

NWB Annual Report

Year being reported: 2010 ▼

License No: 2AM-DOH0713

Issued Date: September 19, 2007

Expiry Date: September 30, 2013

Project Name: Doris North Project

Licensee: Hope Bay Mining Ltd.

Mailing Address: 300-889 Harbourside Dr.
North Vancouver, BC
V7P 3S1

Name of Company filing Annual Report (if different from Name of Licensee please clarify relationship between the two entities, if applicable):

In 2008 this licence was transferred from the previous owner Miramar Hope Bay Mining Ltd. to Hope Bay Mining Ltd.

General Background Information on the Project (*optional):

Doris North facilities are currently being used to support advanced exploration in the Hope Bay Greenstone Belt. The Doris North underground mine development began in October 2010 with the portal construction. The mill and tailings facilities had not been constructed at this time.

Licence Requirements: the licensee must provide the following information in accordance with

Part B



Item 3



A. A summary report of water use and waste disposal activities, including, but not limited to: methods of obtaining water; sewage and greywater management; drill waste management; solid and hazardous waste management. [See Schedule B]

Water Source(s): Doris Lake

Water Quantity:

480,000 cu.m/yr

Quantity Allowable Domestic (cu.m)

25,585.57 cu.m/yr

Actual Quantity Used Domestic (cu.m)

Waste Management and/or Disposal

☒ Solid Waste Disposal☒ Sewage☒ Drill Waste☒ Greywater☒ Hazardous☒ Other:

Fuel Farm Berm Effluent

Additional Details:

Water for domestic use at Doris Camp is obtained from Doris Lake via a 2 inch diameter submerged pipe with a DFO compliant fish screen. This intake is located approximately 30 metres from shore and linked to a pumphouse on the shore of Doris Lake .

Waste produced on site is treated according to Part G of the license.

-Food waste is burned in the incinerator as per Part G Item 5.

-Paper products, paperboard packing, and untreated wood waste is open burned as per Part G Item 8.

-HBML is authorized to dispose of all non-hazardous solid waste in a landfill on site as per Part G Item 10. At the request of the land owner, Kitikmeot Inuit Association, HBML has not constructed a landfill. Solid waste that cannot be burned is taken offsite for disposal at an approved site. In 2010, a total of 1,984,515 lbs was removed from the site.

-Sewage and greywater produced onsite is processed in the sewage treatment plant as per Part G Item 3. Sludge produced by the treatment plant is burned in the incinerator.

-Hazardous materials such as waste oil, glycol, and contaminated soil are being shipped offsite for disposal at an approved site as per Part G Item 12.

-Fuel farm berm effluent is sampled for water quality against the discharge criteria of the licence. Effluent that meets the standards for discharge is released in accordance with the licence following a notification to the Inspector; effluent that does not meet the licence criteria is treated onsite until it is remediated to acceptable levels for discharge, or it is removed offsite for treatment/disposal.

B. A list of unauthorized discharges and a summary of follow-up actions taken. [See Schedule B Item 9]

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

While filling the fuel truck at the Rob Bay fueling module, approximately 30 L of diesel overflowed and leaked onto the ground within the fueling containment berm. The operator underestimated the amount of fuel left in the tank (not completely empty) and was at the pump "off" switch instead of monitoring filling visually. Leak on truck was cleaned up with spill pads. Corncob sorbent was applied to the area and this was cleaned up and disposed. The SOP for filling this truck will be reviewed to ensure greater operator vigilance (visual monitoring) while filling.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

An engine tipped off a skid as it was being moved at the north apron laydown causing a small amount of engine oil to leak out, but the oil was retained within the packaging on the skid and none reached the ground. Small amount of fluid was cleaned up and disposed of in the packaging.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

A drill sprung a leak in a hydraulic line and sprayed hydraulic fluid on the snow at geotechnical drilling hole # SRK-6C-10-02. The amount was <1L. The contaminated snow was cleaned up and removed for disposal.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

A drill working hole SRK-GC-10 in Quarry 5 spilled < 1L of motor oil on the snow. The contaminated snow was cleaned up and removed for disposal.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

A sewage spill of approximately 1m³ occurred at Doris camp as a result of the discharge hose on a lift station pump at "D" wing coming apart due to being frozen. A vacuum truck was used to vacuum up all liquid and this was discharged into another lift station. Hydrate of lime was used to disinfect the soil, followed by corn cob to absorb any further drainage. The heat trace was checked along all sewage pipes, piping connections were verified as being tight, and improvements made to the electrical connections within the lift station.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Spill of diesel oil at the 5 M litre tank farm area as a result of overtopping the fuel truck during refueling. Approximately 50 litres was spilled. Contaminated snow was shoveled up and placed in a drum. The surface of the truck tank was wiped clean with absorbent pads. Employee reprimanded for failing to follow proper procedure; two persons must be in attendance for filling operations.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Approximately 30 litres of coolant was found to have leaked from a broken coolant hose (pin hole leak) on generator #1 in the Doris powerhouse. The coolant leaked onto a concrete floor, and was cleaned up immediately. No release to environment.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Site maintenance reported hydrocarbon odour when digging out snow around envirotank outside geology benonite tent. No obvious leak could be detected although the snow was slightly discoloured and odourous about 1ft down. Likely caused by drips during tank fueling. Stained snow scooped up and disposed.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

On preparing to remove a heater unit from the hallway between Doris Camp and the 50 man camp, approx, 1 cup of fuel trickled out of a fuel line and on to the floor of the hallway. No release to environment. The remainder of fuel was captured in a small pan and paper towel was used to soak up the fuel on the floor.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Untreated sewage effluent was noted in the morning on the ground adjacent to the Doris Camp "D" west wing lift station by the wastewater treatment operator on monring inspection rounds. An electrical short occurred in the lift station (from steam) causing a pump malfunction and subsequent overflow into the lift station housing, which then leaked out on to the ground. Estimated 676L. The vacuum truck removed the liquid waste to the sewage treatment plant. A high level alarm was installed, and the electrical equipment has been moved to be outside the lift station housing.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Failed gasket on compressor of water truck watering road to portal "mountain" geotechnical drill targets. Leaked approximately 20L of coolant (non-toxic). Truck was moved on to an area of hard snow/ice to mitigate leak. The contaminated snow/ice was cleaned up and removed for disposal. The truck was removed from service for repairs.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

At Roberts Bay on a drill parked in the machine row approximately 2-3L of 10W30 motor oil leaked from hydraulic motor (motor cracked) on top of drill mast. Contaminated snow was cleaned up and any residue oil was absorbed with sorbent pads. Soiled waste was taken to waste coordinator.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

During filling of the 5 M L tank at Roberts Bay, the inflow valve was not fully opened resulting in a flow into the overflow system where a poor gasket seal on top of the tank resulted in a small spray of diesel on to the top of the tank (<1L). No fuel reached the ground. The gasket was replaced. The amount was very small - no clean-up required. SOP governing procedure was reviewed.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

An oil leak ~ 1L appeared at the 150 generator outside and south of the main generator tent Doris Upper laydown. It appeared to be attributed to oil expansion due to increasing temperatures with a leak escaping via a breather outlet. Sorbent pads were deployed inside the generator spill pan and some corn cob was placed on the crush pad to demobilize the spilled oil. Site practices regarding safe filling levels were reinforced.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Doris Camp STP membrane plant sludge tank overflowed onto floor inside plant seacan. Approximately 190L was spilled, but less than 10L seeped out through the door on to the ground. The operator failed to switch the valve between tanks after a routine transfer between the equalization tank and the sludge tank when obtaining effluent for a sludge press. Effluent was cleaned up and re-input to the system.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

A grey water leak from two showers was discovered under Doris Camp "B" wing - the actual amount was difficult to estimate but a volume of ice discovered was greater than 1m3. The cause was due to a drain pipe out of alignment. Pipe repaired. Frozen insulation was ripped out and disposed. Report to Spill Hotline delayed while trying to trace cause - originally thought to be a freshwater leak.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Minor leak/drips detected coming from fuel line behind Cabin C at Doris Camp. Estimated to be < 1L of diesel. A bucket was placed under the fuel line joint while repairs made.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

2 litre fuel spill at Doris airstrip north apron while fueling aircraft due to inattention of operator. Oil was cleaned up using absorbents.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

< 1L of antifreeze leaked from light vehicle truck in Doris parking lot upper laydown. Contaminated gravel cleaned up. Clip on radiator hose was found to be fastened incorrectly - this was repaired.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

A punctured drum inside the Roberts Bay fuel farm containment berm and inside a seacan leaked approximately 136L. Spill was contained in sea can and sorbents were used to mop up product. Some contaminated gravel from outside the sea can was removed for disposal.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Hydraulic oil spill at Upper Re-agent Pad from a Cat 773 rock truck. Approx 40 litres was spilled. Contaminated rockfill was excavated and placed in mega bags for off-site disposal.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Reach stacker incident damaged seacan containing fuel drums - approximately 20 litres of fuel spilled at Roberts Bay laydown. The seacan was placed inside a berm and positioned so no further oil could escape.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Overflow at Doris Camp sewage treatment plant (est. 150L) due to EQ tank shut off float becoming tangled in line for neighbouring float in tank. The vacuum truck was dispatched to remove what fluid was available and corncob was deployed to absorb the rest. Float switchlines adjusted to prevent entanglement.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Spill of ammonium nitrate on upper reagent pad Doris Camp (Approximately 200 kg). The spilled product was shovelled up and re-used for routine blasting operations.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

2 - 3 litres of diesel spilled at Doris Tank Farm inside the containment berm during tank filling changing hose over between tanks. Most of the product was captured in spill trays in place under the hose connection, sorbent spill pads were used to absorb the fluid and soiled gravel was removed for disposal.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

2 - 3 litres of diesel spilled at Roberts Bay Fuel Module on the ramp inside the containment berm during truck fueling. Some crushed corn cob sorbent was spread on the ground to capture the fluid and this was then removed with the surface layer of gravel for disposal.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Doris STP foam-over in membrane tank. Estimated 80L leaked out through bolt holes in the floor. Effluent vacuumed up - bolt holes blocked. Entire building was checked for further holes.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

A drive line brake split leaking 2-3L of transmission/drive train oil on to the crush laydown approximately 30 ft from face of portal at Doris. Oil was contained and cleaned up - contaminated crush rock recovered and delivered to waste management. A replacement part was ordered.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

The Tucker Snow cat had an overflow of coolant within the engine compartment off the lower reagent laydown while performing tucker/vegetation tests. < 1/4 L. The coolant reservoir was found to be overfilled. The contaminated snow was cleaned-up and removed for disposal. The coolant reservoir was emptied to a proper filling level. Tool box talks were conducted re: safe filling levels.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Approx 4 litres of transmission oil spilled along northern access to Doris Camp as a result of a leaking oil line on pickup truck #4. The spilled product was shovelled up and brought to Waste Management facility.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Approximately 10 L of oil leaked onto the ground in the Roberts Bay fuel module berm after a 205L oil drum was punctured in a seacan. The spilled product was shovelled up with contaminated gravel and brought to the Waste Management facility.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Approximately 2L of hydraulic fluid was spilled when a newly replaced hose failed on a loader at the Tail Lake Road/Doris Creek bridge abutment. The contaminated snow was cleaned up and removed for disposal.

