



NIRB File No. 12MN001

June 8, 2012

To: Phase 2 Hope Bay Belt Distribution List

Sent via email

Re: Commencement of the NIRB's Review of Hope Bay Mining Ltd.'s "Phase 2 Hope Bay Belt" project proposal

Dear Parties:

On May 30, 2012 the Nunavut Impact Review Board (NIRB or Board) received the enclosed letter from the Honourable John Duncan, Minister of Aboriginal Affairs and Northern Development (the Minister), regarding the NIRB's Screening Decision Report for Hope Bay Mining Ltd.'s (HBML or the Proponent) "Phase 2 Hope Bay Belt" project proposal (NIRB File No. 12MN001). The Minister has accepted the Board's recommendation and has referred the Phase 2 Hope Bay Belt project proposal (the Project) to the NIRB for further review pursuant to Part 5 of Article 12 of the Nunavut Land Claims Agreement (NLCA).

The Phase 2 Hope Bay Belt project description and information pertaining to the NIRB's Review of HBML's Phase 2 Hope Bay Belt project proposal can be accessed online from the NIRB's public registry using the following link:

<http://ftp.nirb.ca/02-REVIEWS/ACTIVE%20REVIEWS/12MN001-HBML%20PHASE%202%20HOPE%20BAY%20BELT/2-REVIEW/>

DRAFT SCOPE FOR THE ASSESSMENT

The NIRB's Review process is designed to carry out the Board's functions as described in Section 12.2.2 of the NLCA and further, in accordance with Section 12.5.5 of the NLCA. This will involve at a minimum, the following:

- Review the ecosystemic and socio-economic impacts of the proposed Project;
- Gauge and define the extent the impacts will have on regions and communities; and
- Determine, on the basis of its review, whether the project proposal should proceed, and if so, under what terms and conditions, and then report its determination to the Minister.

The first step in the NIRB's Review process is to **scope** the project proposal and determine the potential for impacts associated with the Phase 2 Hope Bay Belt Project through all project

stages, including site preparation, construction, operation, modification/maintenance, decommissioning, abandonment and restoration. Scoping is a process that pinpoints significant issues related to the proposed project which require more detailed study and analysis. This process aims to identify those components of the biophysical and/or socio-economic environment that could be impacted by the Project and for which there is public concern.

Based on the Phase 2 Hope Bay Belt project description as submitted to the NIRB on December 21, 2011, the NIRB has developed the enclosed *Draft Scope* for the assessment of the Project. The NIRB will now begin to solicit input from the Proponent and interested parties, including territorial and federal government departments, the Regional Inuit Association, and members of the public, in order to determine:

- Which project components and activities will be included in the Review;
- The temporal (time-related) and spatial (physical) boundaries of the project undergoing Review;
- The issues and concerns to be considered in the Review; and,
- Any other requirements for the assessment and Review of the project.

By copy of this letter, the NIRB requests that responsible authorities, parties with jurisdictional responsibility for aspects of the proposed project and other interested parties review the enclosed *Draft Scope* and provide comments to the Board for consideration on or before **August 7, 2012**.

PUBLIC SCOPING SESSIONS

The NIRB scoping process requires the development of a public participation and awareness program intended to engage the public during the early stages of the Review process in order to facilitate meaningful consultation with those communities potentially affected by the Phase 2 Hope Bay Belt Project. The NIRB will host scoping sessions to consult with the public and interested parties regarding Valued Ecosystem Components (VECs) and Valued Socio-Economic Components (VSECs) that should be addressed by the Proponent's *Draft Environmental Impact Statement (EIS)*.

The objectives of these public scoping sessions will be to:

- Inform the public of the proposed Phase 2 Hope Bay Belt project under Review;
- Explain the steps of the NIRB's Review process, including how members of the public can become involved and effectively participate; and,
- Work with members of the public to identify Valued Ecosystem Components (VECs) and Valued Socio-Economic Components (VSECs) that should be considered in the NIRB's Review of the Project.

