



Hope Bay Mining Ltd.
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29 June 2009

Melissa Joy
Water Resource Officer
Kitikmeot Region
Indian & Northern Affairs Canada
PO Box 278, Kugluktuk, NU X0B 0E0
joym@inac.gc.ca

VIA EMAIL

David Hohsteim
Director Technical Services
Nunavut Water Board
PO Box 119
Gjoa Haven, NU X0B 1J0
dts@nunavutwaterboard.org

Dear David and Melissa,

Re: 2BE-HOP0712 Permission to pump drill water from the Koignuk River

I am writing to you to seek permission for Hope Bay Mining Ltd. (HBML) to withdraw drill water from the Koignuk River in accordance with Water Licence 2BE-HOP0712, which states in Part C/2 that streams can not be used as a water source unless approved by the Board (please see excerpt from the licence at the bottom of this letter). As the Koignuk is a river with a large flow that will not be easily depleted by the withdrawal of 20 cubic meters per day, HBML's use will not have a measureable impact on in stream flows. The larger volumes of the river are preferable to near by tundra ponds where water withdrawal might have a greater effect because of the small catchments that drain into those water bodies. The water withdrawal will be done in compliance with all conditions of Part C, the Fisheries Act and associated regulations.

Our question is can this authorization for use of water from the Koignuk River be done through the Technical Advisor or does it need to go to the full NWB?

The locations for the proposed withdrawals are along the lower river a short distance south of its flow into Hope Bay and roughly west of Windy Lake. Actual withdrawal points will be at the closest safe location on the river to the drill sites located on the map provided as an appendix file to this letter.

PART C: CONDITIONS APPLYING TO WATER USE

1. The Licensee shall obtain all water for domestic camp use from Windy Lake, not exceeding 20 cubic metres per day. Drill water shall be obtained from local water source(s), proximal to the drilling targets as outlined in the application and detailed on the June, 2007 drawing entitled "Hope Bay Exploration Drilling Water Sources". The volume of water for drilling purposes shall not exceed 30 cubic metres per day.

2. Streams cannot be used as a water source unless authorized and approved by the Board.

Thank you, for your time and consideration of this request. If you require further information or wish to communicate on this request please contact me at chris.hanks@newmont.com or at 720-917-4489.

Sincerely yours,

Chris Hanks
Director, Environment and Social Responsibility
Hope Bay Mining Ltd.

cc. Phyllis Beaulieu - NWB