

November 2, 2011

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Re: September 2011 – Monthly Monitoring Report for Water Licence 2AM-DOH0713

Following is the monthly report for September 2011 as required under the Doris North Type A Water Licence No. 2AM-DOH0713. The licence was issued on September 19, 2007 and will expire on September 30, 2013. The water licence is specific to Mining and Milling and associated uses and water usage shall not exceed 480,000 cubic meters (m³) 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);
- Part H (Conditions Applying to Modifications); and
- Part J (Conditions Applying to General and Aquatic Effects Monitoring) Items 12 and 14

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 licence refer specifically to mining and milling processes for which the facilities have not yet been constructed. As these facilities are constructed and activities commence, the required monitoring programs will be implemented and reported on.

1. Part D: Conditions Applying to Construction

a. Item 7. Construction Monitoring

Construction monitoring is being undertaken and documented. A summary of this monitoring will be submitted with the annual Construction Monitoring report.

b. Item 19. Surface Runoff Effluent Quality Limits

Surface runoff from construction was sampled by SRK as part of the Waste Rock and Ore, and Quarry Monitoring Management Plans. Results will be included in the annual report.

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

a. Water Usage

Water was used for domestic camp use, underground mining and drilling, portable wash cars, all-weather road dust suppression, construction, and drilling. Total water usage is reported in Table 1.

Table 1: Water Usage for Doris North (m³), September 2011

| Parameters | Water Use |
|---|-------------------------|
| Water Source | Doris Lake |
| Geographical Coordinates | On file |
| Annual Cumulative | 26,219.9 m ³ |
| Monthly Cumulative | 1,101.39 m ³ |
| 2AM-DOH0713 Permitted Water Volume (Total Annual) | 480,000 m ³ |

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 September 18, 2011. September monitoring results are provided in Table 2.

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

| Parameter/SNP Sites | ST-7 ¹ (mg/L) |
|-------------------------------------|--------------------------|
| ALS Lab Reference # | L1060574-1 |
| Sample Date/Time | Sep 18/11 @ 20:15 |
| BOD | <2.0 |
| Total Cyanide² | - |
| Free Cyanide² | - |
| Fecal Coliforms | <1 CFU/100mL |
| Total Oil and Grease | <1.0 |
| pH | 7.70 (units) |
| TSS | 6.0 |
| Ammonia-N² | - |
| Nitrate-N | <0.050 |
| Nitrite-N | <0.050 |
| Orthophosphate-P² | - |
| Total Phosphate (as Tot P) | 0.025 |
| Total Aluminum | 0.038 |
| Total Arsenic | <0.00040 |
| Total Cadmium | <0.000050 |
| Total Copper | 0.0036 |
| Total Chromium | <0.0050 |
| Total Iron | 0.119 |
| Total Mercury | <0.00010 |
| Total Molybdenum | <0.0050 |
| Total Nickel | <0.0020 |
| Total Lead | 0.00011 |
| Total Selenium | <0.00040 |
| Total Silver | <0.00010 |
| Total Thallium | <0.00010 |
| Total Zinc | <0.0040 |
| Additional Parameters | |
| ALS Lab Reference # | L1055041-1 |
| Sample Date/Time | Sept 5/11 @ 17:38 |
| Blue-green Algae | 125,000 cells/mL |

¹No specified water quality criteria; ²Analysis for Total Ammonia-N, Orthophosphate-P, and Total and Free Cyanide was inadvertently omitted from the analytical requests for ST-7 in August and September due to an administrative error.

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-8A and ST-8B (formerly ST-8#1 and ST-8#2 respectively), located on the discharge lines after the UV disinfection system from the tandem sewage treatment plants. The effluent at both stations was in compliance for all parameters (Table 3). A notification to move the ST-8 discharge location was provided to the NWB on June 19, 2011 and the new discharge location is anticipated to be in use in November. The switch to the new discharge line was delayed due to an issue with the pump required for moving the effluent through the longer line. Data from sampling at ST-8 is reported in Table 3.

