



June 10, 2022

NWB File No. 2AM-DOH1335

Karen Kharatyan
Nunavut Water Board
PO Box 119
Gjoa Haven, NU X0B 1J0

Re: Type A Water Licence 2AM-DOH1335 Modification – Madrid East Naartok Portal

Dear Mr. Kharatyan,

Agnico Eagle Mines Limited (Agnico Eagle) is writing to the Nunavut Water Board (NWB) to provide sixty (60) days' notice of a proposed Modification to the Hope Bay Project under Part G of Type A Water Licence (2AM-DOH1335); specifically, the Madrid East Naartok Portal.

1. Background

On April 29, 2022 Agnico Eagle submitted an application to the Nunavut Planning Commission (NPC) to complete a screening of the proposed project changes, whereby Agnico Eagle will utilize a previously assessed portal at the approved Madrid East Naartok location to develop underground workings. The NPC concluded on May 27, 2022 that the proposed changes were exempt from screening by the Nunavut Impact Review Board (NIRB) as the Madrid East Naartok Portal location does not change the general scope of the original or previously amended activities (Attachment A).

Subsequently, Agnico Eagle is submitting this notification of Modification per Type A Water Licence 2AM-DOH1335, Part G, Item 3a-g for the NWB review and approval, as described in the sections below.

Agnico Eagle confirms the modification will not place Agnico Eagle in contravention of the Licence or the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, and the Modification is consistent with the applicable terms and conditions of the Project Certificate. As per Final Environmental Impact Statement (FEIS) Volume 3, Section 4.2.6:

“At Boston and Madrid deposits, removing crown pillar by way of excavated trenches at surface may also be utilized for establishing declines to underground mine workings, or in other locations where subsequent infrastructure could be placed, thereby minimizing surface disturbance of non-gold bearing land.”

2. Conditions Applying to Modifications

Part G, Item 3a: Description of Facilities and/or Works to be Constructed

Agnico Eagle stopped development of the Madrid East Portal (Figure 1) as originally envisioned in 2021 due to ground conditions at a challenging geological structure.

To facilitate the development of underground workings, Agnico Eagle is proposing to access the Madrid East underground from a previously assessed portal at the approved Madrid East Naartok location via the existing and approved Crown Pillar for Madrid.

Related infrastructure at the Naartok portal area will be similar to what has been permitted at the existing Madrid East Portal (Table 1) and includes water management infrastructure, vent raise, laydown area, power generation, and access roads. Approved quarries will be used as source of material for civil work.

As previously proposed and approved, non-contact water will be diverted away from the portal area with a berm and conveyed south to Patch Lake using existing culverts. As per approved infrastructures at Madrid North to be transferred to the Naartok East Portal location, contact water will be directed to a Contact Water Pond and either used as brine or conveyed to the Tailings Impoundment Area.

The existing waste rock pile at Madrid (i.e., yellow polygon in Figure 1) will continue to be used for waste rock storage and will need to be expanded (i.e., black dashed line in Figure 2) to accommodate increased volumes coming from the Naartok East Portal. Actual permitted waste rock storage is for 650k tonnes and the expansion would allow to store up to 1.3 M tonnes. The facility expansion will be needed 18 months after the development ramp has started. All waste rock will be backfilled underground at closure.