EIS GUIDELINES DEVELOPMENT

Section 12.5.2 of the NLCA directs the NIRB to issue Guidelines to the Proponent for its preparation of an Environmental Impact Statement (EIS). An EIS is a detailed document prepared by the Proponent in accordance with the EIS Guidelines issued by the NIRB which identifies, predicts, evaluates, and communicates information about the ecosystemic and socio-economic impacts of a project proposal. An EIS also provides for the identification and

development of mitigation measures – those provisions or measures which are designed to control, reduce, or eliminate potentially adverse impacts of an activity or the project.

The NIRB will draw on information obtained during the scoping of this Project in the development of the EIS guidelines, and will further, offer an opportunity for public comment into their development. At the completion of this iterative process the NIRB will issue the EIS Guidelines to the Proponent for its preparation of a *Draft* EIS for the Project.

Section 12.5.2. of the NLCA contains a list of information to be included, where appropriate, in an EIS (NIRB's 10 Minimum EIS Requirements) and grants the NIRB authority to add, "*any other matters that NIRB considers relevant.*" For more information on the preparation of Environmental Impact Statements and a list of requirements that Proponents must comply with, please see the NIRB's *Guide 7 – The Preparation of Environmental Impact Statements* (available at <http://ftp.nirb.ca/04-GUIDES/>).

TIMELINE FOR THIS REVIEW

As indicated in the Board's February 24, 2012 Screening Decision Report to the Minister and as acknowledged in the Minister's letter of response which referred the Project to the Board for Review (enclosed), when establishing the timeline for this Review, the NIRB must take into consideration all projects currently undergoing assessment and the development timelines as established by the project proponent for each. The NIRB recognizes that the Doris North Project (NIRB File No. 05MN047) was placed into care and maintenance by the Proponent earlier this year, with all development and surface exploration activities at Hope Bay consequently postponed until further notice. While on-site activities are currently in care and maintenance, HBML has requested that the NIRB continue to process the two regulatory applications relating to the Doris North and Phase 2 Hope Bay Belt Projects currently under consideration, namely:

- The Doris North Mine Modifications and Related Amendments to Project Certificate No. 3 and Nunavut Water Board Type A Water Licence No. 2AMDOHO713 (NIRB File No. 05MN047); and
- The Phase 2 Hope Bay Belt Project Proposal (NIRB File No. 12MN001).

It is HBML's expressed belief that the NIRB's continued attention to these applications will support project development should the Doris North and Hope Bay Belt Projects be brought out of care and maintenance at some as yet undetermined, future date.

In correspondence received May 7, 2012 HBML requested that the NIRB continue to process the Phase 2 Hope Bay Belt project proposal through to the issuance of EIS Guidelines while noting that HBML does not plan to develop an EIS for the project in the near term (see attached correspondence, Appendix B). HBML further noted that in the interest of achieving administrative efficiencies, it would support the NIRB delaying public consultation to correspond with any community meetings it may deem necessary in respect of HBML's revised Application for Reconsideration of the NIRB Project Certificate Terms and Conditions for the Doris North project (NIRB File No. 05MN047), which it has suggested would be submitted to the NIRB in July 2012.

Based on the Proponent's expressed support to delay community visits and the Minister's acknowledgment of the need to prioritize the Board's resources in the most effective manner possible while advancing the various ongoing assessments within its purview, the NIRB is currently exploring options for scheduling the required public consultation. This includes the possibility of coordinating the Phase 2 Hope Bay Belt scoping meetings with any other consultation that may be required pertaining to the forthcoming HBML application to reconsider terms and conditions contained within the Doris North Project Certificate (No. 003) (NIRB File No. 05MN047).

