

P.O. Box 119 Gjoa Haven, NU X0B 1J0 Tel: (867) 360-6338 Fax: (867) 360-6369 ຼຼວວ ΔL ← ሲትና ቴ∩ Lት ዣ NUNAVUT WATER BOARD NUNAVUT IMALIRIYIN KATIMAYINGI OFFICE DES EAUX DU NUNAVUT

File: 2BE-HOP0712

May 19, 2010

Chris Hanks
Director, Environment and Social Responsibility
Hope Bay Mining Ltd.
Suite 300, 889 Harbourside Drive
North Vancouver, BC
V7P 3S1

Email: chris.hanks@newmont.com

Subject: Application for Amendment No. 3

Dear Mr. Hanks,

The Nunavut Water Board acknowledges receipt on April 23, 2010 of an application from Hope Bay Mining Ltd (HBML) to amend Type B exploration Licence 2BE-HOP0712. The application is the third amendment application for the Licence issued May 20, 2007.

The scope of amendment No. 3 includes reconsideration of Part C, Items 1 and 3 of the Licence, which states:

Part C, Item 1: The Licensee shall obtain all water for domestic camp use from Windy Lake, not exceeding 20 cubic metres per day. Drill water shall be obtained from local water source(s), proximal to the drilling targets as outlined in the application and detailed on the June, 2007 drawing entitled "Hope Bay Exploration Drilling Water Sources". The volume of water for drilling purposes shall not exceed 30 cubic metres per day.

And

<u>Part C, Item 3:</u> If the Licensee requires water in sufficient volume that the source water body may be drawn down the Licensee shall, at least 30 days prior to commencement of use of water, submit to the Board for approval, information on the water body that includes, but is not limited to: volume of water required, hydrological overview of the water body, details of impacts, and proposed mitigation measures.

In lieu of Part C, Item 1, HBML is requesting to apply a defined criteria to select drill water sources, rather than drawing water exclusively from the sources outlined on the June 2007 drawing as currently designated in the Licence. In lieu of Part C, Item 3, HBML is requesting that NWBs notice and approval would only be required for source water body draw downs in excess of 2 cm.

Supporting the above-mentioned amendment request are the following documents submitted by HBML:

- ➤ HBML cover letter dated April 16, 2010;
- ➤ Water Licence Application Form;
- > Executive Summary in English;
- Fresh Water Waterbody Selection for Regional Drilling;
- ➤ Map of Exploration Drilling Water Sources; and
- ➤ Rescan Memorandum dated April 15, 2009 re: Potential effects on fish and fish habitat of water level drawdown in lakes of the Hope Bay Project area as a result of drilling activities.

The NWB has undertaken a preliminary technical review of the application. The NWB finds that it contains sufficient information to proceed with the distribution and review of the file. However, prior to proceeding, the NWB anticipates the submission of a translated executive summary as previously requested by email dated May 14, 2010. Upon receipt of the executive summary translation, the NWB will proceed with the thirty (30) day comment period.

If you, have any questions concerning the above, please do not hesitate to contact the undersigned or Stephen Lines (403-697-7897, slines@tlaconsutltants.ca).

Yours truly,

Original signed by:

Phyllis Beaulieu Manager of Licensing

PB/tla

Cc: D. Hohnstein, Director Technical Services