

September 21, 2009

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

Re: August 2009 –Monthly Monitoring Report for Water License 2BE-HOP0712 under Part J – Items 2 – 8.

Following is the monthly report for August 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 6 of this report.

1. PART J: ITEM 2

During the month of August 2009, no water quality sampling was done at SNP stations HOP-2 and HOP-3 located at Windy Lake. The Windy Camp was closed for operation as of October 23, 2008.

2. PART J: ITEM 3

No sampling was conducted for Non-acute Toxicity at HOP-3 during the month of August as the WWTF facility was not operational and there is no effluent available for sampling at the point of entry into Windy Lake.

3. PART J: ITEM 4

No samples were taken from in August at HOP-5 (Bulk Fuel Storage – Windy Camp) or HOP-6 (Bulk Fuel Storage – Patch Lake) as there was no accumulated water and no discharges occurred.

Water samples were taken from a temporary storage berm where drummed fuel is stored at the upper Windy/Naartok laydown. Results of this sampling will be available in the September report. No discharges occurred.

4. PART J: ITEM 5

Water quality samples under Part F: Item 7 - Drilling through Lake Ice were collected in May and June once drilling operations were complete on Patch and Doris Lakes. No samples were collected in August as the program is finished for the year.

5. PART J: ITEM 6

Water for domestic use was not utilized from Windy Lake during August as the camp at Windy Lake is closed. Drilling was conducted pertaining to regional exploration licence 2BE-HOP0712 and drill water usage numbers and water sources are detailed in Table 1. All water usage for drilling purposes was in compliance with the licence consumption limits.

Table 1. Domestic and Drill Water Usage in cubic meters (m³), August 2009

Parameters	GEO2	GEO3	ORB23	ORB24	Total Usage m ³	2BE-HOP0712
Water Source	Koignuk River/Windy Lake/Glenn Lake	Gas Cache Lake/ Patch Lake	Patch Lake/Gas Cache Lake/ Wolverine Lake	Gas Cache Lake/ Wolverine Lake	All Water Sources	Compliance Values
Geographical Coordinates	On file	On file	On file	On file		Part J: Item 9
Drilling days	29	16	31	28		Part J: Item 6
Monthly Cumulative	119	86	125	108	438	2,480 m ³ monthly
Volume Average (Daily)	3.84	2.79	4.02	3.5	14.5	80* m ³ daily
Maximum	9.1	13.9	8.9	11.3	-	80 m ³ daily
Minimum	0	0	0	0	-	80 m ³ daily

**For drilling purposes only*

6. 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, and no volumes were measurable at HOP-3. The Landfarm no longer exists at HOP-4, and no volumes were pumped at HOP-5 or HOP-6 fuel storage areas during the month.

7. PART J: ITEM 8

No sludge was removed from the WWTF during the month of August as the facility is not operational.

INCIDENT REPORTING

A total of 5 incidents were recorded pertaining to the licence during the period.

- 1) August 4/09 - Level 1 (Insignificant). Oil spill at Geotech #2 Hole 09HTD002 ~ 10L. Seal around shaft blew and hydraulic oil spilled under drill floor to tundra. Machinery was shut down and repaired. Sorbent pads were placed on area. Follow-up was conducted Aug 7/09 once the drill was moved and minor clean-up of some residue was performed.
- 2) August 8/09 – Level 1 (Insignificant) A Drill inspection on Orbit 24 Hole # 09-HAD005 found water infrastructure (water tank , fuel tank and generator) within 30m of water body. Infrastructure was promptly removed once drill service manager was notified. Licence requirements reviewed with drill contractors.
- 3) August 12/09 - Level 1 (Insignificant) Approximately 100-200lbs of cuttings spilled from a megabag when it snagged on a rock while slinging from Orbit 23. The cuttings were cleaned up and placed into a mega bag for removal from site.
- 4) Aug 15/09 - Level 1 (Insignificant). Approximately 250 mL of engine oil spilled into Reference Lake B from a boat motor while the oil reservoir was being filled during aquatic sampling work. Spill pads were used to contain and recover the spilled oil.

- 5) Aug 27/09 – Level 2 (Minor) A megabag containing approximately 600 lbs of drill cuttings ripped open and released contents over the tundra while it was being slung by helicopter. Incident occurred beside Wolverine Lake. Cuttings were dispersed over a broad area. No recovery was possible.

Should there be any questions regarding the monthly report for August 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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