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July 29, 2011

Phyllis Bealieu Manager of Licensing Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0E 1J0 (867) 360-6338

RECEIVED

By Licensing Administrative Assistant at 3:40 pm, Aug 02, 2011

Re: 2AM-DOH0713 – Interim Water Management Plan

Dear Ms. Beaulieu,

Please find enclosed with this letter the revised Doris North Project Interim Water Management Plan (July 2011) (the "Plan"). The revised Plan is submitted in order to meet the requirement of Part F, Item 1 of Water Licence No. 2AM-D0H0713 (the "Water Licence") to submit to the Water Board a revised Water Management Plan. The revised Plan has been revised to address all of the requirements in Part F, Item 1 which are the following:

- a. A requirement to continuously monitor Doris Lake levels and outflow during the two (2) years of mining and beyond to confirm water balance model predictions;
- b. Requirements for on-going monitoring and calibration of the water quality model;
- c. A strategy to monitor and remove where necessary snow accumulation in the Pollution Control Pond, roads, ditches, and drainage channels; and
- d. The Plan shall consider the monitoring requirements set out in Parts J and K.

The previous draft of the Plan (December 2010) did not explicitly address Items (a) and (b); however, both are being conducted. As part of the environmental baseline data collection, Rescan Environmental Services monitors Doris Lake water levels and outflows. SRK receives this monitoring data and uses the data to calibrate the water balance and quality model.

Also enclosed with the revised Plan is a table addressing each of the comments submitted by KIA, INAC and Environment Canada. Attached to the comment-response table are drawings and additional information regarding the Sedimentation Pond, Pollution Control Pond and Temporary Holding Pond.

We believe the revised Plan now meets all of the requirements of the Water Licence. Should you have any questions regarding this submission, please do not hesitate to contact me at chris.hanks@newmont.com.

Sincerely,

for

Chris Hanks VP, Environmental Affairs Hope Bay Mining Ltd.

| DATE | ORG./ | ID# | COMMENT/ISSUE | HOPE BAY MINING LIMITED RESPONSE |
|---------------|---------------------|-----|---|--|
| | NAME | | | |
| 24 March 2011 | KIA/ Luigi Torretti | 1. | HBML should standardize the terms used to define areas. Terms are sometimes used interchangeably, and sometimes not defined properly defined, causing confusion. | We have standardized the terms used to describe the basins and sub- basins from which the runoff originates. |
| 24 March 2011 | KIA/ Luigi Torretti | 2. | HBML should clarify the design life of the facility, and whether the facilities would or could expand to meet future development needs. | The purpose of the plan is to describe how the facilities will be operated during this interim period before impacted water can be discharged to Tails Lake. |
| 24 March 2011 | KIA/ Luigi Torretti | 3. | As-built or IFC details of the facilities are needed, including: a. pump sizes, capacity and backup plans, as well as discharge protocol; b. clarification of where the diversion pumps divert water to, and how the water is collected; c. confirmation that construction materials are geochemically benign and free from blasting residues; d. liner details (the pads, Pollution Control Pond and the Sedimentation Pond should be lined with an impervious liner in order to direct flow and store potentially contaminated water); confirmation of design capacity for the current pond size, and that capacity can be increased as and when needed. | Issued for construction drawings of the Sedimentation and Pollution Control Ponds are attached. a. Pumps for the pump stations are portable units and mobilized as needed. The largest pump is a Godwin 4" HL4M pump and the smallest is a 2" trash pump. Attached are the specs on the Godwin pump.Pumping from Pollution Control Pond to Temporary Holding Pond Protocol is as follows: "Once the Pollution Control Pond has accumulated a volume equivalent to 24 hours of pumping capacity or approximately 240 m³ the accumulated water will be pumped via a pipeline to a Temporary Holding Pond." b. The diversion pumps pump water to the diversion outfall above the sedimentation berm for the Overburden Stockpile. The diverted water is collected in collection areas adjacent to the pumps. c. The materials used in the construction of the plan are characterized in the following report: SRK, 2007. Geochemical Characterization of Quarry Materials, Doris North Project, Hope Bay, Nunavut, Canada. Prepared for Miramar Hope Bay Limited. d. The Pollution Control and Sedimentation Ponds are partially lined. Details are shown in Attachment 1 to these comments. e. Attachment 1 shows the Sedimentation and Pollution Control Ponds and their stage-storage curves. |