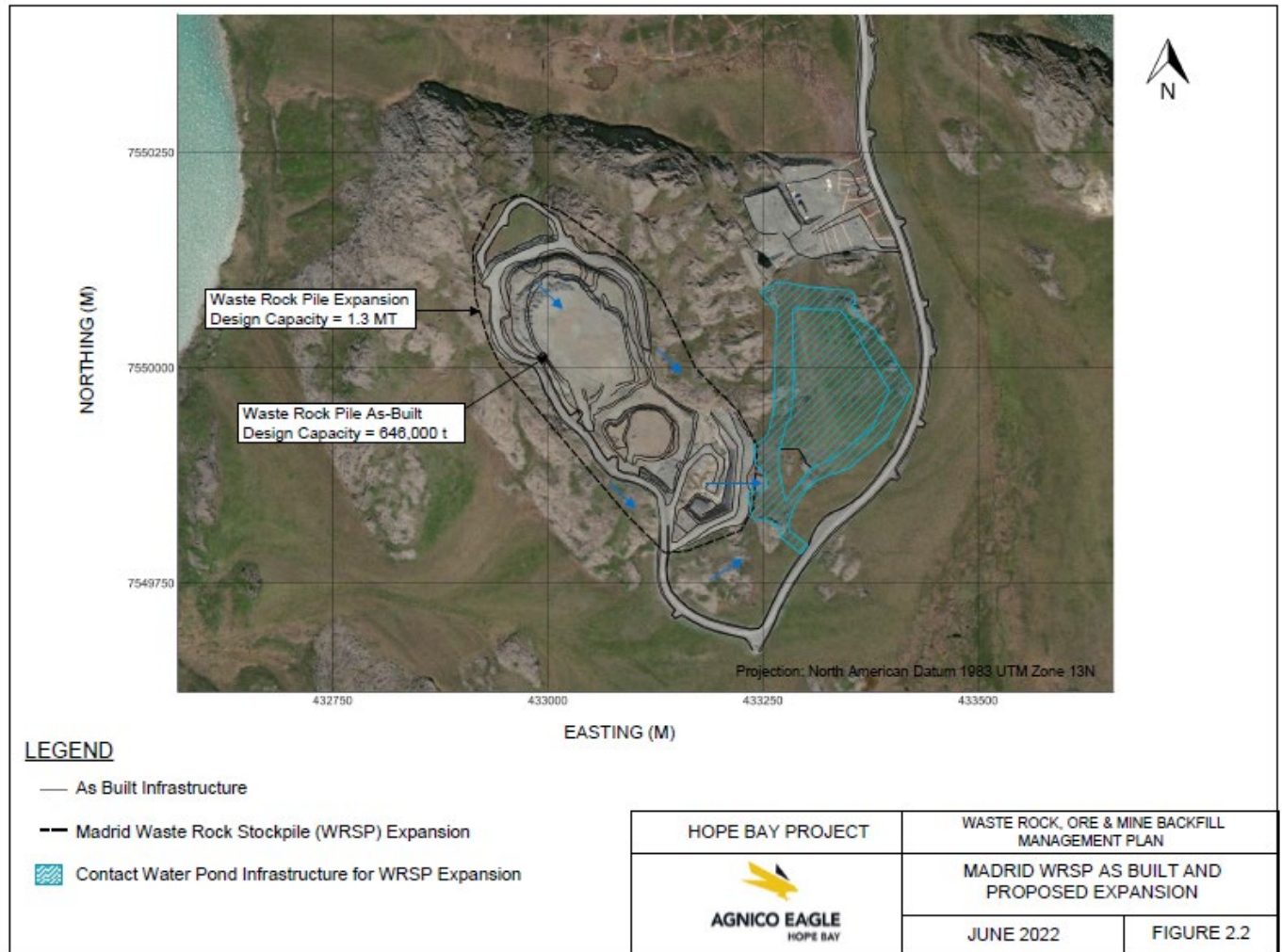
Figure 1: Existing Madrid East Portal



Table 1: Surface Portal Infrastructure List

Infrastructure Description	Old Portal Location	New Portal Location	Infrastructure Description	Old Portal Location	New Portal Location
Electrical Surface E-house	X	X	Portal Steel Arches		X
Fuel Tank	X	X	Compressor	X	X
Gensets	X		Brine Mixing System	X	X
Naartok East Surface Portal Fan	X	X	Contact Water Pond/Sump	X	X
Ventilation Fuel Tank	X	X	Transit Waste/Ore Pads	X	X
Ventilation Frost Fighters	X	X	Explosive Magazine		X
Ventilation Seacans	X	X	Laydown Pads	X	X
Ventilation Electrical Room	X	X	Parking Areas	X	X
Naartok East/West Surface Vent Raise System	X	X	Access Roads	X	X
Office/lunchroom Trailer	X	X	Air Quality Monitor	X	X
Cold Storage Dome	X	X	Communication Tower	X	X
Maintenance & Operation Dome		X			