C. Revisions to the Spill Contingency Plan [See Part I, Item 4 and Schedule B Item 8]

SCP submitted and approved - no revision required or proposed ▼

Additional Details:

The NWB approved the revised Spill Contingency Plan in October 2010. No updates have been made since approval was received.

D. Revisions to the Abandonment and Restoration Plan [See Part L, Item 5]

AR plan submitted and approved - no revision required or proposed ▼

Additional Details:

The Abandonment and Restoration Plan submitted in April 2007 has not been modified or revised.

E. Progressive Reclamation Work Undertaken [See Schedule B, Item 15]

Additional Details (i.e., work completed and future works proposed)

Construction activities at the Doris North project continued throughout 2010 and so reclamation work was not undertaken.

F. Results of the Monitoring Program including: [See Part J, Item 5 and Schedule B, Item 17]

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where sources of water are utilized;

Details attached ▼

Additional Details:

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where wastes associated with the licence are deposited;

Details attached ▼

Additional Details:

Results of any additional sampling and/or analysis that was requested by an Inspector

No additional sampling requested by an Inspector or the Board ▼

Additional Details: (date of request, analysis of results, data attached, etc)

G Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported [See Schedule B Item 19]

No additional sampling requested by an Inspector or the Board ▼

Additional Details: (Attached or provided below)

N/A

H. Any responses or follow-up actions on inspection/compliance reports [See Schedule B Item 18]

No inspection and/or compliance report issued by INAC ▼

Additional Details: (Dates of Report, Follow-up by the Licensee)

See Item 18 of attached supplement.

I. Any additional comments or information for the Board to consider

Please see attached supplement for additional information requirements set out in Licence No. 2AM-DOH0713.

Date Submitted:

March 31, 2011

Submitted/Prepared by:

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GPS Coordinates for water sources utilized

[illegible]

GPS Locations of areas of waste disposal

[illegible]



**2010 2AM-DOH0713 Type A Water License
Annual Report
Supplemental Document**

Doris North Project

Nunavut Water Board

Prepared by
Hope Bay Mining Ltd.
North Vancouver, BC

Prepared for
Nunavut Water Board
Gjoa Haven, NU

March 2011

Executive Summary

2AM-DOH0713 Annual Report

Hope Bay Mining Ltd. (“HBML”) has filed its Annual Report on its activities during 2010 under Water Licence No. 2AM-DOH0713 issued by the Nunavut Water Board on September 19, 2007. Note in 2008 this licence was transferred from the previous owner, Miramar Hope Bay Mining Ltd., to HBML. As set out in Schedule B, Item 1 of the Licence, the report includes information with respect to the following topics:

- summary of monthly monitoring data
- summary of the Construction Monitoring Report
- information with respect to geochemical monitoring and waste rock storage assessment
- summary of the results of monthly water balance and water quality model assessments
- update on current capacity of the Tailings Impoundment Area
- a comparison of flows at monitoring stations
- consideration of Management Plans and Emergency Response and Contingency Plan
- a list and description of all unauthorized discharges including volumes, spill report line identification number and summaries of follow-up actions taken
- results of continuing baseline data collection
- consideration of adequacy of reclamation security
- a summary of modification and or major maintenance work carried out in the water supply and waste disposal facilities, including all associated structures and an outline of any work anticipated for the next year
- a summary of any closure and reclamation work undertaken and an outline of any work anticipated for next year
- GPS locations of areas of waste disposal
- a summary reporting consultation with public and participation with local organizations and residents of nearby communities
- a summary of actions taken to address concerns or deficiencies listed in the inspection reports filed by an Inspector

Doris North facilities are currently being used to support advanced exploration in the Hope Bay Greenstone Belt. The Doris North underground mine, mill and tailings facilities have not been constructed at this time. For this reason, much of the information requested under the licence is not available at this time. Where such data is available, HBML has included a summary of this information in the Annual Report.

Aolapkaeyin Naetomik Okaohen 2AM-DOH0713 Ukeogoagaagan Unipkaak

Hope Bay Mining Ltd.-kon (“HBML”) tonihihimaliktun Ukeotoagaagan Unipkamiknik havaamigun 2010-mi ukeommi ilagani Imaknik Atogeagani Laeseoyum Napaa 2AM-DOH0713 toniyaohimayok Nunavumi Imalikiyin katimayenin September 19-mi 2007-mi. Kaoyimalogo 2008-mi una laeseoyok nuhimayok hivoagun nanminikaktugaloamin, Miramar-konin Kapihiliktumi Oyagaktavik-kunin ukunuga HBML-kunin. Okakhimayumi Naonaepkun B-mi, Ilikuktok 1 Laeseoyumi, unipkak ilakaktok hivunikhiyotikhanik ukununa:

- naenakhugin okaotaoyun tatikheotini amigiyutinun naonaepkotin
- naenakhugin okaotaoyun Hanatilogin Amigiyutinun Unipkak
- hinonikiyutikhan nunami halomaelguvaloknik monagiyutin oyagaktaniklo atulimagitonik tukoktigivikmik ilitokhaenik
- naenakhugin okaotaoyun kanogiliginin tatikheotini imakakniginik imaginigagulo ilitokhaenikmik
- kanogiligin taya inikageakmaga Atagukveoyok Nunami
- naonaeyaknigin kuknigin amigiyutin inigiyani
- ihomaginigin Monagiyotinun Upalogaeyaotin Upaloknaktokakalo Upigeagutin Ihoakhaotikhanulo Upalogaeyaon
- titigakhimayomik okateakhimalotiklo tamaeta agiktaohimagitun kuvigaeyun kanogaaloklo, kuveyokakan hunaoniga nahaotagun naetomiklo okaoheoyonik upiyotini kigoagun
- kanogilivaleanigin ilitokhaotikhanun naonaepkotinik katitiiyutin
- ihomamilogo naamaniga nunanik utiktiiyotikhak manik kolaknaeyaon
- naetomik okaoheoyonik notaguktiiyutinik ihoakhaotiniklunen imiktavikon havaoheoyun ikagukvelo kanoginiginun, ukoalo tamaeta ilagiyaen napayun kanolo havaohikhan nahugiyaoyun atoktukhami ukeomi inmagaa
- naetomik okaoheoyonik umiktokaknikan nunalo utititaagani ilitkohenun havaagiyaolikmagaa kanoklo havaohikakneakmagaa aepaagu
- GPS-mi homenigin nunan ikagukveoyun
- naetomik okaoheoyonik okakatigegutinun inuknik ilaoniginiklo nunalikni timeoyuni inoelo haneanetun nunalikni
- naetomik okaoheoyonik upiyotini ihoakhiyaagani ihomalutaoyun ihoeliyotilo titigakhimayun ilitokhaeyutinun makpigaagini Ilitokhaeyim tunihimayaeni

Doris North-mi pikotin taya atoktaoyun inigiyaoyagani nalvakheoktinin Kapihiloktumi Oyagaktavikhakatiktomi. Doris North-mi nunam ilaoni oyagaktavik, oyakikiviklo ataogukviklo hanayaohimagitun taya. Taemanenman, amigaetun hivonikhiyutikhan tukhiktaoyun ilagagun laeseoyum kahaginmata taya. Naonaepkotin kahaknikata, HBML-kon ilaopkaeyun naetomik okaoheoyonik hivonikhiyutikhatigun Ukeotoagaagan Unipkaani.

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Appendices

Appendix A – Emergency Response Plan

1. Summary of monthly monitoring reporting [see Part J Item 21]

Hope Bay Mining Ltd. (HBML) has been collecting data from, and submitting monthly reports on, monitoring stations ST-7, ST-8, and ST-9:

- ST-7: Freshwater pumped from Doris Lake. Samples are taken from a valve on the discharge end of the freshwater pump.
- ST-8: Discharge from sewage treatment plant bio-membrane. Samples are collected from a sampling port inside the plant facilitating year-round compliance evaluation of plant performance. The sampling location represents the effluent quality that is being discharged to the tundra.
- ST-9: Runoff from sewage treatment plant discharge. Samples are taken downstream of sewage treatment plant discharge point just prior to flow entering Doris Lake. This location, agreed upon with INAC mid-year in 2009, is between the ST-8 outfall and Glenn Lake. Samples can only be collected from this location seasonally.

HBML has also conducted sampling of accumulated water effluent (when present) in the Robert's Bay Bulk Fuel Storage Facility, ST-6, prior to notification of discharge. The temporary Doris Camp Plant Site Bulk Fuel Storage Facility at ST-5 was dismantled during the expansion of the Doris Camp infrastructure in 2010. The double-walled enviro-tanks this facility consisted of were put into temporary storage at Doris North.

HBML uses an external certified laboratory to carry out all analyses reported in the monthly and annual reports. The QA/QC data produced by ALS Canada Ltd. are used to determine the accuracy and precision of results in these reports. The following tables set out a summary of these data.

ST-7

Table 1 provides the volumes of water usage at Doris Camp as required under Part E Item 1 of water licence 2AM-DOH0713. The water extraction pump is located off the northwest shoreline of Doris Lake and the sampling station ST-7 is located within the Doris Lake pump house.

