

NWB File No: 2AM-DOH0713

May 7, 2013

Ms Catherine Farrow Chief Executive Officer TMAC Resources Inc. Suite 700 University Avenue Toronto, Ontario

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Email: cegfarrow@gmail.com

Mr. Chris Hanks Vice President, Environmental Affairs Hope Bay Mining Ltd. Suite 300 889 Harbourside Drive North Vancouver, BC

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Water Licence No.2AM-DOH0713; Application for the Amendment and Renewal of Re:

and

a Type 'A" Water Licence: Notice of Application

Dear Ms Farrow and Mr. Hanks:

Further to the Nunavut Water Board (NWB or Board) letter of October 10, 2012, with respect to the determination of completeness of the water licence application for the renewal and amendment of Licence No. 2AM-DOH0713 (Application) and supporting documentation for the Doris North Project, the Board has received and reviewed comments from Aboriginal Affairs and Northern Development Canada (AANDC) and Environment Canada (EC). The comments received indicated that there are no outstanding issues that would prevent the Application from proceeding through the regulatory process.

Following the receipt of comments, the NWB has conducted an internal review and confirmed that the Application is now compete. The Board has therefore determined that the Application for the Doris North Project may proceed through the regulatory process. The Application is for the amendment and renewal of a Type "A" water licence. Pursuant to section 52 of the *Nunavut* Waters and Nunavut Surface Rights Tribunal Act (Act) the amendment and renewal of a Type "A" water licence requires a public hearing carried out in accordance with the Board's Rules of Practice and Procedure for Public Hearings, adopted May 11, 2005, (NWB Rules). Rule 10.1 of the NWB Rules permits the Board to determine the type of public hearing to be held. On October 10, 2012 the Board requested comments from the parties as to whether the public hearing for the Application should be conducted in writing, by teleconference or in person. On November 9, 2013 Aboriginal Affairs Northern Development Canada indicated within their

¹ Rule 10.1 On receipt of an application, in deciding which type of hearing is appropriate, the Board shall consider: (a) whether, according to applicable legislation, the application is of a class that is exempt from a public hearing, and

⁽b) what course of action best serves the public interest.

submission² that a Technical Meeting and Pre-Hearing Conference be conducted by audio-conferencing while the public hearing could be carried out in writing. Environment Canada³, in their submission of November 9, 2012 did not comment on the type of hearing.

On November 9, 2012 the applicant, Hope Bay Mining Ltd. (HBML), responded to the request for comments and provided a submission with respect to the type of hearing to be held and other items related to various applications submitted during the past year. On the basis that the amendment requests are few and involve only minor amendments and that, as a result, the renewal application essentially involves the renewal of the water licence on substantially the same terms and conditions as the existing water licence, HBML indicated that a written hearing would be appropriate in the circumstances and would consent to the disposition of the matter without a public hearing.

In addition to the above submission by HBML, on November 27, 2012, HBML submitted further correspondence in relation to the initial comments received and with respect to specific information requests. HBML prepared a table summarizing and addressing the requests along with two other pieces of correspondence. These documents can be accessed from the NWB's ftp site at the link provided below, and are as follows:

- Cover letter
- Information Request response table
- Roberts Bay and Doris fuel tank farm tank volumes, and
- Doris North winter care and maintenance inspection checklist

Several updated plans have been received since the initial application and distribution for completeness and should be considered during the technical review of the Application. In addition, the NWB will take this opportunity to remind parties that the review should include Licence correspondence submitted during the licence term, most recently including, but not limited to the following:

- AANDC Inspection Report, July 9 and 10, 2012; [January 31, 2013]
- Water Licence Inspection-Temporary Closure-Hope Bay Mining Ltd. For Water Licence 2AM-DOH0713, 2BE-HOP1222, 2BB-BOS1217; October 2 and 3, 2012
- Hope Bay Mining Ltd., Waste Water Treatment Management Plan, HB-WM-OPS-MP-004; October 2012 (Rev 3)
- Hope Bay Mining Ltd., Spill Contingency Plan, HB-ER-ENV-MP-001, October 2012 (Rev 5);
- Emergency Response Plan, Hope Bay Mining Ltd., Care & Maintenance; October 2012
- AANDC October Inspection Report Response for Water Licence 2AM-DOH0713; October 2012
- Draft Inspection Report Waste Water Shut down response received; November 19, 2012;
- Revised Quality Assurance and Quality Control Plan for Water Licence 2AM-DOH0713, 2BB-BOS1217, and 2BE-HOP1222; November 29, 2012

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² Letter dated November 9, 2012 from AANDC to NWB re: Doris North Project – Hope Bay Mining Ltd. – Submission of 2012 Water Licence Renewal and Amendment Application – Completeness Review – Kitikmeot Region

