

August 24, 2010

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

Re: 2BE-HOP0712 Amendment 5 Comments Response

Dear Ms. Beaulieu,

Hope Bay Mining Ltd. (HBML) has reviewed the comments received in regards to our application to amend water licence 2BE-HOP0712 to construct a camp at Quarry D (Amendment 5) and would like to provide the NWB with the following additional information in support of this amendment application. This letter addresses comment made by INAC on July 30, 2010 and by Environment Canada (EC) on July 28, 2010.

Increased water use (INAC):

We appreciate INAC's recommendation that HBML include the volume of water required for dust suppression. After review of the volume of water used for dust suppression on the Roberts Bay all-weather road, HBML estimates that approximately 25 m³/km is needed for dust suppression. The all-weather road to Windy Lake is approximately 10 km in length. Water for dust suppression, needed between the end of May and the end of September (approximately 122 days), would total a maximum of 250 m³/day and would only be used when necessary. This volume is in addition to water used for domestic and drilling purposes.

Increase water use (EC):

With regards to Environment Canada's question about whether additional drill sumps would be needed to manage increased waste water, HBML would like to note that no additional water use for drilling purposes was requested as part of the Amendment 5 application. Additional water use was requested for an increase in domestic water use and for water used for dust suppression only.

Sewage Treatment (INAC):

HBML can provide an Operations and Maintenance Manual specific to the new camp's sewage treatment plant within 90 days of an approved licence.

Spill Prevention and Contingency Planning (INAC):

HBML will revise the March 2010 Spill Contingency Plan to include the new camp's location.

Revised Closure and Reclamation Plan (INAC):

HBML will submit a revised Closure and Reclamation Plan by December 31, 2010 as indicated in our letter to the NWB on June 21, 2010

([ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-HOP0712%20Newmont/3%20TECH/10%20A%20&%20%20R%20\(I\)/100621%202BE-HOP0712%20Windy%20Land%20Farm%20Closure%20Plan%20Update-ILAE.pdf](ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-HOP0712%20Newmont/3%20TECH/10%20A%20&%20%20R%20(I)/100621%202BE-HOP0712%20Windy%20Land%20Farm%20Closure%20Plan%20Update-ILAE.pdf)). This plan will address aspects of the licence listed by INAC in item 7 of their letter.

Storage Tank System for Petroleum Products (EC):

HBML has confirmed with Environment Canada that the new CEPA *Storage Tank System for Petroleum Products and Allied Petroleum Products Regulations* do not apply to this project because the storage tanks will not be located on federal or Aboriginal lands and instead will be located on Inuit Owned Lands. Hope Bay tanks are registered with INAC at the request of KIA.

Should you have any questions regarding this submission or require any additional information, please do not hesitate to contact me directly.

Sincerely,

Chris Hanks
Director Environmental and Social Responsibility
Hope Bay Mining Ltd.