The NIRB will be selecting the most appropriate timing for scoping meetings and community visits based upon a consideration of the following:

- The timing of the Proponent's submission of a revised application package for the Board's potential reconsideration of terms and conditions within the Doris North Project Certificate (NIRB File No. 05MN047, PC No. 003);
- Indications received from communities regarding preferred timing; and,
- Scheduling of public meetings, hearings and other requirements for the other ongoing NIRB Reviews and Monitoring programs.

Further details pertaining to the NIRB's public scoping meetings for this Review will be provided following receipt of parties' comments regarding the *Draft Scope* for the assessment of the Project, due August 7, 2012. Parties are invited to include within their comment submissions an indication of any preferred timing for future community scoping meetings.

OVERVIEW OF NEXT STEPS

The following provides an overview of the next steps in the NIRB's Review of the Phase 2 Hope Bay Belt project:

June 8, 2012	NIRB distributes the <i>Draft Scope</i> for 30 day public comment period
August 7, 2012	NIRB receives parties' comments regarding the <i>Draft Scope</i> and revises the document
August 27, 2012	NIRB releases a <i>Revised Draft Scope</i> and <i>Draft EIS Guidelines</i> for 30 day public comment period
September 2012	<i>Tentative</i> NIRB Scoping Meetings in the Kitikmeot Region

For the information of parties, the NIRB has enclosed a more detailed Review process map and anticipated timeline for the Board's Review of HBML's Phase 2 Hope Bay Belt project. Please note that this timeline is subject to change based on project-specific circumstances, the input received from parties, and the NIRB's discretion.

Again, the NIRB invites interested parties to submit comments on the *Draft Scope* (Appendix A) for the Phase 2 Hope Bay Belt project to the NIRB by **Tuesday August 7, 2012.**

Please direct all comment submissions to the NIRB via fax to **(867) 983-2594** or via email at info@nirb.ca.

If you have any questions or require clarification regarding the NIRB's Review of the Phase 2 Hope Bay Belt project, please contact Kofi Boa-Antwi, Technical Advisor, at kboa-antwi@nirb.ca or by phone at (867) 983-4609.

Sincerely,



Amanda Hanson
Director, Technical Services
Nunavut Impact Review Board

cc: Chris Hanks, Hope Bay Mining Ltd.
Geoff Clarke, Kitikmeot Inuit Association
Jeff Mercer, Aboriginal Affairs and Northern Development Canada
Derrick Moggy, Fisheries and Oceans Canada
Rob Johnstone, Natural Resources Canada
Doug Soloway, Transport Canada

Attached: Appendix A: *Draft Scope for the NIRB's Assessment of the Phase 2 Hope Bay Belt Project*
Appendix B: Correspondence from HBML to the NIRB regarding the Phase 2 Hope Bay Belt project (May 7, 2012)

Enclosures (2): Minister of Aboriginal Affairs and Northern Development's Decision Re: Phase 2 Hope Bay Belt Project (*May 30, 2012*)
Process Map for the NIRB's Review of the Phase 2 Hope Bay Belt Project

APPENDIX A

DRAFT SCOPE LIST FOR THE NIRB'S ASSESSMENT OF THE PHASE 2 HOPE BAY BELT PROJECT

The scope of the Nunavut Impact Review Board's (NIRB or the Board) assessment of the Phase 2 Hope Bay Belt project proposal (The Project) is based on the requirements of Section 12.5.2 of the Nunavut Land Claims Agreement (NLCA), the NIRB's 10 Minimum Environmental Impact Statement (EIS) Requirements and the project proposal submitted by Hope Bay Mining Ltd. (HBML or Proponent) to the NIRB on December 21, 2011.

