

April 20, 2009

Nunavut Impact Review Board
PO Box 1360
Cambridge Bay, NU X0B 0C0
Attention: Stephanie Autut, Executive Director

Dear Stephanie:

Re: Status of Compliance with Doris North Gold Mine Project Certificate (Project Certificate)

Thank you for meeting with representatives of Hope Bay Mining Ltd. (HBML) on Monday, March 17, 2009 regarding, among other things, HBML's compliance with provisions of the Project Certificate. I write this letter for three purposes: first, to request a change to the name of the applicant listed on the Project Certificate; also, to provide an update to NIRB related to HBML's project development and finally, to provide NIRB with the updated status of HBML's compliance with requirements of the Project Certificate.

Change of Applicant

The Project Certificate was initially applied for and granted to Miramar Hope Bay Limited (MHBL) in September 2006. As you are aware, Newmont Mining Corporation acquired Miramar Mining Corporation, the parent company of MHBL, in March 2008.

HBML, a wholly owned subsidiary of Newmont Mining Corporation, is the successor to MHBL's operations and more specifically, to the assets and claims comprising the Doris North Project in the Hope Bay Greenstone Belt. We hereby notify NIRB of this change in ownership and ask that the Project Certificate provide that it is granted to "Hope Bay Mining Ltd."

Update of HBML Project

As we have discussed and as we notified you in our September 11th letter, HBML has indefinitely deferred the Doris North Project as a stand-alone project in order to pursue a broader belt-wide strategy that will incorporate the Doris North deposit. The stand-alone Doris North Project was originally proposed to you by our predecessor, MHBL and is authorized by NIRB in the current Project Certificate. This change in direction was done so that HBML could concentrate on project evaluation and the supporting advanced exploration needed for a business case for a Hope Bay Belt-wide strategy. HBML is seeking to develop a project description to bring to regulators, which will lay out a longer term vision for the orderly development of the three known deposits –

and Doris, as well as an approach to the blue sky geologic potential that will hopefully provide a sustainable future for mining in the Hope Bay Belt.

Currently, HBML is reviewing options for alternative mine plans, conducting advanced exploration and beginning baseline environmental studies that will ultimately support environmental assessment of the new project.

Currently HBML has between 100 and 120 personnel on site and housed at the Doris Camp and the Boston camp, who are fulfilling these functions. Once HBML assumed control of the operations and was able to properly evaluate the Windy Camp that had previously housed mine development, exploration and environmental activities, HBML realized the facility was near the end of its effective life and could not continue to support the level of activity required for the Project. Doris Camp, which was built for the now deferred Doris North Project offered modern facilities that allows HBML to operate safely and in compliance with its certificates and licences. Use of that camp for these activities was viewed as reasonable to support HBML's activities associated with mineral development for which the facility was created.

The culmination of this work will, of course, be the creation of a Project Description for a new Hope Bay Project that HBML will submit to NIRB to initiate the scoping, environmental assessment, regulatory review, and "permitting" process needed to acquire the certificates, permits, authorizations and agreements necessary to advance the new project.

Update on Status of Compliance

Much of our recent conversation focused on HBML's compliance with the existing Project Certificate and more specifically, our mutual understanding regarding the provisions of the Project Certificate that applied to HBML's current operations at Doris North, which are more limited than those contemplating mining operations that were proposed by MIIBL under the terms of the Project Certificate. For ease of reference, on a chart attached to this letter, we have listed the numbered requirements of the Project Certificate and have described our compliance with such provision or in the alternative, have proposed the extent to which certain of these requirements do not apply to our current operations.

On the attached chart, we have noted our progress and completion of certain items highlighted in your letter dated December 5, 2008. We have also listed items that, as you stated in your February 20th letter, can neither be complied with nor enforced because they are specifically conditioned on the Doris North mine coming into operation. Finally, we have clarified a few additional items to which HBML can not strictly comply as written in the Project Certificate because certain provisions – generally relating to tailings impoundment and mining operations – are not applicable to HBML's current operations.

I anticipate a response confirming your review of the items offered in this letter and in the attached chart. I look forward to our continued discussion.

Best Regards,

Chris Hanks
Director, Environment and Social Responsibility

Requirement

Status Update

4.1

HBML's current operations are in compliance with these requirements. HBML's current operations at Doris are limited to use of the facility to support, engineering studies, advanced exploration, and environmental baseline work throughout the belt. Therefore, some requirements related to mining and milling are not applicable.

4.2

HBML's current operations are in compliance with the listed legislation and authorities provided in Appendix B of the Project Certificate. Certain of these requirements are, likewise, incorporated into other permits, licences and regulations that govern our current operations. HBML's current operations are limited to advanced exploration, and environmental baseline work throughout the belt. Therefore, some requirements of Appendix B related to mining, milling and tailings impoundment facilities are not applicable.

4.3

HBML is in compliance with this requirement to obtain all federal and territorial permits and other approvals. HBML obtained all required Federal and Territorial licenses, authorizations and permits required to conduct the Doris North Project prior to its decision to defer this project. HBML also has all permits and authorizations that are necessary for its current advanced exploration activities.

