Hope Bay Mining Ltd.
Suite 300
889 Harbourside Drive
North Vancouver, BC
V7P 3S1
Phone 604 985 - 2572
Facsimile 604 980 - 0731
www.newmont.com

March 24, 2010

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

Re: February 2010 –Monthly Monitoring Report for Water License 2AM-DOH0713

Following is the monthly report for February 2010 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 the 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 HBML's intent to start the construction associated with the Doris North mining and milling facilities on October 29, 2009. As construction activities begin, the required monitoring programs will be implemented.

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 February 2010, 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 water truck from Doris and Patch Lakes to build ice road infrastructure to other locations within the project area. Water usage was in compliance with the licence for the month of February. Total water usage is detailed in Table 1.

Table 1. Water Usage for Domestic Camp Use, and Other Uses* in m^3, February 2010

Parameters	**Doris Camp Domestic and Other Use**	**2AM-DOH0713**
Water Source	Doris Lake/Patch Lake	Compliance Values
Geographical Coordinates	On file	Part E: Item 1
Annual Cumulative	7,275.20	480,000 m^3 Annually
Monthly Cumulative	2,957.05	40,000 m^3 monthly
Volume Average (Daily)	105.6	1,333 m^3 daily
Maximum	257.7	1,333 m^3 daily
Minimum	16.54	1,333 m^3 daily

* *Other uses include core cutting saws, fire truck filling, and Ice Road construction*

A correction is required to the information supplied in the January SNP report with respect to water usage. The numbers reported failed to include volumes used for ice road construction during that month. Table 2 provides corrected information for the total water used for January.

Table 2. Water Usage for Domestic Camp Use, and Other Uses* in m^3, January 2010 - *corrected*

Parameters	**Doris Camp Domestic and Other Use**	**2AM-DOH0713**
Water Source	Doris Lake/Patch Lake	Compliance Values
Geographical Coordinates	On file	Part E: Item 1
Annual Cumulative	4,318.65	480,000 m^3 Annually
Monthly Cumulative	4,318.65	40,000 m^3 monthly
Volume Average (Daily)	139.31	1,333 m^3 daily
Maximum	268.79	1,333 m^3 daily
Minimum	3.18	1,333 m^3 daily

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 Feb 3/10. 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 February monitoring are provided in Table 3.

Table 3. Monthly Compliance Sample Results for SNP Monitoring Station ST-7, February 2010

Parameter/SNP Sites	ST-7	Doris: 2AM-DOH0713
ALS Lab Reference #	L859233-1	Maximum Average Concentration (mg/L)
Field Sample Details	ST-7	Part G: Item 3
Sample Date/Time	Feb 3/10 @ 8:00am	No Requirement Specified
BOD	<5.0	-
Fecal Coliforms	<1	-
Total Oil and Grease	<1.0	-
pH	7.54	-
TSS	<3.0	-
Ammonia-N	0.068	-
Nitrate-N	<0.050	-
Nitrite-N	<0.050	-
Orthophosphate-P	<0.010	-
Total Phosphate (as P)	<0.020	-
Total Aluminium	0.012	-
Total Arsenic	0.00069	-
Total Cadmium	<0.000050	-
Total Copper	0.0020	-
Total Chromium	<0.0050	-
Total Iron	0.049	-
Total Mercury	<0.00010	-
Total Molybdenum	<0.0050	-
Total Nickel	<0.0020	-
Total Lead	0.00012	-
Total Selenium	<0.0020	-
Total Silver	<0.00010	-
Total Thallium	<0.00010	-
Total Zinc	<0.0040	-

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 for February are provided in Table 4.

Table 4. Sampling Results for Blue-green Algae, February 2010

Parameter/SNP Site	ST-7
ALS Lab Reference #	L859233-1
Field Sample Details	ST-7
Sample Date/Time	Feb 3/10 @ 8:00am
Blue-green Algae	59,000 cells/mL

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

During the month of February 2010, water samples were collected once at monitoring station ST-8. Station ST-9 could not be sampled due to frozen conditions.

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). The data reported for February at SNP ST-8A is within compliance values for all parameters.

