



HOPE BAY JOINT VENTURE

Miramar Hope Bay Ltd. – Hope Bay Gold Corporation Inc.
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26 October 2001

Mr. Philippe di Pizzo
Executive Director
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0E 1J0

Dear Mr. di Pizzo,

Re: Application for Renewal of Water Licence No: NWB2HOP0002
Windy Camp - Hope Bay Joint Venture

We are pleased to submit three (3) copies of our application for the renewal for the Windy Lake camp Water Licence No: NWB2HOP0002. This submission includes the following:

- Completed Water Licence Application form designating this is a **RENEWAL**.
- Completed Water Licence Application Supplementary Questionnaire for Exploration/Remote camp.
- Application Fee (cheque # H 03191) in the amount of \$30.00 payable to the Receiver General for Canada
- Executive Summary in English and translated into Inuktitut.

As mentioned above, this water licence application is for a "Renewal" of the existing licence. It should also be noted that there have been no major changes in the operation and therefore the licence renewal is seen to be straight forward with little need to change the existing licence terms and conditions. Over the term of the current licence, the assignment of the licence to Miramar Hope Bay Ltd and Hope Bay Gold Corporation Inc., there are terms and conditions that require revision. As such, we provide the following review of the existing licence terms and conditions, clarify the changes that have occurred over the period of the licence and provide our suggestions for changes to terms and conditions in the renewal. In this regard, we provide the following review.

General Comments:

The renewed licence designated permittee should be "Hope Bay Joint Venture".

This renewal should only designate the location as "Windy Camp". The Wolverine Camp has been decommissioned and rehabilitated to the approval of KIA.

The NWB approved the installation and operation of a ROTODISC sewage treatment facility and this should be reflected in the renewed licence.

The HBJV has applied for a renewed licence for the term of five (5) years, with an expiry date of March 10, 2007. Should delays occur, we would expect that the five (5) year period would be appropriately addressed.

The following reviews the conditions in the existing licence and provides suggested changes in the licence renewal.

Part A: Scope, Definitions and Enforcement:

The HBJV has no major concerns with the clauses as written in the existing licence, the only correction would be in clause 5, and this should only designate the Windy Camp.

Part B: General Conditions:

The HBJV has no major concerns with the clauses as written in the existing licence, the only exception is that it appears that clause # 1 and clause #6 both refer to reports and to minimize duplication, any requirements could be included in the annual report (clause # 1).

Part C: Conditions Applying to Water Use

This section should be revised to reflect that there is only one camp in operation, that being the "Windy Lake Camp". Mention of the "ROTODISC" sewage and greywater handling facility, approved by the NWB in 2000, should be included in the renewed licence. Water intake and pumping requirements as stated in the existing licence clause # 3 should remain as is.

Part D: Conditions Applying to Drilling Operations

The HBJV believes that as this licence renewal is primarily for camp use, reference to "Conditions Applying to Drilling Operations" are adequately covered by the various land use permits issued to the HBJV by the KIA lands division and as such should be removed from the renewed licence. Should this section remain in the renewed licence, the HBJV, although not opposed to such conditions, would appreciate receiving the applicable "reasons for decisions".

Part E: Conditions Applying to Waste Disposal

Some of the clauses in this section will require revision in the renewed licence. Specifically, clauses 1 & 3 should be revised to reflect the NWB approved and operating "ROTODISC" (RBC) sewage treatment facility. It should be noted however, that the latrines, used and approved in the existing licence will remain on site and used only in an emergency. With respect to clause #4, the HBJV solicits the support of the NWB to approve a solid waste disposal area which will enable the HBJV to systematically dispose of non-combustible and inert solid wastes in the project area. The HBJV suggests that clauses 7, 8 and 9 be revised to apply only to Windy Lake Camp.

The HBJV requests that the renewed licence approve the disposal of sewage sludges from the RBC to impacted areas as a restoration method. This is important for the long-term operation of the RBC and can be incorporated into the renewed licence with little difficulty.

Part F: Conditions Applying To Spill Prevention and Contingency Planning

Clause # 1 should be revised to include reference to the approved contingency plan currently on file with the NWB. Should the renewed licence require the proponent to submit a revised contingency plan, an appropriate timeline should be allowed for preparation and submission and the HBJV suggests six (6) months from receipt of the renewed licence.

We look forward to discussing this renewal application for Water Licence **NWB2HOP0002** with you in the coming months and hope the forgoing provides a satisfactory review of the current licence, our position on certain clauses and are hopeful the Board will give full consideration to our suggested changes. With respect to possible public hearings into this renewal application, the HBJV suggests that should a hearing be held, it should be by "written submission" only. We also look forward to reviewing the "draft" renewed licence in due course.

Should you require clarification on anything related to this application please do not hesitate to contact the undersigned at the numbers above, on cell # 780-975-2550 or by e-mail to:

hwilson@miramarmining.com;

hugh_r_wilson@hotmail.com

terrbear@powersurfr.com.

Yours truly,

Original signed by "H.R. Wilson"

Hugh R. Wilson
Manager, Environmental Affairs

Cc: HBJV Management Committee
A. Fleming, Exploration Manager.

Attach. Water Licence Application Form
Supplementary Questionnaire-"Exploration/Remote Camp"
Executive summary in English and Inuktitut
Cheque (Application Fee)