4.4

NIRB has assigned a full time monitoring officer to monitor the Project.

4.5

HBML is in compliance with this requirement to report to NIRB on its development plans for future phases of the Hope Bay Belt. HBML has made this report for calendar year 2008. HBML is currently reviewing options for a development plan for the Hope Bay Belt. Tail Lake is still the preferred option for a future tailings facility. HBML has not made a final decision on options for the new Project.

4.6

HBML is in compliance with this requirement to notify NIRB of any further alternative assessments of

the Tail Lake tailings impoundment area in the event that Tail Lake may no longer be the preferred option for tailings. HBML is currently reviewing options for a development plan for the Hope Bay Belt Tail Lake is still the preferred option for tailings facilities. HBML has not made a final decision on options for the new Project. HBML will notify NIRB once we have decided on the scope of the new project to make sure that in producing the Project Description we integrate the existing assessed elements of the Doris North Project in a manner that facilitates review by NIRB.

4.7

HBML is in compliance with this requirement to meet with federal agencies to ensure the information required for Schedule 2 of the Metal Mining Effluent Regulations can be processed according to law. Schedule 2 to the Metal Mining Effluent Regulations was amended on July 9, 2008 and authorizes the use of Tail Lake as a tailings impoundment area.

4.8

HBML is in compliance with this requirement to install a weather station at the mine site. HBML has two meteorological stations operating on the Hope Bay Belt that meet this requirement – one at Doris Camp and the other at Boston Camp. HBML is consulting further with Environment Canada concerning the adequacy of these stations for providing the requisite information going forward.

4.9

As noted in NIRB's February 20th letter to HBML, requirement 4.9, relating to the installation of an on-site laboratory for monitoring water quality within Tail Lake and Doris Creek, is conditioned upon the "commencement of operations". Due to HBML's deferral of the Doris North Project, the requirement, which is related to mining and milling activities that are not currently being undertaken, it is not applicable to HBML's current operations on the Hope Bay Belt.

4.10

As noted in NIRB's February 20th letter to HBML, requirement 4.10, relating to water quality within Tail Lake and Doris Creek being verified and report to NIRB, is conditioned upon the "commencement of operations". Due to HBML's deferral of the Doris North Project, the requirement, which is related to mining and milling activities that are not currently being undertaken, it is not applicable to HBML's current operations on the Hope Bay Belt.

4.11

HBML is in compliance with this requirement to ensure that the monitoring information collected under the terms of the Project Certificate contain the listed information.

- 4.12** HBML is in compliance with this requirement to maintain and archive the results of its monitoring, data and analysis for the life of the Project. The information will also be incorporated into the new project information and monitoring data.
- 4.13** HBML is in compliance with this requirement to collect additional water quality data and incorporate that data into its model submitted to the NWB. The revised water quality model was submitted to the NWB as part of the water license application. HBML is now reviewing and will soon submit to the DFO and NIRB certain Doris North Aquatic Study Reports for 2006, 2007 and 2008. This will complete a commitment that was not complete at the time HBML assumed control of the Project.
- 4.14** HBML is in compliance with this requirement to collect precipitation, evaporation and run-off data to submit to the NWB. This data was provided as part of the Type A Water License application submitted to the NWB.
- 4.15** HBML is in compliance with this requirement to not allow the water discharged into Doris Creek to exceed the criteria set by the NWB. Because HBML has deferred the Doris North Project and its operations only involve advanced operations and environmental baselines studies, there is no water being discharged from the proposed tailings facility at Tail Lake to Doris Creek at this time.
- 4.16** HBML's current operations are in compliance with this requirement to prevent any Tail Lake discharge in violation of the Project Certificate or other regulations as such may have a negative effect on wildlife, fisheries, aquatics and human health. Because HBML has deferred the Doris North Project and its operations only involve advanced operations and environmental baselines studies, there is no water being discharged from the proposed tailings facility at Tail Lake to Doris Creek at this time.
- 4.17** HBML's prior practice was to report these occurrences to the Nunavut Spill Hotline on the assumption that NIRB was receiving Hotline reports. We now understand this is not the case and for future operations, HBML will copy the NIRB Monitoring Officer on reports of these circumstances.
- 4.18** HBML is in compliance with this requirement to submit to the NWB a program detailing the

methodology for testing quarried rock for acid generation and metal leaching potential. HBML met this requirement as part of its Type A Water Licence application and is continuing to perform these analyses for new projects.

4.19

HBML is in compliance with this requirement to install thermistor cables and temperature loggers in the jetty foundation. HBML completed installation of thermistor cables and temperature loggers in March 2009. The SRK construction summary memo and a monitoring plan will be transmitted to NIRB shortly.

4.20

HBML is in compliance with this requirement to ensure the use of containment booms and berms to control potential spills and the availability of spill kits at relevant locations. HBML explained some additional procedures in place in its letter to the NIRB, dated February 18, 2009.