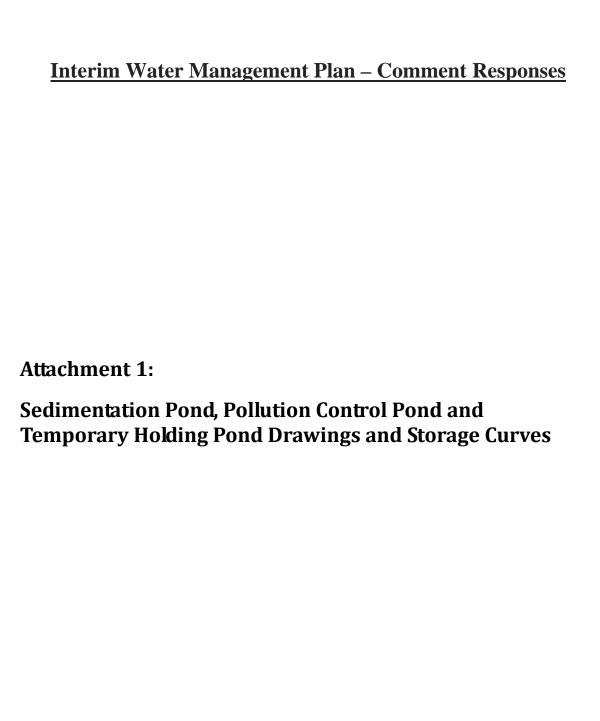
| 24 March 2011 | KIA/ Luigi Torretti | 4. | HBML should explain the reasoning for using a 1:25 year 24 hour event rather than a 1:100 year 24 hour event. | Our reasoning for using the 1:25 year 24 hour storm event is an appropriate design event for the interim water management plan because the purpose of the plan is only to manage water for the interim period before water is discharged to Tails Lake. The probability of this size precipitation event occurring during the interim period for which the plan was prepared is only 4%. |
|---------------|---------------------|----|---|---|
| 24 March 2011 | KIA/ Luigi Torretti | 5. | The Plan should provide more details regarding mitigation options in the event that the Pollution Control Structure and the Sedimentation Pond are full of contaminated water due to a storm event. Has HBML considered a scenario where the Land Farm Pond (mitigation option 3) may also be full, and therefore unavailable? | The Temporary Holding Pond's capacity is 6,786 m³. The estimated runoff volume for the design storm event for the Mine Area is 6,124 m³. The Temporary Holding has sufficient volume to retain the runoff volume for the design storm event from the entire Mine Area. |
| 24 March 2011 | KIA/ Luigi Torretti | 6. | The Plan figures suggest that Pad R reports to the Sedimentation Pond. Is this correct, or does it report to the Pollution Control Pond? | Pad R reports to the Sedimentation Pond. |
| 24 March 2011 | KIA/ Luigi Torretti | 7. | Details are needed regarding the Reverse Osmosis (RO) Plant: a. HBML should confirm that the RO plant will be built and ready to use prior to the need to treat contaminated/non-compliant water; b. Waste stream flows need to be detailed; c. How will HBML manage contaminated/non-compliant water that requires further treatment? d. IFC designs are needed. A geotechnical engineer should supervise construction, and an independent geotechnical engineer should inspect the facility annually. | a. Commissioning of the RO plant began on 12 July 2011. b. The RO plant treated/treats impacted water collected by the Pollution Control Pond and stored in the Temporary Holding Pond. c. In accordance with the Plan, water that does not meet discharge objectives will not be discharged. Water that does not meet quality objectives can be retained within the Temporary Holding Pond which has sufficient holding capacity for the design storm runoff volume from the Mine Area. d. Comment acknowledged. Specifications for the RO plant are Attachment 2 to this response to comments. |
| 24 March 2011 | KIA/ Luigi Torretti | 8. | The Interim Plan should incorporate additional details regarding snow removal and management. | Additional details regarding snow removal and management are provided in the plan. Snow removed from the Mine Area is stockpiled near the Overburden Stockpile upgradient of the sedimentation berm. |
| 24 March 2011 | KIA/ Luigi Torretti | 9. | Water quality and freeboard monitoring frequency should increase after a storm event and/or when ponds approach maximum carrying capacity. | Water level and flow monitoring requirements are outlined in Section 9 of the Plan and will be conducted in accordance with the water licence. |

