Aboriginal Affairs and Northern Development Canada Nunavut Regional Office Operations Directorate P.O. Box 100 IQALUIT, NU X0A 0H0

May 10, 2012

Our reference: IQALUIT-#526941

Ms. Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.0. Box 119
GJOA HAVEN, NU X0E 1J0

Your reference: 2BE-HOP0712

Sent via email

Re: Water Licence No. 2BE-HOP0712 – Hope Bay Mining Ltd. – Hope Bay Regional Exploration Project – Renewal Application – Kitikmeot Region

Thank you for your April 10, 2012 request for written representations on the above referenced water licence renewal application.

A Technical Review Memorandum is provided for the Board's consideration. Comments/ recommendations have been provided pursuant to the Department's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me by telephone at 867 975-4555 or email at David.Abernethy@aandc-aadnc.gc.ca to discuss this submission.

Regards,

David W. Abernethy Regional Coordinator Water Resources Division

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Encl.

c.c. Murray Ball, Manager of Water Resources, Aboriginal Affairs and Northern Development Canada, Nunavut Regional Office



TECHINCAL REVIEW MEMORANDUM

TO Phyllis Beaulieu OUR REFERENCE

Manager of Licensing File #9545-2-1.2BE.HOPA

Nunavut Water Board IQALUIT-#526941

YOUR REFERENCE

David Abernethy 2BE-HOP0712

Water Resources Regional Coordinator

Aboriginal Affairs and Northern DATE

Development Canada May 10, 2012

SUBJECT Water Licence No. 2BE-HOP0712 – Hope Bay Mining Ltd. – Hope Bay Regional Exploration Project – Renewal Application – Kitikmeot Region

A. PROJECT DESCRIPTION

FROM

On April 10, 2012 the Nunavut Water Board (NWB or Board) distributed the above-referenced water licence renewal application to interested parties for review. Hope Bay Mining Ltd. (HBML) are requesting that their Hope Bay Regional Exploration Project's Type B Water Licence be renewed for 10 years with no changes to the currently approved terms and conditions. This authorization allows for the use of water and management of wastes associated with domestic and mineral exploration activities.

On January 31, 2012 Hope Bay Mining Ltd. provided written notification to the NWB that their parent company, Newmont Mining Corporation, had decided to place the development of the Doris North Project and exploration of the Hope Bay Belt into care and maintenance. All development and surface exploration activities have now been postponed until further notice. As stated in the March 13, 2012 cover letter that accompanied the submitted renewal application, "HBML are submitting this application in order to maintain sufficient licensing to recommence exploration in the future if the decision is made to bring exploration in the Boston area out of care and maintenance."

In 2011 Hope Bay Mining Ltd. carried out progressive reclamation activities at their Windy Camp and Patch Lake Facility. These activities included the clean-up and removal of drums and general debris, the clean-up of a core cutting sump at the Patch Lake Facility, and the removal of core boxes at the Windy Lake Camp that were within 30 metres of the lake. It should be noted that Windy Camp was closed in 2009 and that the Windy Lake Landfarm (petroleum hydrocarbon contaminated soil treatment facility) was dismantled and remediated in 2008. HBML's Final Closure Plans for the Windy Camp and the Patch Lake Facility, dated January 2011, have been submitted to the Board for approval.

B. RESULTS OF REVIEW

On behalf of Aboriginal Affairs and Northern Development Canada (AANDC), the following comments/ recommendations are provided for Board's consideration,

- 1. Combining Water Licence No. 2BE-HOP0712 and No. 2BB-BOS0712 In their March 13, 2012 cover letter HBML wrote, "If the Nunavut Water Board sees fit for reasons of administrative efficiency and convenience, HBML would not object to combining the processing of Type B Water Licence No. 2BE-HOP0712 with Type B Water Licence No. 2BB-BOS0712." AANDC would support the NWB's decision to consolidate HBML's two Hope Bay Belt Type B Water Licences for the reasons cited above.
- 2. Terms and conditions that reference the Windy Lake Landfarm When renewing the water licence, AANDC recommends that the NWB consider removing and revising terms and conditions that reference the now dismantled and remediated Windy Lake Landfarm. This would allow for the renewed licence to better reflect the project's current status.
- 3. Submission of a revised Waste Water Treatment Facilities Operation and Maintenance (O&M) Manual

If and when HBML decide to recommence operations in the Hope Bay Belt and require the use of waste water treatment facilities for camp sewage and greywater, a revised O&M Manual specific to these facilities should be submitted to the NWB for approval. An O&M Manual for the Boston Camp and Windy Lake Waste Water Treatment Facilities was submitted by Miramar Hope Bay Ltd. (previous licensee) in November 2007 pursuant to Part E, Item 5 of the licence. The NWB's October 1, 2008 approval letter for this O&M Manual requested that an addendum be submitted within thirty (30) days of the letter's issuance to address identified points/ areas in need of revision. There is no record of any such addendum on the NWB's public registry but I suspect that this is due to the closure of Windy Camp in 2009 and the discontinued operation of the camp's waste water treatment facilities.

Prepared by David Abernethy