

Files: 2BW-MEL1525; 8BC-MEL1516

December 15, 2016

Manon Turmel Sr. Environmental Compliance Technician Agnico Eagle Mines Ltd. 145, King Street East Suite 400, Toronto, ON M5C 2Y7

E-mail: manon.turmel@agnicoeagle.com

**Subject:** Water Licences

2BW-MEL1525, Phase 1 Meliadine All-Weather Access Road; and

8BC-MEL1516 Meliadine Gold Site Preparation Project;

Cancellation of Water Licenses

Dear Ms. Manon,

On April 15, 2016, the Nunavut Water Board (NWB or Board) granted a Type "A" water licence 2AM-MEL1631 to Agnico Eagle Mines Ltd. (AEM or Licensee) for the development of Meliadine Gold Project. The Reasons for Decision accompanying this licence stated that the *Board expects that the entire scope of Licence No.* 8BC-MEL1516 (Meliadine Gold Site Preparation Project) and Licence No.2BW-MEL1525 (Phase 1 – Meliadine All-Weather Access Road Project, for crossings and road construction) will be included under this Licence.... On this basis, upon issuance of the Type "A" Licence, AEM may apply to cancel Licenses No. 8BC-MEL1516 and 2BW-MEL1525.

On November 9, 2016, the Board received from AEM applications to cancel the above mentioned Type "B" water licences 2BW-MEL1525 and 8BC-MEL1516. The applications included the Indigenous and Northern Affairs Canada (INAC) Inspection letter dated October 13, 2016, and stating that on July 20<sup>th</sup>, 2016 a final compliance inspection was conducted of water licence no. 2BW-MEL1524 and 8BC-MEL1516, issued to Agnico Eagle Mines Limited (AEM) for the predevelopment of the Meliadine Gold Mine. The inspector determined that conditions of the two licenses have been met and that the components of the predevelopment licenses appear to be covered by the type 'A' water licence no. 2AM-MEL1631, issued April 15<sup>th</sup>, 2016. The inspector sees no reason to deny application for cancellation 2BW-MEL1524 and 8BC-MEL1516 if requested by AEM.

On November 9, 2016, the Board provided a Notice as per s.55(1) *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (Act)<sup>1</sup>distributed the application for twenty (20) day comment period. Before the deadline for comments, submission<sup>2</sup> was received from INAC. INAC stated that they 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, and recommended that these licenses be cancelled.

Upon review of all information, NWB determined that the application fulfills the requirements of s. 43(1)(c) of  $Act^3$  and NWB  $Guide\ 7.^4$  The NWB has, therefore, approved the cancellation of Water Licenses 2BW-MEL1525 and 8BC-MEL1516 through Board Motion No. 2016-B1-020 and 2016-B1-021, dated December 14, 2016.

The Board notes that the Water Licence 8BC-MEL1516 has a requirement to maintain financial security with the Minister of INAC, and there is an Irrevocable Standby Letter of Credit (Letter of Credit) issued to Her Majesty the Queen in Right of Canada, as Represented by the Minister of INAC. The NWB understanding is that INAC shall make sure that this Letter of Credit is also cancelled with the cancellation of the above stated water licence.

Should you have any questions, please feel free to contact the Board at (867) 360-6338 or <a href="mailto:licensing@nwb-oen.ca">licensing@nwb-oen.ca</a>, at your earliest convenience.

Sincerely,	
Lootie Toomassie	
Nunavut Water Board	
Vice-Chair	

LT/kk

cc: Distribution – Kivalliq

<sup>&</sup>lt;sup>1</sup> The Board shall give notice of every application in relation to a licence to the council of each municipality in the area affected by the application and shall publish the notice in a newspaper of general circulation in the area affected or, if there is no such newspaper, in such other manner as the Board considers appropriate.

<sup>&</sup>lt;sup>2</sup> INAC, November 29, 2016.

<sup>&</sup>lt;sup>3</sup> The s. 43(1)(c) indicates when the Board may cancel a licence.

<sup>&</sup>lt;sup>4</sup> The minimum information requirements set out in the NWB Guidance Document- *Guide 7 – Licensee Requirements Following the Issuance of a Water Licence, April 2010*, see Part 11 and Table 4.