-4 additional years;
- 2. Increases to mining and milling rates (mining of 1,000-2,000 tonnes/day and milling of 800-1,600 tonnes/day);
- 3. Deposition of cyanide treated tailings at the tailings impoundment area (TIA);
- 4. Changes to TIA water management:
 - a. TIA water to be treated and discharged into Roberts Bay
 - b. Changes to inputs to TIA and water transfer system
 - c. Water treatment system
 - d. Pipelines laid overland to discharge treated TIA water into Roberts Bay
- 5. Reduction of water cover in TIA from a minimum coverage of 2.42 metres to 2.3 metres;
- 6. Construction of Doris Central Vent Raise Pad and Road;
- 7. Expansion to sewage treatment plant and camp capacity to accommodate 360 personnel;
- 8. Expansion to Pad U (waste rock storage area);
- 9. Expansion to Pad T (general laydown facility and ore storage area);
- 10. Use of materials from quarries at Doris North;
- 11. Potential relocation of waste management facilities;
- 12. Potential relocation of camp water source from Doris Lake to Windy Lake; and,
- 13. Additional infrastructure at Roberts Bay including laydown, water intake, accommodation barges and over-wintering of fuel barges.

In anticipation of these amended activities, HBML requested that the NIRB reconsider specific sections and terms and conditions contained within the NIRB Project Certificate (PC No. 003) as issued in 2006. Specifically, HBML requested that the NIRB consider amendments to PC No. 003 as follows:

- 1. Section 2.1: Update description of Project to reflect project changes;
- 2. Section 4.9 (Term and Condition 9): Remove requirement to fund and install an on-site laboratory for continuous monitoring of water quality. The revisions that HBML is requesting to the TIA, in particular the addition of water treatment, will ensure that discharge meets required criteria and as such, the on-site laboratory previously proposed by Miramar and described in the Project Certificate is no longer necessary.
- 3. Section 4.10 (Term and Condition 10): Revise monitoring requirement as appropriate to reflect discharge to Roberts Bay rather than Doris Creek.
- 4. Section 4.15 (Term and Condition 15): Revise as appropriate to reflect discharge to Roberts Bay rather than Doris Creek.
- 5. Appendix A of PC No. 003:
 - Revise reference to mine surface footprint area (Commitment No. Caribou, Item 2, page 3 of 28).
 - Revise commitment relating to use of chemical dust suppressants to indicate such substances may be used provide the proponent does so in accordance with relevant Northern and Nunavut policy (Commitment No. Caribou, Items 8 and 9, page 3 of 28).

- Remove reference to release of TIA decant water into Doris Outflow. HBML proposes to revise this commitment to refer to Roberts Bay (Commitment No. Fish, Item 10, page 11 of 28).
- Remove obligation to monitor water quality at discharge release into the Doris Outflow and downstream of the waterfall (Commitment No. Fish, Item 11, page 11 of 28).
- Remove the monitoring point to correspond with the new proposed point of ocean deposition in Roberts Bay (Exhibit #37, page 12 of 28).

REQUEST FOR COMMENTS

As set out in the Board's December 16, 2011 correspondence to HBML and the Doris North Distribution List, based on the relevant provisions of the NLCA, the current scope of NIRB Project Certificate [No. 003] and the information provided by HBML, it is the Board's opinion that HBML's request to modify the Doris North Project will necessitate a reconsideration of the term and conditions of the NIRB Project Certificate [No. 003] pursuant to Section 12.8.2 of the NLCA.

There are several additional agencies with a jurisdictional authority or a mandated responsibility for component(s) of the Doris North Project which the Board would also appreciate receiving advice from regarding HBML's application; specifically, the NIRB is requesting a response from the Government of Nunavut (GN), Fisheries and Oceans Canada (DFO) and Natural Resources Canada (NRCan) on or before **March 15, 2012** regarding the following points:

- Whether the proposed modifications trigger the requirement for reconsideration as set out in NLCA Sections 12.8.2 (a), (b), or (c) and, if so, which provisions would trigger reconsideration;
- Whether specific terms and conditions within NIRB Project Certificate [No. 003] may need to be reconsidered pursuant to Section 12.8.2 of the NLCA and, if so, identifying the terms and conditions that should be reconsidered;
- Whether any such reconsideration is likely to arouse significant public concern and, if so, describing the basis for the concern;
- Based on the proposed amendments and possible changes to specific terms and conditions, whether the reconsideration should include revisiting whether the potential adverse effects previously identified as mitigated in the original NIRB Review would continue to be considered mitigated if the proposed project modifications are implemented; and
- Any matter of importance to the Party related to the amendment application as presented by HBML that should be considered by the NIRB in its pending request to the Minister, including the scope and time frame for any potential reconsideration.

Upon receipt of comments from these agencies and any other interested parties, the Board will, in accordance with Section 12.8.3 of the NLCA, report to the Minister of Aboriginal Affairs and

Northern Development regarding the proposed reconsideration of the Terms and Conditions contained within the NIRB Project Certificate [No. 003].

In closing, the Board respectfully requests that the GN, DFO, and NRCan submit comments to the NIRB office via email to <u>info@nirb.ca</u> or via fax to 867-983-2594 on or before <u>March 15, 2012</u>.

Should you have any questions or require further clarification, please contact Li Wan, Technical Advisor and the NIRB's Monitoring Officer for the Doris North Project, at lwan@nirb.ca or (867) 983-4606.

Sincerely,

Amanda Hanson

Director, Technical Services Nunavut Impact Review Board

cc: Chris Hanks, HBML

Léa-Marie Bowes-Lyon, HBML Dave Hohnstein, Nunavut Water Board Doris North Distribution List