Table 3: Water Quality Data Summary for Monitoring Station ST-8A and ST-8B, September 2011

| Parameter/SNP Sites | ST-8A | ST-8B | Doris: 2AM-DOH0713 (Part G: Item 3 (b)) | |
|------------------------------|---------------------|---------------------|--|---|
| ALS Lab Reference # | L1060574-2 | L1060574-3 | Maximum Average Concentration | Maximum Allowable Grab Sample Concentration |
| Sample Date/Time | Sept 19/11 09:30 | Sept 19/11 09:30 | | |
| BOD ₅ | 13.9 | 6.1 | 80 mg/L | 80 mg/L |
| TSS (mg/L) | <3.0 | <3.0 | 100 mg/L | 100 mg/L |
| Fecal Coliform | <1 | <1 | 10,000 CFU/100mL | 10,000 CFU/100mL |
| pH (pH unit) | 7.54 | 7.60 | 6-9 | 9 |
| Oil & Grease (Visible Sheen) | No Visible Sheen | No Visible Sheen | No Visible Sheen | No Visible Sheen |
| Oil & Grease (mg/L) | <1.0 | <1.0 | 5 | 10 |

Station ST-9 was sampled during the month of September (Table 4). HBML anticipates that ST-9 will not need to be relocated as a result of the relocation of the ST-8 tundra discharge point.

Table 4: Water Quality Data Summary for Monitoring Station ST-9, September 2011

| Parameter/SNP Sites | ST-9* |
|---------------------------|--------------------|
| ALS Lab Reference # | L1060574-4 |
| Sample Date/Time | Sept 19/10 @ 10:20 |
| BOD ₅ | <2.0 |
| TSS (mg/L) | 4.0 |
| Fecal Coliform | 18 |
| pH (pH unit) | 7.52 |
| Oil & Grease (Visibility) | No visible sheen |
| Oil & Grease (mg/L) | <1.0 |

*No specified water quality criteria

4. Part G: Item 21 (a) Conditions Applying to Waste Management and Waste Management Plans.

The Sedimentation Pond, ST-1, was not discharged during September, but further to correspondence forwarded Sept 2, 2011 pertaining to a planned discharge of treated water from ST-1 in August, a non-compliant water discharge occurred between Aug 22 and Sept 1, 2011. Daily water samples were collected from the post-treatment holding tank located in the sedimentation pond and were sent to ALS Laboratory for rush analysis. Although the samples were sent as a rush, HBML only began to receive data for the daily samples on September 1, 2011. The sample results indicated that ammonia was above 4.0 mg/L discharge criteria for each daily grab sample between August 22 and Sept 1, 2011 and above the 0.02 mg/L discharge

criteria for each daily grab sample for zinc (Table 5). Prior to discharge the ammonia concentration was 3.97 mg/L, and zinc was below detection, which was subsequently approved for discharge by the Inspector.

Table 5: Water Quality Data Summary for Monitoring Station ST-1, September 2011

| Date | Lab Work Order | Ammonia (mg/L) | Zinc (mg/L) |
|---------|----------------|----------------|-------------|
| 22-Aug | L1049760 | 6.23 | <0.0020 |
| 23-Aug | L1049760 | 6.85 | 0.0365 |
| 24-Aug | L1050037 | 7.54 | 0.126 |
| 25-Aug | L1050037 | 7.83 | 0.127 |
| 26-Aug | L1050037 | 8.11 | 0.164 |
| 27-Aug | L1051255 | 9.39 | 0.237 |
| 28-Aug | L1051255 | 9.83 | 0.266 |
| 29-Aug | L1051255 | 10.9 | 0.222 |
| 30-Aug | L1053184 | 9.05 | 0.117 |
| 31-Aug | L1053184 | 9.70 | 0.144 |
| 01-Sept | L1053184 | 10.1 | 0.102 |

HBML took immediate action to shut down the water treatment system and discharge pumps upon receipt of these non-compliant results. In total, 4130.56 m³ of water was discharged between August 22 and September 1, 2011.

