

June 30, 2009

Technical Advisor – Mining
Nunavut Water Board
P.O. Box 119
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**Re: May 2009 –Monthly Monitoring Report for Water License 2BE-HOP0712 under Part J –
Items 2 – 8.**

Following is the monthly report for May 2009 as required under Water license 2BE-HOP0712. Note that Windy Camp closed for operation in 2008. For the exploration program in 2009, drilling support will be provided out of Doris Camp. Drilling water consumption will be reported under Part J: Item 5 of this report.

Part J: Item 2

During the month of May 2009, no water quality sampling was done at SNP stations located at Windy Lake. The Windy Camp was closed for operation as of October 23, 2008.

Part J: Item 3

No sampling was conducted during the month of May.

1. PART J: ITEM 4

No water removal from HOP-5 (Bulk Fuel Storage – Windy Camp) and HOP-6 (Bulk Fuel Storage – Patch Lake) occurred during the period. Water in these facilities was frozen.

2. PART J: ITEM 5

Water quality samples under Part F: Item 7 - Drilling through Lake Ice were not collected in May, as drilling on Patch and Doris Lakes is not yet complete. Post-drilling samples are planned for the following month when all on-ice drilling will be completed.

3. PART J: ITEM 6

Water for domestic use was extracted by truck from Windy Lake and utilized at Doris Camp due to drinking water quality (algae bloom) issues in Doris Lake. The geographical co-ordinates of the Windy Lake extraction point are: N 68° 03.681' W 106° 37.293'. Table 3 provides the details of Windy Lake domestic use and drill water usage for Doris Lake and Patch Lakes. Water volumes extracted from Windy Lake for domestic use at Doris Camp reported against the Hope Bay Water Licence are in accordance with the May 4, 2009 Amendment 2 of the 2BE-HOP0712 licence. Use of Windy Water was allowed prior to the amendment by the NWB because of the public health issues involved and was subsequently formalized by Amendment 2.

Table 3. Domestic and Drill Water Usage in cubic meters (m³), May 2009

Parameters	Doris Camp Use	GEO1/ GEO2	GEO3	ORB21	ORB22	ORB23	ORB24	Total Usage m ³	2BE-HOP0712
Water Source	Windy Lake	Patch Lake/Doris Lake	Doris Lake	Patch Lake	Patch Lake	Doris Lake/Patch Lake	Patch Lake	All Water Sources	Compliance Values
Geographical Coordinates	On file	On file	On file	On file	On file	On file	On file		Part J: Item 9
Drilling days	-	27	25	29	21	23	24		
Monthly Cumulative	552	75	15	337	228	184	199	1590	3,100 m ³ monthly
Volume Average (Daily)	18	2.43	0.49	10.8	7.37	5.92	6.4	82.33	100 m ³ daily
Maximum	30	8.2	1.7	28.1	24	17	10.9	-	100 m ³ daily
Minimum	16	0	0	0	0	0	0	-	100 m ³ daily

Domestic water usage exceeded the licence requirement for daily usage for several days in May but did not exceed the monthly daily average values. The reason for these occasional overages in the manual trucking of water was explained in detail in a letter to the NWB dated May 14, 2009. Metered water for domestic use from Doris Lake will resume in June.

Drill water usage volumes were in compliance for the month, though some readings per drill were high. The method of tracking drill water usage has been found to be inconsistent between the two drill contractors on site, with some drill set-ups measuring only water consumed in drilling activities and returning clean unused water to the source, and others metering the total water circulating through the system, which is in excess of the water actually consumed for drilling purposes. HBML is working with the contractors to rectify this issue and to ensure consistency and accuracy in all numbers reported.

4. PART J: ITEM 7

No treated effluent was discharged from the WWTF at monitoring station HOP-2 due to the closure of Windy Lake Camp. No water quality sampling at SNP HOP-3 during the month as the sampling location is frozen. Treated effluent was not discharged from monitoring stations HOP-4, HOP-5 or HOP-6 during the month of May.

5. PART J: ITEM 8

No sludge was removed from the WWTF during the month of May.

6. INCIDENT REPORTING

One incident was recorded pertaining to the licence during the period.

1. May 8/09 – Level 3 (Moderate) Bears at Windy Camp were actively deterred from site using rubber bullets to discourage them from the area. The bears had damaged many tents and buildings as a result of finding some poorly managed food waste at the site. Nunavut DOE Conservation Service attended the site shortly thereafter to participate in a snowmobile effort to further remove the bears from the area. Housekeeping in the area was improved to ensure all wildlife attractants were removed.

Should there be any questions regarding the monthly report for May 2009, please contact Chris Hanks, Director, Environment and Social Responsibility, Hope Bay Mining Limited on phone number: 720-917-4489 or email: Chris.Hanks@Newmont.com

Yours sincerely,

Chris Hanks

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