³ Letter dated November 9, 2012 from EC to the NWB re: 121010 2AM-DOH0713 Application for Amendment/Renewal of Type A water Licence

- Interim Water Management Plan; December 17, 2012
- Hope Bay Project Closure and Reclamation Cost Estimate 2012 Update for Water Licence 2AM-DOH0713, 2BB-BOS1217, and 2BE-HOP1222; January 14,2013
- Revised Monitoring and Follow-Up Plan for Water Licence 2AM-DOH0713; January 24, 2013
- 2012 Hope Bay Baseline Study Annual Summary 2AM-DOH0712/2BB-BOS1217; January 25, 2013
- 2012- Waste Rock, Ore and Quarry Monitoring Report; February 11, 2013
- Notification of Doris North Camp Re-opening; March 19, 2013
- Monthly monitoring reports (2012, Jan/Feb/Mar 2013)
- 2012 Annual Report;

In accordance with subsection 55(1) of the Act, the Board gives notice of the application and invites interested persons to make representations to the Board on or before June 6, 2013. Failure to respond to this notice within the specified period will result in the loss of the right to be compensated pursuant to sections 58 to 60 of the Nunavut Waters and Nunavut Surface Rights Tribunal Act.

The parties are advised that currently there is a pending request for the assignment of Licence No. 2AM-DOH0713 from Hope Bay Mining Limited to TMAC Resources Inc. The closing date for comments on the assignment application was March 30, 2013. All transactions have been completed and TMAC Resources Inc. has provided all documentation pertaining to the assignment as well as confirmation of transfer of the financial security held with the Minister of Aboriginal Affairs and Northern Development Canada as a requirement of the Licence. The Board anticipates that the assignment of the Licence will be effected shortly. As the potential future licensee, TMAC has indicated they wish to continue with the application process for the renewal and amendments as submitted by Hope Bay Mining Limited, and as such, TMAC will be considered the applicant for the renewal and amendment going forward.

By copy of this letter to the distribution list, all interested parties are requested to complete a thorough technical assessment of the Application. The Application has been placed in the NWB Public Registry and is available from the NWB ftp site using the following access (Username: public and Password: registry) and link:

http://nunavutwaterboard.org/ftp/PRUC/2AM-MINING AND MILLING/2A/2AM-Mining/2AM-DOH0713

or by contacting:

Catherine Farrow, TMAC Resources Inc. Phone: (807) 346-1668; Fax: (807) 345-0284

E-mail: cegfarrow@gmail.com

Throughout the technical review phase, interested parties are encouraged to work cooperatively with the Applicant to discuss minor issues in advance of the proposed technical meetings. The NWB requests to be kept informed of any issues and any agreement between the parties on issues. The Board asks that technical review comments, particularly for matters such as air quality, noise, and wildlife, be provided within the limits of the NWB's jurisdiction over the use of waters and the deposit of waste in waters or that may enter waters. Technical Review

Comments shall be provided in writing to Phyllis Beaulieu, Manager of Licensing at licensing@nunavutwaterboard.org no later than June 6, 2013 at 3:00 pm MDT.

In accordance with Rule 14 of the NWB Rules, the Board has directed the staff of the NWB to hold a Technical Meeting and Pre-hearing Conference (PHC) by audio conference. The TM/PHC teleconference will take place on Friday June 14, 2013. Within ten (10) days of the PHC, the Board will issue a PHC decision that may address:

- details regarding the timetable for information exchange in advance of the public hearing;
- finalizing the list of issues to be addressed in the public hearing;
- identifying the interested parties associated with the Application;
- whether it is desirable that the Application be amended or clarified;
- finalizing the procedures to be followed for the public hearing; and
- consideration of any other matters that may aid in the simplification and disposition of the Application.

Additional information on the above Technical Meeting and Pre-hearing Conference will be provided closer to the date of meeting.

Further, notice pursuant to section 55(2) of the Act is hereby given that on July 12, 2013, the Board intends to hold a <u>written Public Hearing</u> before disposing of the Application.

As noted above, directions on the procedure for the conduct of the written Public Hearing will be issued by the Board in the PHC decision. Further, all parties are advised that the Board reserves the right to reconsider the decision to hold the Public Hearing in writing and the feasibility of proceeding with the Public Hearing on July 12, 2013 at the PHC and may determine that the public interest requires a different format or timing for the Public Hearing in this matter. If the Board finds it necessary to reschedule the Public Hearing, a new notice of Public Hearing will be issued at least sixty (60) days prior to the revised date.

If you have any questions or require clarification on the above, you may contact the undersigned by telephone at (867) 360-6338, or by email at licensing@nunavutwaterboard.org

Sincerely,

Original signed by:

Phyllis Beaulieu Manager of Licensing

cc. Distribution List - Doris North