November 29, 2016

Your file - Votre référence 2BE-MEA1318

Our file - Notre reference IQLAUIT-# 1111958

Karen Kharatyan Manager of Licensing Nunavut Water Board GJOA HAVEN, NU X0E 1J0

Re: Indigenous and Northern Affairs Canada Review of Agnico Eagle Mines Ltd.'s Application to Cancel Water Licences #2BW-MEA1525 and 8BC-MEL1516

Dear Mr. Kharatyan:

Thank you for your email of November 9, 2016, concerning the above mentioned application. A memorandum is provided for the Board's consideration. Comments and recommendations have been provided pursuant to Aboriginal Affairs and Northern Development Canada's mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Department of Indian Affairs and Northern Development Act.

Please do not hesitate to contact me by telephone at 867-975-4282 or email at ian.parsons@aandcaadnc.gc.ca for further information.

Sincerely,

Ian Parsons Regional Coordinator Water Resources Division Resource Management Directorate Indigenous and Northern Affairs IQALUIT, NU X0A 0H0

Encl.

Scott Burgess, Manager of Water Resources, INAC Nunavut C.C.: Erik Allain, Manager of Field Operations, INAC Nunavut



Memorandum

Re: Water Licence Cancelation Applications, #2BW-MEA1525 and 8BC-MEL1516

Licensee: Agnico Eagle Mines Ltd.
Project: Meliadine Gold Project

Region: Kivalliq

Comments:

A. Background

On November 9, 2016, the Nunavut Water Board (the "NWB") provided notification of an application to cancel two of Agnico Eagle Mines Ltd.'s (the "Licensee") Type 'B' Water Licences, #2BW-MEA1525 and 8BC-MEL1516 in relation with their Meliadine property. The property is located 25 km north of the hamlet of Rankin Inlet

The Licensee is applying for cancelation of these two type B licences as a result of their new type A water licence (#2AM-MEL1631) being approved for the Meliadine property.

Interested parties were asked to review this application and provide comments by November 29, 2016.

B. Results of review

On behalf of Indigenous and Northern Affairs Canada ("INAC"), the following comments and recommendations are provided:

1. General – Terms and Conditions of Licences

Source: 2BW-MEL1525 and 2AM-MEL1631 8BC-MEL1516 and 2AM-MEL1631

Comment: INAC in its review of the licences to be cancelled, and also in conversations with the licensee, are satisfied that all terms and conditions within both the type B licences above have been transferred and are contained in water licence 2AM-MEL1631.

Recommendation: INAC is satisfied that these two type B licences can be cancelled.