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Sent by Email

August 31, 2017

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

Re: July 2017 – Monthly Monitoring Report for Water Licence 2AM-DOH1323

This report is comprised of monitoring requirements as set out in Part J and Schedule J of water licence 2AM-DOH1323 Amendment 1, and additional requirements from INAC.

During the subject period of this report the focus of activities at Doris North was underground mining, construction, ore processing, water management and environmental compliance. Sampling locations monitored under this licence (seasonally or when facilities are operational) are provided in Figure 3 at the end of this report.

Site Wide Water Quality Monitoring Program (Part J Items 3, 8, and Schedule J)

Water quality sampling was conducted in July at monitoring stations identified in Schedule J of the licence (ST-1 through ST-13, TL-1 through TL-12). Water quality samples were not collected for monitoring stations that were inactive during the month being reported (e.g., facilities that had not yet been constructed, were frozen during the month, or were not operationally active). All parameters were compared to the applicable effluent quality limits outlined in Part G of the licence and no exceedances were observed. Results of this monitoring are attached to the report in Appendix A.

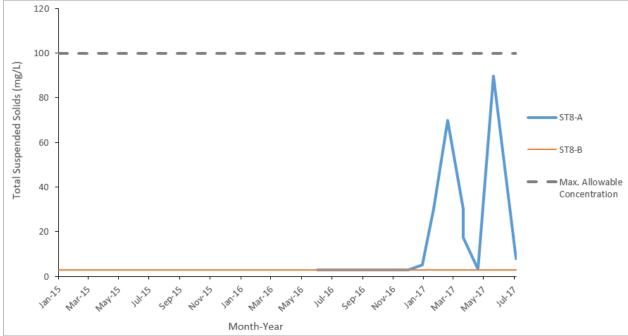
Figure 1 and 2 illustrates effluent quality characteristics for parameters of interest at select monitoring stations.

90 80 70 Biological Oxygen Demand (mg/L) 60 ST8-A 50 ST8-B 40 30 20 10 May-16 Jul-16 Sep-16 Jan-17 Jul-17 Jan-16 Mar-16 Nov-16 Mar-17 May-17 Month-Year

Figure 1. Biological Oxygen Demand Results Consistently Below Discharge Criteria for Wastewater Treatment Plant (ST8A, ST8B)

Note: Maximum Average Concentration as per Part G Item 4(b).





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Flow and Volume Measurements (Part J Items 11, 12, and Schedule J)

Table 1. Effluent discharge, July 2017

Facility	Station Code	Discharge Volume (m³)	Exceedances of Discharge Criteria	Discharge Location	Licence Reference
Sedimentation Pond	ST-1	3,806	0	Tailings Impoundment Area	Part G Item 22
Pollution Control Pond #1	ST-2	23	N/A	Tailings Impoundment Area	Part G Item 22
Landfill Sump	ST-3	0	0	Facility not constructed	Part G Item 24 (a, b, g)
Landfarm Sump	ST-4	0	0	Tundra Discharge 13W 432450 7559600	Part G Item 24 (c, d, g)
Doris Tank Farm	ST-5	0	0	Tundra Discharge 13W 432960 7559270	Part G Item 24 (e, f, g)
Rob Bay 5ML Tank Farm	ST-6a	0	0	Tundra Discharge 13W 432973 7563440	Part G Item 24 (e, f, g)
Rob Bay Three 5ML Tank Farm	ST-6b	0	0	Tundra Discharge 13W 432730 7563200	Part G Item 24 (e, f, g)
Wastewater Treatment Plant, Effluent	ST-8	879	0	Tundra Discharge 13W 432933 7559057	Part G Item 23(b-d)
Wastewater Treatment Plant, Sewage Cake	N/A	1.70	N/A	Tailings Impoundment Area	Part J Item 12 (g)
Reagent and Cyanide Storage Facility Sump	ST-11	0	0	Facility not constructed	Part G Item 23 (a)
Pollution Control Pond #2	ST-13	0	0	Tailings Impoundment Area	Part G Item 22
Mine Water Discharge	TL-12	0	N/A	Tailings Impoundment Area	Schedule J Table 2

Records of visual monitoring of discharge to tundra are maintained on file as per Part J Item 18.

Note: A correction has been identified for the June 2017 SNP for the reported volumes of effluent discharged from the Sedimentation Pond and Pollution Control Pond. Effluent discharge from the Sedimentation Pond was 8,278 m³ (volume reported was 8,216 m³). Effluent discharge from the Pollution Control Pond was 5,483 m³ (reported volume was 8,277 m³). This was attributed to an error in unit conversion from the meter used to determine total discharge volume.

Table 2. Discharge from TIA to Doris Creek, July 2017

Month	Number of days of discharge	Discharge Volume (m³)	Exceedances of Discharge Criteria*
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
Annual Cumulative	0	0	0

^{*} Discharge criteria outlined in Part G Items 29, 30, 31 and Part J Item 8.

