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20 October 2008

Melissa Joy Water Resources Officer INAC Box 278 Kugluktuk, NU X0B 0E0 Canada joym@inac.gc.ca

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

Dear Melissa and David,

Re: Water Licence 2BE-HOP712 – August 2008 Monthly SNP Report

Please find enclosed the August report for Windy Camp and associated explorations drill sites and the Patch Lake Drill Maintenance Facility being submitted by Hope Bay Mining Ltd. (HBML) for Water Licence 2BE-HOP712.

As reported in the attached, the Sewage Treatment Facility at Windy is continuing to run out of compliance with the discharge requirements for BOD, TSS, Fecal Coliform, Total Coliform, and E. coli at Surveillance Network Station (SNP) HOP-2. Based on the advice of Sanitherm, the manufacturer of the plant, in August, HBML begin to run the plant at the plant at lower levels of sludge. The strategy was to try and get the TSS to drop, which would have affected BOD and allowed the UV final treatment to have more effectively controlled bacteria in the effluent. This did not immediately obtain the desired result. Regular removal of sludge will continue as it is an essential element to improved results.

HBML has included in the monthly SNP report a memo from Sanitherm and Lakeside Environmental on the history of the plant up-grade and the steps taken to improve plant performance.

If you have any questions or require further information, please feel free to contact me at chris.hanks@newmont.com or 720-917-4489.

Sincerely yours;

Chris Hanks Director, Environment and Social Responsibility Hope Bay Mining Ltd. an affiliate of Newmont Mining Corporation