

June 15, 2008

Technical Advisor – Mining
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0

Re: May 2008 –Monthly Monitoring Report for Water License 2BE-HOP0712

Following is the monthly report for May 2008 as required under Water license 2BE-HOP0712.

1. MONITORING PROGRAM

During the month of May 2008, a set of grey water effluent samples were collected at monitoring station HOP-2, as part of the monitoring program under water permit 2BE-HOP0712. Monitoring sites HOP-1 and HOP-3 are frozen and therefore no water samples were collected. There was no discharge from the Windy Camp Land Treatment Farm (HOP-4), Windy Camp Lined Fuel Farm (HOP-5) and Patch Lake Lined Fuel Farm (HOP-6) during the reporting period.

HBML uses an external certified laboratory to carryout all the analyses for this report. Therefore, HBML uses the QAQC data produced by the ALS laboratory to determine the accuracy and precision of results in this report.

A summary of May monthly water sampling as stipulated in the Water Use License No. 2BE-HOP0712 license is provided in Tables 1 and 2. Note that the numbers in bold are values that are over the guideline limits. It is anticipated that the upgrade currently being completed to the treated grey water system will help HBML achieve compliance at HOP-2.

Table 1: SNP Water sampling summary, May 2008

Station Number	Sampling Date	ALS Lab Reference #	Comment and Lat./ Long. coordinates
HOP-1	-	-	Windy Lake water Intake - Frozen
HOP-2	2008-05-14	L630110-2/L630119-4	RBC surge Tank (Lift Station)
HOP-3	-	-	RBC effluent meets Windy Lake - Frozen
HOP-4	No discharge	-	LTA effluent prior to release -Frozen
HOP-5	No discharge	-	Effluent from Bulk fuel farm prior to release - Frozen
HOP-6	No discharge	-	Patch Lake Fuel Farm Effluent - Frozen

Table 2: Treated Grey water Effluent Discharge from the WWTF Lift Station (HOP-2), May 2008

Parameter	HOP-2	Hope Bay: 2BE-HOP0712
ALS Lab Reference #	L630110-2/L630119-4	Compliance Values
Field Sample Details	HOP-2	Part D: Item 10
Sample Date/Time	May 14 2008 @ 12:00 pm	Part J: Item 2
Biochemical Oxygen Demand (BOD ₅)	297	80 mg/L
Total Suspended Solids (mg/L)	127	100 mg/L
Fecal Coliform	<2,419	10 x 10 ⁴ CFU/100 mL (100,000 mL)
Total Coliform	<2,419	-
<i>Escherichia coli</i> (E. coli)	<2,419	-
pH (pH unit)	7.8	Between 6 and 9
Oil & Grease (Visibility)	NVS	No visible sheen (NVS)

2. CAMP WATER USAGE – HOP-1

During the month of May 2008, Windy camp was in operation for the whole month. The water abstraction pump is located at Windy Lake (HOP-1). Table 3 provides the water volume usage as required under Part J, Item 6 of the water licenses (2BE-HOP0712).

Table 3: Water usage in cubic meters (m³) for Windy Lake Camp (HOP-1), May 2008

Parameters	HOP-1	Remarks	2BE-HOP0712
Water Source	Windy Lake	Part J: Item 6	Compliance Guidelines
Monthly Cumulative	571	620	1550 m ³ monthly
Volume Average (Daily)	18	20	50 m ³ daily
Median	19	20	50 m ³ daily
Maximum	24	20	50 m ³ daily
Minimum	11	20	50 m ³ daily

3. DRILLING ACTIVITIES WATER USAGE

Three additional water meters were installed at Rigs 1125, 1185 and 1242 on May 16 2008 operating at Doris Lake and Patch Lake. No water meter readings were recorded for the first 15 days of the month at the respective drill rigs. Table 4 provides the recorded water volume (in cumes) as required under Part J, Item 6 for the Hope Bay water license number 2BE-HOP0712.

Table 4: Drill rigs water usage (in cumes) for May 2008

Parameters	Rig 1096	Rig 1125	Rig 1185	Rig 1242	Daily Compliance	2BE-HOP0712
Water Source	Patch LK	Patch LK	Doris LK	Doris LK	Part J: Item 6	Compliance Guidelines
Drilling Days	27	26 ¹	26	26	-	-
Monthly Cumulative	23.98	45.60	19.49	47.69	930	1550 m ³ monthly
Vol. Average (Daily)	0.77	4.15	1.77	4.34	30	50 m ³ daily
Median	0.30	4.64	1.94	4.66	30	50 m ³ daily
Maximum	3.28	7.46	2.49	6.78	30	50 m ³ daily
Minimum	0.15	0.80	0.73	2.08	30	50 m ³ daily

4. HAZARDOUS WASTE MANAGEMENT

No hazardous waste materials were flown offsite during the month.

5. ENVIRONMENTAL INCIDENTS

Two environmental incidences were reported during the month. A brief summary of the incidences are outline below.

- Two minor environmental incidents were report during the month of May. Both incidences involved release of drill cutting sludge at two drill rig sites at Spyder Lake and Patch Lake. The impacted areas were cleaned to the satisfaction of the environmental personnel. These locations will be shown to the INAC and KIA inspectors.

¹ 15 days without water meter. Meter installed on May 16 2008 for Rigs 1125, 1185 & 1242

Should there be any questions regarding the monthly report for May 2008, **please** contact Matt Kawei, Senior Environmental Coordinator, Hope Bay Mining Limited on phone number: 1-604-759-2292 or email: mkawei@miramarmining.com

Yours sincerely,

A handwritten signature in black ink, appearing to read 'MK' with a stylized flourish.

Matt Kawei

Senior Environmental Coordinator
Hope Bay Mining Limited