| 23 March 2011 | INAC/J. Rogers | 10. | 1. The Interim Water Management Plan proposed by HBML appears reasonable but is missing information and explanations to determine if potential environmental effects and potential environmental liabilities will be minimized until the use of Tail Lake is approved. INAC Water Resources Division believes that HBML should implement Part F, Item 1 a) and b) of the WaterLicence to gather sufficient baseline information. | Part F, Item 1 a) and b) of the water licence are now included in the Plan. Doris Lake water levels and outflows are monitored as part of the baseline hydrologic study. These data are shared with SRK and are used to calibrate the water balance and quality model. |
|---------------|----------------|-----|--|--|
| 23 March 2011 | INAC/J. Rogers | 11. | 2. Operation of Pollution Control and Sedimentation Ponds Greater clarification on how effluent from the Pollution Control and Sedimentation Ponds will be managed by operating a reverse osmosis water treatment facility (RO Plan) should be provided. Specifically, the INAC Water Resources Divisions questions if and why treated water will be directed to the Sedimentation Pond other than to dilute the concentrations of parameters of concern in the sediment pond. Also, the plan does not clearly indicate that the remaining water with high concentration will be handled. Returning the sludge/ return water from the RO Plant to the pollution control pond would increase the total load and concentrations within the pond making treatment more difficult although increasing the storage space. HBML should perhaps indicate the risks involved in Option 1 and the probability of that option being implemented. | The RO plant will treat the water to remove dissolved constituents from impacted water to meet the quality objectives prior to discharge to the Sedimentation Pond. Treated water is discharged to the Sedimentation Pond because the Sedimentation is the only permitted discharge location within the Mine Area specified in the water licence. HBML is willing to discharge treated water directly onto the tundra if permitted by the water board. RO reject (concentrate) will be/is returned to the Temporary Holding Pond. When Tails Lake can receive impacted water, water in the Temporary Holding Pond will be discharged to Tails Lake. |
| 23 March 2011 | INAC/J. Rogers | 12. | 3. The Pollution Control Pond's Retention Capacity The INAC Water Resources Division questions the climate estimates used to determine the volume of water that the Pollution Control Pond must be capable of managing during design events. Section 4.1 design rainfall events have been exceeded more than once at Kugluktuk. INAC was unable to access the more recent Golder reports and, during the previous technical hearings, the project operator was reminded to consider the July 2007 rainstorm at Kugluktuk. HBML should review their climate data and clarify their design retention capacities of both the Pollution Control Pond and Sedimentation Ponds. | Design storm event were estimated based on the information supplied in the draft Doris Project Area 2008 Hydrology Baseline Update. This report uses climatic data from Kuglutuk as well as 7 other climatic monitoring locations much closer to the site than Kugluktuk. |

