

August 05, 2010

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

**Re: July 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 July 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 July 2010, no water quality sampling was done at SNP stations HOP-2 and HOP-3 located at Windy Lake. Windy Camp was closed for operations October 23, 2008 and the WWTF is not operational.

**2. PART J: ITEM 3**

No sampling was conducted for Non-acute Toxicity at HOP-3 during the month of July 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**

Samples were collected from HOP-5 (Bulk Fuel Storage – Windy Camp) July 05/10 and found to be compliant for discharge for all parameters. The effluent at HOP-5 was discharged to the tundra in an area approximately 30 m southeast of the containment area and more than 50m away from Windy Lake. Analytical results from the July 05/10 sampling are provided in Table 1.

Table 1. Results of Monitoring Program Station Sampling for HOP-5, Windy Camp Bulk Fuel Storage in mg/L

Parameters	HOP-5	Hope Bay: 2BE-HOP0712
Water Source	Bulk Fuel Storage Windy Camp	Monitoring Program Station Description
ALS Lab Reference #	L905779-1	Compliance Values
Field Sample Details	HOP-5	Part D: Item 17
Sample Date/Time	July 05/10 @ 1400 hrs	Part J: Item 4
Oil & Grease	<1.0	15 mg/L or 30 mg/L
Oil and Grease (No Visible Sheen)	nvs	No visible sheen (nvs)
Benzene	<0.00050	0.37 mg/L
Toluene	<0.00050	0.002 mg/L
Ethylbenzene	<0.00050	0.09 mg/L
Lead	<0.00040	0.001 mg/L

No samples were taken from monitoring station HOP-6 (Bulk Fuel Storage Facility – Patch Lake) in July as water accumulation in this facility was minimal.

#### 4. PART J: ITEM 5

No samples were collected under Part F: Item 7 - Drilling through Lake Ice in July as the winter drilling program is complete and post-drilling under ice water quality samples were collected and reported on in May.

#### 5. PART J: ITEM 6

Water for domestic use was not utilized from Windy Lake during July 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.

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

Parameters	ORB 21	ORB 22	ORB23	GEO 2	GEO 3	Total Usage m <sup>3</sup>	2BE-HOP0712
Water Source	Doris Lake	Wolverine Lake	Patch Lake	Doris Lake	Doris Lake/ Kamik Lake	All Water Sources	Compliance Values
Geographical Coordinates	On file	On file	On file	On file	On file		Part J: Item 9
Drilling days	29	31	25	31	31		Part J: Item 6
Monthly Cumulative	152	126	77	108**	108	571.0	2,480 m <sup>3</sup> monthly
Volume Average (Daily)	4.89	4.06	2.48	3.47**	3.47	3.67	80* m <sup>3</sup> daily
Maximum	10.96	8.83	7.7	10.7**	10.7	-	80 m <sup>3</sup> daily
Minimum	0	0	0	0**	0	-	80 m <sup>3</sup> daily

\*\* The water meter at Geo 2 was recording errors throughout month. For estimating purposes, the same values as Geo 3 were used.

#### 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-6 Patch Lake Bulk Fuel Storage during the month. As reported in the September 2009 monthly SNP report, effluent in the Instant berms was transferred to containment tanks and drums for removal and further treatment.

#### 7. part J: Item 8

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

### INCIDENT REPORTING

There was 1 incident which occurred during the month pertaining to this licence; and no occurrences of spontaneous water flow from drills were recorded.

- July 11/10: (Minor) – Approximately 50 liters of hydraulic spilled at a drill set in the Patch Lake area (drill hole # 10PDS241) as a result of a blown hose. The operators immediately shut down the drill and commenced cleanup with absorbents. After the drill was moved from the location, additional cleanup was undertaken. The area has been cleaned up to an acceptable level.

Should there be any questions regarding the monthly report for July 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,

**Chris Hanks**

Director, Environment and Social Responsibility  
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