The process of "scoping" intends to identify the possible range of impacts from a project, including the physical works and activities proposed, and the factors to be assessed (i.e., the ecosystemic and socio-economic environments and components to be considered in assessing the effects of the project) in the context of spatial and temporal scales at various project stages including preconstruction, construction, operation, modification/maintenance, decommissioning, abandonment, reclamation and others. The NIRB will consult with the public and interested parties to identify Valued Ecosystem Components (VECs) and Valued Socio-Economic Components (VSECs) that should be addressed by the Proponent's Environmental Impact Statement. Through these efforts, including the solicitation of public comment and community consultation visits, the NIRB will finalize its Scope List for the Project. The following presents a draft of that list:

1) Project Description, including the purpose and need for the Project

The scope of the development under review includes the physical works and activities or undertakings that constitute the Phase 2 Hope Bay Belt project proposal as submitted to the NIRB by HBML on December 8, 2011. The temporal scope for the Project includes each stage of the project, including construction, operation, maintenance, temporary closure, final closure, post-closure periods and planned exploration to be undertaken in conjunction with the Project.

Project Proposal Summary

The Phase 2 Hope Bay Belt Project is a proposed gold mining and milling operation located approximately 125 kilometres southwest of Cambridge Bay in the Kitikmeot region. The Project will have an estimated milling rate of up to 2 million tonnes of ore per year, with anticipated total waste rock and tailings production of 350 million tonnes and 25 million tonnes, respectively. The Project would facilitate gold mining at the Madrid/Patch and Boston mineral deposits in the Hope Bay greenstone belt using both open pit and underground mining methods.

The project proposal includes the expansion of existing infrastructure at the Doris district¹, as well as the development of new infrastructure at the Madrid/Patch and Boston districts to

¹ The NIRB has previously reviewed the related but distinct Doris North Gold Mine project (NIRB File No. 05MN047) in accordance with Part 5 of Article 12 of the Nunavut Land Claims Agreement (NLCA). The Doris North Gold Mine project was allowed to proceed pursuant to the NIRB Project Certificate No. 003 which was issued September 15, 2006.

support belt-wide mining operations. The Proponent has indicated that the number of personnel on the site at any given time is not expected to exceed 1,080 with a total of 720 on-site personnel during peak construction and 540 personnel during operations. Personnel at all project phases would be employed on a fly-in/fly-out rotational basis. HBML proposes to commence project development in 2014 – 2015, with a projected mine life of 15 years.

Project Components

(a) Doris North Mine Site²

Activities and Facilities: HBML proposes to use and/or expand existing facilities and associated activities at the Doris site including use of the existing camp to accommodate an anticipated 360 persons during future construction of the Project; establishment of a heliport; expansion of the existing all-weather airstrip; use of potable water to be sourced from Doris Lake (as previously permitted) with use of existing sewage treatment plants; expansion of maintenance shops, administration buildings, mine dry (including lockers, sinks, and changing rooms for personnel); use of reagent storage; development and operation of a batch plant, crushing circuit and mineral processing plant in support of underground mining activities; waste rock and ore storage; surface water management (including pollution and sediment control or supernatant ponds); use of previously permitted fuel storage facilities with capacity of up to 5 million litres (ML); tailings conveyance and storage (tailings storage and disposal options include sub-aqueous, sub-aerial, dry-stack and deep sea); development and operation of a landfill at quarried out areas; power generation and distribution; and the establishment and use of other miscellaneous support facilities.

(b) Roberts Bay Port Site

Activities and Facilities: Activities and facilities proposed include the expansion of existing deep sea and shallow water port facilities; construction of waste management buildings and maintenance shops; use of two (2) existing moored accommodation barges to house 100 personnel; and use of an additional 60 ML of diesel fuel to be stored at the existing site's main fuel storage facility as well as the establishment of additional dispensing systems.

(c) Madrid/Patch Mine Site

Activities and Facilities: Activities and facilities proposed include construction and operation of an all-weather airstrip; establishment of administration buildings, maintenance shops and mine dry (including lockers, sinks, and changing rooms for personnel); diesel fuel power generation and related distribution infrastructure; establishment of fuel storage facilities; development of multiple open pit and underground mining operations; crushing circuit; potable water withdrawal from Patch Lake; establishment of sewage treatment plant and sanitary landfill; ore and waste rock storage areas; and other miscellaneous support facilities.