Water usage reported in Table 1 includes volumes used for purposes such as domestic camp usage, development of the ice road portages between Doris Camp and Doris Lake and between Doris Lake and Patch Lake in the winter of 2010, dust suppression on roads and at the crusher during the summer of 2010, fire truck filling, water tank cleaning, and supplying the temporary washroom facilities at the Doris North helipad and Doris airstrip. Doris Camp was operational throughout 2010 and all water usage was within the values specified by the licence.

Table 1 – Doris Camp water usage in 2010 measured at ST-7, in cubic metres (m³)

Parameters	January	February	March	April	May	June
Water Source	Doris Lake	Doris Lake	Doris Lake	Doris Lake	Doris Lake	Doris Lake
Cumulative Annual Consumption	4,318.65	7,275.20	10,500.4	12,922.71	13,751.39	16,469.87
Monthly Cumulative	4,318.65	2,957.05	3,224.70	2,422.31	828.68	1,635.73
Volume Average (Daily)	139.31	105.6	104.02	80.74	26.73	52.77
Maximum	268.79	257.7	264.14	233.79	37.09	206.66
Minimum	3.18	16.54	16.31	22.22	21.61	15.21
Parameters	July	August	September	October	November	December
Water Source	Doris Lake	Doris Lake	Doris Lake	Doris Lake	Doris Lake	Doris Lake
Cumulative Annual Consumption	18,366.69	21,655.57	22,972.73	23,814.40	24,589.67	25,585.57*
Monthly Cumulative	1,896.82	3,288.88	1,317.16	841.67	775.27	995.90
Volume Average (Daily)	61.18	106.09	30.25	24.48	25.83	32.31
Maximum	34.16	46.67	41.07	40.73	41.56	41.52
Minimum	25.21	21.99	20.70	22.97	19.72	9.46
Total Cumulative Annual Usage 2010						25,585.57*

**Due to a series of cumulative spreadsheet calculation errors from July to December, the totals reported in the monthly SNP Reports have been adjusted in this report to reflect the correct water usage values.*

Tables 2 and 3 provide the results of water quality sampling for monitoring station ST-7. The analyses requested are intended to be compliant with the specific requirements of water licence 2AM-DOH0713. To date, not all the infrastructure associated with the Doris North Project has been constructed. As such, the analyses reflect the requirements for activities currently taking place at Doris North. For example, cyanide is currently not monitored at ST-7 because no processes are occurring on site to generate cyanide. Cyanide analyses however, are planned to commence in 2011 to generate baseline data before any cyanide is brought to site.

Table 2 – Water sampling monitoring program results for 2010 taken from ST-7, in mg/L, unless otherwise specified

Parameter	January	February	March	April
ALS Lab Reference #	L853586	L859233-1	L866446-1	L874413-1
Field Sample Details	ST-7	ST-7	ST-7	ST-7
Sample Date/Time	Jan 11/10 @ 8:00am	Feb 3/10 @ 8:00am	Mar 3/10 @ 7:00am	Apr 2/10 @ 7:00am
BOD	<5.0	<5.0	<5.0	<2.0
Fecal Coliforms (CFU/100mL)	<1	<1	<1	<1
Total Oil and Grease	<1.0	<1.0	1.7	<1
pH (pH unit)	7.61	7.54	7.54	7.54
TSS	<3.0	<3.0	4	8.0
Ammonia-N	0.060	0.068	0.062	<0.050
Nitrate-N	<0.050	<0.050	<0.050	<0.050
Nitrite-N	<0.050	<0.050	<0.050	<0.050
Orthophosphate-P	<0.010	<0.010	<0.010	<0.010
Total Phosphate (as	<0.020	<0.020	<0.020	0.022
Total Aluminium	0.011	0.012	<0.010	0.011
Total Arsenic	0.00044	0.00069	0.00055	0.00104
Total Cadmium	<0.000050	<0.000050	<0.000050	<0.000050
Total Copper	0.0020	0.0020	0.0022	0.0025
Total Chromium	<0.0050	<0.0050	<0.0050	<0.0050
Total Iron	0.050	0.049	0.046	0.026
Total Mercury	<0.00010	<0.00010	<0.00010	<0.00010
Total Molybdenum	<0.0050	<0.0050	<0.0050	<0.0050
Total Nickel	<0.0020	<0.0020	<0.0020	<0.0020
Total Lead	0.00022	0.00012	<0.00010	0.00013
Total Selenium	0.00057	<0.0020	<0.0020	<0.00040
Total Silver	<0.00050	<0.00010	<0.00010	<0.00050
Total Thallium	<0.00010	<0.00010	<0.00010	<0.00010
Total Zinc	0.0040	<0.0040	<0.0040	<0.0040
Parameter	May	June	July	August
ALS Lab Reference #	L884422-1	L893244-1	L-904254-1	L917412-1
Field Sample Details	ST-7	ST-7	ST-7	ST-7
Sample Date/Time	May 7/10 @ 7:00am	June 2/10 @ 8:00am	July 2/10 @ 8:00	Aug 5/10 @ 7:30pm
BOD	<2.0	<2.0	<5.0	<2.0
Fecal Coliforms (CFU/100mL)	<1	<1	<1	<1
Total Oil and Grease	<1	<1.0	2.3	<1.0
pH (pH unit)	7.57	7.48	7.02	7.58

TSS	<3.0	<3.0	<3.0	<3.0
Ammonia-N	<0.050	<0.050	<0.050	<0.050
Nitrate-N	<0.050	<0.050	<0.050	<0.050
Nitrite-N	<0.050	<0.050	<0.050	<0.050
Orthophosphate-P	<0.010	<0.010	<0.010	<0.010
Total Phosphate (as	<0.020	<0.020	<0.020	<0.020
Total Aluminium	<0.010	0.014	0.049	0.045
Total Arsenic	0.00058	0.00093	0.00052	0.00056
Total Cadmium	<0.000050	<0.000050	<0.000050	<0.000050
Total Copper	0.0022	0.0020	0.0020	0.0018
Total Chromium	<0.0050	<0.0050	<0.0050	<0.0050
Total Iron	0.021	0.013	0.183	0.158
Total Mercury	<0.00010	<0.00010	<0.00010	<0.00010
Total Molybdenum	<0.0050	<0.0050	<0.0050	<0.0050
Total Nickel	<0.0020	<0.0020	<0.0020	<0.0020
Total Lead	<0.00010	<0.00010	0.00013	<0.00010
Total Selenium	<0.00040	0.00137	<0.0020	0.00064
Total Silver	<0.00010	<0.00050	<0.00010	<0.00010
Total Thallium	<0.00010	<0.00010	<0.00010	<0.00010
Total Zinc	<0.0040	<0.0040	<0.0040	<0.0040
Parameter	September	October	November	December
ALS Lab Reference #	L928247-1	L939223-1	L949703-1	L959200-1
Field Sample Details	ST-7	ST-7	ST-7	ST-7
Sample Date/Time	Sept 4/10@ 7:00am	Oct 3/10@ 8:45pm	Nov 1/10 @ 8:00am	Dec 1/10 @ 7:10am
BOD	<2.0	<2.0	4.3	<5.0
Fecal Coliforms	<1	<1.0	<1.0	<1.0
Total Oil and Grease	<1.0	<1.0	<1.0	<1.0
pH (pH unit)	7.71	7.81	7.60	7.75
TSS	10.0	6	4	<3.0
Ammonia-N	<0.050	Not reported	<0.050	<0.050
Nitrate-N	<0.050	0.302	<0.050	<0.050
Nitrite-N	<0.050	<0.050	<0.050	<0.050
Orthophosphate-P	<0.010	Not reported	<0.010	<0.010
Total Phosphate (as	<0.020	0.022	0.021	0.024
Total Aluminium	0.033	0.039	0.031	0.017
Total Arsenic	0.00044	0.00048	0.00058	0.00040
Total Cadmium	<0.000050	<0.000050	<0.000050	<0.000050
Total Copper	0.0019	0.0023	0.0019	0.0021
Total Chromium	<0.0050	<0.0050	<0.0050	<0.0050
Total Iron	0.110	0.112	0.056	0.035
Total Mercury	<0.00010	<0.00010	<0.00010	<0.00010
Total Molybdenum	<0.0050	<0.0050	<0.0050	<0.0050
Total Nickel	<0.0020	<0.0020	<0.0020	<0.0020
Total Lead	<0.00010	0.00032	0.00012	0.00010
Total Selenium	<0.0020	<0.0020	<0.0020	<0.0020
Total Silver	<0.00010	<0.00010	<0.00010	<0.00010
Total Thallium	<0.00010	<0.00010	<0.00010	<0.00010
Total Zinc	<0.0040	0.0071	<0.0040	0.0051

Results of the April 2009 INAC technical review of HBML's proposed modification to the water treatment system at Doris North included recommendations for monthly reporting of the blue-green algae quantities in the raw water taken from Doris Lake. Table 3 provides the results of this sampling for January to December 2010.

Table 3 – Water quality monitoring results for blue green algae in Doris Lake in 2010 taken from ST-7

	January	February	March	April
Parameter/SNP Site	ST-7	ST-7	ST-7	ST-7
ALS Lab Reference #	L853571	L859233-1	L870029-1	L874413-1
Field Sample Details*	ST-7	ST-7	PWQ-DC # 1	PWQ-DC # 1
Sample Date/Time	Jan 10/10 @ 8:00am	Feb 3/10 @ 8:00am	Mar 17/10 @ 8:00am	Apr 2/10 @ 7:00am
Blue-green Algae	72,900 cells/mL	59,000 cells/mL	51,400 cells/mL	66,100 cells/mL
	May	June	July	August
Parameter/SNP Site	ST-7	ST-7	ST-7	ST-7
ALS Lab Reference #	L884414-1	L893244-1	L904254-1	L917412-1
Field Sample Details	PWQ-DC # 1	ST-7	ST-7	ST-7
Sample Date/Time	May 6/10 @ 1600 hrs	June 02/10 @ 8:00	July 02/10 @ 8:00	Aug 05/10 @ 1930 hrs
Blue-green Algae	89,700 cells/mL	85,200 cells/mL	87,100 cells/mL	117,000 cells/mL
	September	October	November	December
Parameter/SNP Site	ST-7	ST-7	ST-7	ST-7
ALS Lab Reference #	L928247-1	L939158-1	L949692-1	L960399-1
Field Sample Details	ST-7	PWQ-DC # 1	PWQ-DC # 1	PDC10
Sample Date/Time	Sept 04/10 @ 0700 hrs	Oct 3/10 @ 2045hrs	Nov /10 @ 0800hrs	Dec 06//10 @ 0700 hrs
Blue-green Algae	126,000 cells/mL	98,900 cells/mL	82,500 cells/mL	52,800 cells/mL

* ST-7, PWQ-DC # 1, and PDC10 are the same sampling location

ST-8

The Doris Camp sewage treatment plant is located directly east of the main building complex and monitoring station ST-8 is located within the plant. Having the sampling point located within the sewage treatment plant allows sampling to occur on a year-round basis and ensures that the samples directly represent the effluent being discharged from the plant to the tundra.