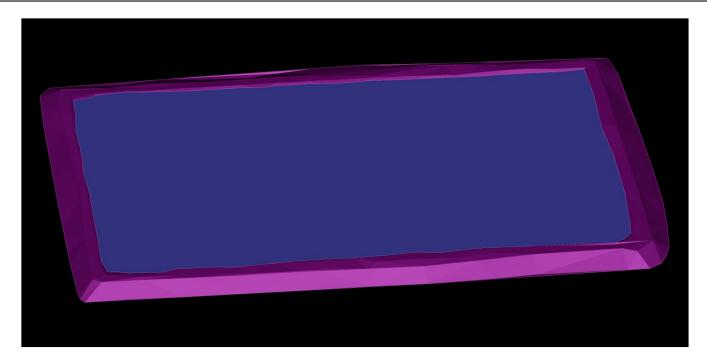
| 23 March 2011 | INAC/J. Rogers | 13. | 4. Referenced Draft 2009 Golder Report In my review I noted that the December 2009 Golder report titled, "Doris Project Area 2008 Hydrology Baseline Update," referenced in the submitted plan is a draft version. This report should be finalized taking into account the comments provided in Item No. 3 (above) and HBML should ensure that accurate climate data are used in the design of their project's Sedimentation and Pollution Control Ponds. Also, whenever possible, future HBML submissions should not reference draft reports/ | Comment acknowledged. |
|---------------|----------------|-----|--|--|
| 23 March 2011 | INAC/J. Rogers | 14. | plans. 5. Reverse Osmosis Water Treatment Facility (RO Plant) HBML should describe the conditions that would necessitate the installation of a RO Plant, such as a specified volume of effluent within the Pollution Control Pond and/or maximum freeboard level. The plan should also include general design specifications of the RO Plant such as treatment capacity, membrane type, filtration size, plant specific operations and the time | The reverse osmosis plant was commissioned starting on 12 July 2011 to proactively manage impacted water. The capacity of the RO plant is 20 m³/hr. Other specifications of the RO plant are Attachment 2 to these comments. |
| 23 March 2011 | INAC/J. Rogers | 15. | required to commission a facility. 6. Scope of Water Management Plan The submitted plan is specific to the Doris North Project's central mine area and, to a limited extent, the project's land farm facility. Although HBML has stated that their plan will be updated to include provisions concerning the tailings impoundment area before it is commissioned, not all water management provisions specific to the project have been included in the submitted plan. Examples include, • Water usage (e.g., potable water, water for construction purposes/ mine development, and dust control); • Storm water management, especially for areas with a higher risk of contamination such as the fuel transfer station, fuel storage facilities, and land farm facility; • Sewage treatment and disposal; and, • The Aquatic Effects Monitoring Program. The INAC Water Resources Division recommends that future amendments to this plan address all known water management provisions associated with the project and reference all applicable management plans and reporting requirements associated with the Water Licence. | This Plan is only for the period before impacted water can be discharged to Tails Lake. The final water management plan will address the items listed in this comment. |

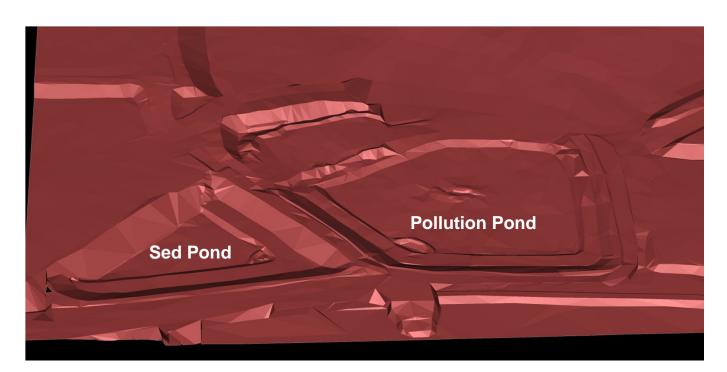
| 23 March 2011 | INAC/J. Rogers | 16. | 7. Amendment No. 2 to the Water Licence Pending the Minister of Indian Affairs and Northern Development's approval of the Board's Amendment No. 2 to the Water Licence issued February 15, 2011, water management practices applicable to the expansion of the Roberts Bay fuel storage and containment facility; expansion to the project's all-weather airstrip and construction of a bypass road; and, revised location of the cyanide and reagent storage facility, should be included in a revised plan. | The Plan is only for the period before impacted water can be discharged to Tails Lake. The final water management plan will address the items listed in this comment. |
|---------------|------------------------------------|-----|---|--|
| 24 March 2011 | Environment Canada/ Paula Smith | 17. | The storage capacity (in m³) of the sedimentation and pollution control ponds have not been provided anywhere in this Plan. This information is critical to determining the adequacy of this plan. EC recommends providing this information in figure 1 (areas are currently provided in figure 1). This information should also be added to Sections 7.2.2 and 7.2.3 so comparisons can be made between anticipated annual runoff volumes and the respective storage capacities of each Pond. | The Pollution Control Pond and Sedimentation Pond are designed as event ponds to detain the 1 in 25 year, 24 hour storm and as such their capacity should not be compared to average annual runoff estimates. For the 1 in 25 year, 24 hour precipitation event, 3100 m³ will report to the Pollution Control Pond and 3024 m³ will report to the Sedimentation Pond. This estimate has been added to Section 7.2.1. The capacity of the Sedimentation Pond is 2,636 m³ and, respectively. This has been added to Section 7.2.2. The full storage level of the Temporary Holding Pond is 6,786 m³. This has been added to Section 7.2.3. |
| 24 March 2011 | Environment Canada/ Paula Smith | 18. | According to Section 4.3 of the Plan, the mine area is expected to generate ~38 000m³ of runoff annually. However the plan indicates the Pollution Control Pond has only been designed to manage 14 700 m³ of runoff. Will the remaining 23 300 m³ of runoff water report to the Sedimentation Pond? In any event, the amount of water reporting to the Sedimentation Pond should be conveyed in Section 7.2.2. | The runoff estimate of 14,700 m³ is an annual estimate of the total runoff intercepted by the Pollution Control Pond during a 1 in 20 wet year, in which a 1 in 25 year, 24 hour storm occurs and 25% of the snow water equivalent melts. The 38,000 m³ is the average annual runoff for the mine area. The two estimates are derived for different reasons and should not be compared. The 38,000 m³ estimate is derived as a general description of the site and the 14,700 m³ estimate is derived to characterize a low probability maximum annual volume of contact water that could need to be managed. Neither pond is intended or designed to retain the annual runoff volume from the portion of the Mine Area that reports to it. |

