

File No.: 2AM-MEA1526

March 18, 2019

To: Meadowbank Distribution List

Re: Closure of the Record in Respect of the Type "A" Water Licence Amendment

Application 2AM-MEA1526 by Agnico Eagle Mines Limited Associated With the InPit Tailings Disposal Proposal at the Meadowbank Gold Mine Project

Dear Parties,

This correspondence provides advice and direction regarding next steps is in the Nunavut Water Board's (NWB or Board) processing of amendments to Type "A" Water Licence 2AM-MEA1526 by Agnico Eagle Mines Limited (Agnico Eagle) associated with the In-Pit Tailings Disposal Proposal at the Meadowbank Gold Mine (the Amendment Application). The Board's direction reflects the Board's receipt of correspondence from the Kivalliq Inuit Association (KivIA) on March 15, 2019 confirming that the KivIA and Agnico Eagle have entered into a water compensation agreement associated with the Amendment Application as required under s. 63 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, S.C. 2002, c. 10 (*NWNSRTA*) (the Amendment Application). As indicated by the NWB in recent correspondence to the parties, the NWB cannot consider the issuance of an amendment to a water licence unless there is confirmation that the applicant (Agnico Eagle) has entered into an agreement with the KivIA to pay compensation for any loss or damage that may be attributable to the changes to the water uses and waste deposits at the Meadowbank Gold Mine as proposed in the Amendment Application.

As the NWB requires confirmation of compliance with s. 63 before the Board's Record for the Amendment Application can be closed and the matter remitted to the NWB's duly appointed Panel for decision-making, the NWB requested confirmation of compliance either:

• Under s. 63(1)(a), if both Agnico Eagle and the KIA would confirm that there are <u>no</u> outstanding issues of water compensation in respect of the potential effects on the quality,

quantity or flow of waters flowing through Inuit-owned land associated with the Amendment Application; or

• Under s. 63(1)(b), where there is no agreement referred to in s. 63(1)(a), and the Board has, on the request of Agnico Eagle or the KIA, made a determination of appropriate compensation associated with Amendment Application.

On February 22, 2019, the NWB received a request by Agnico Eagle under s. 63(1)(b) of the *NWNSRTA* to conduct a water compensation determination, as the parties had been unable to complete a water compensation agreement under s. 63(1)(a). On this basis, the NWB began taking steps to conduct the requested water compensation determination, including producing a draft Water Compensation Determination Agreement and establishing process requirements and timelines for concluding the NWB's determination of water compensation under s. 63(1)(b).

On March 15, 2019, shortly after the Board received confirmation from the KivIA that the outstanding issues of water compensation associated with the Amendment Application had been resolved and an agreement had been reached, the NWB also received correspondence from Agnico Eagle withdrawing the request to have the NWB determine water compensation under s. 63(1)(b) of the *NWNSRTA*.

The Board has placed this information on its public registry and these materials are now included as an addition to the Record for the NWB's file in respect of Agnico Eagle's Amendment Application. Access to this information is made available through the NWB's ftp site using the following link:

 $\frac{\text{ftp://ftp.nwb-oen.ca/registry/2\%20MINING\%20MILLING/2A/2AM\%20-}{\%20Mining/2AM-}\\ \underline{\text{MEA1526\%20Agnico/3\%20TECH/1\%20GENERAL\%20(B)/0\%20GENERAL/Water\%2}\\ \underline{\text{0Compensation/}}$ 

Having generally considered the materials filed during the Board's consideration of the Amendment Application to date, and specifically KivIA's and Agnico Eagle's recent correspondence, the Board advises the following:

- the NWB will suspend the water compensation determination process and will <u>not</u> provide a determination with respect to water compensation requirements associated with the Amendment under s. 63(1)(b) of the *NWNSRTA*;
- the Board has received the required confirmation that all outstanding issues of water compensation have been resolved by agreement between the KivIA and Agnico Eagle, as required under s. 63(1)(a) of the *NWNSRTA*;
- with the NWB receiving the required confirmation under s. 63 of the *NWNSRTA*, the NWB is now able to close the Record associated with the Board's consideration of the Amendment Application; and

• the Amendment Application will now be remitted to the Board's duly-appointed three-member Panel responsible for decision-making in respect of the file.

Accordingly, no additional evidence in respect of the Amendment Application may be filed with the Board, and the Record for the file will consist of the documentation filed with the Board from the receipt of the Agnico Eagle's original modification request in February 2018 through to the KivIA's and Agnico Eagle's correspondence filed with the Board on March 15, 2019.

Now that the Record has closed, the Amendment Application has been remitted to the Panel who will, in due course (typically within 30-45 days), issue a Decision Report to the Minister of Intergovernmental Affairs and Northern Affairs and Internal Trade. In the Decision Report, the NWB will provide a recommendation to the Minister regarding whether or not to grant the amendments requested in the Amendment Application. Now that the Panel is engaged in deliberations, the Board will not provide any further comment regarding the Amendment Application until the Board publicly issues the Panel's decision.

In closing, the Board extends our thanks to all the parties who were involved in the Board's processing of the Amendment Application.

Sincerely,

Lootie Toomasie Chairperson Nunavut Water Board