The current ST-8 discharge point, located on the tundra west of Quarry 2, is intended to be a temporary discharge point that would be moved to the tailings storage facility after it was constructed. To alleviate any risks associated with ponding and permafrost degradation at the temporary site, HBML had proposed to build a rock diffuser during the first half of 2010 when the tundra was still frozen. This construction was deferred and will be completed in 2011. Designs will be prepared by a certified engineer and provided to the NWB prior to construction. Once the tailings facility is constructed, the sewage treatment plant discharge point will be moved to this facility.

Between January and September 2010, samples were collected from a tap (ST-8A) installed after the UV disinfection system on the discharge line to the tundra. See results in Table 4. A second membrane treatment plant was brought on line at Doris Camp in October 2010. Sampling was then conducted for each plant post UV disinfection but prior to each plant's joining the main tundra discharge line. The monitoring stations are ST-8#1 (original plant) and ST-8#2 (secondary plant). See results in Table 5.

The data reported for 2010 at ST-8 are compliant for all parameters with the exception of pH on three occasions and oil and grease on one occasion. In May and July, pH values dipped below the licence threshold (5.92 and 4.96 respectively) and in December, ST-8#1 had a pH of 5.60. Also in December, oil and grease at ST-8#2 was recorded at 5.6 mg/L. The sewage treatment plant operators will investigate the cause of these non-compliant values and take appropriate steps to ensure that the effluent discharged is within the range of licenced discharge criteria.

In October 2010, a visibility assessment for oil and grease was not performed or reported due to an error in the laboratory submission. Corrective measures were taken to ensure the analysis would be performed for subsequent submissions. All sampling in the balance of 2010 was compliant for this parameter.

Table 4 – Water quality monitoring program results from ST-8, 2010, in mg/L, unless otherwise specified

Parameter	January	February	March	April	May	June
ALS Lab Reference #	L853856-2	L859233-2	L866446-1	L874413-2	L884422-2	L893244-2
Field Sample Details	ST-8A	ST-8A	ST-8A	ST-8A	ST-8A	ST-8
Sample Date/Time	Jan 11/10 08:00am	Feb 3/10 08:00am	Mar 3/10 08:00am	Apr 2/10 @ 07:00am	May 7/10 @ 07:00am	June 2/10 @ 8:00
BOD ₅	<5.0	<5.0	<5.0	<2.0	3.8	<2.0
TSS	<3.0	<1.0	<1.0	<3.0	<3.0	<3.0
Fecal Coliform (CFU/100mL)	<1	<1	<1	120	<1.0	<1
pH (pH unit)	6.19	6.06	6.13	n/a	5.92	7.79
Oil & Grease (Visibility)	nvs	No visible sheen	No visible sheen	No visible sheen	No visible sheen	No visible sheen
Oil & Grease	<1.0	<1.0	1.2	<1.0	<1.0	1.6
Parameter	July	August	September	October	November	December
ALS Lab Reference #	L904254-2	L917412-2	L928247-2	See Table 5		
Field Sample Details	ST-8	ST-8	ST-8			
Sample Date/Time	July 2/10 @ 8:00	Aug 5/10 @ 1730 hrs	Sep 4/10 @ 0700 hrs			
BOD ₅	11.0	8.4	3.9			
TSS	<1.0	<3.0	<3.0			
Fecal Coliform (CFU/100mL)	<1	<1	<1			
pH (pH unit)	4.96	7.31	8.00			
Oil & Grease (Visibility)	No visible sheen	No visible sheen	No visible sheen			
Oil & Grease	<1.0	<1.0	<1.0			

Table 5 – Water quality monitoring program results for ST-8#1 and ST8#2, October to December 2010, in mg/L, unless otherwise specified

	October		November		December	
ALS Lab Reference #	L939223-2	L939223-3	L949703-2	L949703-3	L959200-2	L959200-3
Field Sample Details*	ST-8 # 1	ST-8 # 2	ST-8 # 1	ST-8 # 2	ST-8 # 1	ST-8 # 2
Sample Date/Time	Oct 04/10 @ 0630hrs	Oct 04/10 @ 0630hrs	Nov 01/10 @ 0800 hrs	Nov 01/10 @ 0800 hrs	Dec 01/10 @ 0730 hrs	Dec 01/10 @ 0800 hrs
BOD ₅	3	8.6	5.6	2.6	<5.0	<5.0
TSS	<3.0	<3.0	<3.0	<3.0	<3.0	<3.0
Fecal Coliform (CFU/100mL)	<1	<1	<1	<1	<1	<1
pH (pH unit)	7.09	8.06	7.01	7.43	5.60	7.28
Oil & Grease (Visibility)	Not reported	Not reported	No visible sheen	No visible sheen	No visible sheen	No visible sheen
Oil & Grease	<1.0	<1.0	<1.0	<1.0	<1.0	5.6

*ST-8, ST-8A, and ST-8 # 1 are the same sample location

Treated effluent volumes released from ST-8 are metered daily and reported in the monthly monitoring reports. The volumes discharged in 2010 are presented in Table 6.

Table 6 – Treated effluent released from the Doris sewage treatment plant (ST-8), 2010, in cubic meters (m³)

Parameters	January	February	March	April	May	June
Annual Cumulative	377.0	863	1,463	2,164	2,928	3,732
Monthly Cumulative	377.0	486	600	701	764	804
Volume Average	12.0	17.36	19.35	23.37	24.65	26.8
Maximum	20.0	27	24	26	33	33
Minimum	3.0	7	15	20	19	22
Parameters	July	August	September	October	November	December
Annual Cumulative	4,554	5,330	6,126	6,827.6	7490.6	8008.6
Monthly Cumulative	822	776	796	701.6	663.0	518.0
Volume Average	26.5	25.03	26.53	12.18	22.1	16.7
Maximum	32	42	68	36	32	26
Minimum	20	18	18	1.0	9.0	4.0

The sludge produced at the sewage treatment plant is pressed regularly to remove processed solids and to allow for proper functioning of the plant. Each press produces approximately 0.11328 m³ of sludge. Pressed sludge is promptly sent to the incinerator to prevent attraction of wildlife. The volume of pressed sludge produced in 2010 is presented in Table 7.

Table 7 – Volume of pressed sludge removed from the Doris sewage treatment plant, 2010, in cubic meters (m³)

Month	# Presses	Volume (m ³)
January	3	0.33
February	4	0.45
March	13	1.47
April	9	1.01
May	18	2.04
June	11	1.25
July	14	1.5
August	12	1.36
September	7	0.8
October	19	2.15
November	12	1.36
December	17	1.93
Total Volume of Sludge Removed and Incinerated 2010		15.65

ST-9

In consultation with INAC during the 2009 inspection tour, the location of sampling point ST-9 was set at geographical coordinates N 68° 8' 20" W 106° 39' 55". This point is east of Glenn Lake and down slope from the ST-8 tundra discharge location. Monthly monitoring was conducted at ST-9 during July through September 2010. The station is frozen during the remainder of the year. Results are provided in Table 8.

Table 8 – Water quality monitoring program results for ST-9, 2010, in mg/L, unless otherwise specified

Parameter	Jan - June	July	August	September	Oct-Dec
ALS Lab Reference #	Station Frozen	L904254-3	L917412-3	L928247-3	Station Frozen
Field Sample Details		ST-9	ST-9	ST-9	
Sample Date/Time		July 2/10 @ 8:00	Aug 05/10 @ 1730hrs	Sep 04/10 @ 0700 hrs	
BOD ₅		8.0	<2.0	<2.0	
TSS		<1.0	<3.0	5.0	
Fecal Coliform (CFU/100mL)		<1	6	<1	
pH (pH unit)		6.97	7.83	7.62	
Oil & Grease (Visibility)		No visible sheen	No visible sheen	No visible sheen	
Oil & Grease		<1.0	<1.0	<1.0	

ST-6

Melted snow accumulated inside the Bulk Fuel Storage and Containment Facility ST-6 during the spring of 2010. In July 2010 HBML sampled the melted snow in advance of its discharge from the berm. HBML notified the Inspector July 14, 2010 of its intent to discharge approximately 120 m³ to an adjacent area over the rock berm to the northeast of the facility that would be more than 30 m from any water body. Table 9 shows water quality sampling results for monitoring station ST-6 prior to discharge.

