

October 18, 2010

Technical Advisor – Mining
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0

Re: August 2010 – Monthly Monitoring Report for Water License 2BB-BOS0712 under Part J – Items 2 – 8 and 11 - 14.

Following is the monthly report for August 2010 as required under Water License 2BB-BOS0712. Boston Camp facilities were shut down May 25/09 and re-opened June 15/10 at reduced staffing levels while modifications to the Sewage Treatment Plant (STP) were being completed.

1. PART J: ITEM 2

Sampling was conducted during the month at monitoring station BOS-2 (Containment Pond). The sample results are shown in Table 1.

Table 1. Sampling Results for Monitoring Stations BOS-2, August 2010

Parameters	BOS-2	Remarks	
ALS Lab Reference #	L924801-1	License # 2BB-BOS0712	License # 2BB-BOS0712
Field Sample Details	BOS-2	Part D: Item 8	Part D: Item 8
		Maximum Average Concentration (mg/l)	Maximum Concentration of any Grab Sample (mg/l)
Sample Date/Time	Aug 24/10 @ 1430 hrs	-	-
Total Arsenic	0.0039 mg/l	0.5	1.0
Total Copper	<0.0040 mg/l	0.3	0.6
Total Lead	<0.00040 mg/l	0.2	0.4
Total Nickel	<0.0020 mg/l	0.5	1.0
Total Zinc	0.019 mg/l	0.5	1.0
Total Suspended Solids	n/a	25.0	50.0
Oil and Grease	<1.0 mg/l	nvs	nvs
Oil and Grease (visible sheen)	nvs	nvs	nvs
pH	n/a	6.0 – 9.5	6.0 – 9.5

*nvs = no visible sheen

2. PART J: ITEM 3

Samples were collected at BOS-3 during August. Table 2 below shows the results from samples collected August 24/10.

Table 2. Sampling Results for Monitoring Station BOS-3, August 2010

Parameters	BOS-3	Remarks
ALS Lab Reference #	L924744-1	License # 2BB-BOS0712
Field Sample Details	BOS-3	-
Sample Date/Time	Aug 24/10@1500 hrs	-
pH	6.53	6.0 – 9.5
Oil & Grease	n/a	nvs
Oil & Grease (Visibility)	nvs	nvs

Fecal Coliforms	476 CFU/100ml	10,000 CFU/100ml
Total Suspended Solids	8.0 mg/l	100.0 mg/l
BOD	7.0 mg/l	80.0 mg/l

3. PART J: ITEM 4

Toxicity testing was conducted during the month at monitoring station BOS-4 at the point prior to entry into Aimaoktatuk Lake. Table 3 shows the results of sampling undertaken at BOS-4 as well as the results of the Toxicity testing at this location.

Table 3. Sampling Results for Monitoring Station BOS-4, August 2010

Parameters	BOS-4	Remarks
ALS Lab Reference #	L924744-2	License # 2BB-BOS0712
Field Sample Details	BOS-4	Maximum Average Concentration
Sample Date/Time	Aug 24/10@1530 hrs	-
pH	7.20	6.0 – 9.5
Oil & Grease	n/a	nvs
Oil & Grease (Visibility)	nvs	nvs
Fecal Coliforms	<1 CFU/100 ml	10,000 CFU/100ml
Total Suspended Solids	<3.0 mg/l	100.0 mg/l
BOD	<2.0 mg/l	80.0 mg/l
ALS Lab Reference #	L924744-3	License # 2BB-BOS0712
Field Sample Details	BOS-4	-
Sample Date/Time	Aug 24/10@1530 hrs	-
Daphnia Magna – LC50	No Toxicity Observed	Non Acutely Toxic

4. PART J: ITEM 5

Discharge from BOS-5 (Bulk Fuel Storage) was directed into the Containment Pond (BOS-2) pending treatment. The effluent met the licence criteria for discharge for all parameters with the exception of lead. This effluent was re-sampled August 24, 2010 for the parameters pertaining to sampling station BOS-2 post-treatment to determine compliance prior to any discharge from the facility and is shown in Table 1 above.

No sampling was conducted at BOS-6 (Landfarm Treatment Facility) as there was negligible effluent accumulated in the berm and no discharge to the environment from this facility.

No samples were collected at sampling station BOS-7 during the month, as no water was observed at this location.

5. PART J: ITEM 6 AND PART J: ITEM 7

No sampling occurred at BOS-8 during the period for the parameters required under this part.

6. PART J: ITEM 8

On-ice drilling samples were not collected as no winter drilling was conducted pertaining to this licence.

7. PART J: ITEM 11

No water usage for drilling occurred pertaining to this licence for the month of August. Domestic water usage started June 15/10 to open the camp and consumption during August is detailed in Table 4.

Table 4: Water Usage in cubic meters (m^3), August 2010

Parameters	Domestic Usage BOS-1 (m^3)	2BB-BOS0712
Water Source	Spyder Lake	Compliance Values
Annual Cumulative	634.66	
Monthly Cumulative	289.37	3,100 m^3 monthly
Volume Average (Daily)	9.3	100 m^3 daily
Maximum	13.49	100 m^3 daily
Minimum	0	100 m^3 daily

8. PART J: ITEM 12

No mine water, per Part D: Item 7 was pumped from underground to containment pond BOS-2 during the month.

9. PART J: ITEM 13

Sewage effluent discharge occurred at monitoring station BOS-3 in the month of August. The results of samples collected from this discharge are shown in Table 2 above. The volume discharged is shown in Table 5 below.

Table 5: Sewage Effluent released in cubic meters (m^3), August 2010

Parameters	BOS-3 (m^3)	2BB-BOS0712
Annual Cumulative	228.36	-
Monthly Cumulative	157.68	-
Volume Average (Daily)	5.09	-
Maximum	8.41	-
Minimum	2.32	-

10. PART J: ITEM 14

No removal of sewage sludge occurred in August at the Sewage Disposal Facility.

11. INCIDENT REPORTING

No incidents occurred during the month pertaining to this licence.

Should there be any questions regarding the monthly report for August 2010, please contact Chris Hanks, Director, Environment and Social Responsibility, Hope Bay Mining Limited on phone number: 720-917-4489 or email: Chris.Hanks@Newmont.com

Yours sincerely,

Chris Hanks

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