



AANDC, Nunavut District Office
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September 27, 2012

Chris Hanks
Doris North Project
Hope Bay Mining Ltd.
Suite 300, 889 Harbourside Drive
NORTH VANCOUVER, BC V7P 3S1

Re: Care and Maintenance - Temporary Closure

Mr. Hanks,

Thank you for providing to AANDC on September 8, 2012, the internal document entitled "*Hope Bay Mining Ltd. - Care and Maintenance Plan – Doris North Project, Nunavut – September 6, 2012*". As you told me, it is an internal document and mostly intended to describe what revisions are required to the various project plans. This document is not sufficient as a care and maintenance (CM) plan for the purposes of your licence. I have spoken with the Nunavut Water Board (NWB), and they remain under the same impression that we at AANDC had – that HBML was diligently preparing CM plans as per your commitment of March 1, 2012. For this reason, neither the NWB nor AANDC formally 'required' the plans of HBML. We had faith that HBML would fulfill their obligation to the NWB and regulators.

HBML will not proceed with their intention to leave the site un-manned until such time as a Care and Maintenance Plan is approved by the NWB and regulators.

The Care and Maintenance Plan shall be based on the *Mine Site Reclamation Guidelines for the Northwest Territories*, Indian and Northern Affairs Canada, Yellowknife, NWT, January 2007 Version, Section 1.4 – Temporary Mine Closure.

As per these guidelines:

"Temporary mine closure" refers to the scenario where a mine ceases operations with the intent to resume mining activities in the future. Closures can last for a period of weeks, or for several years, based on economical, environmental, and social factors. Temporary closure activities must maintain all operating facilities necessary to protect humans, wildlife, and the environment.

The following measures at minimum are to be implemented or completed upon temporary mine closure:

- Access to the site, buildings, and all other structures must be secured and restricted to authorized personnel only
- All mine openings must be guarded or blocked and warning signs must be posted
- All physical, chemical and biological treatment and monitoring programs must continue according to licenses, permits, and leases in order to maintain compliance



- All large scale waste management systems must be secured and a plan must be submitted for approval for the smaller scale systems to be put in place to address reduced volume
- An inventory of chemicals and reagents, petroleum products, and other hazardous materials must be conducted and secured appropriately or removed if required
- Fluid levels in all fuel tanks must be recorded and monitored regularly for leaks or removed from the site (Remote detection systems)
- All explosives must be relocated to the main powder magazine and secured, disposed of, or removed from the site
- All waste rock piles, ore stockpiles, tailings, mine water and other impoundment structures must be stable and maintained in an appropriate manner (including annual geotechnical inspections)
- Drainage ditches and spillways must be inspected annually and maintained regularly (e.g. seasonally depending on snow and ice accumulation and melting) during the closure period and included as part of geotechnical inspections
- Facilities and infrastructure must be inspected regularly and maintained
- The reclamation security deposit must be kept up to date
- Compliance with all applicable federal and territorial laws and regulations, in addition to the operator's Land Use Permits, Land Leases and Water Licenses, must also be ensured (NIRB Project Certificate?)

Care and Maintenance staff must be present at the site and sufficient in number and expertise to care for the site and any potential problems that may arise. Equipment and supplies should be left on site for any maintenance or reclamation activities that may need to take place.

I trust this information will be helpful in the preparation of your plan. Please direct correspondence and questions regarding the preparation and submission of your plan to Andrew Keim, A/Manager of Field Operations (Andrew.Keim@aandc-aadnc.gc.ca or 867-975-4289).

Regards,

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CC :
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Phyllis Beaulieu, Manager of Licensing, NWB