

February 06, 2010

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

Re: January 2010 – Monthly Monitoring Report for Water License 2BE-HOP0712 under Part J – Items 2 – 8.

Following is the monthly report for January 2010 as required under Water license 2BE-HOP0712. Note that Windy Camp closed for operation in 2008. For the exploration program in 2010, 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 January 2010, 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 January 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 monitoring station HOP-5 and HOP-6 in January as any water accumulation is frozen.

4. PART J: ITEM 5

Water quality samples under Part F: Item 7 - Drilling through Lake Ice were collected in May and June, 2009 once drilling operations were complete on Patch and Doris Lakes. Pre-drilling samples were collected in January 2010 (Table 1).

Table 1. Pre-drilling water quality data – Doris Lake, January 2010.

ALS Lab #	L853597-1	L853597-2	L853597-3	L853597-4	L853597-5
Sample Date	Jan 10/10	Jan 10/10	Jan 10/10	Jan 10/10	Jan 10/10
Location	Doris Lake	Doris Lake	Doris Lake	Doris Lake	Doris Lake
Sample ID #	DL-HOP #1	DL-HOP#2	DL-HOP#3	DL-HOP#4	DL-HOP#5
Mercury (Hg) Total	<0.00010	<0.00010	<0.00010	<0.00010	<0.00010
Aluminum (Al) Total	0.016	0.012	0.019	0.012	0.014
Antimony (Sb) Total	<0.00040	<0.00040	<0.00040	<0.00040	<0.00040
Arsenic (As) Total	0.00062	0.00057	0.00061	0.00062	0.00053
Barium (BA) Total	0.0033	<0.0030	0.0030	<0.0030	<0.0030
Beryllium (BE) Total	<0.0010	<0.0010	<0.0010	<0.0010	<0.0010

Boron (B) Total	<0.050	<0.050	<0.050	<0.050	<0.050
Cadmium (Cd) Total	<0.000050	<0.000050	<0.000050	<0.000050	<0.000050
Chromium (Cr) Total	<0.0050	<0.0050	<0.0050	<0.0050	<0.0050
Cobalt (Co) Total	<0.0020	<0.0020	<0.0020	<0.0020	<0.0020
Copper (Cu) Total	0.0019	0.0018	0.0019	0.0017	0.0035
Lead (Pb) Total	<0.00010	<0.00010	<0.00010	<0.00010	<0.00010
Lithium (Li) Total	<0.010	<0.010	<0.010	<0.010	<0.010
Molybdenum (Mo) Total	<0.0050	<0.0050	<0.0050	<0.0050	<0.0050
Nickel (Ni) Total	<0.0020	<0.0020	<0.0020	<0.0020	<0.0020
Selenium (Se) Total	0.00054	0.00054	0.00057	0.00060	0.00069
Silver (Ag) Total	<0.00050	<0.00050	<0.00050	<0.00050	<0.00050
Thallium (Ti) Total	<0.00010	<0.00010	<0.00010	<0.00010	<0.00010
Tin (Sn) Total	<0.050	<0.050	<0.050	<0.050	<0.050
Titanium (Ti) Total	<0.0010	<0.0010	<0.0010	<0.0010	<0.0010
Uranium (U) Total	<0.00010	<0.00010	<0.00010	<0.00010	<0.00010
Vanadium (V) Total	<0.0010	<0.0010	<0.0010	<0.0010	<0.0010
Zinc (Zn) Total	<0.0040	<0.0040	<0.0040	<0.0040	<0.0040
Calcium (Ca) Total	10.9	9.97	9.92	10.2	9.88
Iron (Fe) Total	0.021	0.016	0.027	0.019	0.028
Magnesium (Mg) Total	8.73	8.05	7.90	8.31	7.94
Manganese (Mn) Total	0.0035	<0.0020	<0.0020	<0.0020	<0.0020
Potassium (K) Total	3.02	2.69	2.79	2.86	2.84
Sodium (Na) Total	43.8	39.8	40.2	40.8	39.5
Total Suspended Solids	5.0	5.0	4.0	4.0	<3.0
Chloride (Cl)	82.2	74.0	73.7	73.7	72.9
Calcium (Ca) Dissolved	10.4	9.50	9.65	9.54	9.41
Magnesium (Mg) Dissolved	8.35	7.71	7.83	7.66	7.52
Potassium (K) Dissolved	2.84	2.60	2.35	2.35	2.36
Sodium (Na) Dissolved	38.8	34.9	33.7	35.0	34.7
Fluoride (F)	0.065	0.060	0.060	0.059	0.060
TDS (Calculated)	169	153	151	152	150
Hardness (as CaCO3)	60.4	55.5	56.3	55.4	54.5
Nitrate (as N)	<0.050	<0.050	<0.050	<0.050	<0.050
Nitrate + Nitrite (as N)	<0.071	<0.071	<0.071	<0.071	<0.071
Nitrite (as N)	<0.050	<0.050	<0.050	<0.050	<0.050
Sulfate (SO4)	3.64	3.26	3.25	3.24	3.21
pH	7.61	7.61	7.59	7.61	7.61
Conductivity (EC)	356	322	322	323	317
Bicarbonate (HCO3)	45.6	42.0	41.2	40.7	40.4
Carbonate (CO3)	<5.0	<5.0	<5.0	<5.0	<5.0
Hydroxide (OH)	<5.0	<5.0	<5.0	<5.0	<5.0
Alkalinity, Total (as CaCO3)	37.4	34.4	33.7	33.4	33.1