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

During the month of September, water was discharged from monitoring station ST-5 (Doris Bulk Fuel Storage Facility) and ST-6a (Roberts Bay 5M Litre Fuel Storage Facility). This water was used for dust suppression. A total of 123 m³ was removed from ST-5 and 70 m³ was removed from ST-6a.

Table 1. Results of Monitoring Program Station Sampling for ST-5 (Doris Plant Site Fuel Storage Facility) and ST-6a (Roberts Bay Fuel Storage Facility)

| Parameters | ST-5 | ST-6a | Hope Bay: 2AM-DOH0713 |
|----------------------|--|-----------------------------------|--|
| Water Source | Doris Plant Site Fuel Storage and Containment Area | Roberts Bay Fuel Storage Facility | Monitoring Program Station Description (avg. conc or any grab) |
| ALS Lab Reference # | L1010252-1 | L1010252-1 | Compliance Values |
| Field Sample Details | | | Part G: Item 22(e) |
| Sample Date/Time | Sept 11 07:00 | Sept 11 07:00 | |
| pH | 8.35 | 8.24 | 6.0-9.0 |
| TSS | <3.0 | <3.0 | 15 mg/L or 30 mg/L |
| Oil & Grease | <1.0 | <1.0 | 5 mg/L or 10 mg/L |
| Benzene | <0.00050 | <0.00050 | 0.37 mg/L |
| Toluene | <0.00050 | <0.00050 | 0.002 mg/L |
| Ethylbenzene | <0.00050 | <0.00050 | 0.090 mg/L |
| Lead | <0.00010 | 0.00011 | 0.01 mg/L or 0.02 mg/L |

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 6 shows the volume of treated effluent released from the Doris Membrane Plant at SNP ST-8 and the volume of sludge removed and incinerated.

Table 6: Treated Sewage Effluent released in cubic meters (m³) through Doris Membrane Plant (ST-8) and total sludge volume removed, September 2011

| Parameters | Effluent Released ST-8 (m ³) | Sludge Volume (m ³) |
|--------------------|--|---------------------------------|
| Annual Cumulative | 7272 | 23.34 |
| Monthly Cumulative | 903 | 2.49 |

6. Tailing Impoundment Area Monitoring

a. Part G: Conditions applying to Waste Management and Waste Management Plans.

Item 26: TL-4 discharge criteria

Item 27: TL-1 and TL-4 toxicity testing (as per Part J, Item 8)

Item 28: TL-3 water quality criteria

Item 30: TL-4 discharge volume allowance

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

Item 2: TL-2 continuous flow monitoring

Item 8: TL-1 and TL-4 toxicity testing

c. Schedule J: SNP Monitoring parameters and frequencies

The Tail Lake north dam was partially completed between January and April 2011. To reduce the water level of the lake, prior to turning the lake into the Tailings Impoundment area (TIA), HBML dewatered the lake between August and September 2011. Discharge rate was determined based on the licence requirements, and although there has not been any deposition of project-related water or tailing into Tail Lake, water sampling was completed following the licence requirements as closely as possible. Sample results and discharge volumes for water discharged from the TIA at monitoring stations TL-1, TL-2, TL-3, and TL-4 and TL-10 between July and September 2011 are being compiled in a separate document.

7. 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 7.