HBML acknowledges that discharge point ST-8 was originally intended to be a temporary discharge point that would be moved to the tailings storage facility after such a facility was constructed. HBML has deferred the construction of the tailings storage facility until a production decision is made by HBML. HBML

proposes that the ST-8 discharge point remain until the tailings storage is constructed. To alleviate any risks associated with ponding and permafrost degradation HBML has proposed to build a rock diffuser during the first half of 2010 when the tundra is frozen. Designs will be prepared by a certified engineer and supplied prior to construction.

Table 5: Water Quality Data Summary for Monitoring Station ST-8A and ST-9, February 2010

Parameter/SNP Sites	ST-8A	ST-9	Doris: 2AM-DOH0713
ALS Lab Reference #	L859233-2		Maximum Average Concentration (mg/L)
Field Sample Details	ST-8A	ST-9	Part G: Item 3
Sample Date/Time	Feb 3/10 08:00am	-	(b)
BOD_5	<5.0	-	80 mg/L
TSS (mg/L)	<1.0	-	100 mg/L
Fecal Coliform	<1	-	10,000 CFU/100mL
pH (pH unit)	6.06	-	Between 6-9
Oil & Grease (Visibility)	No visible sheen	-	No Visible Sheen
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 February 2010, there was no accumulated water and no discharge occurred at monitoring station ST-6 in the Robert's Bay Fuel Storage and Containment Area.

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.

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 5 shows treated effluent released from the Doris Membrane Plant at SNP ST-8.

Table 5: Treated Sewage Effluent release in cubic meters (m^3) through Doris Membrane Plant (ST-8), February 2010

Parameters	Doris Membrane Plant ST-8
Annual Cumulative	863 m^3
Monthly Cumulative	486 m^3
Volume Average (Daily)	17.36 m^3
Maximum	27 m^3
Minimum	7 m^3

During the month of February, sludge was pressed 4 times from the membrane plant resulting in the removal of approx. 0.45 m^3 of sludge from the plant. Sludge pressed was sent for incineration.

5. Environmental Incident Reporting

A total of 6 environmental incidents were reported during the month of February. A summary of these incidents is provided below:

- Feb 01/10 – Level 1 (Insignificant) Improperly identified waste (aerosols and a propane cylinder) was shipped from site.
- Feb 07/10 – Level 1 (Insignificant) A sewage spill occurred at Doris camp as a result of a frozen discharge hose at the lift station at "D" wing. Approximately 1.0 m^3 of untreated sewage effluent spilled into the depression surrounding the lift station. The incident was reported to the regulatory agencies, and was cleaned up and service restored.
- Feb 10/10: - Level 1 (Insignificant) During refueling of Fuel truck at the bulk fuel facility at Robert's Bay, the truck was overtopped resulting in a spill of approximately 50 liters of diesel oil. The contaminated snow was shoveled up and placed in a drum and absorbent pads used to soak up residual on truck. The cause was operator error.
- Feb 18/10 – Level 2 (Minor) Was informed Feb 24/10 that waste backhaul Feb 18/10 contained waste oil labelled as DG, and possibly aerosols mixed in with unsorted waste. Building of waste management interim facility is accelerated and more staff being brought in to address and label backlog of uncategorized waste.
- Feb 24/10 – Level 1 (Insignificant) Suspected hydrocarbon-contaminated snow (very little) was discovered near an enviro tank by the geo bentonite tent. No leak could be determined. Possibly drips from fueling the tank. No recovery possible.
- Feb 26/10 – Level 2 (Minor) Untreated Sewage overflow at Doris Camp 'D" Wing lift station due to electrical short compromising pump. Vacuum truck cleaned up liquid, but some effluent is frozen to the ground in the area which will be cleaned when modifications are made to the lift station. A larger sump with two pumps and a high level alarm and light will be installed.

Should there be any questions regarding the monthly report for February 2010, 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,

Christopher C. Hanks

Digitally signed by Christopher C. Hanks
DN: cn=Christopher C. Hanks, o=Hope Bay Mining Company, ou=Environment and Social Responsiblity, email=chris.hanks@newmont.com, c=US
Date: 2010.03.25 08:48:19 -06'00'

Chris Hanks

Director, Environment and Social Responsibility
Hope Bay Mining Limited