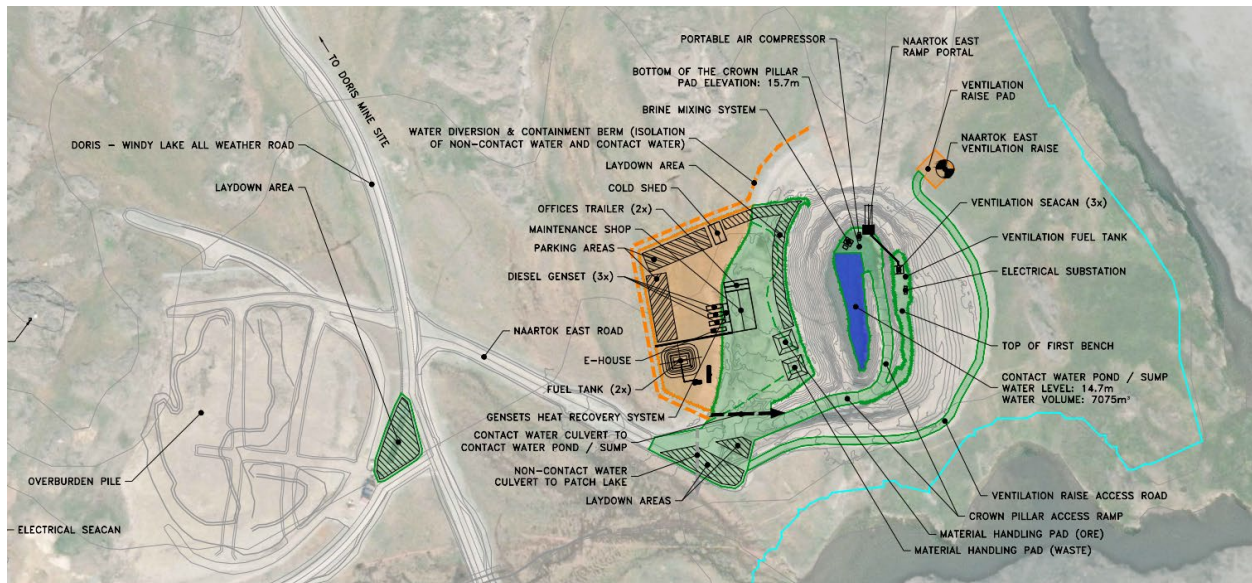
Figure 2: Waste Rock Storage Facility Expansion



Part G, Item 3b: Proposed Location of Structure(s)

As presented in Figure 3, the new portal will be within the Project Development Area (i.e., blue line presented on figure) that was assessed as part of the Final Environmental Impact Statement. It will also mostly be within the existing Madrid Crown Pillar area that was mined in 2019-2020.

Figure 3: Proposed Naartok Portal Location



Part G, Item 3c: Potential Impacts to the Receiving Environment

Agnico Eagle anticipates the potential impacts to be minimal as the Naartok Portal location is within the Project Disturbance Area. All water collected at portal location, as per the Water Management Plan, will be conveyed to TIA per the approved licence requirements.

As part of the Modification, Agnico Eagle has updated the Doris and Madrid Water Management Plan (Attachment B) and the Waste Rock, Ore, and Mine Backfill Management Plan (Attachment C) to include components of the Modification.

Part G, Item 3d: Monitoring Required

Agnico Eagle will adhere to the sampling locations, parameters measured, and frequencies of sampling as outlined in Schedule I, Table 3 – Monitoring Program of Type A Water Licence 2AM-DOH1335.

In addition, the Doris and Madrid Water Management Plan and the Waste Rock, Ore, and Mine Backfill Management Plan have been updated to account for the Modification and are provided in Attachment B and Attachment C, respectively.

Part G, Item 3e: Schedule for Construction

Construction activities are anticipated to commence in Q3 2022 or sooner, following receipt of required approvals.

Part G, Item 3f: Drawings of Engineering Structures

There are no drawings of engineered structures stamped by an Engineer required for this Modification.

Part G, Item 3g: Sediment and Erosion Control Measures

Sediment or erosion control measures required are outlined in Section 5.2 of the Doris and Madrid Water Management Plan (Attachment B).

3. Closure

Agnico Eagle thanks the NWB for their review and consideration of the proposed Modification of the Naartok Portal under Type A Water Licence 2AM-DOH1335. Agnico Eagle is committed to responsibly manage waste and water resources to minimize or eliminate potential effects to the environment in accordance with the Type A Water Licence 2AM-DOH1335, the Project Certificate No. 003, and objectives as outlined in Management Plans for the Project.

Should you have any questions, please do not hesitate to contact me directly.

Sincerely,



Jamie Quesnel
Director, Permitting & Regulatory Affairs
Agnico Eagle Mines Limited

Attachments:

- Attachment A NPC Letter - Exempt from Screening
- Attachment B Doris and Madrid Water Management Plan
- Attachment C Waste Rock, Ore, and Mine Backfill Management Plan

Attachment A NPC Letter - Exempt from Screening

Attachment B Doris and Madrid Water Management Plan

(document provided as stand-alone file)

Attachment C Waste Rock, Ore, and Mine Backfill Management Plan

(document provided as stand-alone file)