

June 3, 2010

Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
X0B 1J0

Attn: Phyllis Beaulieu, Manager of Licencing

Type B Water Licence 2BE-HOP0712 – Application for Amendment No. 4 to Permit Drainage from Quarry A, B and D

Dear Ms. Beaulieu;

In response to your letter of May 19, 2010, Hope Bay Mining Ltd. (“HBML”) wishes to clarify that HBML has submitted Application for Amendment No. 4 to Type B Water License 2BE-HOP0712 (the “Application”) to seek approval of the Quarry A, B and D Management and Monitoring Plan to permit discharge of drainage from Quarry A, B and D. The Windy Camp Road is not included in this application.

In HBML’s view, it is appropriate to add drainage management from Quarry A, B and D to 2BE-HOP0712 (which relates to Hope Bay belt exploration activities in the vicinity of the Windy Camp) and not 2AM-DOH0713 (which relates to the Doris North Project only). Quarry A, B and D provide construction material for the Windy Camp Road only and not for any of the Doris North Project facilities. To clarify any confusion caused by the wording in our Application, HBML followed the construction precedents for quarries set out in 2AM-DOH0713 as a best practice guide because 2BE-HOP0712 does not address quarry drainage. Quarry A, B and D are not Doris North Project components and were not used to construct any Doris North Project facilities.

HBML has prepared a separate letter with attachments to provide an update and background information on the Windy Camp Road. As set out in our letter, the Windy Camp Road supports mineral exploration and does not support the small underground production gold mine which is the subject of the Doris North Project.

HBML wishes to obtain NWB approval of the Quarry A, B and D Management and Monitoring Plan as soon as possible. If you have any questions about this letter or have any further information requirements with respect to this application, please do not hesitate to contact me directly at Chris.Hanks@newmont.com.

Sincerely,

for

Chris Hanks
Director, Environmental & Social Responsibility
Hope Bay Mining Ltd.

cc. Stephen Lines, TLA Consultants
David Hohnstein, Nunavut Water Board