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Technical Advisor – Mining
Nunavut Water Board
P.O. Box 119
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Re: March 2011 –Monthly Monitoring Report for Water License 2AM-DOH0713

Following is the monthly report for March 2011 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). As a result of further recent developments within the Doris North project, additional information pertaining to Part J (Conditions Applying to General and Aquatic Effects Monitoring) Parts 12 and 14 is included. 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: Conditions Applying to Construction

a. Part D: Item 7. Construction Monitoring

Construction monitoring is being undertaken and documented. This will be submitted with the annual Construction Monitoring report.

b. Part D: Item 19. Surface Runoff Effluent Quality Limits

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 March 2011, Doris Camp was in operation for the entire month with water extraction occurring from Doris Lake pump house via SNP Station ST-7, or by direct extraction by water truck from Doris Lake for other infrastructure uses, including construction of ice roads and drilling. Water usage was in

compliance with the licence for the month of March. Water was used for domestic camp use, underground mining and drilling brine, wash cars, ice roads, all-weather roads, construction, and geology/surface drilling. Total water usage is detailed in Table 1.

Table 1. Water Usage for Domestic Camp Use, and Other Uses in m^3, March 2011

Parameters	Water Use	2AM-DOH0713
Water Source	Doris Lake	Compliance Values
Geographical Coordinates	On file	Part E: Item 1
Annual Cumulative	7979.29	480,000 m^3 Annually
Monthly Cumulative	3654.55	40,000 m^3 monthly
Volume Average (Daily)	117.89	1,333 m^3 daily
Maximum	330.41	1,333 m^3 daily
Minimum	36.38	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 March 7, 2011. Results of the March monitoring are provided in Table 2.

Table 2. Monthly Compliance Sample Results for SNP Monitoring Station ST-7 in mg/L, March 2011

Parameter/SNP Sites	ST-7	Doris: 2AM-DOH0713
ALS Lab Reference #	L983938-1	Maximum Average Concentration (mg/L)
Field Sample Details	ST-7	Part G: Item 3
Sample Date/Time	Mar 7/11 @ 1500	No Requirement Specified
BOD	<2.0	-
Fecal Coliforms	<1	-
Total Oil and Grease	2.0	-
pH	7.70	-
TSS	5.0	-
Ammonia-N	<0.050	-
Nitrate-N	<0.050	-
Nitrite-N	<0.050	-
Orthophosphate-P	<0.010	-
Total Phosphate (as Tot P)	0.030	-
Total Aluminium	<0.010	-
Total Arsenic	0.00040	-
Total Cadmium	<0.000050	-
Total Copper	0.0022	-
Total Chromium	<0.0050	-
Total Iron	0.026	-
Total Mercury	<0.00010	-
Total Molybdenum	<0.0050	-
Total Nickel	<0.0020	-
Total Lead	0.00025	-
Total Selenium	<0.0040	-
Total Silver	<0.00010	-
Total Thallium	<0.00010	-
Total Zinc	<0.0074	-
Additional Parameters		
ALS Lab Reference #	L983928-1	INAC request
Blue-green Algae	127,000 cells/mL	-

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

During the month of February 2011, water samples were collected at monitoring station ST-8.

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 two separate taps on the discharge lines from the tandem sewage treatment plants now on-line at the Doris Camp. The taps are located in the lines to the tundra discharge at a location installed after the addition of the UV disinfection systems (ST-8 # 1 and ST-8 # 2). The data reported for March at these stations is within compliance values for all parameters. Analytical results are provided in Table 3.

Table 3: Water Quality Data Summary for Monitoring Station ST-8 # 1 and ST-8 # 2, March 2011

Parameter/SNP Sites	ST-8 # 1	ST-8 # 2	Doris: 2AM-DOH0713
ALS Lab Reference #	L983938-2	L983938-3	Maximum Average Concentration (mg/L)
Field Sample Details	ST81-07Mar11	ST82-07Mar11	Part G: Item 3
Sample Date/Time	Mar 7/11 @ 0840 hrs	Mar 7/11 @ 0840 hrs	(b)
BOD_5	<2.0	12.2	80 mg/L
TSS (mg/L)	<3.0	<3.0	100 mg/L
Fecal Coliform	<1	6	10,000 CFU/100mL
pH (pH unit)	7.39	7.80	Between 6-9
Oil & Grease (Visible Sheen)	No	No	No Visible Sheen
Oil & Grease (mg/L)	<1.0	1.1	5

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 designed a diffuser for the discharge with the intention of installing the selected diffuser prior to spring freshet in 2011. Designs are being prepared by a certified engineer and will be supplied prior to construction.