Table 9 – Water quality monitoring program results for ST-6, 2010

Parameters	ST-6	Hope Bay: 2AM-DOH0713
Water Source	Bulk Fuel Storage Roberts Bay	Monitoring Program Station Description (avg. concentration or any grab)
ALS Lab Reference #	L907618-1	Compliance Values
Field Sample Details	ST-6	Part G: Item 22(e)
Sample Date/Time	July 9/10 @ 20:00 hrs	
pH	8.28	6.0-9.0
TSS	12.0	15 mg/L or 30 mg/L
Oil & Grease	< 1.0	5 mg/L
Benzene	< 0.00050	0.37 mg/L
Toluene	< 0.00050	0.002 mg/L
Ethylbenzene	<0.00050	0.090 mg/L
Lead	0.00012	0.01 mg/L or 0.02 mg/L

2. Summary of the Construction Monitoring Report [see Part D, Item 8 and outlined in Schedule D]

SRK provided on site engineering services between March 3, 2010 and October 25, 2010. Daily construction reports, 221 in total, were prepared by SRK during this period and are provided in Appendix A of the 2010 SRK Construction Support Report (submitted with the 2010 Construction Monitoring Report). Construction activities included:

- Helicopter pad
- Reagent pads
- Widening all-weather access road from Roberts Bay to Doris Camp and jetty access
- Pads B, C, E/P, F, G, L, Q, R (tank farm)
- Began construction of Pads D, H/J, I
- Doris North Fuel Tank Farm (on Pad R; to be commissioned in 2011)
- Overburden storage and sedimentation berm
- Began Tail Lake access road
- Interim waste management facility
- Mine portal
- Doris Camp water treatment upgrade

3. Summary of Geochemical Monitoring and Waste Rock Storage Assessment [see Schedule B Item 3]

Geochemical monitoring was begun at the same time as underground work began on the Doris North decline in October 2010. Geological inspections were made at least once per day when the mining was in diabase and alteration zone, and once per shift in other rock units. Where possible, both the working face and the muck pile were inspected to identify the rock type, quantity of sulphide minerals, quartz veining, carbonate mineralization and the presence of fibrous minerals. This data was recorded in geological inspection logs.

Samples of the blasted rock (muck) were taken at regular intervals within the underground mine. The samples were composited over an individual blast round, typically representing 50 to 100 m³ of rock. Two types of samples were collected:

- Samples for sulphur (S), total inorganic carbon (TIC) and acid base accounting (ABA) tests included a representative mixture of fine and coarse rock fragments from the pile. These were pulverized prior to testing.
- Samples for Shake Flask Extraction (SFE) tests were sieved through a 1 cm sieve to collect the -1cm size fraction. The -1cm size fraction was subjected to testing.

By the end of December, the decline had advanced approximately 70 metres. Geological inspections showed that the majority of the rock was diabase. One small fine grained

dyke was also observed on November 23rd. Trace amounts of pyrite were observed in two of the diabase samples. All of the rock was designated as non-mineralized waste.

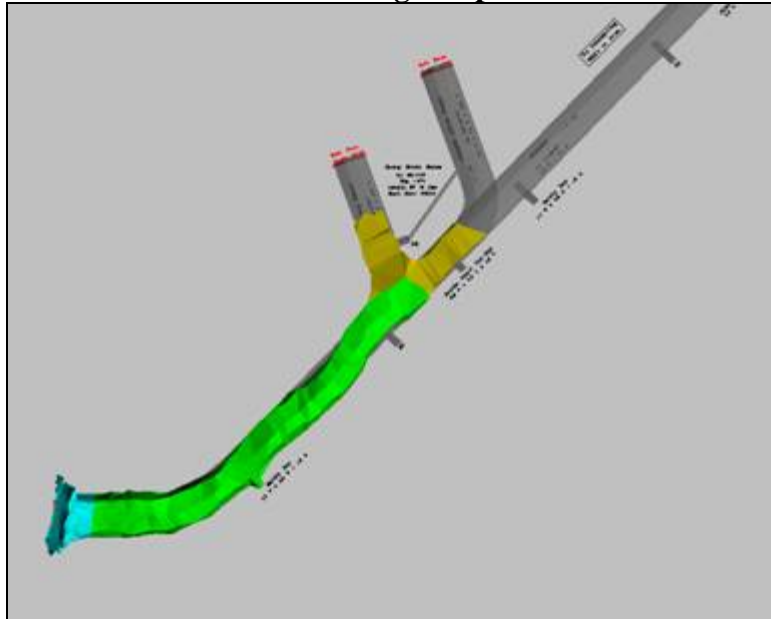
The results to date indicate that the underground waste rock is non-acid generating and meets the definitions of non-mineralized waste rock for management purposes. More information can be obtained from the 2010 Waste Rock and Quarry Monitoring Report produced by SRK and submitted to the NWB at the same time as this report.

Underground activities at Doris North began in October 2010 and since then waste rock has been kept on the waste rock storage pad. Table 10 shows the volume and mass of waste rock produced from the Doris North decline since October 2010. Bank Cubic Metre (BCM) represents the volume of rock in situ underground. Once blasted and moved to the waste rock pad, the rock volume increases by about 30%. Therefore, the volume of rock stored on the waste rock pad in 2010 was approximately 3,143.4 m³. The colours in Table 10 correspond to the progress of the decline, by month, shown in Figure 1.

Table 10 – Volumes and mass of waste rock produced from Doris North decline, 2010

Year/Month	Colour Legend	Volume (BCM)	Mass (tonnes)
2010/10		277	765
2010/11		1,656	4,636
2010/12		485	1,382
Total		2,418	6,783

Figure 1 – Plan view of Doris North mining completed in 2010. North to top.



4. Summary of the results of the monthly water balance and water quality model assessments referred to in Part G, Item 31 and any re-calibrations that have been carried out [see Schedule B, Item 4]

The construction of a tailings impoundment area had not yet begun in 2010 and as such monitoring requirements for this facility are not yet applicable.

5. Summary of the Geotechnical Inspection Report referred to in Part J, Item 18 [see Schedule B, Item 5]

HBML contracted SRK Consulting (Canada) Inc. (SRK) to conduct the annual geotechnical site inspection of the Doris North Project in accordance with the stipulated license conditions. This investigation was carried out during the week of July 12 – 16, 2010. Table 11 below provides a summary of the inspection components and the primary recommendations stemming from the inspection. HBML is currently in the process of preparing an implementation plan for the 2010 geotechnical recommendations and will submit this to the NWB by May 15, 2011.

Table 11 – Geotechnical Inspection Recommendations

Inspection Item	2010 Recommendations
Thermistors	<ul style="list-style-type: none"> • Re-evaluate thermistor requirements taking into considering the surface infrastructure elements currently on site • Continue to collect quarterly thermistor data as a minimum (August, November, February and May) • Consider installing data loggers for select remote thermistors to ease the burden of frequent manual data downloads
Old Lay Down Area	<ul style="list-style-type: none"> • Relocate the last two explosives magazines from the tundra vegetation onto the beach
Jetty	<ul style="list-style-type: none"> • Continue to collect quarterly thermistor data as a minimum (August, November, February and May) • Conduct annual survey of the jetty to allow for actual measurement of ongoing settlement • Remind operational staff annually about the operational limitations of the jetty
Shoreline Lay Down Area	<ul style="list-style-type: none"> • Inspect pad perimeter during freshet and immediately following significant or prolonged rainfall events. Pump out ponded water to prevent onset of thermal erosion
Roberts Bay Tank Farm	<ul style="list-style-type: none"> • Monitor overburden ponding immediately above the high wall and construct a new drainage channel in 2011 • Construct a nominal rock containment berm at the downstream toe of the overburden stockpile to mitigate uncontrolled silt release • Install permanent sumps within the secondary containment area to facilitate complete surface water drainage • Install a sump in the jet fuel and hydraulic oil storage area, or re-grade the area to allow free draining off the pad • Install settlement beacons along the fuel transfer station and sections of the secondary containment facility not constructed on bedrock. Monitor the

Inspection Item	2010 Recommendations
	beacons quarterly <ul style="list-style-type: none"> Confirm that the secondary containment facility has sufficient storage capacity to allow storage of jet fuel drums inside the containment area
Roberts Bay Lay Down Area	<ul style="list-style-type: none"> Ensure that all equipment and supplies are stored completely on the lay down pad footprint Inspect pad perimeter during freshet and immediately following significant or prolonged rainfall events. Pump out ponded water to prevent onset of thermal erosion Monitor flow from drainage channels beneath pad. If flow stops, the blockage must be traced to prevent onset of thermal erosion Monitor areas where rock was relocated from the tundra for signs of thermal erosion
Airstrip	<ul style="list-style-type: none"> Monitor areas where rock was relocated from the tundra for signs of thermal erosion Maintain practice of inspecting the runway toe line during freshet and after significant or prolonged rainfall events. Pump ponded water to prevent onset of thermal erosion Conduct daily inspections of the airstrip shoulder to monitor the tension cracks Relocate the jet fuel and diesel storage and associated secondary containment facilities at least 3 m from the apron shoulder
All Weather Roads (Doris Site)	<ul style="list-style-type: none"> Inspect road toe lines during freshet and immediately following significant or prolonged rainfall events. Pump out ponded water to prevent onset of thermal erosion Monitor areas where rock was relocated from the tundra for signs of thermal erosion
Wash Bay/Explosives Mixing Plant	<ul style="list-style-type: none"> Inspect pad perimeter during freshet and immediately following significant or prolonged rainfall events. Pump out ponded water to prevent onset of thermal erosion
Road Lay Down Area/Lower Reagent Pad	<ul style="list-style-type: none"> Inspect pad perimeter during freshet and immediately following significant or prolonged rainfall events. Ponded water should be pumped to prevent onset of thermal erosion
Quarry #2	<ul style="list-style-type: none"> Continue to follow the Quarry Management Plan
Crusher Pad	<ul style="list-style-type: none"> Inspect pad perimeter during freshet and immediately following significant or prolonged rainfall events. Pump out ponded water to prevent onset of thermal erosion
Sewage Treatment Plant Outfall	<ul style="list-style-type: none"> Develop and implement a long-term solution for discharge of grey water to prevent vegetation dieback and subsequent thermal and physical erosion
Quarry #2 Overburden Dump	<ul style="list-style-type: none"> No action required
Doris North Camp	<ul style="list-style-type: none"> Inspect pad perimeter during freshet and immediately following significant or prolonged rainfall events. Pump out ponded water to prevent onset of thermal erosion Construct a catch berm at the toe of the high wall and install appropriate signage and barricades to warn people and equipment of the danger Develop and implement an interim water management plan to collect and discharge surface runoff to bridge the period until the sedimentation pond is constructed
Doris North Camp Fuel Storage	<ul style="list-style-type: none"> Revisit the secondary containment requirements for fuel tanks on site
Camp Overburden Pile	<ul style="list-style-type: none"> This pile was levelled and covered and therefore no longer exist
Quarry #4	<ul style="list-style-type: none"> The Doris North Camp is being constructed within the confines of this quarry. It no longer exist as a separate inspection item

Inspection Item	2010 Recommendations
Matrix Camp	<ul style="list-style-type: none"> • This pad has been covered by the Doris North Camp
Doris Freshwater Intake	<ul style="list-style-type: none"> • Inspect pad perimeter during freshet and immediately following significant or prolonged rainfall events. Pump out ponded water to prevent onset of thermal erosion
Doris-Windy All Weather Road	<ul style="list-style-type: none"> • Inspect road toe lines during freshet and immediately following significant or prolonged rainfall events. Pump out ponded water to prevent onset of thermal erosion • Monitor areas where rock was relocated from the tundra for signs of thermal erosion
Doris-Windy All Weather Road Stream Crossings	<ul style="list-style-type: none"> • The crossings were not constructed at the time of the inspection. No action required
Quarry A	<ul style="list-style-type: none"> • Continue to follow the Quarry Management Plan
Quarry B	<ul style="list-style-type: none"> • Continue to follow the Quarry Management Plan
Quarry D	<ul style="list-style-type: none"> • Continue to follow the Quarry Management Plan

6. An update on the current capacity of the Tailings Impoundment Area [See Schedule B, Item 6]

As of the end of 2010, the Tailings Impoundment Area had not been constructed. For this reason, HBML cannot update the NWB on Tailings Impoundment Area's current capacity. The North Dam of the Tailings Impoundment Area is being built in 2011 and the fish out of Tail Lake is taking place in the summer of 2011.

