

March 14, 2009

Technical Advisor – Mining
Nunavut Water Board
P.O. Box 119
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Re: February 2009 –Monthly Monitoring Report for Water License 2AM-DOH0713

Following is the monthly report for February 2009 as required under Doris Water License No./Type 2AM-DOH0713 Type “A”. The license was issued on September 19, 2007 and will expire on September 30, 2013. The water license is specific for Mining and Milling and associated uses. This includes the domestic use of water and the deposition of sewage. The quantity of water usages shall not exceed 480,000 cubic meters annually.

This monthly report provides information on Part E (Conditions applying to Water Use) Item 1, Part G (Conditions applying to Waste Management and Waste Management Plans) Item 3, and Part H (Conditions applying to modifications). This is related to the use of the Doris Camp as a domestic facility as allowed by the water licence.

Other conditions stipulated in license refer specially to mining and milling processes. These facilities have not been constructed at this time and therefore, no monitoring has taken place at site to comply with conditions outlined in the water use permit.

1. Part E: Item 1.

a. DORIS CAMP WATER USAGE – SNP STATION ST-7

During the month of February 2009, Doris Camp was in operation for the entire month. The water extraction pump is located on the North shore of Doris Lake (ST-7). Table 1 provides the water volume used as required under Part E, Item 1 of the water license (2AM-DOH0713). All usage values were within licence requirements. Potable water to Doris Camp holding tanks was delivered by a water truck from Doris Lake.

Table 1: Water usage in cubic meters (m³) for Monitoring Station ST-7, February 2009

Parameters	ST-7	2AM-DOH0713
Water Source	Doris Lake	Compliance Values – Part E: Item 1
Annual Consumption	937.13	480,000 m ³ Annual
Monthly Cumulative	502	40,000 m ³ monthly
Volume Average (Daily)	17	1,333 m ³ daily
Median	16	1,333 m ³ daily
Maximum	32	1,333 m ³ daily
Minimum	16	1,333 m ³ daily

b. WATER SAMPLING MONITORING PROGRAM

During the month of February 2009, water samples were collected four times at monitoring station ST-7 and four times at monitoring station ST-8. SNP ST-9 was not sampled as HBML is still working with INAC to agree on the appropriate alternative location as the current location does not hydrologically connect with ST-8. A survey of the area revealed very limited drainage pathways to collect sufficient effluent samples to

comply with requirements stipulated under Part G: Item 3. This will need to be resolved in order to monitor compliance with the licence.

Results

Doris Lake raw water samples were collected from monitoring station ST-7 located within the main building complex. This sampling point is located just before the main water filtration system and UV treatment equipment. All analytical data from this sampling point is reported in Table 2.

Sampling point ST-8 is located within the Doris Camp Sewer Treatment Plant, which is located directly east of the main building complex. Effluent samples were collected from a tap on the discharge line to the tundra. All data reported for February at SNP ST-7 and ST-8 is within the regulatory compliance values for all parameters. Table 2 provides weekly sampling data as per Water Licence 2AM-DOH0713.

Table 2: Water Quality Data Summary for ST-7 and ST-8 Monitoring Stations, February 2009

Parameter/SNP Sites	ST-7	ST-8	ST-9 ¹	Doris: 2AM-DOH0713
ALS Lab Reference #	L730326-1	L730326-2		Maximum Average Concentration (mg/L)
Field Sample Details	ST-7	ST-8	ST-9	Part G: Item 3
Sample Date/Time	February 2, 2009	February 2, 2009	-	(b)
BOD ₅	<2	<2	-	80 mg/L
TSS (mg/L)	<3	<3	-	100 mg/L
Fecal Coliform	<1	2	-	10,000 CFU/100mL
pH (pH unit)	7.4	7.2	-	Between 6-9
Oil & Grease (Visibility)	nvs	nvs	-	NVS
Oil & Grease (mg/L)	<1	<1	-	5
ALS Lab Reference #	L732315-1	L732315-2		Compliance Values
Field Sample Details	ST-7	ST-8	ST-9	Part G: Item 3
Sample Date/Time	February 9, 2009	February 9, 2009	-	(b)
BOD ₅	<2	2	-	80 mg/L
TSS (mg/L)	<3	<3	-	100 mg/L
Fecal Coliform	<1	<1	-	10,000 CFU/100mL
pH (pH unit)	7.4	7.5	-	Between 6-9
Oil & Grease (Visibility)	nvs	nvs	-	NVS
Oil & Grease (mg/L)	<1	<1	-	5
ALS Lab Reference #	L734037-1	L734037-2		Compliance Values
Field Sample Details	ST-7	ST-8	ST-9	Part G: Item 3
Sample Date/Time	February 16, 2009	February 16, 2009	-	(b)
BOD ₅	<2	3	-	80 mg/L
TSS (mg/L)	<3	<3	-	100 mg/L
Fecal Coliform	<1	<1	-	10,000 CFU/100mL
pH (pH unit)	7.5	7.6	-	Between 6-9
Oil & Grease (Visibility)	nvs	nvs	-	NVS
Oil & Grease (mg/L)	1	<1	-	5
ALS Lab Reference #	L736150-1	L736150-2		Compliance Values
Field Sample Details	ST-7	ST-8	ST-9	Part G: Item 3
Sample Date/Time	February 22, 2009	February 22, 2009	-	(b)
BOD ₅	<2	3	-	80 mg/L
TSS (mg/L)	Not reported	Not reported	-	100 mg/L
Fecal Coliform	<1	<1	-	10,000 CFU/100mL
pH (pH unit)	7.2	7.4	-	Between 6-9
Oil & Grease (Visibility)	nvs	nvs	-	NVS
Oil & Grease (mg/L)	<1	<1	-	5

