

July 29, 2009

Technical Advisor – Mining
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0

Re: June 2009 –Monthly Monitoring Report for Water License 2AM-DOH0713

Following is the monthly report for June 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. The quantity of water usages shall not exceed 480,000 cubic meters annually

This monthly report provides information on Part D (Conditions Applying to Construction) Item 19, Part E (Conditions applying to Water Use) Item 1, Part G (Conditions Applying to Waste Management and Waste Management Plans) Item 3 and 22 (e), and Part H (Conditions Applying to Modifications). The report also contains the relevant monitoring requirements as set out in Schedule J of the licence, plus additional requirements from INAC.

Other conditions stipulated in license refer specially to mining and milling processes. These facilities have not been constructed at this time, due to the deferral of the Doris North Project by Hope Bay Mining Ltd. (HBML) and therefore, no monitoring has taken place to comply with conditions. The Nunavut Water Board (NWB) was notified of this deferral on September 11, 2008 and is after ongoing discussions, at this time considering a letter from HBML dated April 21, 2009 outlining the clauses that can not be complied with due to the deferral of the Doris North Project.

1. Part D: Item 19 Conditions Applying to Construction

No surface runoff from construction occurred for sampling during the period.

2. Part E: Item 1. Conditions Applying to Water Use

a. Water Usage

During the month of June 2009, Doris Camp was in operation for the entire month with water extraction occurring from Doris Lake via SNP Station ST-7 or by direct extraction by truck at the Doris Lake pump-house near the Doris Lake shoreline. Water usage was in compliance with the licence for the month of June. Total water usage is detailed in Table 1.

Table 1. Water Usage for Domestic Camp Use, Dust Suppression and Other Uses* in m³, June 2009

Parameters	Doris Camp Use	Other Uses*	Total	2AM-DOH0713
Water Source	Doris Lake	Doris Lake	Doris Lake	Compliance Values
Geographical Coordinates	On file	On file	On File	Part J: Item 9
Monthly Cumulative	631.1	850.1	1481.2	3,100 m ³ monthly
Volume Average (Daily)	20.8	-	-	100 m ³ daily
Maximum	75.4	-	-	100 m ³ daily
Minimum	0	-	-	100 m ³ daily

* Other uses include dust suppression on roads, core cutting saws, fire truck filling, water tank system flushing and washroom facilities at Doris heli pad

b. Water Quality Monitoring: Schedule J and Special Requirements

Monthly compliance samples in accordance with Schedule J requirements of the licence were taken from monitoring station ST-7 on June 1/09. Sampling for cyanide is not presently being conducted at this monitoring station as no processes are occurring to generate cyanide at site. Results of the June monitoring are provided in Table 2.

Table 3. Monthly Compliance Sample Results for SNP Monitoring Station ST-7, June 2009

Parameter/SNP Sites	ST-7	Doris: 2AM-DOH0713
ALS Lab Reference #	L771253-1	Maximum Average Concentration (mg/L)
Field Sample Details	ST-7	Part G: Item 3
Sample Date/Time	June 1/09 8:00am	No Requirement Specified
BOD	<2.0	-
Fecal Coliforms	<1	-
Total Oil and Grease	1.8	-
pH	7.3	-
TSS	<3.0	-
Ammonia-N	<0.050	-
Nitrate-N	<0.050	-
Nitrite-N	<0.050	-
Orthophosphate-P	<0.010	-
Total Phosphate (as P)	<0.020	-
Total Aluminium	0.013	-
Total Arsenic	0.00062	-
Total Cadmium	<0.00020	-
Total Copper	0.0166	-
Total Chromium	<0.0050	-
Total Iron	0.0447	-
Total Mercury	<0.00010	-
Total Molybdenum	<0.0020	-
Total Nickel	<0.0020	-
Total Lead	0.00428	-
Total Selenium	0.00092	-
Total Silver	<0.00010	-
Total Thallium	<0.00010	-
Total Zinc	0.0184	-

Results of the technical review in April 2009 by INAC with regards to the Doris Camp planned water system modifications included recommendations for monthly reporting of sample analysis of the blue-green algae in the raw water from Doris Lake. Results of this sampling are provided in Table 4.

Table 4. Sampling Results for Blue-green Algae, June 2009

Parameter/SNP Site	ST-7
ALS Lab Reference #	L789595-1
Field Sample Details	ST-7
Sample Date/Time	June 29/09 9:00am
Blue-green Algae	69500 cells/mL

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

During the month of June 2009, water samples were collected once at monitoring station ST-8. SNP monitoring station 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.

Sampling point ST-8 is located within the Doris Camp Sewage 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 at a location installed after the addition of a UV disinfection system (ST-8A). All data reported for June at SNP ST-8A is within compliance values for all parameters. Table 5 provides sampling data as per Water Licence 2AM-DOH0713.