A comparison of flows between TL-4 and TL-2 as per Part G Item 32 of the licence was not conducted as no water was discharged for the Tailings Impoundment Area to Doris Creek this month.

Table 3. Water usage, July 2017

	Windy Lake (ST-7A)			Doris Lake (ST-7)					
Month	Domestic Water* (m³)	Surface Exploration (m³)	Industrial Usage** (m³)	Dust Suppression (m³)	Domestic Water* (m³)	Surface Exploration (m³)	Industrial Usage** (m³)	Dust Suppression (m³)	Total Usage
January	849	0	15	0	0	0	0	0	864
February	801	0	0	0	0	0	0	0	801
March	925	1	0	0	0	0	32	0	958
April	873	0	2	0	0	0	608	0	1,483
May	892	0	3	0	0	0	512	32	1,439
June	946	0	1	0	0	0	26	838	1,811
July	844	0	7	0	0	0	0	1,356	2,207
Annual Total	6,130	1	28	0	0	0	1,178	2,226	9,563
Annual Allowance	22,995								480,000

Table 4. Volume of Reclaim Water from the TIA, July 2017

Month	Reclaim Water (m³) *
January	31,200
February	94,080
March	107,880
April	100,800
May	107,880
June	104,400
July	81,721
Annual Cumulative	620,521

^{*} As per Part J Item 11(d)

^{*} As permitted by water licences 2BE-HOP1222 and 2AM-DOH1323
** Includes industrial uses such as underground drilling, core processing, concrete batching, etc. July Ice Road Development: 0m³. Cumulative total for Ice Road Development in 2017: 16m³.

Table 5. Waste Rock and Process Volumes, July 2017

Month	Waste Rock Stored on Temporary Waste Rock Pile (tonnes)*	Waste Rock Returned Underground* (tonnes)	Quantity of Ore Processed** (tonnes)	Dry Tailings Placed in TIA** (tonnes)	Dry Cyanide Leach Tailings Placed Underground** (tonnes)	Volume of Void Space Created Underground (tonnes)	Volume of Void Space Created Underground (m³)
January	24,811	0	2,020	600	0	-	-
February	22,584	1,392	6,174	5,927	247	-	-
March	23,917	5,060	11,177	10,970	207	618,048	220,731
April	23,437	11,226	19,058	17,761	1,297	-162	-58
May	24,341	7,660	20,867	20,418	449	4,269	1,525
June	22,189	4,320	20,662	19,867	796	25,491	9,104
July	19,121	11,960	18,464	17,652	812	-5,711	-2,040
Cumulative Total	559,367	41,618	98,422	93,195	3,808	641,935	229,263

^{*} As per Part J Item 11(e, f)

Note: The cumulative total of void space underground is determined as the sum of the initial void space as calculated in March 2017 and void space created each month from mining activities. A negative volume of void space created indicates that a higher volume of waste rock and dry cyanide leach tailings was returned underground compared to the volume of void space created from new mining activities.

Table 6. Doris Lake Water Level (ST-12), July 2017

Month	Minimum Water Level (masl)	Maximum Water Level (masl)	Mean Water Level (masl)	Water Level Change (masl)	Low Action Level Trigger (masl)*
January	21.783	21.833	21.810	0.049	21.425
February	21.804	21.862	21.831	0.058	21.425
March	21.814	21.869	21.837	0.055	21.425
April	21.827	21.864	21.850	0.037	21.425
May	21.845	22.375	21.929	0.530	21.425
June	22.114	22.407	22.235	0.293	21.425
July	21.761	22.067	21.886	0.306	21.425

^{*}Low action level trigger is relative to the average water level value (September 10-30, 2016) measured in Doris Lake. Low action level trigger (-0.42 m) outlined in Section 5.4 of the Doris Aquatic Effects Monitoring Plan, August 2016.

^{**} As per Part J Item 12.

Summary of Assessments of Water Balance and Water Quality Model (Part G Item 34)

Average monthly water quality, hydrologic, and climatic monitoring data were collected while in operations during July. Data will contribute to the assessment of the water and load balance model, and will be compared to the predicted water quality and elevation within the TIA and will be reported in the annual report for 2017.

Thermal Monitoring (Part J Items 13 and 14)

Thermal monitoring undertaken as per Part J Items 13, 14 and Schedule J is reported in the annual Geotechnical Report.

Doris North Camp Diversion Berm Effectiveness (Part J Item 19(d))

Visual monitoring was conducted during July to evaluate the diversion berm's efficacy of diverting runoff away from the camp pad. The diversion berm was observed to be functioning as per its design purpose.

Incident Reporting

No incidents pertaining to this licence occurred in July.

Yours sincerely,

M. John Roberts

Vice President, Environmental Affairs

Hope Bay Project (416) 628-0216

cc. Eva Paul, Water Resources Officer, INAC

(100m)

Figure 3. 2AM-DOH-1323 SNP Monitoring Locations ST-6b (1km) ST-11 TL-11 TL-5 TL-2 TL-12 TL-6 TL-1 TL-10 ST-13 ST-12 ST-2 ST-7a ST-9 (10km)