



P.O. Box 119
GJOA HAVEN, NU X0B 1J0
TEL: (867) 360-6338
FAX: (867) 360-6369

ᓄᓇᓂᓪ ᐃᓕᓂᓪᓴᓪ ᓅᓂᓴᓪ
NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYIT
OFFICE DES EAUX DU NUNAVUT

File: 2AM-DOH0713/G15

March 30, 2012

Mr. Chris Hanks
Director, Environmental & Social Responsibility
Hope Bay Mining Ltd.
Suite 300, 889 Harbourside Drive
North Vancouver, BC V7P 3S1

Email: Chris.Hanks@Newmont.com

Subject: Licence No. 2AM-DOH0713 – Part G, Item 15, submission of a revised Waste Rock Management Plan, received December 2010

Dear Mr. Hanks,

On December 10, 2010, the Nunavut Water Board (NWB) received HBML's revised Waste Rock Management Plan, entitled "Hope Bay Project Doris North Waste Rock and Ore Management Plan" dated December 2010 (WROMP or Plan) for review in accordance with Part G, Item 15 of Type A Water Licence 2AM-DOH0713 (Licence). In addition, the NWB received HBML's request for Board approval to place waste rock in areas other than the Temporary Waste Rock Pad (Pad I) in accordance with Part G, Item 17 of the Licence (Request). This Request included: (a) Board approval to temporarily place waste rock on adjacent Pads F and G; and (b) Board approval to place (use) non-acid generating waste rock for construction.

On July 20, 2011 the Board determined under Motion 2011-11-L10 that it could not approve HBML's Request without processing an amendment to Part D, Item 24 of the Licence to allow for the use of non-acid generating waste rock during construction. Part D, Item 24 states:

The Licensee shall not use waste rock from underground for the construction of any infrastructure.

Pursuant to the Board's directions, HBML submitted an application for amendment to Licence 2AM-DOH0713 on October 13, 2011. This application has been considered and Amendment No.3 was issued by the Nunavut Water Board on January 18, 2012, subsequently approved by the Minister of Aboriginal Affairs and Northern Development Canada (AANDC) on February 29, 2012. Having received Minister approval for the amendment dealing with the handling, storage and fate of waste rock (both mineralized and un-mineralized) removed from the

underground at the Doris Mine, the processing of the plan submission noted above could continue.

On December 9, 2010 the Nunavut Water Board (NWB or Board) acknowledged receipt of the revised Waste Rock Management Plan, with respect to Part G, Item 15 of Licence 2AM-DOH0713, including the following documents:

- Cover letter from Chris Hanks, HBML, to Phyllis Beaulieu, NWB, Subject: 2AM-DOH0713 Revised Waste Rock Management Plan, December 9, 2011;
- Hope Bay Project – Doris North Waste Rock and Ore Management Plan, prepared by SRK Consulting, project reference SRK 1CH008.029, dated December 2011;
- Material Safety Data Sheets (MSDS's) for EK35 and DL10;

On February 10, 2011, the NWB distributed to interested parties, the above noted Plan submitted under Part G, Item 15 and the request made of HBML within the cover letter with respect to requirements under Part G, Item 16 and 17.

On or prior to the submission deadline of March 10, 2011, the NWB was in receipt of comments provided by Aboriginal Affairs and Northern Development Canada (AANDC), Environment Canada (EC) and the Kitikmeot Inuit Association (KIA).¹ Following receipt of these comments, the NWB provided a letter² and direction to HBML with respect to a review of the comments provided and to encourage a response from the Licensee to questions raised during the review. A detailed response to the questions raised by the KIA was received on June 1, 2011 from HBML³. This response also included minor clarification on points raised by EC and AANDC.

Following review of the submissions provided and the response from the Applicant (HBML), the NWB requested that the KIA provide a confirmation of the adequacy of the response provided and to submit any further comments in that regard by June 21, 2011.⁴ The KIA responded⁵ on June 29, 2011 indicating that they did not have any further issues at this time with the revised Plan and responses provided by HBML.

On July 21, 2011, the NWB issued its Board decision⁶ with respect to the Plan submission and request under Part G, Items 15, 16 and 17, and Part D, Item 24 and indicated that:

If HBML wishes to proceed with an amendment to the Licence to proceed with the Request, an application to amend the Licence must be submitted in accordance with the NWB's Guide 7: Licensee Requirements Following the Issuance of a Water Licence,

¹ Letter from AANDC Re: Type A Water Licence No. 2AM-DOH0713 – Doris North Project – Hope Bay Mining Ltd. – Kitikmeot Region – December 2010 Waste Rock and Ore Management Plan, dated March 10, 2011; Letter from EC Re: 110210 2AM-DOH0713 Request Pursuant to Part G, Items 16 and 17, dated March 10, 2011; Letter from the KIA, Re: 110210 2AM-DOH0713 Request Pursuant to Part G, Items 16 and 17, dated March 10, 2011.

