

May 27, 2011

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

Re: April 2011 –Monthly Monitoring Report for Water License 2AM-DOH0713

Following is the monthly report for April 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. As facilities are constructed and activities commence, the required monitoring programs will be implemented.

1. Part D: Conditions Applying to Construction

a. Item 7. Construction Monitoring

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

b. 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

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 Doris North (m³), April 2011

Parameters	Water Use	2AM-DOH0713
Water Source	Doris Lake/Windy Lake*	Compliance Values
Geographical Coordinates	On file	Part E: Item 1
Annual Cumulative	10,834.00	480,000 m ³ Annually
Monthly Cumulative	2,998.7	-

* Water from Windy Lake was used to construct the ice road at Windy Lake for constructing the fish habitat compensation shoals.

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 April 4, 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, April 2011

Parameter/SNP Sites	ST-7	Doris: 2AM-DOH0713
ALS Lab Reference #	L991939-1	Maximum Average Concentration (mg/L)
Field Sample Details	ST-7	Part G: Item 3
Sample Date/Time	Apr 4/11 @ 07:15	No Requirement Specified
BOD	<2.0	-
Fecal Coliforms	<1	-
Total Oil and Grease	<1	-
pH	7.36	-
TSS	<3.0	-
Ammonia-N	<0.050	-
Nitrate-N	<0.050	-
Nitrite-N	<0.050	-
Orthophosphate-P	0.016	-
Total Phosphate (as Tot P)	0.029	-
Total Aluminium	<0.010	-
Total Arsenic	<0.00040	-
Total Cadmium	<0.000050	-
Total Copper	0.0019	-
Total Chromium	<0.0050	-
Total Iron	0.019	-
Total Mercury	<0.00010	-
Total Molybdenum	<0.0050	-
Total Nickel	<0.0020	-
Total Lead	0.00016	-
Total Selenium	<0.0040	-
Total Silver	<0.00010	-
Total Thallium	<0.00010	-
Total Zinc	0.004	-
Additional Parameters		
ALS Lab Reference #	L991924-1	INAC request
Blue-green Algae	120,000 cells/mL	-

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

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 (ST-8#1 and ST-8#2) located on the discharge lines from the tandem sewage treatment plants after the UV disinfection system. The data reported for April at these stations is within compliance values for all parameters. Analytical results are provided in Table 3.

HBML has begun construction of the tailings impoundment area, but the facility may not be used until the fish have been removed from the lake, and the discharge line has been constructed. HBML anticipates that these activities will be completed by 2013. Until that time, HBML has proposed to relocate the ST-8 discharge line and construct a diffuser system on a bedrock outcrop north of the current discharge location. The design and location have been approved by the INAC inspector, so upon final approval by the NWB, the new diffuser system will be constructed and relocated in June 2011.

Station ST-9 was not sampled during the month of April due to freezing conditions. HBML anticipates that ST-9 will not need to be relocated as a result of the relocation of the ST-8 discharge.

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

Parameter/SNP Sites	ST-8 # 1	ST-8 # 2	Doris: 2AM-DOH0713
ALS Lab Reference #	L991939-2	L991939-3	Maximum Concentration (mg/L)
Field Sample Details	ST81-04Apr11	ST82-04Apr11	Part G: Item 3
Sample Date/Time	Apr 4/11 @ 07:15 hrs	Apr 4/11 @ 07:40 hrs	(b)
BOD ₅	5.8	2.8	80 mg/L
TSS (mg/L)	<3.0	<3.0	100 mg/L
Fecal Coliform	237	<1	10,000 CFU/100mL
pH (pH unit)	7.33	7.34	Between 6-9
Oil & Grease (Visible Sheen)	No	No	No Visible Sheen
Oil & Grease (mg/L)	<1.0	1.7	5

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

During the month of April 2011, water was not discharged from monitoring station ST-6a (Robert's Bay fuel storage facility east) or ST-5 (Doris bulk fuel storage facility). The Robert's Bay fuel storage facility west (ST-6b) is currently under construction.

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 and the sludge removed and incinerated.

Table 4: Treated Sewage Effluent released in cubic meters (m³) through Doris Membrane Plant (ST-8), April 2011

Parameters	Effluent Released ST-8 (m ³)	Sludge Volume (m ³)
Annual Cumulative	3130	11.7
Monthly Cumulative	858	3.2

During the month of April, sludge was pressed 28 times from the membrane plant resulting in the removal of approx. 3.17 m³ 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)

Tonnages of waste rock material removed from underground and placed on the Temporary Waste Rock Pad to date are detailed in Table 5.

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

Parameters	Waste Rock on Pad (tonned)
Waste Stockpile Mass	34,603
Mass added this month	16,514
Mass Removed this Month	0
Total Tonnage	51,117

b. Part J: Item 14 Thermal Monitoring Program

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

Table 6: Temperature Readings from Thermistor Monitoring, April 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	Apr 10/11	-19.82	-16.49	-13.11	-9.82	-6.30	-4.29	-4.20	-4.30
SRK-JT2-09	TS2668	Roberts Bay Jetty	Apr 10/11	-13.40	-11.24	-9.40	-6.92	-4.50	-3.30	-3.21	-8.09

6. Environmental Incident Reporting

There were five (5) environmental incidents were reported during the month of April.

- April 01/11: Level 1 (Insignificant) – Approximately 2 litres of diesel spilled from a defective Wiggins nozzle on the discharge end of the fuel transfer hose between the fuel tanker (Primula) and the truck being re-fuelled inside the ice containment berm at Robert's Bay. The fuel was immediately cleaned up and the Wiggins nozzle on the transfer hose was replaced.
- April 02/11: Level 1 (Insignificant) – Approximately 60 litres of diesel spilled as a result of a surge (of an undetermined source) that occurred in the refuelling line between the fuel tanker (Primula) and a fuel truck being re-fuelled within the ice containment berm at Robert's Bay. The fuel transfer was immediately stopped and the spill was thoroughly cleaned up prior to restarting the transfer. This incident was reported to the NT-NU Spill Line (Spill # 11-098) and subsequently a follow-up letter was submitted April 12, 2011.
- April 04/11: Level 1 (Insignificant) – Approximately 8 litres of glycol spilled when a bucket fell to the ground at the frozen core dam area at Tail Lake. The spill was immediately cleaned up.
- April 06/11: Level 1 (Insignificant) – Approximately 30 litres of diesel spilled during the fuel offload between the Primula and a fuel truck being re-fuelled within the ice containment berm at Robert's Bay. The spilled fuel was immediately cleaned up.
- April 18/11: Level 1 (Insignificant) – Approximately 16 litres of hydraulic oil spilled as a result of a blown hose on a piece of equipment at the entrance to the U/G mine. The contaminated snow was cleaned up and the hose was replaced.

Should there be any questions regarding the monthly report for April 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,

Chris Hanks

Director, Environment and Social Responsibility
Hope Bay Mining Limited