

April 20, 2010

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

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

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Following is the monthly report for March 2010 as required under Water license 2BE-HOP0712. Note that Windy Camp closed for operation in 2008. Drilling water consumption will be reported under Part J: Item 6 of this report.

**1. PART J: ITEM 2**

During the month of March 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 March 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 March 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 February before drilling commenced on Patch Lake. These results were reported in February.

**5. PART J: ITEM 6**

Water for domestic use was not utilized from Windy Lake during March 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. Drill usage for drills on Doris Lake have been higher than historical due to loss of water into the underground fault structure first detected in January through spontaneous water flows. Drill Rig Orbit 23 recorded water intersections four times during the month of March, resulting in higher than normal water consumption numbers due to interaction with and loss of water pumped into the underground structure.

Table 2. Drill Water Usage in cubic meters (m<sup>3</sup>), March 2010

Parameters	ORB 21	ORB 22	ORB23	ORB24	GEO 2	GEO 3	Total Usage m <sup>3</sup>	2BE-HOP0712
Water Source	Doris Lake	Doris Lake	Doris 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		Part J: Item 9
Drilling days	23	24	31	17	31	31		Part J: Item 6
Monthly Cumulative	290	208	409	131	185	267	1,490	2,480 m <sup>3</sup> monthly
Volume Average (Daily)	9.37	6.72	13.19	4.23	5.97	8.61	48.09	80* m <sup>3</sup> daily
Maximum	24.16	13.3	35.8	18.9	21.4	23.4	-	80 m <sup>3</sup> daily
Minimum	0	0	0.61	0	0	2.1	-	80 m <sup>3</sup> daily

#### 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 are frozen. 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 March as the facility is not operational.

### INCIDENT REPORTING

There were 3 incidents reported pertaining to the licence during the period:

- March 10/10 – Near Miss. Orbit 23 10TDD701 A Spill of hydraulic fluid occurred when hose on drill head ruptured leaking approx. 8L (non-toxic product). All spill occurred inside the Drill shack - no release to environment. Fluid was cleaned up with sorbent pads and disposed of.
- March 20/10 – Level 1 (Insignificant) Approx. 5L of hydraulic oil was spilled as a result of a broken brake line on a Challenger while working on Doris Lake. Contaminated snow cleaned-up and contained for treatment and disposal.
- March 31/10 – (Level 1 Insignificant). Minor cuttings spill (~1m<sup>3</sup>) by Geotech near the cuttings disposal area on Windy Upper laydown. Operator was hauling cutting tub over uneven surface and some spilled out when tub tipped. This location was on the crush road to the cuttings disposal area and the cuttings were cleaned-up and placed in the correct area.

There have been several incidents regarding “blow back” water from drilling operations on Doris Lake. These incidents, including the quantity and quality of water discharged from the drill holes, are described in more detail in a separate report submitted to INAC on March 8, 2010. The incidents, as they occur are being tracked, sampled and logged and the information is available to the Inspector on request.

Should there be any questions regarding the monthly report for March 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](mailto:Chris.Hanks@Newmont.com)

Yours sincerely,

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On Behalf of:

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