



## Hope Bay Mining Limited 2007 Annual Report



In compliance with the Nunavut Water Board License No

**2AM-DOH0713**

**Doris North Type A**

Submitted By:

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## **LIST OF ATTACHMENTS**

Attachment 1.	Letter notification of delay in Doris North, March 11, 2008
Attachment 2.	Filing Requirements for Licence No. 2AM-DOH0713

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## **1.0 INTRODUCTION**

The Nunavut Water Board (NWB) issued the Type A water license (the Licence) to Miramar Hope Bay Ltd. on September 19, 2007, with an expiration date of September 30, 2013. The Minister of DIAND, Chuck Strahl, signed the Licence on November 5, 2007. While the Licence has the purpose of allowing “Mining and Milling and Associated Uses”, with an annual volume of water use of 480,000 m<sup>3</sup>/year, no activities occurred in 2007. In 2007, essentially the only activity associated with the Licence was the process for gaining approval.

In December 2007, Miramar assigned all assets and liabilities it has related to the Hope Bay district, including its rights and obligations related to the Licence and the Doris North project, to a new business entity called Hope Bay Mining Ltd. (HBML). On December 21, 2007, Newmont Mining Corporation successfully purchased the controlling interest of Miramar, the parent company of HBML. The assignment of the Licence from Miramar Hope Bay Ltd to HBML was approved by the NWB in early 2008. In March 2008, Newmont completed the acquisition of 100% of the shares of Miramar and its subsidiaries, and therefore has assumed all responsibility for the Doris North project. Upon review of the status of the project in January, Newmont determined that there were at least two outstanding regulatory requirements, including a commercial land lease and an amendment to Schedule 2 of the MMER that would allow for the tailing facility, which prevented the Doris North project from proceeding on the timeline that was original stated by Miramar. Newmont submitted a formal notification of the delay of the project to the NWB on March 11, 2008. This notification is included as Attachment 1. HBML would also note that the security required in Part C, Item 1 of \$11.714 M dollars has been submitted to the Minister of DIAND within the specified time period.

## **2.0 CURRENT STATUS AND PLAN FOR 2008**

Due to the announced delay in the development of the Doris North project, HBML also requested the postponement of the various reporting requirements within the Licence that apply in connection with the development of the project in 2008. This request was largely due to the current non-use of the water licence. This request was granted in a verbal conversation with Dionne Filiatrault and David Hohnstein in February of 2008, though the NWB requested that HBML provide a plan on what work would be completed in 2008.

Much of the Doris North equipment and construction material had already been purchased and shipped to site. Upon review of the status of the project, Newmont has decided to continue with the infrastructure portion of the project:

- 1) Facilitate development of Doris North project after all permits are recieved
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- 2) Improve operational, environmental, and safety aspects of operations in the belt in the short term
- 3) Improve the ability to conduct explorations in the Hope Bay belt

The primary components that are planned for development and covered by the Doris North water licence are:

- 1) Construction of a 118 person camp at Doris; including incinerator, waste water treatment facility, and 3 MW of power generation
- 2) Additional fuel storage of 6.5 M liters (5 M at Robert's Bay and 1.5 M at Doris)
- 3) 900 m airstrip at Doris

This work is being called the Doris North - Infrastructure project, as it is only a sub-set of the planned development necessary to support the Doris North underground mine and milling project. An additional facility being considered is a road to connect the Doris North camp with the existing Windy Camp and if permitting approval is obtained this road construction will commence mid 2008. Newmont has also commenced pre-feasibility work on a larger and longer term project which may require modifications to the Doris North project.

Based on these planned activities, the License will be utilized in 2008, though mining and milling activities will not commence in 2008. Ultimate timing of the start of these activities is still uncertain, in part due to still outstanding permits. Section 3 reviews the requirements in the Licence and outlines HBML's plan for compliance with those requirements that are applicable to the planned activities that are covered by the Licence.

### **3.0 COMPLIANCE WITH LICENCE IN 2008**

A summary of the filing requirements in the water licence is included as Attachment 2. These requirements, as well as some additional non-reporting requirements are discussed in this section along with a description of HBML's plan for compliance with the requirements.

#### **Part B: General Conditions**

Item 3. This report completes the requirement for the Annual report for 2007.

Item 11. The letter dated March 11, 2008 was submitted to notify the NWB on changes in the planned schedule for the Doris North project

#### **Part C: Conditions Applying to Security**

Item 1. HBML has submitted the required security to the Minister of DIAND.

Item 2. HBML will not update the restoration liability until mining activities commence, and then will update on the schedule outlined in the licence.

