

HOPE BAY JOINT VENTURE

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2001

ANNUAL REPORT TO THE NUNAVUT WATER BOARD

WATER LICENCE NWB2HOP0002

WINDY CAMP / WOLVERINE CAMP

SUBMITTED BY THE HOPE BAY JOINT VENTURE

MARCH 20, 2002

Introduction

This Annual Report fulfills the reporting requirements of Part B, Item 1 (i & ii) of License NWB2HOP0002 for both the Windy and Wolverine camps, operated by Miramar Hope Bay Ltd and Hope Bay Gold Corporation - jointly known as the Hope Bay Joint Venture (HBJV).

This licence allows water use and waste disposal activities associated with both the Windy camp located at Latitude 68 degrees 15 Minutes to 68 degrees 00 Minutes N and Longitude 106 degrees 45 Minutes to 106 degrees 20 Minutes W and the Wolverine camp located at 68 degrees 02 Minutes North and Longitude 106 degrees 35 Minutes West. The Hope Bay Joint Venture's activities in 2001 consisted of advanced exploration activities using the Windy camp as a base. The camp opened on January 29th and was closed for the season on September 15th. The camp was shut down for a short period (~June 24 —~ July 8) during spring breakup. Wolverine camp was totally cleaned up during the 2001 field program and KIA, following their inspection in 2001, have given full clearance to the HBJV for the Wolverine site.

Annual Report as per Requirements of Part B – Item 1 (i-ii) and Part E, Item 7 of NWB2HOP0002

i) A list of unauthorized discharges and a summary of follow-up actions taken;

During the 2001 field program, there were five spills reported to the NWT Spill Line related to activities in the Windy Lake area. All were minor and less than 50 litres. All the spills have been cleaned up and the DIAND inspector visited each site in August 2001. In his written inspection report, it was recommended that four of the spill files would be closed, the remaining one will be inspected again in 2002 and closure is expected. We refer you to the spill reports which are on file with the Board.

ii) Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.

There were no requests received from the Board therefore nothing to report.

As per Part E, Item 7, we provide the following tabular summary of water quality taken during the open water season. In the licence amendment sampling of the RBC discharge and Windy lake downslope from the RBC discharge location are provided, which take the place of previously required sampling as follows:

Table 1	Rotating Biological Contactor (RBC) Sewage Discharge Point					
Parameters						
Sample Date	July 16	August 14	September 3			
Physical Tests						
рН	8.06	7.19	7.48			
Total Suspended Solids (mg/l)	<3	285				
Bacteriological Tests						
Coliform Bacteria – Fecal (Cfu/100ml)	>16000000	>160000	>1600			
Extractables						
Oil and Grease (mg/l)	16	Sample Damaged at lab	190			
Organic Parameters						
BOD-5 (mg/l)	<5	310	682			

Table 2	WINDY LAKE -DOWNSLOPE FROM RBC-SEWAGE DISCHARGE					
Parameters						
Sample Date	July 16	August 14	September 3			
Physical Tests						
рН	ND	7.91	7.86			
Total Suspended Solids (mg/l)	ND	4	<3			
Bacteriological Tests						
Coliform Bacteria – Fecal (Cfu/100ml)	ND	<2	<2			
Extractables						
Oil and Grease (mg/l)	ND	<5	<5			
Organic Parameters						
BOD-5 (mg/l)	ND	<5	<5			