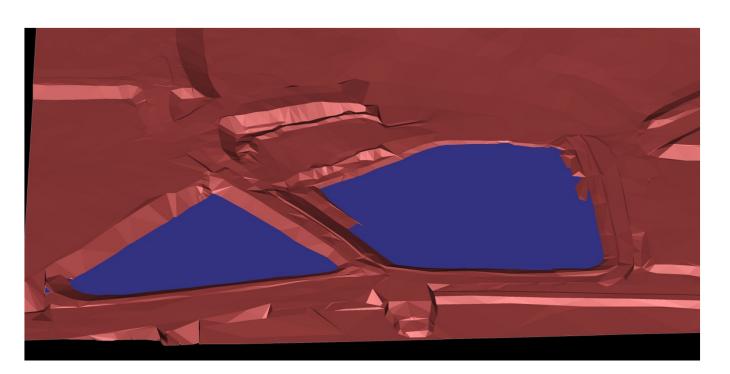
| 24 March 2011 | Environment Canada/ Paula Smith | 19. | Section 7.2.1 makes reference to the area of land being drained by the Sedimentation and Pollution Control Ponds. For clarity, it would be | The Pollution Control Pond and Sedimentation Pond are designed as event ponds for the 1 in 25 year, 24 hour storm and as such their |
|---------------|------------------------------------|-----|---|---|
| | | | helpful if volumes of water reporting to each pond were also provided so it can be easily determined if capacities are exceeded and by what amount. | capacity should not be compared to average annual runoff estimates. |
| | | | | For the 1 in 25 year, 24 hour precipitation event, 3100 m ³ will report |
| | | | | to the Pollution Control Pond and 3024 m ³ will report to the |
| | | | | Sedimentation Pond. This estimate has been added to Section 7.2.1. |
| 24 March 2011 | Environment Canada/ | 20 | With respect to mitigation option 3 under Section 7.2.3, the storage | No water from the Mine Area will be directed to the landfill. |
| 24 Maich 2011 | Paula Smith | 20. | capacity (in m³) of the landfill should be provided. If this option is | |
| | | | exercised, what measures are in place to ensure landfarm water won't seep | Since the Plan was initially prepared a fully lined Temporary Holding |
| | | | and how will water from the landfarm be extracted for future treatment | Pond was constructed on Pad D. The Temporary Holding Pond |
| | | | and discharge. | was/will be used to retain water instead of the landfarm ponds. |
| 24 March 2011 | Environment Canada/ | 21 | Section 9 indicates that discharge from the RO Plant will be monitored for | Sedimentation Pond monitoring will be conducted in accordance with |
| 24 Maich 2011 | Paula Smith | 21. | quality once daily while discharging. Will similar accommodations be | the water licence. |
| | | | made for water discharged to the tundra from the Sedimentation Pond to | |
| | | | confirm compliance with water license conditions prior to discharge? | |