7. A comparison of the flows (m³/day) at monitoring stations TL-1, TL-2, TL-3, and TL-4 [See Schedule B, Item 7]

As of the end of 2010, the Tailings Impoundment Area had not been constructed. For this reason, no monitoring is yet possible at monitoring stations TL-1, TL-2, TL-3, and TL-4. The North Dam of the Tailings Impoundment Area is being built in 2011.

8. Annual review and any revisions submitted in the form of addendums to the Management Plans or Emergency Response and Contingency Plan [See Schedule B, Item 8]

In 2010, HBML submitted the following plans for approval:

- Aquatic Effects Monitoring Plan
- Landfarm Management Plan
- Waste Rock and Ore Management Plan

These three plans are updates to previous plans submitted by Miramar. As such, the plans have been substantially updated from their previous versions. All were submitted as stand alone documents. No revisions or addendums are required at this time.

In 2010, HBML revised the following plans and sent copies to the NWB:

- Spill Contingency Plan
- Emergency Response Plan (annual revision February 2011)

The Spill Contingency Plan was approved by the NWB in October 2010. No updates have been made since approval was received. The most current Emergency Response Plan is attached to this report in Appendix A.

9. A list and description of all unauthorized discharges including volumes, spill report line identification number and summaries of follow-up action taken [See Schedule B, Item 9]

Please refer to Item B of the Annual Report Form for list of all unauthorized discharges for 2010.

10. The results of continued aquatic effects baseline data collection, and the results of the Aquatic Effects Monitoring Program in accordance with Part K, Item 4 [See Schedule B, Item 10]

The Aquatic Effects Monitoring Plan (AEMP) was approved by the NWB in March 2010 and HBML performed all required monitoring outlined in the plan in 2010. The year 2010 represents the first year for which the AEMP report is being prepared. HBML has notified the NWB, via letter dated March 1, 2011, that the AEMP report will be submitted by June 1, 2011. Due to the time required to compile the information gathered in 2010, and to produce this first year report, no summary is available at the time of completion of this annual report. Please refer to the AEMP report, when submitted, for the results of the aquatic effects monitoring and a summary of the QA/QC procedures used for field data collection, laboratory analysis, and data analysis.

11. Annual adjustments to reclamation security including any additional security that may be required [See Schedule B, Item 11]

No adjustments to reclamation security were required or made in 2010.

12. Annual Incineration stack testing results [See Schedule B, Item 12]

Incinerator stack emissions were not tested in 2010. The stack emissions will be tested in summer 2011.

In 2009, HBML committed to developing more efficient waste management practices at the Doris North Gold Mine Project by implementing several best management practices to reduce the dioxin and furan emissions from the Doris incinerator. In 2010, HBML constructed a building surrounding the incinerator to help maintain optimum chamber and stack temperatures and added waste sorting stations throughout the camp facilities to reduce domestic plastic waste entering the incinerator stream. In early 2011, a waste management standard operating procedure will be provided to all personnel on-site to provide guidance with proper waste sorting, a dining room renovation will be completed to allow the use of bulk condiments and food to reduce plastic waste created on-site, and reusable lunch kits and containers will be provided to further reduce plastic waste generation. With the above steps in place, HBML will proceed with the stack test of the incinerator in the summer of 2011.

13. Annual Landfill Management Report [See Schedule B, Item 13]

HBML is authorized to dispose of all non-hazardous solid waste in a landfill on site as per Part G Item 10. At the request of the land owner, Kitikmeot Inuit Association, HBML has not constructed a landfill. Solid waste that cannot be burned is taken offsite for disposal. Because HBML has not constructed a landfill, no landfill management report has been prepared.

14. A summary of modifications and/or maintenance work carried out on the Water Supply and the Waste Disposal Facilities, including all associated structures, and an outline of any work anticipated for the next year [See Schedule B, Item 14]

To continue to address the concerns regarding the blue-green algae in Doris Lake that were first noted at the end of 2008, HBML retained a consultant to assist with the implementation of improvements to the water treatment system that would provide a safe potable water supply for Doris Camp. The pipeline from the pump house and the campsite potable water distribution system were shock chlorinated a number of times in an effort to destroy any algae and microbes that may have colonized within the distribution system. All residual chlorinated water from this process was dechlorinated before being released to the waste water treatment facility. Additionally, the 5.0 micron string filter located in the water room (pre-ozone) was replaced with a 1.0 micron Absolute bag filter and the 1.0 micron pleated filters were replaced with 0.35 micron pleated filters.

Bottled water will continue to be supplied to the camp residents until HBML confirms that the water is potable. Additional reusable water bottles will be available in 2011 to encourage the use of RO water from the kitchen to reduce the number of disposable water bottles used on-site. Weekly water quality sampling will be ongoing as needed into 2011.

During 2010, modifications were also made to the waste water treatment system. A second waste water treatment plant was commissioned at Doris Camp. The treated

effluent discharge line for this second unit was tied into the existing line allowing it to discharge at monitoring station ST-8 as well.

15. A summary of any closure and reclamation work undertaken and an outline of any work anticipated for the next year, including any changes to implementation and scheduling [See Schedule B, Item 15]

Please refer to Item E of the Annual Report Form for a summary of closure and reclamation work undertaken in 2010.

16. A summary report describing public consultation and participation with local organizations and the residents of the nearby communities, including a schedule of upcoming community events/information sessions [See Schedule B, Item 16]

Community consultations in the Kitikmeot region took place in accordance with the Community Relations Plan, which is a responsibility of the Environment and Social Responsibility section of Hope Bay Mining Ltd. (HBML). The primary contact under this Plan continues to be Alex Buchan, Manager of Community and External Relations, based in Cambridge Bay, with support from his Director, Chris Hanks.

Community relations evolved in 2010 with a new focus on informing the public about the construction of the Doris North Project and introducing Phase 2 of staged development of the Hope Bay Belt.

Early in 2010, HBML moved from the Cambridge Bay airport warehouse and expediting facility to a central location in the community: #4 Omingmak Street. This move has significantly increased the amount of walk in traffic and encouraged greater public access to HBML staff.

HBML greatly increased its community and regional presence in 2010. In May, Ikey Evalik was hired out of Cambridge Bay as the IIBA Coordinator. He is the liaison with the Kitikmeot Inuit Association per Schedule B of the Doris North IIBA. With Mr. Evalik in place, the capacity of HBML to work directly with the KIA on socio-economic issues is greatly enhanced. In September of 2010, John Kaiyogana was hired the HBML HR Representative based out of Cambridge Bay. John is responsible for maximizing Inuit and local employment for HBML and can directly address any employment or training inquiry from the public. HBML now has a team of three experienced and well known individuals resident in the Kitikmeot working and interacting directly with our stakeholders and the public.

Cambridge Bay Logistics Hub

In 2010, HBML continued using the Hamlet of Cambridge Bay as the logistics hub for the handling of personnel movements to and from Site, other Kitikmeot communities, and

points south. HBML took full advantage of commercial airline links between the rest of the Kitikmeot and Cambridge Bay to bring in workers for furtherance to Site via smaller charter aircraft. Cambridge Bay was also used as a transition point for southern workers in cases where large jet aircraft could not land on the ice strip constructed on Doris Lake in winter. In these cases, southern workers were brought to Cambridge Bay on a jet aircraft charter from Yellowknife and Edmonton and shuttled to Site in smaller turboprop aircraft suitable for landing on the Doris airstrip.

For much of 2010, HBML contracted Braden Burry Expediting to position an expeditor/agent in Cambridge Bay to organize these flights and changeovers. The Cambridge Bay airport on many occasions was filled with over a hundred HBML staff and contractors awaiting flights to and from our camps. This volume of traffic allowed the public in Cambridge Bay and people traveling through the region to readily interact with our traveling personnel.

In June, it became apparent that camp space in the Hope Bay Project area was insufficient to house the number of workers required for all 2010 activities. In response, HBML began to house workers at both the Arctic Island Lodge and Green Row Apartments in Cambridge Bay and fly them back and forth from Cambridge Bay and Hope Bay to work everyday. A maximum of 35 individuals “commuted” to work in this fashion in the summer of 2010. In September, the need to staff personnel in Cambridge Bay was greatly lessened with the arrival of floating accommodation stationed in Roberts Bay. Housing staff in Cambridge Bay also lead to several incidents of intoxication by staff from “dry” communities.

Email Distribution List

In 2010, HBML moved to monthly email notifications of company updates amongst Key Stakeholders. Feedback from this communications activity was low to non-existent possibly due to receiving information from other sources such as regular communications with the IIBA Coordinator and HR Representative. The persons included in these communications were:

- KIA Community Liaison Officers and other staff,
- Community Economic Development Officers,
- Hamlet Senior Administrative Officers
- Kitikmeot Economic Development Commission,
- Department of Education Field Operations,
- Department of Economic Development and Transportation,
- Indian and Northern Affairs Canada (Nunavut) staff,
- Kitikmeot Corporation, and
- Nunavut Arctic College.

