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2003

ANNUAL REPORT TO THE NUNAVUT WATER BOARD

WATER LICENCE NWB2HOP0207

WINDY LAKE CAMP

SUBMITTED BY MIRAMAR HOPE BAY LTD.

MARCH 24, 2004

Introduction

This Annual Report fulfills the reporting requirements of Part B, Item 1 (i-v) of License NWB2HOP0207 for the Windy Lake camp, operated by Miramar Hope Bay Ltd (MHBL) [formerly known as the Hope Bay Joint Venture (HBJV)].

This licence allows water use and waste disposal activities associated with 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. MHBL's activities in 2003 consisted of advanced exploration activities using the Windy camp as a base. The camp was opened on January 27th with a skeleton crew with the main crews beginning drilling about February 7th. The camp was closed for the season on September 25th. The camp was shut down for a short period (~ May 23 – ~ July 06) during spring breakup.

Annual Report as per Requirements of Part B – Item 1 (i-ii-iii-iv-v) and Part E, Item 4 of NWB2HOP0207

- i) *A summary report of water use and waste disposal activities:*

The summary is provided in the Introduction above. With regards to waste disposal, an application was filed with the Board for a modification to the RBC sewage treatment facility, which was approved in early 2004. MHBL is in the process of following up with the NWB on questions raised with the idea to have the upgraded RBC in place in 2004.

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

During the 2003 field program, there were five spills reported to the NWT Spill Line related to activities in the Windy Lake area.

Spill (#03-123) occurred on March 01, 2003, this was a spill of approximately 8-10 litres at the Windy Lake camp (erection tent) and was related to a malfunction of a Herman Nelson heater. A spill report was filed and cleanup is complete. The Herman Nelson in question is no longer in use.

Spill (# 03-203) occurred on March 26, 2003, this was a spill of approximately 45 gallons of Jet B fuel. A spill report was filed and the area has been cleaned up. This spill was related to our Contractor – Kitnuna Construction and operating practices have been reviewed with the contractor to eradicate future occurrences.

Spill (# 03-208) occurred on March 29, 2003, this was a spill of approximately 25 gallons of Jet B Fuel. A spill report was filed and the area has been cleaned up. This spill was related to our Contractor – Kitnuna Construction and operating practices have been reviewed with the contractor to eradicate future occurrences.

Spill (# 03-240) occurred on April 7,2003, this a spill of approximately 10 gallons of Jet B fuel. A spill report was filed and the area has been cleaned up. This spill was related to our Contractor – Kitnuna Construction and operating practices have been reviewed with the contractor to eradicate future occurrences.

Spill (# 03-498) occurred on or about July 5,2003, this was a spill related to the expansion of fuel in one of the Enviro-tanks located at North Doris Lake staging area and the quantity was originally reported as approximately 20 litres.. A spill report was filed and cleanup was completed.

It is expected that all these files will be closed once final inspections are completed by KIA/DIAND inspectors in 2004.

iii) *Revision to the Contingency Plan;*

Please see the attached revised contingency plan.

iv) *Progressive Reclamation work undertaken;*

Routine site cleanup continued during the year. All non-hazardous material was placed in barrels for ultimate transport and disposal in the Solid Waste Disposal Site proposed for the Boston site, which is currently under review by the NWB. It is expected that the Solid Waste Disposal Site will be constructed and operational in 2004. Contaminated soil that has been collected and stored at the Windy Lake camp area will be transported to the Boston site and disposed of in the land farm constructed there in 2003 {refer to water licence NWB1BOS0106 annual report for details}.

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

With respect to the letter dated October 31, 2003 we provide the following clarification.

- **In the 2002 annual report where we stated “Not done” or “sample lost” this was related to activities at the external lab and beyond our control.**
- **There was no additional sampling done related to spill 02-451 in 2003. We are awaiting closure of the files by KIA inspectors.**

As per Part E, Item 4, 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 provides information for the RBC Sewage Discharge Point and Table 2 provides data on the “Windy Lake – Down-slope from RBC Sewage Discharge”.

Table 1	Rotating Biological Contactor (RBC) Sewage Discharge Point				
Parameters					
<i>Sample Date</i>	<i>July 06</i>	<i>July 09</i>	<i>August 12</i>	<i>Sept. 03</i>	
Physical Tests					
pH	6.98		7.23	7.36	
Total Suspended Solids (mg/l)	913		280	119	
Bacteriological Tests					
Coliform Bacteria – Fecal (Cfu/100ml)		300000	Not done*	30700000	
Extractables					
Oil and Grease (mg/l)		29.5	Non-vis	Non-vis	
Organic Parameters					
BOD-5 (mg/l)	476	Sample lost	Not done*	191	

Note: * Not done: Holding time exceeded in Lab.

Table 2	WINDY LAKE -DOWNSLOPE FROM RBC-SEWAGE DISCHARGE				
Parameters					
<i>Sample Date</i>	<i>July 29</i>	<i>August 12</i>	<i>Sept. 03</i>		
Physical Tests					
pH	7.94	7.88	7.86		
Total Suspended Solids (mg/l)	<3	< 3	4		
Bacteriological Tests					
Coliform Bacteria – Fecal (Cfu/100ml)	<1	Not done*	< 1		
Extractables					
Oil and Grease (mg/l)	Non-vis	Non-vis	Not done*		
Organic Parameters					
BOD-5 (mg/l)	< 2	Not Done *	<2		

* Not Done- Holding time exceeded in lab

This concludes the 2003 Annual Report and is felt to meet full compliance with the stated terms and conditions of Water Licence NWB2HOP0207.