NEWMONT... NORTH AMERICA Doris North Camp

Job No: 1CH008.033

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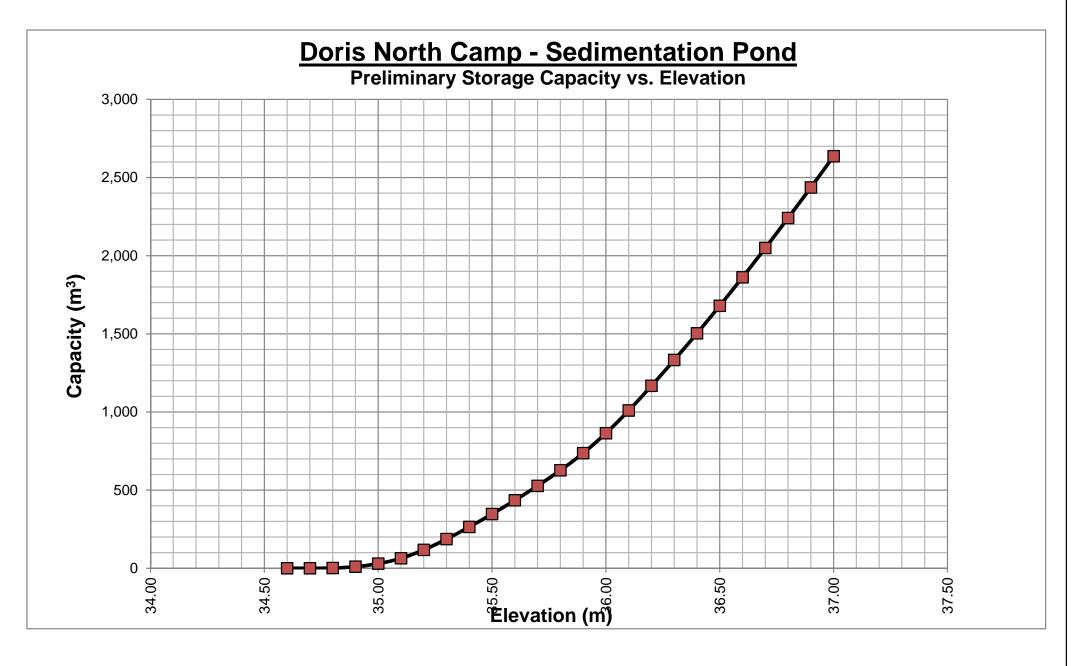
HOPE BAY MINING INC

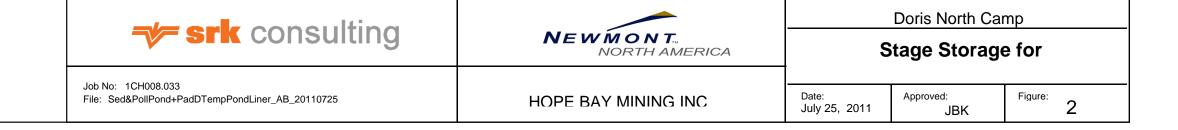
Screenshots of Sed, Pollution and Temp Pond As-Built Models

