



Nunavut Regional Office
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February 14, 2012

Mr. Chris Hanks
Director, Environmental and Social Responsibility
Hope Bay Mining Ltd.
Suite 300, 889 Harbourside Drive
NORTH VANCOUVER, BC V7P 3S1

Sent via email: chris.hanks@newmont.com

Re: Care and Maintenance Program at the Hope Bay Gold Project

Dear Mr. Hanks,

On February 1st, 2012, Aboriginal Affairs and Northern Development Canada (AANDC) became aware of Newmont Mining Corporation's announcement that all development and exploration work at the Hope Bay Mining Project site (herein referred to as the Project) would be postponed until further notice while the project is reviewed. Further, in the same announcement there appears a statement that government officials and regulatory bodies "have been or are being notified".

As of February 13th, 2012, AANDC has only received a copy of a draft news release of the planned change in operational status from Newmont Mining Corporation with respect to the Project. We have not received a complete and accurate Care and Maintenance Plan for the sites involved.

We would like to remind both Hope Bay Mining Ltd and Newmont Mining Corporation that pursuant to Part B (11) of 2AM-DOH0713 of the Class A Water Licence, the Licensee must notify the Nunavut Water Board 60 days in advance of any changes to the Operating Plan or Conditions associated with the Project.

The Field Operations Section of the Nunavut Regional Office ensures compliance with authorizations specific to Water Use and Waste Disposal in Nunavut. In addition to land use and quarry permits with respect to the Project, there also exists two Class B (2BB-BOS0712 and 2BE-HOP0712) and one Class A (2AM-DOH0713) water licences. All three are due to expire within the next 12 to 18 months or have amendment applications currently pending.

Given the level of uncertainty with the Project and its issued authorizations and as we have failed to receive formal communications or a plan to address the forecast Care and Maintenance phase of the Hope Bay Project, AANDC would like to discuss these matters with representatives of your company. A number of staff from our department will be in attendance at this year's PDAC Annual Convention; we would like to propose a meeting on Monday March 5, 2012, at 2:00 pm in the Wellington Meeting Room at the Strathcona Hotel, 60 York Street.



In attendance from AANDC will be Karen Costello, Manager, Mineral Resources, Kevin Buck, Manager, Regulatory and Compliance Management, and Jeff Mercer, Manager, Land Administration with Robin Aitken, Regional Director General and myself participating via teleconference.

We would like to discuss the following:

- Maintenance of critical facilities to sustain operations and living quarters including; accommodation area, power supply, main tank farm, waste transfer area, waste rock stock piles, first aid station and staffing levels, potable water supply, communications, truck shop, required mobile equipment, and airstrip;
- Continuing operation and maintenance of the monitoring program including collection of samples for analysis on regular basis in accordance with the water license requirements;
- Ensuring a secure fuel supply to generators & maintenance power supply facilities at all times, as well as ensuring the readiness of the backup generator;
- Handling of all waste products generated on site; and
- Ensuring the sustainability of all environmental activities including;
 - The completion of monthly environmental water sampling according to a schedule to be determined or a schedule required by the water license;
 - Logging of wildlife sightings; and
 - Handling and reporting unauthorized discharges including a cleanup response to a large spill.

If you have any questions or concerns in advance of the proposed meeting please do not hesitate to contact our offices at your first opportunity.

I look forward to speaking with you, if not before, then at the meeting on Monday March 5, 2012.

Respectfully,

(original signed and mailed this date) Andrew Keim
Manager, Field Operations
Nunavut Regional Office

Cc: Phyllis Beaulieu, NWB