

2012 Hope Bay Baseline Study Annual Summary

This summary is intended to meet the requirements of Rescan's Research Licence No. 0405512 N-M for the Hope Bay Belt area.

Hope Bay Mining Limited (HBML) has been exploring gold deposits in the Hope Bay greenstone belt, which is located in the West Kitikmeot region of Nunavut. The area includes three main deposits; Doris, Madrid, and Boston. The Doris deposit has been previously permitted to become a mine (Doris North Project).

The Project has received all necessary permits, licences, and authorizations for development. HBML began construction of the Project in 2010 and continued in 2011. On January 31, 2012, HBML announced that the Project would be transitioned into Care and Maintenance.

In 2012, HBML continued baseline studies in the area, with a focus on the Doris, Madrid and Boston deposit areas. In addition to baseline work, field studies were conducted in support of compliance requirements for the Doris North Project. Work took place near areas that may be developed as well as those far away which are considered 'reference areas'.

Highlights from the 2012 baseline and compliance monitoring include the following:

- o Maintenance of Doris and Boston camp automated meteorological stations and the installation of a micro-meteorological station in Doris Lake to monitor lake evaporation and wind speed and direction;
- o Monitoring of air quality with a Partisol ambient air sampler, dustfall monitoring stations, and a passive air sampling system (PASS);
- o Monitoring hydrometric stations to gather data about stream flow, and stream and lake water levels;
- o Monitoring of tidal ranges in Roberts Bay, and the collection of additional bathymetry data in Roberts Bay, near the jetty;
- o Monitoring of physical limnology and physical oceanography, water quality, sediment quality, and aquatic organisms in lakes, streams, and marine areas;
- o Pre-enhancement monitoring and habitat enhancement construction at Roberts Outflow and Streams E09, and monitoring of the Windy Lake compensation shoals;
- o Ground-based surveys (PRISM plots) of upland breeding birds (songbirds, shorebirds, ptarmigan and, short-eared owls);
- o Aerial staging and brooding surveys of waterfowl, occupancy and productivity monitoring of raptor nests and reproductive success; and
- o Setting up of remote-sensing cameras to monitor wildlife use of infrastructure and entering/exiting areas of existing infrastructure.

Environmental data will continue to be collected in 2013 mainly to fulfil the commitments of the Doris North Project compliance programs.