Table 7: Volume (metric tons) of waste rock stored on the Temporary Waste Rock Pad, September 2011

| Parameters | Waste Rock on Pad (tonnes) |
|--|----------------------------|
| Waste Stockpile Mass as of Month Prior | 129,669 |
| Mass Added this Month | 16,253 |
| Mass Removed this Month | 0 |
| Total Tonnage | 145,922 |

a. Part J: Item 12g Tail Lake Ice Thickness

Tail Lake did not have ice cover in September. Ice thickness will be documented during periods when ice is measurable.

b. Part J: Item 14 Thermal Monitoring Program

Thermistor monitoring undertaken during the month of September is provided in Table 8. Only stations that were operational are reported. Some thermistors do not appear to be working. HBML is in the process of verifying which thermistors are working. The complete list of active thermistors on the Hope Bay Belt will be reported in future SNP reports when the verification process is complete.

Table 8: Temperature Readings from Thermistor Monitoring, September 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-14 | 690007 | Tail Lake NW | Sept 13/11 | 0.2 | -1.6 | -3.8 | -6.4 | -8.1 | -8.6 | | |
| SRK-22 | 690003 | Airstrip | Sept 13/11 | -1.8 | -4.3 | -5.7 | -6.6 | -7.3 | -7.6 | | |
| SRK-24 | 690001 | Quarry 2 | Sept 18/11 | -0.9 | -3.8 | -5.4 | -6.5 | -7.1 | -7.2 | | |
| SRK-32 | 690010 | Tail Lake South | Sept 18/11 | 0.1 | -2.9 | -7.9 | -7.9 | -8.1 | -8.1 | | |
| SRK-38 | TS0015 | Tail Lake NW | Sept 13/11 | 5.7 | 1 | -8.2 | -8.1 | -8.1 | -8 | -7.9 | -7.9 |
| SRK-39 | TS0011 | Tail Lake SW | Sept 13/11 | - | - | - | -7.1 | - | - | - | - |
| SRK-50 | TS1618 | Doris Lake NW | Sept 18/11 | 0.2 | -4.1 | -6.7 | - | - | - | - | - |
| SRK-53 | TS1625 | Tail Lake Shore W | Sept 13/11 | -0.4 | -1.8 | -4.1 | -5.8 | -6 | -6 | | |
| SRK-57 | TS1623 | Tail Lake Shore W | Sept 13/11 | 6.7 | - | - | -4.4 | -6.3 | -7.2 | | |
| SRK-58 | TS1622 | Tail Lake Shore E | Sept 13/11 | -0.7 | -4.7 | -6.6 | -7.3 | -6.8 | - | | |
| SRK-JT1-09 | TS2667 | Roberts Bay Jetty | Sept 5/11 | 6.70 | 6.56 | 6.32 | 4.51 | 2.25 | -1.34 | -3.54 | - |
| SRK-JT2-09 | TS2668 | Roberts Bay Jetty | Sept 5/11 | - | - | - | - | - | - | -5.01 | - |
| 29 | | North Dam/Tail Lake | Sept 14/11 | -1.0 | | | | | | | |
| 24/32 | | North Dam/Tail Lake | Sept 14/11 | -1.2 | | | | | | | |
| 30 | | North Dam/Tail Lake | Sept 14/11 | -1.4 | | | | | | | |
| 25 | | North Dam/Tail Lake | Sept 14/11 | -1.9 | | | | | | | |
| 31 | | North Dam/Tail Lake | Sept 14/11 | -0.6 | | | | | | | |
| 27/52 | | North Dam/Tail Lake | Sept 14/11 | -1.5 | | | | | | | |
| 34 | | North Dam/Tail Lake | Sept 14/11 | -1.0 | | | | | | | |
| 26 | | North Dam/Tail Lake | Sept 14/11 | -1.4 | | | | | | | |
| 35 | | North Dam/Tail Lake | Sept 14/11 | -0.6 | | | | | | | |

8. Environmental Incident Reporting

There were no environmental incidents in September.

Should there be any questions regarding the monthly report for September 2011, please contact Chris Hanks, VP Environmental Affairs for Hope Bay Mining Limited at (720)917-4489 or Chris.Hanks@Newmont.com.

Yours sincerely,

for

Chris Hanks

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