5. PART J: ITEM 6

Water for domestic use was not utilized from Windy Lake during January 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 2. All water usage for drilling purposes was in compliance with the licence consumption limits.

Table 2. Domestic and Drill Water Usage in cubic meters (m³), January 2010

Parameters	ORB 21	ORB 22	ORB23	ORB24	GEO 2	GEO 3	Total Usage m ³	2BE-HOP0712
Water Source	Doris Lake	Doris Lake	Doris Lake	Doris Lake	Doris Lake	Doris Lake	All Water Sources	Compliance Values
Geographical Coordinates	On file	On file	On file	On file	On file	On file		Part J: Item 9
Drilling days	19	2	16	19	19	1		Part J: Item 6
Monthly Cumulative	208	**10.0	**80.0	148.59	91.1	**5.0	542.69	2,480 m ³ monthly
Volume Average	6.7	**5.0	**5.0	7.82	2.94	**5.0	32.46	80* m ³ daily

(Daily)								
Maximum	25.04	**5.0	**5.0	17.19	17.0	**5.0	74.23	80 m ³ daily
Minimum	0	**0.0	**0.0	1.93	0.0	**0.0	-	80 m ³ daily

**For drilling purposes only*

*** Estimated (meter malfunction)*

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 Land farm no longer exists at HOP-4, and no volumes were pumped at HOP-5 Windy Camp Bulk Fuel Storage or HOP-6 Patch Lake Bulk Fuel Storage during the month as these facilities began freezing over. As reported in the September monthly SNP report, effluent in the Instant berms was transferred to containment tanks and drums for removal and further treatment as soon as the ice road is available to access this location.

7. **PART J: ITEM 8**

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

INCIDENT REPORTING

There were 2 incidents reported pertaining to the licence during the period:

- January 21 - 25, 2010: Spontaneous water flow at Orbit 24 (Hole # 10 TDD690), Orbit 21 (Hole # 10 TDD691), Orbit 23 (Hole # 10 TDD693), and Geo 2 (Hole # 10 TDD692), occurred causing spillage of water (with some fine sediment) onto the surface of the lake ice. An initial report was filed with INAC on this incident. As this water is frozen in place, a cleanup program will be implemented to remove the areas containing sediment in the coming weeks.
- January 22, 2010: A spill of approximately 2 – 3 liters of antifreeze occurred near Geo 3 (Hole # 10 TDD692) as a result of a leaking coolant line on a Zoom-Boom forklift working in the area. The contaminated snow was shoveled into a 45 gal drum and removed from area pending proper disposal.

Should there be any questions regarding the monthly report for January 2010, 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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