(d) Boston Mine Site

² HBML currently owns and operates the Doris North Project (NIRB File No. 05MN047), a prospective gold mining and milling operation located within the Hope Bay greenstone belt, which has yet to commence full mining and milling operations.

Activities and Facilities: Activities and facilities proposed include establishment of camp facility for up to 180 personnel; establishment of heliport and all-weather airstrip; withdrawal of potable water from Aimaokatalok Lake; establishment of sewage treatment plant; establishment of maintenance shops, administration buildings, mine dry (including lockers, sinks, and changing rooms for personnel); reagent storage; development of an open pit (to include the diking of a portion of Aimaokatalok Lake) and multiple underground mining operations; establishment and operation of a crushing circuit and a mineral processing plant; waste rock and ore storage; surface water management (including pollution and sediment control or supernatant ponds); fuel storage; tailings conveyance and storage (land-based dry stack or sub-aerial tailing facilities and/or placement of some tailings underground); development of a landfill at quarried out areas; power generation and distribution; establishment of sewage treatment plant; establishment of mine water conveyance and treatment facilities; and other miscellaneous support facilities.

(e) Mid-belt Site

Activities and Facilities: Activities and facilities proposed include the installation of a mobile exploration camp to accommodate 180 personnel; temporary fuel storage at cache location (location to be determined); establishment of heliport, administration buildings and maintenance shops; and installation of potable water and sewage treatment plants using a number of lakes in the region as water sources.

(f) Mobilization and Shipping

Activities and Facilities: Activities and facilities proposed include annual sealift of fuel, equipment and supplies via the Arctic Ocean to Melville Sound and then to the port facility at Roberts Bay during the ice-free (open water) season in the summer months; transport of some equipment and supplies to project site using Lockheed 382 Hercules, Boeing 737, and other aircraft; use of laydown areas at various locations at the project site; use of floating line to deliver fuel from barges and/or ships to land-based storage tanks; and shipment of concentrate (via sealift) and/or doré gold bars (via airlift) off site.

(g) Abandonment, Decommissioning and Reclamation

Activities and Facilities: Activities and facilities proposed include mine decommissioning and removal of infrastructure and equipment from site; remediation of contaminated areas; reclamation of disturbed areas; enhancement of natural re-vegetation; and post-closure environmental monitoring, including installation of monitoring equipment.

2) Anticipated ecosystemic and socio-economic impacts of the Project

The assessment of the potential for ecosystemic and socio-economic impacts by the proposed project components and activities as outlined in the section above, and extending through all the phases of the Phase 2 Hope Bay Belt project, must refer to the environmental and socio-economic factors listed below. The scope of potential impacts caused by the project components, activities, and undertakings to environmental and socio-economic factors shall take into account the appropriate temporal and spatial boundaries and is expected to draw upon relevant information from scientific sources and traditional knowledge.

- a) **Air quality**
- b) **Climate and meteorology**
- c) **Noise and vibration**
- d) **Terrestrial environment, including**
 - o Terrestrial ecology
 - o Landforms and soils
 - o Permafrost and ground stability
- e) **Geology (including geochemistry)**
- f) **Hydrology (including water quantity) and hydrogeology**
- g) **Groundwater and surface water quality**
- h) **Sediment quality**
- i) **Freshwater aquatic environment, including**
 - o Aquatic ecology
 - o Aquatic biota including representative fish as defined in the *Fisheries Act*, aquatic macrophytes, benthic invertebrates and other aquatic organisms
 - o Habitat including fish habitat as defined in the *Fisheries Act*
- j) **Terrestrial vegetation**
- k) **Terrestrial wildlife and wildlife habitat, including**
 - o Representative terrestrial mammals to include caribou, caribou habitat migration and behaviour, muskoxen, wolverine, grizzly bears, polar bears, wolves and less conspicuous species that may be maximally exposed to contaminants
 - o Wildlife migration routes and crossings
- l) **Birds and their habitat, including**
 - o Raptors
 - o Migratory birds
 - o Seabirds
- m) **Marine Environment, including**
 - o Marine ecology
 - o Marine water and sediment quality
 - o Marine biota including fish and benthic flora and fauna
 - o Marine habitat
- n) **Marine Wildlife**
- o) **Terrestrial and Marine Species at Risk**
- p) **Socio-Economic Factors, including**
 - o Economic development opportunities
 - o Employment
 - o Education and training
 - o Contracting and business opportunities
 - o Population demographics
- q) **Traditional activity & knowledge including**
 - o Harvesting
 - o Land use
 - o Food security
 - o Language
 - o Cultural and commercial harvesting
- r) **Non-traditional land use and resource use**
- s) **Cultural, archaeological and palaeontological resources**