#### **Part D: Conditions Applying to Construction**

- Item 8. A Construction Monitoring Report covering the activities conducted in 2008 will be submitted by March 31, 2009
- Item 9. A Quarry Rock Construction Monitoring and Management report will be submitted by March 31, 2009 that discusses the geochemical characterization work completed on quarry samples.
- Item 14. As built drawings of the Doris access road will be provided to the NWB upon completion of the road.
- Item 22. A Quarry Rock Seepage Monitoring report covering the results of seepage monitoring from the quarries will be submitted by March 31, 2009
- Item 26. As-built drawings for any water diversion or retention structures will be provided in the Construction Monitoring Report listed in Item 8.

Part F: Conditions Applying to Water Management

- Item 1. A modified Water Management Plan will not be submitted to the NWB until time that construction of the tailing facility is started and mining and milling activities commence.

Part G: Conditions Applying to Waste Management and Waste Management Plans

- Item 1. HBML will notify the NWB at least 10 days prior to the start of discharge from the Sewage Treatment Plant (STP)
- Item 4. At least 60 days prior to starting the Doris Camp STP, a Sewage Management Plan will be submitted to the NWB
- Item 7. An Incinerator Management Plan will be submitted to the NWB at least 60 days prior to the start of incinerator operations.
- Item 9. At this time, HBML is not authorized by the KIA to operate a non-hazardous landfill at the Doris Camp, so unless such authorization is later granted by the KIA, no Landfill Management Plan will be required or submitted.
- Item 11. HBML will submit a revised Hazardous Waste Plan that is specific to camp operations, and does not reflect mining and milling operations, within 90 days of occupancy of the camp.
- Item 14. A revised Landfarm Management Plan will be submitted within 90 days of the construction of a landfarm.
- Item 15. HBML will not prepare a Waste Rock Management Plan at this time since mining and milling operations will not commence in 2008.
- Item 23. For 2008, HBML will not submit a Tailings Management Plan since the tailing facility is not permitted and mining and milling will not commence in 2008.

Part H: Conditions Applying to Modifications

- Item 1. HBML will notify the NWB at least 60 days prior to any changes in the plan for Doris North. In the spirit of this Item, HBML has notified the board that the project has been delayed from the original schedule.
- Item 3. HBML will submit, as necessary, as-built plans and drawings of any significant modifications from the project presented for the water licence.

Part I: Conditions Applying to Contingency Planning

Item 1. HBML will submit a revised Emergency Response and Contingency Plan in conjunction with the 2008 Annual Report by March 31, 2009

Part J: Conditions Applying to General and Aquatic Effects Monitoring

Item 2. HBML will not install monitoring instrumentation in Doris Creek in 2008 since the Tailing Facility is not permitted and will not be constructed in 2008. Other monitoring requirements associated with the Tail Lake operations will also not be completed in 2008.

Item 9. Because tailing discharge will not occur in 2008, the on-site environmental laboratory will not be constructed in 2008.

Item 12. Water usage by the Doris Camp will be measured and reported on a monthly basis, as will discharge volumes from the STP. This will commence once the camp is completed and water use starts.

Item 14. The Thermal Monitoring Program will continue to be conducted utilizing the currently installed thermistors, along with some additional locations planned for instalment in 2008, as part of the road and jetty construction.

Item 18,19. A geotechnical inspection of the Doris facilities will be conducted in 2008, and the report generated will be submitted in conjunction with the 2008 Annual Report.

Item 21. As appropriate, monitored discharges will be reported in a monthly report to the NWB. These reports will commence once the Doris Camp is built.

Part K: Conditions Applying to General and Aquatic Effects Monitoring Plans

Item 1. As noted earlier, because mining and milling operations will not occur in 2008, the environmental laboratory will not be constructed, and therefore, the associated Quality Assurance/Quality Control Plan will not be completed at this time. The protocols that are utilized for the Boston and Windy Camps will be applied at the Doris camp.

Item 5. Because mining and milling will not occur in 2008, a revision of the Moniroting and Follow-Up Plan will not be submitted in 2008.

Item 7. A proposal to develop an approach for an Aquatic Effects Monitoring Plan (AEMP) was submitted by the required date of March 31, 2008.

Item 9. Collection of baseline data will continue in 2008.

Part L: Conditions Applying to Abandonment, Reclamation and Closure

Item 1. This item is not applicable at this time since there is not existing mine that could be closed.

Item 4. HBML does not plan to submit an Interim Closure and Reclamation Plan in 2008, since mining and milling will not commence in a time period that triggers this requirement.

Item 6. Once mining and milling operations commence, a Final Mine Closure Plan will be developed within the specified time limits.

## **4.0 CONCLUSIONS**

As noted in Section 1, the Doris North Type A water licence was approved by the Minister in November of 2007. In 2007 and the first part of 2008, the Licence has not utilized by Miramar, and its successor Hope Bay Mining Ltd. The board was formally notified that the development of the mine has been delayed, which results in many of the Licence requirements no longer applying to the activities planned for 2008. However, some infrastructure construction is planned for 2008. These activities are listed in this report, along with the applicable requirements that will be triggered by the activities.