²

³ Letter from Chris Hanks (HBML) to S. Lines (TLA, consultant to the NWB), Re: Responses to Comments on Waste Rock Management Plan and HBML Request Pursuant to Part G, Items 16 and 17, dated June 1, 2011.

⁴ Letter from David Hohnstein (NWB) to Chris Hanks (Newmont) Re: Acknowledgement of Receipt of Response to Comments on Waste Rock Management Plan and Request Pursuant to Part G, Items 16 and 17, dated June 16, 2011.

⁵ Email, Luigi Torretti (KIA) to NWB, Re: 110616 2AM-DOH0713 Part G, Items 16 and 17, dated June 29, 2011.

⁶ Letter NWB to HBML, Re: Hope Bay Project Doris North Waste Rock and Ore Management Plan, December 2010 and Request Pursuant to Part G, Items 16 and 17 of Water Licence 2AM-DOH0713, dated July 21, 2011.



April 2010. The amendment application should be submitted as soon as possible to give the NWB sufficient time to go through the amendment process, understanding that in accordance with sections 52(1) and 56(1) of the *Nunavut Waters Nunavut Surface Rights Tribunal Act* a public hearing may be required and the amendment is subject to Ministerial approval.

On October 17, 2011 the NWB received an amendment application from HBML with respect to the use of un-mineralized waste rock for construction purposes, the storage of waste rock and the definition of the waste rock storage pad. The application was distributed for review and all comments received on the application were provided to the Applicant for any clarification. The NWB subsequently issued Amendment No.3 on January 18, 2012

On February 29, 2012 the Minister of Aboriginal Affairs and Northern Development Canada approved the amendment issued by the NWB. The amendment addressed the issues related to the submission of the WROSP and details set out. Amendment No.3 included changes to Part D, Item 24, Part G, Item 17 as well as including additional conditions under Part G. Amendments were also made to Part J, Item 12(d) and Part L, Item 4(j). In order to accommodate potential changes to the configuration and use of the storage pads, the definition for the Temporary Waste Rock Pad was amended. In addition, minor amendments were made to Schedules B and D with respect to reporting requirements.

Having thoroughly considered the Plan submission, the comments received on the Plan and the subsequent review of the application and approval of Amendment No.3, the NWB hereby approves the Doris North Waste Rock and Ore Storage Plan (2010) through (Motion No. 2011-21-L09).

The NWB requests that HBML provide a revision to the WROSP upon change in site status from the current care and maintenance, to operations and production. This revision should reflect any additional information that has come forward since operations were suspended, and to address areas of the Plan that reference parts and items (conditions) of the Licence that were restrictive to the use of un-mineralized waste rock for construction and storage pad configuration, which were amended through the approval of Amendment No.3 to Licence 2AM-DOH0713.

In addition to the revision requirement above, the Licensee shall provide to the Board for review, within sixty (60) days of issuance of this approval, under Part G, Item 35, an addendum document to the revised *Waste Rock and Ore Management Plan*, dated December 2010, to address the following as identified by EC⁷ during the review of the amendment application:

1. the inconsistency between the geochemistry profile provided for diabase in Table 2 and the bolded text on page 10 of the Plan;
2. considering that the diabase waste rock may be used in construction, apply an increase in the sample collection rate for monitoring from 1 to 3 samples every 5,000 tonnes, as identified on pg. 20 and reference by EC from the *Mine Environment Neutral Drainage Prediction Manual*, (Price 2009); and

⁷ Letter from P. Smith, EC, to P. Beaulieu, EC, Re: 11 10 26 2AM-DOH0713 Amendment 3 Review-OMLE, dated November 25, 2011.



3. the inclusion of NP monitoring/determination and its frequency on diabase waste rock prior to use in construction to confirm the ARD potential of rock with less than 0.2% sulphur content.

For consistency, the Licensee is reminded that review and revision, if necessary of the Interim Abandonment and Restoration Plan, provided under Part L, Item 4 and the Final Abandonment and Restoration Plan required under Part L, Item 6, should reflect the approved WROSP and any subsequent revisions to the Plan.

Should you have any questions or require any clarification with respect to the above approval, please feel free to contact the undersigned via email at dts@nunavutwaterboard.org or phone (780) 443-4406.

Sincerely,

Original signed by:

David Hohnstein, C.E.T.
Director Technical Services

DH/kt

Cc. Lea-Marie Bowes-Lyon, HBML
Kitikmeot Distribution List