Table 5: Water Quality Data Summary for Monitoring Station ST-8A, June 2009

Parameter/SNP Sites	ST-8A	ST-9 ¹	Doris: 2AM-DOH0713
ALS Lab Reference #	L771256-1		Maximum Average Concentration (mg/L)
Field Sample Details	ST-8A	ST-9	Part G: Item 3
Sample Date/Time	June 1/09 8:00am	-	(b)
BOD ₅	4.4	-	80 mg/L
TSS (mg/L)	<3.0	-	100 mg/L
Fecal Coliform	<1	-	10,000 CFU/100mL
pH (pH unit)	8.07	-	Between 6-9
Oil & Grease (Visibility)	nvs	-	NVS
Oil & Grease (mg/L)	<1.0	-	5

4. Part G: Item 22 (e) Conditions Applying to Waste Management and Waste Management Plans.

During the month of June 2009, water in the bulk fuel storage facility at Robert's Bay was sampled at monitoring station ST-6. The data reported for the sampling met all criteria in water licence 2AM-DOH0713 for direct discharge to the tundra and appropriate notification was provided to an Inspector. Results of the sampling are provided in Table 6. The discharge water was pumped through an oil and water separator to temporary holding tanks. Some of the discharge was applied for dust suppression on the roads and airstrip in accordance with the Notification; the remainder was slowly discharged over the crushed rock wall to the east of the berm at discharge point 68° 10.606' N 106° 36.659' W. The total quantity discharged was calculated at 535m³.

No monitoring was conducted at ST-5 (bulk fuel storage facility) at Doris Camp as there was no accumulation of water and no discharges occurred.

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.

Table 6. Water Quality Data Summary for Monitoring Stations ST-5 and ST-6, June 2009

Parameters	ST-5	ST-6	Hope Bay: 2AM-DOH0713
Water Source	Bulk Fuel Storage Doris Camp	Bulk Fuel Storage Rob Bay	Monitoring Program Station Description (avg. conc or any grab)
ALS Lab Reference #		L778070-1/L775976-20	Compliance Values
Field Sample Details	ST-5	ST-6	Part G: Item 22(e)
Sample Date/Time	-	June 9/09 17:00	
pH	-	7.86	6.0-9.0
TSS	-	4.0	15 mg/L or 30 mg/L
Oil & Grease	-	< 1.0	5 mg/L
Benzene	-	< 0.00050	0.37 mg/L
Toluene	-	< 0.00050	0.002 mg/L
Ethylbenzene	-	< 0.00050	0.090 mg/L
Lead	-	< 0.00010	0.01 mg/L or 0.02 mg/L

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

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

Table 7 shows cumulative treated effluent released from the Doris Membrane Plant at SNP ST-8.

Table 7: Treated Sewage Effluent release in cubic meters (m³) through Doris Membrane Plant (ST-8), June 2009

Parameters	Doris Membrane Plant ST-8
Water Source	Windy Lake
Annual Cumulative	2921 m ³
Monthly Cumulative	527 m ³
Volume Average (Daily)	17 m ³
Maximum	26 m ³
Minimum	13 m ³

During the month of June, sludge was pressed 22 times from the membrane plant resulting in the removal of approx. 2.3 m³ of sludge from the plant. Sludge pressed was sent for incineration.

6. Environmental Incident Reporting

A total of 5 environmental incidents were reported during the month of June. A summary of these incidents is provided below:

- June 1/09 – Level 2 (Minor) Low total coliform detections occurred at two locations in the post-treatment water distribution system for Doris Camp. Subsequent testing resulted in no further detections.
- June 3/09 – Level 3 (Moderate) A layer of residual gravel was evident on the tundra once the ice road from Doris camp to Doris lake melted. The gravel was carefully removed and any potential channelization caused by spring runoff was averted. Winter road building procedures will be revised to include minimization of gravel transport during construction.
- June 11/09 – Level 1 (Insignificant) A small temporary berm containing fuel/lubricants/oils was torn on the corner during winter snow clearing allowing some hydrocarbon contaminated water to leak out in spring onto the laydown at Robert's Bay. The leak was minor and the berm was emptied and repaired. Marking of structures for winter preparation will be improved and fuel storage will be placed in areas out of potential conflict with machinery.
- June 14/09 – Level 1 (Insignificant) A small spill (<2L) of skidoo oil was discovered on the tundra just outside of Doris camp where winter staging of skidoos of the ice road. The spill was cleaned up using sorbent pads. No further clean-up required.

5. June 26/09 – Level 1 (Insignificant). Minor fuel leak at Roberts Bay laydown. While moving an out of service fly tank belonging to Major Drilling that was supposedly drained and empty, an external hose dripped out an estimated 2 litres of fuel on the Roberts Bay laydown/barge staging area. Corn cob was placed on the affected area to absorb any residues.

Should there be any questions regarding the monthly report for June 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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