



October 22, 2010

Our reference
File #9545-2-1.2BE.HOPA
CIDM #431604

Sent by email: licensing@nunavutwaterboard.org

Your reference
2BE-HOP0712/Amend

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
Gjoa Haven, Nunavut
X0E 1J0

**Re: Nunavut Water Board License #3BE-HOP0712, Hope Bay Mining Ltd.,
Hope Bay Advanced Exploration Project, Kitikmeot Region, 2010
Amendment Application #5, Additional Information**

Dear Phyllis,

Thank you for your October 5, 2010 request for written representations on the additional information provided by Hope Bay Mining Ltd. with regard to their May 26/10 licence amendment application.

A Technical Review Memorandum is provided for the Board's consideration.

Please do not hesitate to contact me by telephone at 867 975-4555 or email at david.abernethy@inac-ainc.gc.ca to discuss this submission.

Regards,

David W. Abernethy
Water Resources Regional Coordinator
Operations Directorate
Nunavut Regional Office
Iqaluit, Nunavut
X0A 0H0

Encl.

c.c.: L.A. Cornacchio, Water Resources Manager
P. Kusugak, Field Operations Manager

Technical Review Memorandum

TO	Phyllis Beaulieu Manager of Licensing Nunavut Water Board	OUR REFERENCE File #9545-2-1.2BE.HOPA CIDM #431604
FROM	David Abernethy Water Resources Regional Coordinator Indian and Northern Affairs Canada	YOUR REFERENCE 2BE-HOP0712/Amend DATE October 22, 2010
SUBJECT	Nunavut Water Board License #2BE-HOP0712, Hope Bay Mining Ltd., Hope Bay Advanced Exploration Project, Kitikmeot Region, 2010 Amendment Application #5, Additional Information	

A. PROJECT DESCRIPTION

On Oct. 5/10 the Nunavut Water Board (NWB or Board) provided notification of additional information provided by Hope Bay Mining Ltd., dated Sept. 14/10, concerning their May 26/10 licence amendment application to permit a relocation of the Windy Camp. This submission addresses comments submitted by Indian and Northern Affairs Canada and Environment Canada. Interested parties were requested to review the additional information and provide written representations by October 22, 2010.

Indian and Northern Affairs Canada's July 30/10 Technical Review Memo for the original licence amendment application addressed the following topics,

- increased water use;
- the submission of an operations and maintenance manual for the Windy Camp's sewage treatment plant;
- the submission of a revised Spill Contingency Plan;
- a revision to the monitoring program to reflect the Windy Camp's relocation; and,
- the submission of a revised Closure and Reclamation Plan.

B. RESULTS OF REVIEW

On behalf of the Indian and Northern Affairs Canada Water Resources Division I am providing the following comments/ recommendations for the Board's consideration,

1. General Observations

The additional information provided by Hope Bay Mining Ltd. is considered to be a satisfactory response to the comments/ recommendations included in the July 30/10 Indian and Northern Affairs Canada technical review of the submitted licence amendment application. Of particular interest, their clarification of water use requirements for dust suppression purposes along the Doris – Windy road and analysis of Windy Lake's withdrawal capacity allows for an increased awareness of their water use requirements and approach to aquatic effects management. It is recommended that Hope Bay Mining Ltd. monitor Windy Lake's water levels during periods of withdrawal for dust suppression purposes to ensure that adequate outflow exists to support aquatic life.

2. Monitoring of Water Use Activities

Hope Bay Mining Ltd. has requested an increase in their water use allowance for domestic water purposes from 20 m³ per day to 63 m³ per day and for a new water use allowance for dust suppression purposes at 200 m³ per day from the end of May to the end of September. They did not request any changes to their permitted water use allowance for drilling purposes (80 m³ per day). If this increase in water use is approved, Hope Bay Mining Ltd. should include the actual volume of water utilized for dust suppression purposes along with volumes utilized for camp, drilling, and any other purposes in their annual and monthly monitoring reports.

3. Development of the Hope Bay Greenstone Belt

It is understood that the Hope Bay Regional Exploration Project is part of Hope Bay Mining Ltd.'s intention to develop what is commonly referred to as the Hope Bay Greenstone Belt. The company holds two (2) other water licences in close proximity to this project for their Boston Advanced Exploration and the Doris North Projects, water licences #2BB-BOS0712 and #2AM-DOH0713. Questions regarding totality from a licensing perspective arise from Hope Bay Mining Ltd.'s development of individual yet related projects. Indian and Northern Affairs Canada is hopeful that clear direction on Hope Bay Mining Ltd.'s development plan for this region will be resolved through meaningful consultation and agreement with Nunavut's Institutes of Public Government, regulators, and interested parties in the near future.

Prepared by David Abernethy

c.c.: L.A. Cornacchio, Water Resources Manager
P. Kusugak, Field Operations Manager