- t) **Individual and community wellness, including family and community cohesion**
- u) **Community infrastructure and public services**
- v) **Health and safety** including employee and public safety
- w) **Residual and Cumulative Effects** including to wildlife such as barren-ground caribou populations
- x) **Transboundary Effects**

3) Anticipated Effects of the Environment on the Project

The scope of the assessment will include the potential anticipated effects of the arctic environment on the project throughout the project's life. The scope of these factors is to include:

- a) Climate and Meteorology
- b) Permafrost
- c) Geotechnical hazards (including slope movement, differential or thaw settlement, frost heave, and ice scour)
- d) Subsidence
- e) Flooding
- f) Unfavourable geological conditions

4) Steps which the proponent proposes to take including any contingency plans, to avoid and mitigate adverse impacts

The scope of the assessment will include any contingency plans or risk management plans to avoid and mitigate adverse impacts caused by the proposed project components and activities. These plans must extend, where relevant, through all project phases. These plans shall take into account the appropriate temporal and spatial boundaries and are expected to draw upon relevant information from scientific sources, best practice and traditional knowledge and are to include, but not be limited to:

- i. Emergency and spill response
- ii. Hazardous materials management
- iii. Accidents and malfunctions
- iv. Regulatory requirements
- v. Mitigation measures

5) Steps which the Proponent proposes to take to optimize benefits of the Project, with specific consideration being given to expressed community and regional preferences as to benefits

The scope of the assessment will include steps which the Proponent proposes to take to optimize benefits of the project, and should include, but not be limited to:

- a) Compensation and benefits
- b) Health benefits
- c) Human health and well-being

- d) Employment
- e) Education and training
- f) Land use
- g) Contracting and business opportunities
- h) Any non-confidential details from the Inuit Impact Benefits Agreement

6) Steps which the Proponent proposes to take to compensate interests adversely affected by the Project

The scope of the assessment will include the steps which the Proponent proposes to take to compensate interests adversely affected by the project including all non-confidential process and content details pertaining to any Inuit Impact Benefit Agreement pursued in connection with the Project.

7) The monitoring programs proposed by the Proponent to identify and manage ecosystemic and socio-economic interests potentially affected by the Project

The scope of the assessment will include any programs that will be established to monitor the potential ecosystemic and socio-economic impacts caused by the proposed project components and activities.

8) The interests in lands, waters and other resources which the Proponent has secured or seeks to secure

The scope of the project under review will include any interests in lands, waters and other resources which the Proponent has secured or seeks to secure based on the proposed works and activities or undertakings that constitute the Phase 2 Hope Bay Belt project proposal.

