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May 15, 2015

Phyllis Beaulieu,
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Re: April 2015 – Monthly Monitoring Report for Water Licence 2BE-HOP1222

This report is comprised of monitoring requirements as set out in Part J, Items 2 through 8, and 10 of water licence 2BE-HOP1222. Some monitoring requirements stipulated in this Part refer to facilities that have not been constructed, facilities that no longer exist, or facilities where activity is seasonal. Water levels in Windy Lake will be monitored in accordance with Part J, Item 9 during open water season. Sampling locations monitored under this licence (seasonally or when facilities are operational) are provided in Figure 1.

During the period of this report the focus of current activities under the Windy Regional Exploration licence was water management, drill exploration, and environmental compliance.

Part I Conditions Applying to Abandonment and Restoration

No abandonment or restoration work was conducted during the month.

Part J Items 2, 3, 4, 5, 6, 10: Sewage Treatment Effluent, Bulk Fuel Containments, and Quarries

Windy Camp has been closed for operations since October 23, 2008; therefore the licence requirements relating to the WWTF (HOP-2 and HOP-3) are not applicable. HOP-5 (Bulk Fuel Storage – Windy Camp) and HOP-6 (Bulk Fuel Storage Facility – Patch Lake) were dismantled in 2012. HOP-8 (Bulk Fuel Storage Facility at New Windy Camp) has not been constructed. Water quality sampling and management was not required at HOP-7A, B or D (quarries A, B and D) as these facilities are frozen.

Part J Item 7: Under-Ice Drilling Samples

Pre-drilling water quality samples were collected from Patch Lake on March 13 prior to the commencement of the 2015 winter ice drilling program. Results were presented in the March 2015 Monthly Monitoring Report for Water Licence 2BE-HOP1222. Throughout the month of April drilling continued on Patch Lake. Post drilling water samples will be collected at the completion of the program.

Part J Item 8: Water Use Volumes

This month, water was extracted from Windy Lake for domestic use at Doris Camp. Water was also extracted from Patch Lake to support the winter ice drilling program. No water was used for dust suppression purposes this month. Geographical locations for all water sources and usage is maintained on file. All usage from water sources during the month were metered at the source or measured by truck haul load. Daily water usage for the month is presented in Table 1.

Table 1: Daily water usage in cubic meters, April 2015.

| Date | Regional Drill Water Usage Metered (m ³) | Domestic Water Consumption at Doris (m ³) | Total Daily Usage (m ³) |
|--------|--|---|-------------------------------------|
| Apr-01 | 7 | 28 | 35 |
| Apr-02 | 8 | 0 | 8 |
| Apr-03 | 12 | 0 | 12 |
| Apr-04 | 13 | 0 | 13 |
| Apr-05 | 8 | 28 | 36 |
| Apr-06 | 8 | 0 | 8 |
| Apr-07 | 5 | 23 | 28 |
| Apr-08 | 7 | 0 | 7 |
| Apr-09 | 10 | 0 | 10 |
| Apr-10 | 9 | 0 | 9 |
| Apr-11 | 8 | 28 | 36 |
| Apr-12 | 6 | 0 | 6 |
| Apr-13 | 5 | 0 | 5 |
| Apr-14 | 23 | 35 | 58 |
| Apr-15 | 5 | 0 | 5 |
| Apr-16 | 20 | 1 | 21 |
| Apr-17 | 12 | 0 | 12 |
| Apr-18 | 9 | 38 | 47 |
| Apr-19 | 12 | 0 | 12 |
| Apr-20 | 25 | 0 | 25 |
| Apr-21 | 12 | 28 | 40 |
| Apr-22 | 9 | 0 | 9 |
| Apr-23 | 10 | 0 | 10 |
| Apr-24 | 18 | 29 | 46 |
| Apr-25 | 8 | 0 | 8 |
| Apr-26 | 14 | 0 | 14 |
| Apr-27 | 8 | 28 | 35 |
| Apr-28 | 12 | 0 | 12 |
| Apr-29 | 8 | 0 | 8 |
| Apr-30 | 13 | 28 | 41 |

No water was required this month for ice road construction.

Water quality monitoring results from licence 2AM-DOH1323, Schedule J for Station ST-7A, freshwater pumped from the Windy Lake freshwater intake, are presented in the monthly monitoring report for 2AM-DOH1323.

Environmental Incident Reporting

April 5, 2015 – Spill. A volume of non-saline turbid water estimated to be greater than 100-L was released from a hose line entering a cuttings containment bin at an on-ice drill located on Patch Lake (Drill collar # TM00216). The end of the hose was not weighted down properly and the hose came out of the cuttings bin causing turbid water to be released onto the ice surface. The lake at this location is frozen to bottom and no turbid water entered the lake. Brine is not used during lake ice drilling, so this water consisted of suspended rock fines and no other substances. The hose was returned to the cuttings bin immediately after the issue was identified and a weight was added to the hose line to secure it inside the bin. A spill report for this incident was filed with the NT-NU Hotline April 6, 2015 at 11:20am, and AANDC and KIA were also notified April 6th. The turbid water, and ice/snow surrounding the cuttings bin was scraped from the ice surface and disposed of at a designated cuttings deposition area on land at Quarry D (Latitude 68° 04' 19.6" Longitude 106° 36' 32.4"). Further cleanup of the drill site by machine was undertaken once the drill was moved off the set-up April 15, 2015. The Drilling Site Supervisor

reviewed the protocol of using a weighted system on the hose lines with all personnel on site to prevent this from occurring in the future.

April 7, 2015 – Near Miss. A Caterpillar Telehandler 10-55 caught the road shoulder and slid half way down bank within the Naartok area (Latitude 68° 04' 2.5" Longitude 106° 36' 17.71"). To prevent tipping the operator drove to the bottom of the bank, along the tundra (approximately 100m) and back on the road at a safe location. There were no injuries or product or material spills and less than < 1m of torn grass was observed. Due to the frozen ground conditions and deep snow at this location it is unlikely there will be any impacts to the tundra. The Drilling Site Supervisor reviewed with workers the need for enhanced vigilance during winter driving conditions, especially during periods of flat-light. Inspections will be conducted in the spring and summer to confirm no tundra impacts are observed.

Should there be any questions regarding this monthly report, please contact John Roberts at John.Roberts@tmacresources.com.

Yours sincerely,



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cc. Eva Paul, Water Resources Officer, AANDC

Figure 1. 2BE-HOP1222 SNP Monitoring Locations

