

March 26, 2012

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Nunavut Water Board
P.O. Box 119
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Re: February 2012 – Monthly Monitoring Report for Water Licence 2AM-DOH0713

Following is the monthly report for February 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) Item 12.

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 February. 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 as part of the Waste Rock and Ore, and Quarry Monitoring Management Plans was not undertaken during February due to freezing conditions.

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

a. Water Usage

Water was used for domestic camp use, portable wash cars, and construction in February (Table 1). Underground and surface drilling activities are not planned for 2012. An error was detected in the calculations of water usage for January and the reported value of 2046m³ has been changed to 2176m³ in the table below, resulting in a cumulative total usage to the end of February of 6769m³

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

Parameters	Water Use
Water Source	Doris Lake
Geographical Coordinates	On file
Monthly Cumulative for January - <i>Corrected</i>	2176m ³
Monthly Cumulative for February	4592m ³
Annual Cumulative	6768m 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 (Table 2).

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

Parameter/SNP Sites	ST-7 (mg/L)
ALS Lab Reference #	L1110919-1
Sample Date/Time	Feb 01/12@ 18:10
BOD	<2.0
Total Cyanide	<0.0050
Free Cyanide	<0.0050
Fecal Coliforms	<1
Total Oil and Grease	<1.0
pH (units)	7.54
TSS	<3.0
Ammonia-N	<0.050
Nitrate-N	<0.050
Nitrite-N	<0.050
Orthophosphate-P	<0.0010
Total Phosphate (as Tot P)	<0.020
Total Aluminum	0.0136
Total Arsenic	<0.00050
Total Cadmium	0.000093
Total Copper	0.0023
Total Chromium	0.0047
Total Iron	0.531
Total Mercury	<0.000010
Total Molybdenum	0.0021
Total Nickel	0.0046
Total Lead	<0.00050
Total Selenium	<0.0010
Total Silver	<0.000020
Total Thallium	<0.00020
Total Zinc	<0.0050
Blue-green Algae	65,300 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 with the exception of pH (Table 3). The STP operator was notified of the non-compliant pH and adjustments were made to the process to bring the pH back between 6 and 9. 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, February 2012

Parameter/SNP Sites	ST-8A	Doris: 2AM-DOH0713 (Part G: Item 3 (b))	
		Maximum Average Concentration	Maximum Allowable Grab Sample Concentration
ALS Lab Reference #	L1110919-2		
Sample Date/Time	Feb 02/12 @ 19:00		
BOD ₅	12.9	80 mg/L	80 mg/L
TSS (mg/L)	<3.0	100 mg/L	100 mg/L
Fecal Coliform	<1	10,000 CFU/100mL	10,000 CFU/100mL
pH (pH unit)	5.97	6-9	9
Oil & Grease (Visible Sheen)	No Visible Sheen	No Visible Sheen	No Visible Sheen
Oil & Grease (mg/L)	<1.0	5	10

Station ST-9 was not sampled during the month of February as sampling station is 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 February. 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	642	2.61
Annual Cumulative	1251	6.57

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

Underground mining is no longer occurring while the project is in care and maintenance. Waste rock has not been removed from the pile. The total volume of rock on the temporary waste rock pad is 182 716 tonnes, as per the December 2011 survey.

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

The ice thickness on Tail Lake on February 01, 2012 was 136 cm.

8. Environmental Incident Reporting

There were eight environmental incidents in February. All spills were cleaned up and the contaminated material was taken to waste management for proper disposal.

- February 03, 2012: <2 liters of antifreeze leaked from a parked pickup at a contractor office area at Doris pad (7559010 N; 0432950 E).
- February 05, 2012: <1 liter of antifreeze spilled immediately outside a contractor shop (7563150 N; 0432925 E) as a result of a worker placing a bucket on uneven ground.
- February 06, 2012: <2 liters of antifreeze spilled near the frozen core plant (7559119 N; 0433130 E) as a result of a broken fan belt on a pipe fusing machine. The fan belt was repaired prior to resuming operation.
- February 12, 2012: ~2 liters of antifreeze spilled from the top of a 1000 liter container near the Doris Power house (7558927 N; 0433058 E) while the container was being moved. It was determined that the container had a loose cap.
- February 13, 2012: <1 liter of antifreeze spilled from a parked 230 ton crane at the Roberts Bay jetty area (7563185 N; 0432566 E).
- February 14, 2012: <1 liter of transmission oil leaked from a parked flat deck truck outside a contractor's office at Doris pad area (7559010 N; 0432950 E).
- February 24, 2012: 1 liter of motor oil spilled from a 330 Cat excavator at the frozen core dam area at Tail Lake (7559106 N; 0434335 E) as a result of engine malfunction. The engine was repaired and the excavator was put back into service.
- February 26, 2012: <1 liter of hydraulic oil leaked from a Reach Stacker that was moving 20' sea cans near a contractor shop on Doris lower pad (7558927 N; 0433317 E). The reach stacker was repaired and put back into service.

Should there be any questions regarding this monthly report, 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

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Hope Bay Mining Limited