



July 3, 2018

File No: 2AM-MEA1525

By Email

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Re: NWB Request for Technical Review Comments by August 3, 2018 Regarding Proposed Modification to Allow In-Pit Tailings Deposition under Agnico Eagle Mines Limited's Type "A" Water Licence No. 2AM-MEA1525 for the Meadowbank Gold Mine Project

Dear Messrs. Quesnel and Vanengen:

On February 23, 2018, the Nunavut Water Board (NWB or the Board) received a request from Agnico Eagle Mines Limited (Agnico Eagle or the Licensee) to allow modifications to the tailings deposition authorized by the NWB under Type "A" Water Licence No.: 2AM-MEA1525 for the Meadowbank Gold Mine Project. The modification requests involves a change to tailings management at the site to allow for in-pit deposition of tailings in the mined out Goose and Portage pits at the Meadowbank Gold Mine (the Modification Proposal). Agnico Eagle indicated that the modification "*will improve the current economics and mine planning, reduce overall freshwater consumption during closure reflooding, while using existing Meadowbank mill for ore processing facilities, within an area that has previously been impacted.*"¹

The modification request package consisted of the following documents:

- 1) A February 23, 2018 letter to Karén Kharatyan with the summary of the proposed changes;
- 2) The *2016 Mine Waste Rock and Tailings Management Report & Plan Update* dated November 2016;
- 3) Version 2 of the *2016 Water Management Report and Plan Update* dated November 2017;
- 4) *Multiple Accounts Analysis for the Tailings Facility Extension Project* dated October 24, 2016;
- 5) *Updated NNL Calculations for Habitat Gains in Second and Third Portage Lakes* dated November 17, 2017;
- 6) *Determining the Presence/Absence of Fish in Goose Pit* dated October 5, 2017;
- 7) *Additional Information Regarding Determining the Presence/Absence of Fish in Goose Pit* dated November 20, 2017; and
- 8) Version 8 of the *Groundwater Monitoring Plan* dated January 2018.

¹ Letter to Karén Kharatyan, NWB, Re: Agnico Eagle Mines Meadowbank Mine Type A Water License – 2AM-MEA1525 Modification Request from Jamie Quesnel and Ryan Vanengen, AEM, dated February 23, 2018.

On February 26, 2018, the NWB acknowledged receiving the package and advised Agnico Eagle that the Board would commence the NWB's consideration of the Modification Proposal after the Nunavut Planning Commission (NPC) and the Nunavut Impact Review Board (NIRB) had completed their respective processes. On March 22, 2018, the NPC stated that: "*NPC previously reviewed works and activities associated with the current proposal, including mine development and tailings disposal sub-aerially in the Meadowbank Tailing Disposal Facility. This conformity determination still applies.*"² The NPC also indicated that the Modification Proposal conforms to the Keewatin Regional Land Use Plan (KRLUP). The NPC also concluded that because the Modification Proposal constituted a significant modification to the Meadowbank Gold Mine Project as previously assessed by the NIRB, the modification request requires NIRB screening under Article 12, Section 12.4.3 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada (Nunavut Agreement)* and Part 3 of the *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2 (NuPPAA) and referred the modification request to the NIRB for screening.

The NIRB requested additional information and invited technical comments on the Modification Proposal, and conducted a technical meeting teleconference on June 12, 2018 to discuss the proposed modification. During the NIRB's teleconference and in follow-up correspondence, Agnico Eagle requested that the Modification Proposal be considered by the NIRB and NWB in a coordinated process that would allow Agnico Eagle to meet project timelines that require a decision regarding the Modification Proposal to be concluded in early September.

On June 18, 2018, the NIRB issued correspondence agreeing with the NPC's conclusions, stating that:

*NIRB agrees that based on the potential for adverse ecosystemic effects, especially on surface and groundwater that could be greater than was previously considered by the NIRB during the Board's Review of the original Project, the In-Pit Tailings Disposal Proposal constitutes a **significant modification** to the previously assessed project. Consequently, as set out in s. 146(1) of the NuPPAA, the Board agrees with the determination of the Commission and the submission of the Federal Regulatory Authorities that the In-Pit Tailings Disposal Proposal must be assessed by the NIRB under Part 3 of NuPPAA before the modification proposal should be allowed to proceed to the permitting stage...*

The NIRB also provided direction regarding the NIRB's next steps in their assessment of the Modification Proposal:

most appropriate mechanism for conducting the required assessment of the modifications proposed in the In-Pit Tailings Disposal Proposal is a reconsideration of the terms and conditions of Project Certificate No. 004, under Section 12.8.2 of the Nunavut Agreement and s. 112 of NuPPAA

² NPC Conformity Determination 148681 on March 22, 2018.

Although the NWB had indicated previously that the NWB would wait to initiate its consideration of the Modification Proposal until the NIRB had completed its assessment of the Modification Proposal, based on the timing and extent of the reconsideration process to be conducted by the NIRB and recognizing Agnico Eagle's request regarding the coordination between NIRB and NWB, the NWB agrees that it is appropriate for the NWB to commence the NWB's consideration of the Modification Proposal in coordination with the NIRB. On this basis, the NWB will be conducting its technical review of the Modification Proposal in parallel with the NIRB's reconsideration/assessment of the Modification Proposal.

Therefore, by way of this correspondence, the NWB invites interested parties to conduct a technical review of the Modification Proposal and the submissions provided to date and to submit any comments relevant to the NWB's consideration of the Modification Proposal directly to the NWB on or before **August 3, 2018**. The submissions received to date have been placed on the NWB's FTP site at the following link:

[ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-MEA1525%20Agnico/3%20TECH/6%20MODIFICATIONS%20\(G\)/G1%20In-pit%20Tailings%20Deposition%20in%20Portage%20and%20Goose%20Pit/](ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-MEA1525%20Agnico/3%20TECH/6%20MODIFICATIONS%20(G)/G1%20In-pit%20Tailings%20Deposition%20in%20Portage%20and%20Goose%20Pit/)

Following the NWB's review of relevant technical review comments, the NWB will provide further guidance regarding next steps in the NWB's consideration of the Modification Proposal, including any additional coordination with the NIRB's assessment of the Modification Proposal.

In the interim, if you have any questions or require further direction with respect to this matter, please contact Assol Kubeisinova, Technical Advisor, at (867) 360-6338 or via e-mail at assol.kubeisinova@nwb-oen.ca or Karén Kharatyan, Director of Technical Services, at (867) 360-6338 or via e-mail at karen.kharatyan@nwb-oen.ca.

Regards,

Karén Kharatyan
Director of Technical Services/Acting Executive Director
Nunavut Water Board

cc. Meadowbank Distribution List