



November 17, 2010

Our reference
File #9545-2-1.2BB.BOSA
CIDM #434760

Sent by email: licensing@nunavutwaterboard.org

Your reference
2BB-BOS0712/TR/E8

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
Gjoa Haven, Nunavut
X0E 1J0

Re: Nunavut Water Board License #2BB-BOS0712/TR/E8, Hope Bay Mining Ltd., Boston Advanced Exploration Project, Kitikmeot Region, Water and Ore/ Waste Rock Management Plan Addendum

Dear Phyllis,

Thank you for your Oct. 10/10 request for written representations on the addendum and additional information submitted by Hope Bay Mining Ltd. concerning the above referenced Water and Ore/ Waste Rock Management Plan.

A Technical Review Memorandum is provided for the Board's consideration.

Please do not hesitate to contact me by telephone at 867 975-4555 or email at david.abernethy@inac-ainc.gc.ca to discuss this submission.

Regards,

David Abernethy
Water Resources Regional Coordinator
Operations Directorate, Nunavut Regional Office
Iqaluit, Nunavut
X0A 0H0

Encl.

c.c.: L.A. Cornacchio, Water Resources Manager
P. Kusugak, Field Operations Manager

Technical Review Memorandum

TO Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board

OUR REFERENCE
File #9545-2-1.2BB-BOSA
CIDM #434760

FROM David Abernethy
Water Resources Regional Coordinator
Indian and Northern Affairs Canada

YOUR REFERENCE
2BB-BOS/TR/E8

DATE
November 17, 2010

SUBJECT Nunavut Water Board License #2BB-BOS0712/TR/E8, Hope Bay Mining Ltd.,
Boston Advanced Exploration Project, Kitikmeot Region, Water and Ore/
Waste Rock Management Plan

A. PROJECT DESCRIPTION

On Oct. 10/10 the Nunavut Water Board (NWB or Board) provided notification of an addendum to the project's July 2009 Water and Ore/ Waste Rock Management Plan¹ that addresses recent geochemical characterization work performed on the Boston site's fuel storage facility's berm.² Also, on Oct. 14/10 the NWB distributed HBML's response to written representations that were received by the NWB in September 2009 after the plan was initially made available for review. These submissions were made pursuant to Part E: Conditions for Camps, Access Infrastructures, and Operations, Item #8 of the licence. Interested parties were requested to review this information and provide written representations by Nov. 19/10.

Part E, Item #8 of the Licence states,

The Licensee shall submit, to the Board for approval, within six (6) months of issuance of this Licence, a Water and Ore/ Waste Rock Management Plan that addresses the acid rock drainage and metal leaching potential of the materials at the site.

¹ SRK Consulting. *Water and Ore/ Waste Rock Management Plan for the Boston Site, Hope Bay Project, Nunavut*. Prepared for Hope Bay Mining Ltd. Project Number 1CH008.22
Vancouver: July 2009.

² SRK Consulting. *Geochemical Characterization of Boston Camp Fuel Berm Sample - Final*. Project #1CH008.014, Prepared for Hope Bay Mining Ltd. Vancouver: June 1, 2010

B. RESULTS OF REVIEW

On behalf of Indian and Northern Affairs Canada I am providing the following comments / recommendations for the Board's consideration,

1. Addendum to Water and Ore/ Waste Rock Management Plan

The submitted geochemical characterization report for material used to construct the project's fuel tank berm is a valuable addition to the 2009 Water and Ore/ Waste Rock Management Plan. Going forward, with respect to recommencing advanced exploration activities in the project area, HBML should provide further information that addresses the acid rock drainage and metal leaching potential of material that will be excavated and revise their plan accordingly.

2. HBML's Response to Water and Ore/ Waste Rock Management Plan Review Comments

In their Oct. 20/10 response to comments previously received on their 2009 Water and Ore/ Waste Rock Management Plan, HBML satisfactorily addressed the comments/ recommendations submitted by INAC on Sept. 25/09. More specifically, greater clarification was provided on their ephemeral stream water quality monitoring program, the development of water quality criteria (with respect to monitoring) and mitigation procedures, and revisions to the plan prior to any relocation of stockpiled ore and related progressive reclamation work in the project area.

Prepared by David Abernethy

c.c.: L.A. Cornacchio, Water Resources Manager
P. Kusugak, Field Operations Manager