Nunavut Impact Review Board	Project Certificate
Nunavut Water Board	Type 'A' Water Licence
Kitikmeot Inuit Association	Land Use Licences, leases, easements, right-of-ways, Quarry Concession Permit(s) and various other permits
Mineral Production Lease	Nunavut Tungavik Inc.
Government of Nunavut-Community and Government Services	Quarry approval and Right-of-Way approval
Government of Canada – Department of Culture, Language Elders & Youth	Archaeology Permit(s)
Nunavut Research Institute	Socio-economic & Traditional Knowledge Research Licence, Scientific Research Licence
Aboriginal Affairs and Northern Development Canada	Class 'A' Land Use Permit, rights-of-ways, Land Lease, Waterlot Lease and Quarry Permit(s)
Environment Canada	Schedule 2 Amendment to Metal Mining Effluent Regulations
Fisheries and Oceans Canada	Fisheries Authorizations for Harmful

	Alteration, Disruption or Destruction of Fish and Fish Habitat (HADD), <i>Fisheries Act</i> Section 35(2)
Natural Resources Canada	Licence for a Factory and Magazine
Transport Canada	Navigable Waters Approval(s) and/or Exemption(s) and Oil Pollution Prevention/Emergency Plan as per the <i>Canada Shipping Act</i>
Workers Safety & Compensation Commission	Permit to Store Detonators, Explosives Use Permit

9) Options for implementing the Project

The scope of the assessment will include project alternatives including alternatives to individual components/activities, alternate timing and development options, as well as presenting the “no go” option as it pertains to the overall Project.

10) Any other relevant matters

The scope of the assessment will include any other matters that the NIRB considers relevant, including:

- a) Technical innovations previously untested in the Arctic including new technology for mine design, operation, and tailings management;
- b) Traditional knowledge;
- c) Statement of consultation principles and practices;
- d) Significant effects analysis;
- e) Sustainability analysis;
- f) Interactions between Valued Ecosystem Components and Valued Socio-Economic Components;
- g) Discussion of similar resource development projects in other jurisdictions; and
- h) Planned future development and the associated level of uncertainty.

APPENDIX B
CORRESPONDENCE FROM HBML TO THE NIRB REGARDING THE PHASE 2 HOPE BAY BELT PROJECT
(MAY 7, 2012)

May 7, 2012

Ryan Barry
Executive Director
Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, NU X0B 0C0

Re: Hope Bay Mining Ltd.'s "Phase 2 Hope Bay Belt" Project Proposal, NIRB File No. 12MN001

Dear Mr. Barry,

As you are aware, Hope Bay Mining Ltd. ("HBML") notified the Nunavut Impact Review Board ("NIRB") on January 31, 2012 of its decision to place the Doris North Project into care and maintenance, to suspend exploration on the Hope Bay Belt, and to suspend development of its Phase 2 Hope Bay Belt Project.

HBML is writing to request that the NIRB continue to process the Phase 2 Hope Bay Belt Project Proposal, to the issuance of Environmental Impact Statement ("EIS") Guidelines. While HBML does not currently plan in the near term to develop a Phase 2 EIS, proceeding with the development of EIS Guidelines will place HBML in position to promptly proceed with development of an EIS if conditions relating to the project change. Following issuance of the EIS Guidelines, HBML will likely request that the NIRB suspend processing of the Phase 2 file until further notice.

In order to provide for administrative efficiencies for the NIRB, HBML supports the NIRB delaying community consultation on the development of EIS Guidelines to correspond with community meetings in respect of NIRB File No.: 05MN047/ NWB File No.: 2AM-DOH0713 - Hope Bay Mining Ltd.'s Application for Reconsideration of the NIRB Project Certificate [No. 003] Terms and Conditions for the Doris North Project. As per our correspondence of May 7, 2012, HBML plans to submit amended applications in respect of NIRB File No.: 05MN047/ NWB File No.: 2AM-DOH0713 in July 2012. HBML anticipates that community meetings will be scheduled by the NIRB and NWB following review of these applications.

If you have any questions regarding this letter, please do not hesitate to contact Chris Hanks at 720-917-4489 or Chris.Hanks@Newmont.com, or Lea-Marie Bowes-Lyon at 604-998-5455 or lea-marie.bowes-lyon@newmont.com.

Sincerely,

for

Chris Hanks