

February 23, 2012

Phyllis Beaulieu, Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0

Re: January 2012 – Monthly Monitoring Report for Water Licence 2AM-DOH0713

Following is the monthly report for January 2012 as required under the Doris North Type A Water Licence No. 2AM-DOH0713.

This monthly report provides information on:

- Part D (Conditions Applying to Construction) Items 7 and 19;
- Part E (Conditions applying to Water Use) Item 1;
- Part G (Conditions Applying to Waste Management and Waste Management Plans) Items 3(e) and 3(b), Item 21 (a) and 22 (e);
- Part J (Conditions Applying to General and Aquatic Effects Monitoring) Items 12 and 14

The report is comprised of monitoring requirements as set out in Schedule J and additional requirements from AANDC.

Other monitoring requirements 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

Work on the Tail Lake north dam continued through January. Work consisted of removal of snow and the continued placement of frozen core material. Construction of the dam will be ongoing in winter 2012.

Construction of the water management diversion berm began in January and was on-going through the month.

Construction monitoring was undertaken and documented. A summary of construction 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 used for domestic camp use, underground mining and drilling, portable wash cars, construction, and surface drilling is reported in Table 1.

Table 1: Water Usage for Doris North (m³), January 2012

Parameters	Water Use
Water Source	Doris Lake
Geographical Coordinates	On file
Monthly Cumulative	2046.10m ³
Annual Cumulative	2046.10m ³
2AM-DOH0713 Permitted Water Volume (Total Annual)	480,000m ³

b. Water Quality Monitoring: Schedule J

Monthly compliance samples, in accordance with Schedule J requirements of the licence, were taken from monitoring station ST-7 on January 18, 2012. Results are provided in Table 2.

Table 2: Monthly Compliance Sample Results for SNP Monitoring Station ST-7 in mg/L, January 2012

Parameter/SNP Sites	ST-7 (mg/L)
ALS Lab Reference #	L1106150-1
Sample Date/Time	Jan 18/12@ 14:35
BOD	<2.0
Total Cyanide	<0.0050
Free Cyanide	<0.0050
Fecal Coliforms	<1
Total Oil and Grease	1.0
pH (units)	7.46
TSS	<3.0
Ammonia-N	<0.050
Nitrate-N	<0.050
Nitrite-N	<0.050
Orthophosphate-P	<0.0010
Total Phosphate (as Tot P)	0.037
Total Aluminum	0.0237
Total Arsenic	<0.00040
Total Cadmium	<0.000010
Total Copper	0.0026
Total Chromium	<0.0010
Total Iron	0.031
Total Mercury	<0.000020
Total Molybdenum	<0.0050
Total Nickel	<0.0020
Total Lead	0.00019
Total Selenium	<0.00040
Total Silver	<0.000020
Total Thallium	<0.00010
Total Zinc	0.0070

Parameter/SNP Sites	ST-7 (mg/L)
Additional Parameters	
ALS Lab Reference #	L1106156-1
Sample Date/Time	Jan 18/12@ 14:35
Blue-green Algae	96,800 cells/ml

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

Sampling station ST-8 is located within the Doris Camp sewage treatment plant. Effluent samples were collected from ST-8A and were compliant for all parameters (Table 3). Sampling station ST-8B was taken out of service on November 05, 2011 due to insufficient flow and will be brought back on line when necessary.

Table 3: Water Quality Data Summary for Monitoring Station ST-8A, January 2012

Parameter/SNP Sites	ST-8A	Doris: 2AM-DOH0713 (Part G: Item 3 (b))	
ALS Lab Reference #	L1102477-1	Maximum Average Concentration	Maximum Allowable Grab Sample Concentration
Sample Date/Time	Jan 09/12 @ 07:45		
BOD ₅	12.7	80 mg/L	80 mg/L
TSS (mg/L)	<3.0	100 mg/L	100 mg/L
Fecal Coliform	180	10,000 CFU/100mL	10,000 CFU/100mL
pH (pH unit)	6.43	6-9	9
Oil & Grease (Visible Sheen)	No Visible Sheen	No Visible Sheen	No Visible Sheen
Oil & Grease (mg/L)	<1.0	5	10

On December 24, 2011, issues with freezing at tundra outfall ST-8 necessitated a temporary transition back to the old line and previously established discharge location for ST-8. The freezing issue was resolved and discharge was transferred back to the new location on January 8, 2012.

