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December 20, 2007

Via email and Canada Xpresspost

Mr. Andrew Keim Water Resources Officer INAC – Nunavut District P.O. Box 2200 Iqaluit, NU, X0A 0H0 867-975-4289

Dear Mr. Keim,

Re: 2BB-BOS0712 - 2006 Annual Report - Response to request for additional information

Please consider the following as response to information requests made under File 2BB-BOS0712 / CIDM # 178132, Water License Inspection – Boston Camp – Hope Bay Joint Venture Project July 4th and August 16th, 2007 received at our office on November 21, 2007.

Part B: General Conditions

Request

A review of the Nunavut Water Board FTP – Public Registry was undertaken during the writing of this report. An annual report for the 2006 annum was located and reviewed. This report is a requirement under the terms and conditions of the Water License and was found to be incomplete.

The Inspector seeks clarification on the amount of fresh water used as listed in the report. The report states that 34.1 cubic meters of water was used. Is that in total or a measurement of consumption per day?

Additionally, the quantities of sewage effluent discharged are not recorded.

Response

34.1 m³ refers to consumption per day, drilling and camp use combined.

In 2006, the release of grey water from the RBC facility was approximately 737 m³. This volume of grey water is based on the fact that the amount of water abstracted from Aimaokatuk Lake for use in the kitchen and washroom facilities reported to the RBC unit for treatment prior to release at SNP#1652-3. As part of the work with SNC-Lavalin and Sanitherm, the company will review the effluent discharge monitoring requirements and install the appropriate effluent discharge monitoring system.

Part E: Conditions Applying to Camps, Access Infrastructures and Operations

Request

A review of the Nunavut Water Board FTP site conducted during the writing of this inspection report failed to locate the following documents;

- o Operation and Maintenance Manual for the Waste Water Treatment Facility
- o Land farm Operation and Maintenance Plan
- Water and Ore/Waste Rock Management Plan

The Inspector notes that the first two plans listed above were due by October 6th, 2007 and, to date, have not been acknowledged by the Nunavut Water Board as having been submitted. The third report is due on January 8th, 2008 as per section 8 of this Part.

Response

The following plans were submitted via email to the NWB on November 20, 2007, with mailed hard copies the same day.

- Operation and Maintenance Manual for the Waste Water Treatment Facility
- Land farm Operation and Maintenance Plan
- Quality Control and Quality Assurance Plan

Part I: Conditions Applying to Abandonment and Restoration or Temporary Closing

Request

To date a notification of seasonal or temporary closure has not been received by the Inspector

Response

A letter of seasonal closure was submitted to the Nunavut Water Board on November 8, 2007.

Part J: Conditions Applying to the Monitoring Program

Request

Subsequently, and during the writing of this report a review of the NWB's FTP site and the Inspector's files indicate that none of the required Monitoring Program Summary reports from the licensee have been filed as required by section 23 of this Part.

The Licensee is required to submit these reports upon receipt of this inspection report

Response

Monthly compliance reports for June, July, August, September and October 2007 were submitted to the NWB via email on November 20, 2007.

Request

Additionally, the Licensee is reminded that the deadline to submit the Quality Control and Quality Assurance Plan for approval by the Board was October 6th 2007. This plan is to be submitted immediately upon receipt of this inspection report.

Response

The Quality Control and Quality Assurance Plan was submitted to the Nunavut Water Board for approval via email on November 20, 2007 and MHBL was advised on December 7, 2007 that the plan has been forwarded to the Analysts for review and approval.

If you have any questions or concerns regarding this submission, please contact me at the telephone number listed above, or via email at jwakeford@miramarmining.com. Thank you for your assistance in this matter.

Regards,

Original Signed By

John Wakeford Vice President, Exploration Miramar Hope Bay Ltd.