Alcohol and Drugs

One alcohol related incident occurred in 2010 but no drug related incidents occurred during the same period. The alcohol related incident occurred while HBML was transshipping groceries from Cambridge Bay to Umingmaktok gratis for an Umingmaktok resident. HBML security discovered a quantity of alcohol contained in the shipment. Although the material did not enter Doris Camp, the shipper and recipient were contacted and told that such alcohol shipments would not be supported by HBML in the future.

There were also three separate known incidents of alcohol abuse by HBML staff and contractor staff overnighiting in Cambridge Bay. HBML remains in regular contact with the RCMP detachment in Cambridge Bay in order to maintain a working relationship that will assist in addressing these issues.

Community Relations Monthly Summary

January

- A Doris North IIBA Implementation Committee meeting was held in Vancouver on January 20th. HBML plans and activities were outlined to the KIA.
- The appointment of Jim Spenceley as President of HBML was communicated to all key northern stakeholders. An initial meeting between Jim Spenceley and Cambridge Bay regulators occurred later in the month.
- Efforts were made to implement pandemic preparedness in response to the H1N1 Flu outbreak and communicate pandemic procedures to all HBML staff and contractors.
- HBML Site Orientation presentation materials related to Cross Cultural Awareness and Inuit culture were reviewed for accuracy and relevancy in order to provide the best information to new hires going to Site.
- HBML was approached by the Nunavut Resources Corporation (NRC) and a response to this new development was formulated and communicated to them.
- HBML developed a scope of work with Rescan Environmental to estimate the economic impact of Phase I development at Hope Bay through the use of the Arctic Impact Model. This work later produced a key report that concluded that the Doris North project would contribute around 6% of the Nunavut GDP, which was widely communicated to our stakeholders.
- HBML worked internally to propose changes and updates to the Doris North Commercial Lease and IIBA in order to align these key agreements with the changes in scope of the Hope Bay Project.

February

- HBML worked with a Department of Economic Development and Transportation (ED&T) Regional Geologist to prepare a Ministerial Briefing Note on the Hope Bay Project for Minister Taptuna and his fellow Nunavut Cabinet members.
- HBML donated over 30 cases of surplus garbage bags and sundry cleaning supplies to the Hamlet of Cambridge Bay. These were used for waste disposal at the Community Arena and also retained for use for the summer Shoreline Cleanup.

- HBML sponsored and participated in the 2010 Kitikmeot Trade Show. Attending were Alex Buchan, Jerry Clyne (Supply Chain) and Brian Anderson, outgoing President for HBML. HBML manned a booth and was able to explain the operation to members of the public. Additionally, Jerry Clyne made a presentation to Kitikmeot-based business providing information to interested companies wishing to secure contracts from HBML. Brian Anderson and Alex Buchan participated in a regional economic visioning exercise called Open for Business facilitated by the Ivy School of Business. Included in the presentation was information on supplier forms and key contracts to be let in 2010.
- HBML created an internal HR Working Group in order to plan and move forward with various employment and training initiatives called for under the IIBA and NIRB Project Certificate. This group comprised of HBML and Newmont Nevada-based HR specialists. This work continued for the first half of 2010 and culminated in part in the development of an approved Training Plan for the Hope Bay Project.
- HBML this month developed a Socio-Economic Baseline research work plan in order to prepare to collect relevant data on impacted communities in preparation of a Phase II project description.
- HBML sponsored the Kitikmeot Regional Science Fair held in Gjoa Haven.
- Alex Buchan was involved in the initial recruiting drive to fill 2010 seasonal positions for HBML. This involved screening resumes, arranging for job interviews, providing direction to candidates for pre-employment screenings and handling Letters of Offer.

March

- Alex Buchan attended a Kitikmeot Socio-Economic Monitoring Committee (KSEMC) meeting sponsored by ED&T. The primary purpose of the meeting was to discuss a number of community-based indicators. Alex presented the Doris North socio-economic indicators and explained why they were selected.
- Alex Buchan presented to GEM Advisory Group of Northerners meeting providing Natural Resources Canada and other Government of Canada officials information about the Hope Bay Project and community participation in our activities.
- HBML moved office locations from the Warehouse Expediting building at the airport to #4 Omingmak Street. A lighted street sign was ordered to indicate HBML use of this location.
- HBML HR began consistently posting all Hope Bay related job offerings in impacted communities.
- HBML was in contact with the Government of Nunavut Petroleum Products Division to determine if there was any opportunity to access surplus diesel fuel in Cambridge Bay for Hope Bay project operations. After a series of consultations, it was determined that the community of Cambridge Bay could not spare any fuel.
- HBML attended a KIA Executive meeting in Cambridge Bay on the 17th to frame and schedule future IIBA and Commercial Lease negotiations.
- Alex Buchan created and distributed public notices via community bulletin boards and via local radio to warn the public about quarry blasting dangers near Roberts Bay

and to provide advice on the wise use of the Cambridge Bay to Hope Bay winter ice road.

- Alex Buchan provided input into a stakeholder analysis prepared by HBML Government Relations consultant.
- HBML finalized a recruitment strategy that was provided to the IIBA Implementation Committee for approval.
- Alex Buchan provided clarification to KIA Lands Department Staff on the particulars of the loss of a maxi-bore drill piece being used for lake ice diamond drilling at Doris Lake.

April

- On April 1st, a teleconference was held between KIA and HBML staff in order to develop work teams and a work-plan to address IIBA and Commercial Lease action items.
- HBML finalized a Communications Strategy for the implementation of the draft Training Plan.
- Alex Buchan provided support to HBML Projects personnel in determining options for housing personnel in the Hamlet of Cambridge Bay including facilitating initial discussions and meetings between HBML personnel and Lodge and Inn Management.
- HBML sponsored and attended the 2010 Nunavut Mining Symposium in Iqaluit. Jim Spenceley, Chris Hanks, and Alex Buchan attended on HBML's behalf. HBML was awarded the Murray Pike Memorial Award by conference organizers in recognition of HBML efforts to promote community involvement in our activities.
- Alex Buchan prepared the warehouse for use by Braden Burry Expediting staff.
- HBML attended the KIA Board of Directors meeting in Gjoa Haven on the 20th. HBML provided a project update including a detailed description of Phase 1 plans.
- Alex Buchan responded to a request from the Ekaluktutiak HTO to use the warehouse building for muskox wool processing. Unfortunately, this request could not be accommodated due to operational requirements.
- Alex Buchan participated in some HM management functions involving Inuit staff to ensure that policies were being implemented in a culturally appropriate manner.
- Alex Buchan participated in the initial steps required to hire the planned 14 Environmental Field Assistants required to complete the 2010 Environmental Baseline studies and compliance monitoring activities.
- Alex Buchan assisted in the response to an Inuk hired contractor creating a wildlife attractant near Roberts Bay this month.
- Alex Buchan made preliminary arrangements to support the Government of the NWT Environment and Natural Resources June 2010 Ahiak caribou survey from Doris Camp, involving a number of traditional users of the herd.
- Alex Buchan sourced ulus from a local supplier to be used as HBML safety awards.
- HBML attended a meeting in Cambridge Bay, along with its training partners, to consider and provide input into a draft application made by the KIA to access Aboriginal Skills Enhancement Program (ASEP) funds in part to support training

- HBML participated in a Transport Canada survey in support of their Northern Transportation Systems Assessment (NTSA).
- Alex Buchan attended the Nunavut Planning Commission Technical Session on the Nunavut Land Use Plan in Cambridge Bay on behalf of both HBML and the Nunavut/NWT Chamber of Mines.

May

- Ikey Evalik was hired by HBML to be the IIBA Coordinator based out of Cambridge Bay. Ikey was oriented to his new position primarily by Alex Buchan.
- HBML sponsored and participated in the 2010 Omingmak Frolics held in Cambridge Bay this month. A community feast was sponsored and a number of personnel from Doris Camp attended the event along with Cambridge Bay staff.
- HBML participated in 1 negotiation session with the KIA to update the Doris North IIBA and Commercial Lease.
- Alex Buchan attended a Sustainable Infrastructure Workshop held in Cambridge Bay organized by the Department of Community and Government Services in order to obtain local input on Government of Nunavut capital planning processes.
- Alex Buchan attended a working session between the Kitikmeot Economic Development Commission (KEDC) and Human Resources Development Canada to discuss KEDC plans to access ASETS funding to support Inuit training and development in the region. Information on HBML hiring plans was shared with the workshop participants in order to provide context to some of the employment and training opportunities that are available in the region.
- HBML distributed copies of *Gold for Gold, A History of Newmont Mining Corporation*, to key Kitikmeot stakeholders. This book was recently written by Jack Morris, a former Vice President for Newmont.
- HBML undertook an internal review of emergency contact processes in response to a grizzly bear mauling of a Bay Chimo resident in May. Regional Emergency Measures personnel with both the RCMP and Government of Nunavut were provided current contact information for the Hope Bay project to ensure that HBML could be readily contacted to assist in responding to a medical emergency near our operation.
- HBML interviewed local candidates from the Hamlet of Cambridge Bay Life Management Program for a cost shared seasonal clerical position in the Cambridge Bay HBML office. Crystal Nakahok was hired and worked successfully for her 12 week work practicum.
- Alex Buchan arranged a site visit for a Department of Environment Conservation Officer.
- HBML partnered with KIA to attend an IIBA Implementation Committee meeting in Edmonton coupled with a one day workshop with Kitikmeot Corporation affiliated companies to discuss maximizing Inuit employment and training.