4.21

HBML is in compliance with this requirement. HBML will consult with local Elders, KIA and NTI on the closure plan for the Roberts Bay jetty. The jetty is under the jurisdiction of Transport Canada and the DFO, which have set standards for final closure.

4.22

HBML submitted to GN a design and implementation plan for baseline data collection methods for wolverine and grizzly bear populations, and we are awaiting their input. HBML intends to resubmit the request for further consultation from GN.

4.23

HBML is in compliance with this requirement to designate an employee as a primary wildlife contact. HBML's employees work 3-by-3 week cross-shifts. HBML has designated its Senior Environmental Coordinator and also the Environmental Technician with alternating responsibilities for this function.

4.24

HBML is in compliance with this requirement to provide appropriate training for its on-site wildlife specialist.

4.25

HBML's current operations are in compliance with this requirement. HBML compiles an annual Wildlife Mitigation and Monitoring Report, which reports sightings and interactions. For future operations, HBML will compile quarterly summary reports for submission to the NIRB Monitoring Officer. Because HBML has deferred the Doris North Project and its operations only involve advanced

operations and environmental baselines studies, certain provisions of this requirement relating to mitigating interactions at the mine site and tailings impoundment area are not applicable to HBML's current operations.

4.26

HBML's current operations are in compliance with these requirements, and measures initiated by HBML in response to these concerns are covered in HBML's annual Wildlife Mitigation and Monitoring Report. Because HBML has deferred the Doris North Project and its operations only involve advanced operation and environmental baselines studies, certain provisions of this requirement relating to mitigating measures for the mill site and tailings impoundment area are not applicable to HBML's current operations. Tail Lake is not being used as a tailings impoundment area at this time and consequently, does not currently constitute a risk to wildlife and birds. The issue will, however, be considered in the development of HBML's new Hope Bay Project and will be described in the forthcoming Project Description.

4.27

HBML is in compliance with this requirement to update and revise the Wildlife Mitigation and Monitoring Plan to reflect terms of the Project Certificate and to submit the revised plan to NIRB. HBML submitted the 2007 Wildlife Mitigation and Monitoring Report to NIRB in October 2008, and the plan is currently out for review. The 2008 WMMP is currently being drafted and will be provided to NIRB by the end of April 2009.

4.28

HBML's current operations are in compliance with this requirement to form the SEMC to supplement areas covered by the IIBA for the Doris North Project. The SEMC has met to draft and finalize its Terms of Reference (TOR). Under the TOR, the implementation of the Doris North SEMC is directly tied to the construction of the Doris North mine, which has been deferred.

4.29

HBML's current operations are in compliance with the requirement to develop and implement a noise abatement plan. HBML submitted a baseline noise study in 2008. HBML is preparing annual monitoring results for 2008 for submission to NIRB by early May. Because HBML's current operations are limited to advanced exploration and environmental baseline studies, some reporting, restrictions and mitigation efforts (related to restrictions on blasting and active constructing or mining operations) are not applicable to HBML's current operations.

4.30

HBML is in compliance with this requirement to install and fund an atmospheric monitoring station. HBML is currently drafting its 2008 air quality monitoring report. It will be submitted to NIRB by April 30, 2009.

4.31

HBML is in compliance with this requirement to prepare a complete Closure and Reclamation Plan. The Closure and Reclamation Plan was filed with the application to the NWB for the Type A Water Licence.

4.32

As noted in NIRB's February 20th letter to HBML, requirement 4.32, relating to having a complete Environment, Health and Safety Management System, is conditioned upon the "commencement of operations". Due to HBML's deferral of the mining and milling elements of the Doris North Project, the requirement is not applicable to HBML's current operations on the Hope Bay Belt.

4.33

HBML is in compliance with this requirement to ensure that areas used for fuel storage and hazardous materials are contained using the safest methods practical. HBML's fuel storage areas are constructed in compliance with the best engineering standards, and the fuel tank at Doris North is registered through INAC. These facilities are also in compliance with the Type A Water Licence for Doris North.

4.34

HBML is in compliance with this requirement to give NIRB notice of planned changes to the mine facility, including Tail Lake. HBML will continue to notify NIRB of planned changes to the mine facility, including Tail Lake, and its operations. HBML understands that changes should be reported based on their anticipated social and environmental impacts to the Hope Bay Belt.

4.35

HBML's current operations are in compliance with this requirement as described herein.

Appendix D

Requirements of Appendix D relate to HBML's development of a post-environmental assessment monitoring program for the Doris North Project. Because HBML's current operations are limited to engineering feasibility studies, advanced exploration, and environmental baseline authorized under other existing licences, permits, authorizations, agreements and leases, the conditions anticipated by the requirements of Appendix D related to a post-environmental assessment monitoring program, namely the

construction and operation of a mining facility, have not been initiated. As we have discussed, due to HBM's deferral of the Doris North Project, the requirements of Appendix D are not applicable to HBM's current operations on the Hope Bay Belt. When this requirement is revisited as part of the Project Certificate for the new project, HBM would suggest that this be restated so that it becomes a five-year review to test the assumptions and predictions made in the environmental assessment. The firm might be set for five years after the commencement of commercial production.