

May 28, 2012

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

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

This report is comprised of monitoring requirements as set out in Schedule J of water license 2AM-DOH0713 and additional requirements from AANDC. License items include:

- 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.

Other monitoring requirements stipulated in the license refer to facilities that have not been constructed.

1. Part D: Conditions Applying to Construction

a. Item 7. Construction Monitoring

Work on the Tail Lake north dam continued through April. Work consisted of finalizing the dam shell and installation of monitoring instrumentation. Construction of the water management diversion berm was completed in April. 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 April due to freezing conditions.

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

a. Water Usage

Water used for domestic camp use, portable wash cars, ice road construction, and frozen core production is reported in Table 1.

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

Parameters	Water Use
Water Source	Doris Lake
Geographical Coordinates	On file
Monthly Cumulative	716m ³
Annual Cumulative	10,291m 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, April 2012

Parameter/SNP Sites	ST-7 (mg/L)
ALS Lab Reference #	L1130505-1
Sample Date/Time	Apr 2/12@ 08:19
BOD	<2.0
Total Cyanide	0.0057
Free Cyanide	<0.0050
Fecal Coliforms	<1
Total Oil and Grease	<1.0
pH (units)	7.43
TSS	<3.0
Ammonia-N	<0.050
Nitrate-N	<0.050
Nitrite-N	<0.050
Orthophosphate-P	<0.0010
Total Phosphate (as Tot P)	0.025
Total Aluminum	0.0295
Total Arsenic	<0.00040
Total Cadmium	<0.000010
Total Copper	0.0028
Total Chromium	<0.0010
Total Iron	0.041
Total Mercury	<0.000020
Total Molybdenum	<0.0050
Total Nickel	<0.0020
Total Lead	0.00016
Total Selenium	<0.00040
Total Silver	<0.000020
Total Thallium	<0.00010
Total Zinc	0.0054
ALS Lab Reference #	L1130461-1
Sample Date/Time	Apr 2/12@08:19
Blue-green Algae	62,200 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 5, 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, April 2012

Parameter/SNP Sites	ST-8A	Doris: 2AM-DOH0713 (Part G: Item 3 (b))	
ALS Lab Reference #	L1130505-2/ L1135060-1*	Maximum Average Concentration	Maximum Allowable Grab Sample Concentration
Sample Date/Time	Apr 2/12 @ 08:19 / Apr 16/12 @ 07:30*		
BOD ₅	14.1	80 mg/L	80 mg/L
TSS (mg/L)	<3.0	100 mg/L	100 mg/L
Fecal Coliform	3	10,000 CFU/100mL	10,000 CFU/100mL
pH (pH unit)	6.35	6-9	9
Oil & Grease (Visible Sheen)	No Visible Sheen*	No Visible Sheen	No Visible Sheen
Oil & Grease (mg/L)	<1.0*	5	10

**Samples were retaken for Oil and Grease April 16/12 due to broken sample bottle during shipment to lab*

Station ST-9 was 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-4, ST-5, ST-6a and ST-6b were not sampled.. 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)

The volume of treated effluent released at ST-8 and the volume of sludge removed and incinerated are shown in Table 4.

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	544	2.95
Annual Cumulative	2523	12.86

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 April 8, 2012 was 202cm.

8. Environmental Incident Reporting

There were four environmental incidents in April:

- April 1, 2012: A diesel fuel overflow occurred in the daytank generator containment berm from the main camp powerhouse generator tank farm due to a faulty valve on the automated filling system. Approximately 5000L of fuel overflowed the day tank through the vent, but there was no release to the environment. The fuel was removed for re-use and any residue was cleaned with sorbent pads. Temporary operational changes were made to filling procedures until the valve system can be repaired/upgraded.
- April 15, 2012: While fuelling a truck at the dispensing module within the lined containment area, a minor overflow of <0.5L diesel occurred and missed the catchment container. Contaminated ground was shovelled up and removed for disposal.
- April 21, 2012: A snow cat working on the access to the frozen core dam at Tail Lake leaked approximately 2L of hydraulic fluid from a broken hose. Spill pads were placed under the machine, the leaking hose was replaced and contaminated snow was cleaned up and taken to waste management.
- April 30, 2012: A broken fitting on the 330 Excavator working at the frozen core dam at Tail Lake leaked approximately 3L of hydraulic fluid on to the ground. A bucket was placed under the leak, and the contaminated ground was immediately shovelled up, contained and taken to waste management for disposal.

Should there be any questions regarding the monthly report for April 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