Station ST-9 was not sampled during the month of March due to freezing conditions.

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

During the month of March 2011, water was not discharged from monitoring station ST-6 in the Robert's Bay Fuel Storage and Containment Area, as all accumulated water was removed in July 2010. No monitoring was conducted at ST-5 (bulk fuel storage facility) at Doris Camp as this facility no longer exists at its present location and was replaced by the new Plant Site Fuel Storage and Containment Area completed in 2010.

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

Table 4: Treated Sewage Effluent released in cubic meters (m^3) through Doris Membrane Plant (ST-8), March 2011

Parameters	Doris Membrane Plant ST-8
Annual Cumulative	2272 m^3
Monthly Cumulative	813 m^3
Volume Average (Daily)	25.58 m^3
Maximum	38.0 m^3
Minimum	11.0 m^3

During the month of March, sludge was pressed 26 times from the membrane plant resulting in the removal of approx. 2.95 m^3 of sludge from the plant. Pressed sludge pressed was transferred to the waste management facility for incineration.

5. Part J: Conditions Applying to General and Aquatics Effects Monitoring

a. Part J: Item 12d (Tonnages of Waste Rock Stored on the Temporary Waste Rock Pad)

Removal of portal development non-ore waste rock from the mine commenced October 2010. Tonnages of material removed from underground and placed on the Temporary Waste Rock Pad to date are detailed in Table 5. The February waste rock mass was estimated at the time of the February SNP report submission, and has been finalized based on survey data. The volume reported in Table 6 includes the revised quantity.

Table 5: Volume (metric tons) of waste rock stored on the Temporary Waste Rock Pad, March 2011

Parameters	Tonnages on Waste Rock Pad
Waste Stockpile Mass (as reported in February)	21,808 (t)
Waste Stockpile Mass (February Actual)	21,943 (t)
Mass added this month	12,660 (t)
Mass Removed this Month	0
Total Tonnage	34,603 (t)

b. Part J: Item 14 Thermal Monitoring Program

Thermistor monitoring undertaken during the month of March is provided in Table 6.

Table 6: Temperature Readings from Thermistor Monitoring, March 2011

Drill Hole Number/ Station	Thermistor String Serial Number	Location	Date of Reading	CHANNEL (Degrees Celsius)							
				1	2	3	4	5	6	7	8
SRK-JT1-09	TS2667	Roberts Bay Jetty	Mar 5/11	-18.33	-14.76	-11.34	-6.09	-3.07	-2.96	-3.21	-7.48
SRK-JT2-09	TS2668	Roberts Bay Jetty	Mar 5/11	-29.67	-23.97	-16.75	-9.78	-4.91	-4.01	-4.03	-4.17

6. Environmental Incident Reporting

There were four (4) environmental incidents were reported during the month of March.

- March 06, 2011: Level 1 (Insignificant) – A spill of approximately 5 liters of hydraulic oil occurred at the waste management yard as a result of a leak in a hydraulic line on a front end loader working in the yard. The contaminated snow was shovelled up, and the front end loader was repaired.
- March 07, 2011: Level 1 (Insignificant) – A spill of approximately 20 liters of antifreeze occurred on the airstrip apron as a result of a blown radiator hose on a dozer clearing snow in the area. The contaminated snow was shovelled up and the dozer repaired.

- March 15, 2011: Level 1 (Insignificant) – A spill of approximately 10 liters of hydraulic oil occurred on the Windy Lake portage as a result of a failure in the transmission cooler on a front end loader working in the area. The contaminated snow was shovelled up and the loader repaired.
- March 31, 2011: Level 1 (Insignificant) – A spill of approximately 3 liters of diesel oil occurred within the containment berm constructed on the ice at the area of the fuel off-load in Robert's Bay, as a result of a leak in the fuel transfer hose. Absorbents were applied to the spill area, and then shovelled into a container. The surface of the ice was scraped over to remove any residual oil. The leaky hose was replaced.

Should there be any questions regarding the monthly report for March 2011, 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,

Angela Holzapfel

Digitally signed by Angela Holzapfel
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FOR

Chris Hanks

Director, Environment and Social Responsibility
Hope Bay Mining Limited