June

- A follow up negotiation session between HBML and KIA to update the Doris North IIBA and Commercial Lease was held in Yellowknife early in the month.
- HBML facilitated an Archeological Presentation at the Mary Hakongak Centre in partnership with the Kitikmeot Heritage Society. Gabriella Prager, HBML contract archeologist, provided information on Hope Bay archeological surveys and results, as well as heritage site mitigation processes.
- Alex Buchan presented a project update to the Hamlet Council for the Municipality of Cambridge Bay.
- A presentation on Inuit culture and the Doris North IIBA was made to all Hope Bay Project management to ensure that all supervisors were aware of HBML obligations to Inuit.
- HBML Cambridge Bay staff participated in the Cambridge Bay town cleanup held on June 14th.
- A teleconference was held between the Department of the Environment and HBML staff to gain input into the revision and updating of the Doris North Wildlife Mitigation and Monitoring Plan.
- A Cambridge Bay resident working at Hope Bay under a contractor had to be medically evacuated from Site. HBML communicated directly with the person's family to inform them of his status.
- Andy McMullen of Bearwise, a human bear specialist under contract to HBML, was brought to Cambridge Bay to offer a free Bear Safety course to the public. Six people took part in the training and received certificates from Bearwise.
- HBML responded to a request from ED&T to participate in a study conducted jointly with Natural Resources Canada on climate change adaptations related to transportation infrastructure.
- HBML convened a Communications meeting between Corporate, Regional and Site communications staff in order to develop plans and activities to inform our stakeholders about the Hope Bay Project.

July

- Another negotiation session between HBML and KIA to update the Doris North IIBA and Commercial Lease was held in Calgary.
- HBML expanded its lease at #4 Omingmak Street to encompass the entire building. With this additional room, Site Orientations for new hires were done from this space on an as required basis to alleviate the demand for camp space at Site. This additional time spent by new hires in Cambridge Bay was useful for them, and the public, to better understand our operation and the HBML operating environment.
- HBML hosted the KIA Board of Directors and Senior Management staff at the Elu Inlet Lodge for a Team Building meeting. The purpose of this gathering was to gain a personal connection between the parties and discuss Inuit employment and training as a priority action item. As part of this event, the KIA group toured the Doris North Site.
- HBML finalized a new version of a Hope Bay Fact sheet that provides for a one page synopsis of all Hope Bay project activities and plans.

- Both the KIA Lands Department and the KIA Inuit Environmental Advisory Committee traveled to Hope Bay to conduct site inspections and also to advise on the best locations for caribou crossings over the Doris to Windy all-weather road.
- HBML communicated with Environment Canada to seek advice on how to deal with a Common Redpoll bird nest found near an area where active blasting was taking place near Doris Camp.

August

- Early in the month, a meeting took place between Newmont Loss Prevention management staff and the RCMP detachment in Cambridge Bay. Items discussed included policing strategies for the Hope Bay site and the processing of criminal records checks for HBML pre-employment purposes.
- HBML hosted the Board of Directors and senior managers of various Kitikmeot Corporation (KC) affiliated companies for a Hope Bay Site Tour on the 18th. The group had an opportunity to observe some of the offloading of the 2010 sealift and portal site preparation work, as well as being presented with a project update. Prior to the tour, selected KC staff and directors were interviewed for a HBML video production to document the 2010 Sealift.
- HBML conducted a Phase 1b community consultation tour of the entire Kitikmeot region in August. The primary purpose of the tour was to inform the public about the progression of construction of the Doris North mine, and to brief them on future plans for advanced exploration in the Doris Central and Patch 14 areas.
- Alex Buchan facilitated three meetings between HBML Supply Chain Manager and local Cambridge Bay business representatives wishing to scope business opportunities with our company.
- HBML distributed web-links to Doris and Boston Camps' automatic weather stations to all regional stakeholders so that the public could have access to real-time weather information in the project area.
- A service contract was let with the KIA to provide for integration of Tuktu Nogak Traditional Knowledge project data into the Naonaiyoutit Traditional Knowledge Project database. Part of the integration work would subsequently consist of data verification workshops with Kitikmeot elders.
- Another negotiation session between HBML and KIA to update the Doris North IIBA and Commercial Lease was held in Edmonton.
- HBML released one helicopter in use at Hope Bay to the Department of the Environment (DOE) in order to investigate the death of a group of muskox on Victoria Island. The DOE team was able to proceed to the area where the dead muskox had been discovered and collect samples.

September

- John Kaiyogana was hired as HBML HR Representative stationed in Cambridge Bay. John was oriented to his duties by Alex Buchan and Debbi Ross, HR Director for Hope Bay.
- The NIRB Annual site inspection was conducted this month by Li Wan, NIRB Monitoring Officer for the Doris North project.

- HBML hosted a group of NTI and KIA legal consultants (Heenan Blaikie group) for a Hoppe Bay Site visit working on the development of an Inuit Royalty policy. The purpose of the site tour was to provide a first hand example of a mine on Inuit Owned Lands for reference for the consultants.
- HBML made a presentation to the Kilinik High School in Cambridge Bay on geology and mineral exploration. Andrew Orr, Janet Kadlun, and John Kaiyogana from HBML participated in the presentation.
- HBML provided a quantity of 6" HDPE type insulated pipe to the community of Cambridge Bay to affect repairs on its potable water supply line.
- HBML was approached by the Netsilik School in Taloyoak wishing to organize a site tour for their Energy and Mines class. Discussions proceeded on when to best schedule this visit. Eventually, this potential visit was put off until early 2011.
- A marine dangerous goods shipment training course was organized for a number of seasonal Inuit workers in Yellowknife in September. This course was offered in consideration of HBML developing its own waste management capacity at Site.
- A number of HBML staff were trained in Vancouver in the use of StakeTracker software to document community relations activities.
- HBML initiated discussions with the Government of Nunavut to enter into a Development Partnership Agreement with them in relation to Phase I of Hope Bay Development. Further in the process in 2010, a statement of intent was issued to ED&T to formally begin talks.
- HBML attended a follow up meeting requested by the KEDC to review progress made by this organization to access ASETS funding for the Kitikmeot region. The meeting was also attended by our other training partners such as Nunavut Arctic College and the Department of Education.
- The month ended with an IIBA Implementation Committee meeting held in Yellowknife between the KIA and HBML.

October

- Representatives of HBML attended the Northern Economic and Sovereignty Infrastructure Conference held in Iqaluit. This event was sponsored by HBML. Chris Hanks took the opportunity to discuss HBML capital investment in transportation infrastructure and how this could benefit the Kitikmeot region.
- A Mineral Development Advisory Group meeting was held in Cambridge Bay at the request of HBML. The purpose of the meeting was to allow regulators an opportunity to review HBML plans for Hope Bay Project expansion in order to receive feedback useful for drafting future regulatory submissions and applications. Seven HBML staff and consultants, and over 30 representatives of regulatory agencies, attended the meeting. Part of the meeting consisted of a Site Visit for all interested individuals.
- HBML began an initiative to update the Doris North Community Relations Management Program. The purpose of this initiative was to ensure that community relations activities conform to internal standards, and those of the Mining Association of Canada *Towards Sustainable Mining* guidelines.
- HBML initiated a Site Cultural Resources library with the purchase of around \$5,000 worth of books and DVDs related to Inuit culture and history in order to promote a

- HBML also published the first ever quarterly newsletter for the Hope Bay project consisting of relevant stories and information about the project. The publication was sent to every Kitikmeot address, and was produced in English, Inuinnaqtun and Inuktitut.

November

- Early in November, two members of HBML attended the Canadian Aboriginal Minerals Association annual gathering in Winnipeg. The conference was an excellent opportunity to learn about issues related to aboriginal affairs and mining, as well as Corporate Social Responsibility and Aboriginal peoples.
- Chris Hanks, HBML ESR Director, was interviewed by Nunatsiaq News. Alex Buchan prepared briefing notes to Chris for the interview.
- Two HBML representatives attended the NWT Geoscience Forum held in Yellowknife this month. During the conference, a presentation was made to the Board of Directors for Kitikmeot Corporation. The presentation summarized contracting work and Inuit Employment during 2010 and some information on 2011 plans for development of Hope Bay.
- HBML hosted Community Open House events in each Kitikmeot Community. The purpose of these events was to solicit community interest in participation in the Hope Bay Training Plan including Ready To Work programs. During these events, HBML was able to collect resumes of persons wishing to work at Hope Bay. The Open House Events were well attended except for Cambridge Bay, possibly due to the presence of the Hope Bay office in this community.
- At the end of the month, HBML hosted a Human Resources Summit in Yellowknife. The purpose of the meeting was to build on the earlier meeting with Kitikmeot Corporation affiliates to discuss and promote Inuit employment and training related to the Hope Bay Project. The HR Summit consisted of representatives of HBML and all major Hope Bay contractors. There were around 40 participants. The outcome of the meeting was the development of a common approach and understanding of the importance of hiring and training Inuit. Concurrent with this meeting, an IIBA Implementation Committee meeting was also held.
- Alex Buchan worked with Dave Smith (HBML Geology) to provide content for the 2010 Nunavut Exploration Overview for the Department of Indian and Northern Affairs.
- Alex Buchan provided advice and support to on site Environmental staff in responding to a number of human-wolverine interactions this month.

December

- Alex Buchan attended a Global Communications Team meeting held in Denver. The purpose of this meeting was to share information between Newmont sites worldwide on communications issues and also to undertake some communications training.

- Alex Buchan presented to the Kitikmeot Mayor's Conference in Cambridge Bay. Alex provided the Mayors with a summary of 2010 activities and information on Hope Bay short and long term plans.
- HBML donated two 52" flat screen televisions to the Cambridge Bay Daycare auction this month.
- HBML provided input into the draft Nunavut Caribou Strategy this month.
- Alex Buchan facilitated a media contact for HBML related to clarifying an uncontrolled release of energy at the Hope Bay incinerator site this month.

17. GPS locations of monitoring stations as confirmed with the Inspector Part J, Item 5 [See Schedule B, Item 17]

Please refer to main part of the annual report for the GPS locations of the monitoring stations.

18. A summary of actions taken to address concerns or deficiencies listed in the inspection reports and/or compliance reports filed by an Inspector [See Schedule B, Item 18]

An INAC inspection took place August 3, 2010 with very few concerns raised. Two issues noted pertained to soiled gravel floors in contractor shop areas. This soiled material was removed for offsite disposal and in the case of one shop, the entire crushed-rock floor was removed and replaced with concrete. This crushed rock was incorporated into the construction of the new floor. The area at sewage outfall ST-8 was also inspected and INAC indicated they would like to see engineered drawings for the proposed rock diffuser modifications. This work is in progress and will be executed in early 2011.

Appendix A

Emergency Response Plan