Station ST-9 was not sampled during the month of January as sampling station has frozen.

4. Part G: Item 21 (a) and Item 22 (e) Conditions Applying to Waste Management and Waste Management Plans.

Sampling stations ST-1, ST-5, ST-6a and ST-6b were not sampled in January. No water was discharged from these facilities.

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 4 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 4: Treated Sewage Effluent released in cubic meters (m³) through ST-8 and total sludge volume removed

Parameters	Effluent Released ST-8 (m ³)	Sludge Volume (m ³)
Monthly Cumulative	609	3.96
Annual Cumulative	609	3.96

6. 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

No waste rock material was removed from underground and placed on the Temporary Waste Rock Pad during January. Volumes are detailed in Table 5.

Table 5: Volume (metric tons) of waste rock stored on the Temporary Waste Rock Pad, January 2012

Parameters	Waste Rock on Pad (tonnes)
Waste Stockpile Mass as of Month Prior*	180,881*
Mass Added this Month	0
Mass Removed this Month	0
Total Tonnage	180,881

**December 2011*

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

The ice thickness on Tail Lake on January 23, 2012 was 132 cm.

8. Part J: Item 14 Thermal Monitoring Program

The results of the thermistor monitoring program will be presented in the annual geotechnical report.

9. Environmental Incident Reporting

There were seven environmental incidents in January:

- January 02, 2012: A spill of approximately 0.6 litres of premix antifreeze occurred at the waste management facilities drum storage area at Roberts Bay as a result of a leaking valve on a container that was almost empty. The contaminated snow was shovelled up and the container was completely emptied.
- January 21, 2012: A spill of <1 litre of motor oil occurred at the Doris Camp generators. The cause of the spill was the result of the vent tube on the engine freezing up, resulting in oil being forced up the dip stick. The vent tube was cleared of ice and snow.
- January 21, 2012: A spill of approximately 20 litres of hydraulic oil occurred at the Tail Lake north dam area as a result of a crack in the swing motor gear box on a Cat 330 excavator that was working there. The contaminated snow and gravel was cleaned up and brought to waste management facility.
- January 25, 2012: A spill of approximately 15 litres of premix antifreeze occurred at the north end of the Doris airstrip as a result of a leaking radiator hose on a D-9 dozer. The contaminated snow was cleaned up and sent to waste management facility. The dozer was brought to the shop for repairs.
- January 26, 2012: A spill of approximately 10 litres of premix antifreeze was discovered on the parking lot at the Doris administration building. The source of this spill is unknown at this time. The contaminated snow was shovelled up and brought to waste management.

- January 29, 2012: A spill of approximately 4 litres of premix antifreeze occurred on the parking lot at Roberts Bay from under a parked Cat 988 loader. The cause of the spill has been identified as being attributed to the expansion/contraction of hose fittings as a result of the extreme cold weather.
- January 30, 2012: A spill of approximately 2 litres of premix antifreeze occurred at Roberts Bay parking lot from under a parked Cat 285 excavator. The cause of the spill has been identified as being attributed to expansion/contraction of hose fittings as a result of the extreme cold weather.

Should there be any questions regarding the monthly report for January 2012, please contact Angela Holzapfel, Manager of Environmental Compliance for Hope Bay Mining Limited at (604) 345-3122 or Angela.Holzapfel@Newmont.com.

Yours sincerely,

Angela Holzapfel

Manager of Environmental Compliance

Hope Bay Mining Limited