Date: Approved: Figure: JBK 1

Report 1:Sed Pond

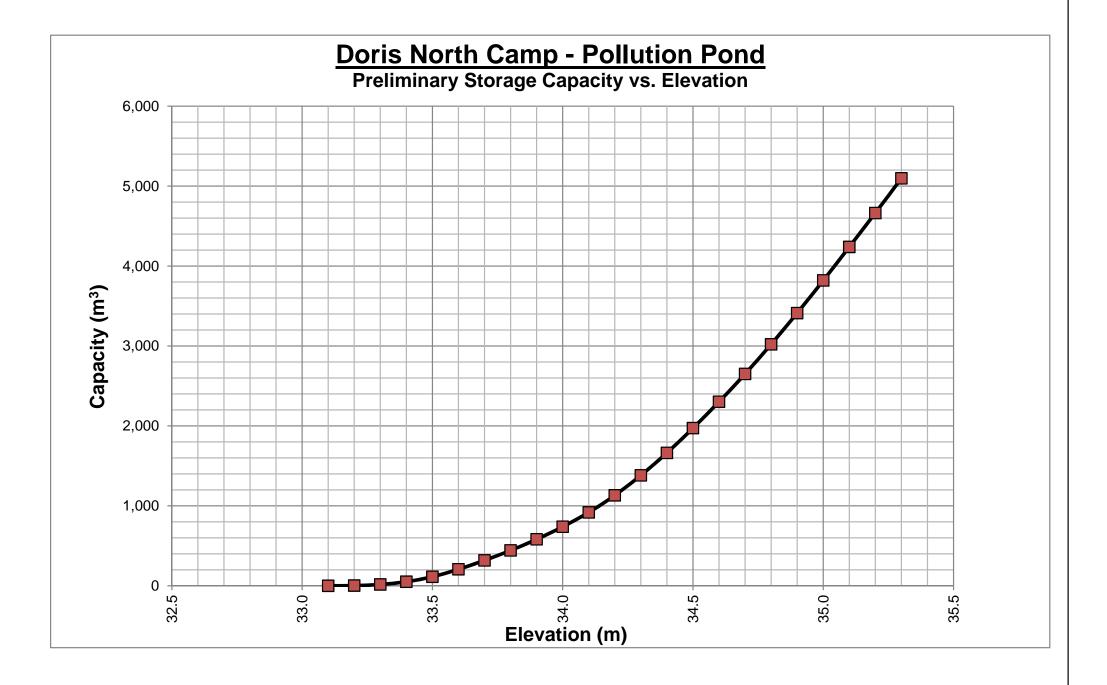
| PLANE | PLANE | Volume M**3 | Volume M**3 |
|--------|--------------|-------------|-------------|
| From | To | Incremental | Cumulative |
| 36.9PD | 37.00 | 199.84 | 2,636.38 |
| 36.8PD | 36.90 | 195.66 | 2,436.54 |
| 36.7PD | 36.80 | 191.78 | 2,240.88 |
| 36.6PD | 36.70 | 187.46 | 2,049.10 |
| 36.5PD | 36.60 | 182.14 | 1,861.63 |
| 36.4PD | 36.50 | 176.35 | 1,679.49 |
| 36.3PD | 36.40 | 170.50 | 1,503.14 |
| 36.2PD | 36.30 | 165.27 | 1,332.64 |
| 36.1PD | 36.20 | 158.03 | 1,167.37 |
| 36.0PD | 36.10 | 145.77 | 1,009.34 |
| 35.9PD | 36.00 | 126.88 | 863.57 |
| 35.8PD | 35.90 | 109.82 | 736.70 |
| 35.7PD | 35.80 | 99.31 | 626.87 |
| 35.6PD | 35.70 | 92.93 | 527.57 |
| 35.5PD | 35.60 | 87.68 | 434.63 |
| 35.4PD | 35.50 | 82.65 | 346.96 |
| 35.3PD | 35.40 | 77.54 | 264.30 |
| 35.2PD | 35.30 | 68.94 | 186.76 |
| 35.1PD | 35.20 | 54.04 | 117.82 |
| 35.0PD | 35.10 | 34.17 | 63.78 |
| 34.9PD | 35.00 | 19.49 | 29.61 |
| 34.8PD | 34.90 | 8.51 | 10.12 |
| 34.7PD | 34.80 | 1.58 | 1.61 |
| 34.6PD | 34.70 | 0.03 | 0.03 |
| | 34.60 | 0.00 | 0.00 |
| | Total | 2,636 | |