2. Part G: Conditions applying to Waste Management and Waste Management Plans (Item 3b)

¹ Sampling was not done due to misunderstanding of the exact location for drainage before entry into Glenn Lake. No suitable sampling site could be found.

a. Part G: Item 3e (Treated Sewage Effluent Release in cubic meters)

Table 3 shows cumulative treated effluent released from the Doris Membrane Plant at SNP ST-8.

Table 3: Treated Sewage Effluent release in cubic meters (m³) through Doris Membrane Plant (ST-8), February 2009

Parameters	Doris Membrane Plant ST-8
Water Source	Doris Lake
Annual Cumulative	804 m ³
Monthly Cumulative	426 m ³
Volume Average (Daily)	14 m ³
Median	15 m ³
Maximum	20 m ³
Minimum	10 m ³

3. Environmental Incident Reporting

A total of 6 environmental incidences were reported during the reporting period. Of significant concern are challenges associated with elevated blue-green algae (microcystin concentrations) and grease found inside the rim of in the potable water Tank #2. Plans are underway to manage these challenges. A summary of these incidences are provided below:

1. February 4 2009: A level 1 (insignificant) leak occurred at the RC drill stored in the GeoTech laydown area. A small amount of antifreeze dripped on to the ground and was cleaned up by site operations. The Mechanic was tasked to check the drill and rectify the issue.
2. February 5, 2009: A near miss situation occurred – A contractor driver lost sight of road pickets during poor weather and dropped a wheel off the road near the upper laydown area. (Vehicle operation was safe and in accordance with weather conditions) No environmental implication and additional pickets have been installed in the area to improve visibility where the road narrows.
3. February 5, 2009: Several small leaks of antifreeze evident in front of Doris Camp generator tent where vehicles usually parked. Contaminated snow cleaned up.
4. February 14, 2009: A hydraulic fluid leak from contractor (Nuna Logistics) owned Challenger 03546 Dozer leaked hydraulic fluid at the ice road entrance located at the North end of Doris Lake. The Operator shut down vehicle immediately. A spill of approx 1L occurred. The contaminated snow was cleaned up and properly disposed of.
5. February 21, 2009: Water quality data for potable water at Doris Camp showed concentrations of Microcystin – LR in water tanks at 2.0 µg/L which is above the Canadian Water Quality Guideline value of 1.50 µg/L. Additional sampling was completed and the data will be reported in the March month end report.
6. February 22, 2009: Grease was discovered in drinking water tank #2. An initial investigation was completed and determined that grease may have accidentally been transferred from gone the water truck into the tank. The grease is similar to that used by Nuna Logistics in all their machines, mobile equipment and water suction pumps. Additional QA/QC measures have been implemented to reduce the risk of grease contamination in the water supply. A follow-up investigation was completed to determine if there was hydrocarbon contamination in Doris Lake. Results of the lake testing will be available in the March report.

Should there be any questions regarding the monthly report for February 2009, please contact Chris Hanks, Director, Environment and Social Responsibility, Hope Bay Mining Limited on phone number: 1-720-917-4489 or email: Chris.Hanks@Newmont.com

Yours sincerely,

Chris Hanks

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