



MIRAMAR HOPE BAY LTD.

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13 August 2004

Via e-mail only:

Mr. David Hohnstein
Technical Advisor Mining
Nunavut Water Board,
P.O. Box 119
Gjoa Haven, NU, X0E 1J0

Dear Mr. Hohnstein,

Re: July 2004 Monthly Report for Water License: NWB2HOP0207

Activities at the Windy Lake camp during the months of July focused on activities related to the Naatok exploration program. The camp was fully operational during the month of July and the population for the report period was approximately 40 personnel. These numbers are expected to remain consistent throughout the 2004 program.

The following table provides results of water quality samples collected during the report period as requirements of this licence. Analyses results for the report period are provided in the following table:

Parameters	RBC – Sewage-End of Pipe	Windy Lake – down slope from RBC discharge	Windy Lake – Water Intake (below RBC system)
<i>Sample Date</i>	<i>July 6, 2004</i>	<i>July 6, 2004</i>	<i>(Not done in July)</i>

Physical Tests	Results		
Hydrogen ion – field pH	7.37	7.97	
Total Suspended Solids (mg/L)	600	4	
Field Sample Temperature (°C)	19	12	
Bacteriological Tests			
Coliforms – Faecal (CFU/100mL)	610,000	<1	
Extractable			
Oil and Grease (No Visible Sheen)	No-Visible Sheen	No visible sheen	
Organic Parameters			
BOD ₅ (mg/L)	496	<2	
Nutrients			
Orthophosphate as P (mg/L)	9.1	<0.002	
Phosphate, Total (mg/L)	15.7	<0.01	
Subcontracted Nutrients			
Kjeldahl Nitrogen, Total	75	<2	
Nitrate+Nitrite as N (mg/L)	<2	<2	<2

There were no reportable spills for the period reported.

With respect to Spill No: 04-388; work is continuing with the contaminated soil land treatment area (LTA). Most of the contaminated soil is currently placed in the LTA, it is planned to spread the contaminated soil out within the LTA once equipment is available. Fuel handling procedures are under review and updated versions will be provided once our internal review is completed.

Water diversion trenches were dug along the lake side of the LTA as an emergency secondary containment dyke. This trench will be lined with an impermeable 60 mil liner. All water diverted will be captured by an 80 liter container and pumped through a water treatment system. Processed water is then released together with the gray water and discharged with the RBC discharge as approved in the licence.

If you have any questions related to this matter, please do not hesitate to contact the undersigned on the above numbers or by e-mail at hugh_r_wilson@hotmail.com; or hwilson@miramarmining.com. You can also contact Matthew Kawei, Senior Environmental Coordinator fro MHL on 604-677-0617 or on e-mail mkawei@miramarmining.com.

Sincerely,
Miramar Hope Bay Ltd.

Hugh R. Wilson,
Manager, Environmental Affairs

CC: Matthew Kawei : Senior Environmental Coordinator – MHL
Darren Lindsay, Project Manager, MHL
D. Fonseca: MHL Vancouver