

November 2, 2011

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P.O. Box 119
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Re: September 2011 – Monthly Monitoring Report for Water License 2BB-BOS0712

Following is the monthly report for September 2011 as required under Water License 2BB-BOS0712. The license was issued on July 6, 2007 and will expire on July 31, 2012. The Advanced Exploration Mining and Milling – Type B licence indicates that the quantity of water usage shall not exceed 100 cubic metres (m³) daily or 365,000 m³ annually.

This report contains the information required in Part J (Conditions Applying to the Monitoring Program) Items 2-8 and 11-14. Other conditions stipulated in the license refer specifically to mining and milling processes and are not applicable at this time because no mining or milling activities are occurring.

1. PART D: ITEM 8

Water was not discharged from monitoring station BOS-2 (Containment Pond) in September. Water samples were collected from BOS-5 during September. All parameters met discharge criteria with the exception of Lead. This water was transferred to the containment pond at BOS-2 pending treatment. The results are shown in Table 1.

Table 1: Sampling Results in mg/l for Monitoring Stations BOS-5, September 2011

Parameters	Units	BOS-5	Remarks
ALS Lab Reference #		L1059074-1	License # 2BB-BOS0712
Field Sample Details		BOS-5	Part D: Item 21
Sample Date/Time		Sep 14/11 @ 08:45	Part J: Item 5
pH	Units	8.03	Between 6 - 9.5 pH units
Oil & Grease	mg/L	<1.0	15 mg/L
Oil & Grease (Visibility)		NVS*	NVS
Benzene	mg/L	<0.00050	0.370 mg/L
Toluene	mg/L	<0.00050	0.002 mg/L
Ethyl benzene	mg/L	<0.00050	0.090 mg/L
Total Lead	mg/L	0.0107	0.001 mg/L

*nvs = no visible sheen

2. PART J: ITEM 3 AND 4

Table 2 shows the results for samples collected from the sewage treatment plant effluent (BOS-3) in September. Samples were compliant with the licence for all parameters.

Table 2: Sampling Results in mg/L for Monitoring Station BOS-3, September 2011

Parameters	Units	BOS-3 (mg/L)	License # 2BB-BOS0712 Part D: Item 17
			Maximum Average Concentration
ALS Lab Reference #		L1057115-1	
Sample Date/Time		Sep 11/11 @ 06:00	
BOD ₅	mg/L	8.0	80.0
Total Suspended Solids	mg/L	20.0	100.0
Faecal Coliform	CFU/100mL	320	10,000
Oil and Grease (visible sheen)		NVS	NVS
Oil and Grease	mg/L	<1.0	
pH	pH unit	6.70	6.0 – 9.5

*nvs = no visible sheen

Samples were collected from BOS-4 during September. The results are shown in Table 3.

Table 3: Sampling Results in mg/L for Monitoring Station BOS-4, September 2011

Parameters	BOS-4
ALS Lab Reference #	L1057117-1
Sample Date/Time	Sep 11/11 @ 06:30
BOD ₅	<2.0 mg/L
Total Suspended Solids	<3.0 mg/L
Oil and Grease (visible sheen)	NVS
Oil and Grease	1.4 mg/L
pH	7.24
Faecal Coli form	<1 CFU/100 mL

*nvs = no visible sheen

3. PART J: ITEM 8 (REFERENCE TO PART F: ITEM 7)

Under-ice water quality samples were not collected from Aimaokatalok (Spyder) Lake in September.

4. PART J: ITEM 11 AND 12

Water for drilling and domestic use during September is detailed in Table 4. Water from drilling was taken from Stickleback and Aimaokatalok (Spyder) Lake.

Table 4: Daily Drill Water and Domestic Usage in cubic metres (m³), September 2011

Date (September)	Drill Use (m ³)	Domestic Use (m ³)	Daily Totals (m ³)
	Orbit 24	Boston Camp	
1	4.5	8.0	12.5
2	9.1	7.3	16.4
3	1.7	7.5	9.2
4	0.0	7.7	7.7
5	8.9	6.9	15.8
6	5.2	7.8	13.0
7	3.5	6.3	9.8
8	4.6	6.8	11.4
9	5.0	6.1	11.1
10	9.1	5.8	14.9
11	14.9	5.8	20.7
12	7.2	5.6	12.8
13	4.4	7.4	11.8
14	1.6	5.9	7.5
15	2.0	8.2	10.2
16	3.0	6.4	9.4
17	4.5	6.4	10.9

Date (September)	Drill Use (m ³)	Domestic Use (m ³)	Daily Totals (m ³)
	Orbit 24	Boston Camp	
18	2.2	9.2	11.4
19	1.4	7.1	8.5
20	8.8	6.6	15.4
21	2.8	7.6	10.4
22	4.2	7.4	11.6
23	4.0	6.7	10.7
24	9.3	8.2	17.5
25	8.1	6.2	14.3
26	2.9	6.8	9.7
27	1.5	6.2	7.7
28	2.7	7.2	9.9
29	2.8	5.7	8.5
30	2.5	8.1	10.6
Monthly Total	142.4	208.9	351.3
Monthly Average	4.7	7.0	11.7
Monthly Minimum	0.0	5.6	7.5
Monthly Maximum	14.9	9.2	20.7
Previous Annual Cumulative	729.8	1040.6	1770.4
Current Annual Cumulative	734.5	1047.6	1782.1

5. PART J: ITEM 12

Mine water was not pumped from underground during September.

6. PART J: ITEM 13 AND 14

The volume of sewage effluent discharged from BOS-3 is shown in Table 5.

Table 5: Treated Sewage Effluent released in cubic metres (m³), September 2011

Parameters	Estimated Effluent BOS-3 (m ³)	Sludge Removed (m ³)
Annual Cumulative	1205.38	-
Monthly Cumulative	197.24	-

7. INCIDENT REPORTING

There was one incident reported during the month pertaining to this licence:

- September 14, 2011: Approximately 40 litres of hydraulic oil spilled on the Boston Camp Airstrip (67° 39' 16" N; 112° 22' 56" W) as a result of a blown hydraulic hose on a skid-steer that was unloading an aircraft. The contaminated gravel was removed and placed in 45 gal drums pending off-site disposal. The hydraulic hose was replaced and the skid-steer placed back in service.

Should there be any questions regarding the monthly report for September 2011, please contact Chris Hanks, VP Environmental Affairs at 720-917-4489 or Chris.Hanks@Newmont.com.

Yours sincerely,

for

Chris Hanks

VP Environmental Affairs
Hope Bay Mining Limited