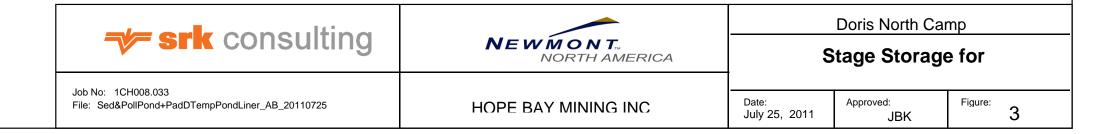




Report 2: Pollution Pond

| PLANE | PLANE | Volume M**3 | Volume M**3 |
|--------|-------|-------------|-------------|
| From | To | Incremental | Cumulative |
| 35.2PD | 35.3 | 433.13 | 5,096.40 |
| 35.1PD | 35.2 | 424.64 | 4,663.27 |
| 35.0PD | 35.1 | 418.13 | 4,238.62 |
| 34.9PD | 35.0 | 409.03 | 3,820.50 |
| 34.8PD | 34.9 | 390.92 | 3,411.47 |
| 34.7PD | 34.8 | 370.11 | 3,020.55 |
| 34.6PD | 34.7 | 348.22 | 2,650.44 |
| 34.5PD | 34.6 | 329.91 | 2,302.21 |
| 34.4PD | 34.5 | 309.25 | 1,972.30 |
| 34.3PD | 34.4 | 281.01 | 1,663.04 |
| 34.2PD | 34.3 | 250.30 | 1,382.03 |
| 34.1PD | 34.2 | 213.76 | 1,131.73 |
| 34.0PD | 34.1 | 178.99 | 917.98 |
| 33.9PD | 34.0 | 157.04 | 738.99 |
| 33.8PD | 33.9 | 139.36 | 581.96 |
| 33.7PD | 33.8 | 124.83 | 442.59 |
| 33.6PD | 33.7 | 110.93 | 317.76 |
| 33.5PD | 33.6 | 93.46 | 206.83 |
| 33.4PD | 33.5 | 62.47 | 113.36 |
| 33.3PD | 33.4 | 34.33 | 50.90 |
| 33.2PD | 33.3 | 13.35 | 16.57 |
| 33.1PD | 33.2 | 3.22 | 3.22 |
| | 33.1 | 0 | 0.000 |
| | Total | 5,097 | |





Report 3: Pad D pond

| PLANE | PLANE | Volume M**3 | Volume M**3 |
|--------|--------------|-------------|-------------|
| From | To | Incremental | Incremental |
| 44.7PD | 44.79 | 391.5 | 6,741.8 |
| 44.6PD | 44.70 | 428.3 | 6,350.2 |
| 44.5PD | 44.60 | 422.9 | 5,921.9 |
| 44.4PD | 44.50 | 418.6 | 5,499.0 |
| 44.3PD | 44.40 | 413.7 | 5,080.4 |
| 44.2PD | 44.30 | 405.8 | 4,666.8 |
| 44.1PD | 44.20 | 395.6 | 4,260.9 |
| 44.0PD | 44.10 | 390.6 | 3,865.3 |
| 43.9PD | 44.00 | 386.4 | 3,474.7 |
| 43.8PD | 43.90 | 382.8 | 3,088.4 |
| 43.7PD | 43.80 | 377.0 | 2,705.5 |
| 43.6PD | 43.70 | 369.2 | 2,328.6 |
| 43.5PD | 43.60 | 362.5 | 1,959.4 |
| 43.4PD | 43.50 | 353.9 | 1,596.8 |
| 43.3PD | 43.40 | 350.6 | 1,242.9 |
| 43.2PD | 43.30 | 344.6 | 892.3 |
| 43.1PD | 43.20 | 294.9 | 547.7 |
| 43.0PD | 43.10 | 158.9 | 252.8 |
| 42.9PD | 43.00 | 68.6 | 93.9 |
| 42.8PD | 42.90 | 24.3 | 25.2 |
| 42.7PD | 42.80 | 1.0 | 1.0 |
| | 42.70 | 0.0 | 0.0 |
| | Total | 6,786 | |

