

NIRB File No.: 03MN107

November 12, 2010

Stéphane Robert Environment Superintendent Agnico-Eagle Mines Ltd 555 Burrard, Suite 375 Box 209, Bentall Centre Vancouver, BC V7X 1M8

Via email: stephane.robert@agnico-eagle.com

Re: <u>The Nunavut Impact Review Board's 2009-2010 Annual Monitoring Report for the Meadowbank Gold Mine Project and Board Recommendations</u>

Dear Stéphane Robert:

The Nunavut Impact Review Board (NIRB or Board) is releasing the 2009-2010 Annual Monitoring Report for the Meadowbank Gold Mine Project (Monitoring Report). The enclosed Monitoring Report is based on the NIRB's monitoring activities and also information as presented throughout the Final Environmental Impact Statement, Final Hearing Report, and other materials relating to the Meadowbank Gold Project (NIRB File No. 03MN107). The Monitoring Report provides an annual summation of monitoring activities occurring from October 2009 to September 2010.

Based upon issues identified throughout the 2009-2010 reporting period, the Board has issued the following recommendations in order to assist the Proponent in achieving compliance with the Meadowbank Project Certificate and other project-related commitments.

Where certain items require follow up action on the Proponent's behalf, the Board requests that a response be provided within 30 days of receiving the recommendations. These items have been marked with an asterisk (*).

1) Environment Canada (EC) noted that, while PC Condition 8 requires that the Proponent undertake groundwater sampling on a semi-annual basis and re-evaluate and report the results of such sampling to the NIRB and to EC. Recognizing that the Type A water licence issued by the Nunavut Water Board (NWB) requires that groundwater quality sampling be undertaken on an annual basis (NWB License No. 2AM-MEA0815 Table 2 – Monitoring Program), the Board plans to address this inconsistency in monitoring requirements and give consideration to potential solutions.

Further, the results of groundwater quality monitoring program indicated there were only two operational groundwater wells in place during AEM's 2009 reporting period. The Board recommends that AEM replace the defective wells in order to collect the robust groundwater quality data intended by, and required for the comprehensive monitoring program as designed by parties during the review and licensing stages of the Project. The Board would request that the Proponent ensure the replacement is completed prior to the next scheduled sampling period.

- 2) With respect to the mapping that is required by PC Condition 56, the Board requests that the Proponent provide it and the GN-DOE with justification for the conclusions presented in AEM's 2009 Annual Report regarding the significance of caribou migration data collected during the 2009 reporting period, and specifically, its claim that the information obtained for caribou migration did not substantially alter conclusions from 2008.*
- 3) In order to discuss the Proponent's reservations moving forth on the program to monitor contaminant levels in country foods as required by PC Condition 67, the Board recommends that NIRB staff consult with AEM and Health Canada as to next steps and/or preferred options for the program.
- 4) With regard to PC Condition 69, where the Board's December 9, 2009 recommendations to the Proponent required that it submit reporting to the GN and NIRB within one year of the date of noted recommendation, at the time of this letter the Proponent had not yet submitted the required information. The Board requests that the report be submitted by December 9, 2010 as was previously recommended. The Board requests that NIRB staff follow up with the Proponent and the GN to ensure the Proponent is compliant with the 2009 recommendation and to provide any guidance or assistance that may required.*
- 5) The PC Condition 71 requires that the Proponent install an atmospheric monitoring station and report the results of air quality monitoring to the NIRB annually. This condition has not been met and has been included as a recommendation from the Board to the Proponent following both the 2008 and 2009 NIRB Monitoring Reports. The Board recommends that the Proponent initiate air quality monitoring; the collection of both baseline and ongoing project data is essential to determining impacts and making comparisons with pre-project conditions and predicted impacts. The Board requests that the Proponent initiate discussions with EC regarding the placement of sampling equipment and parameters to be sampled, in addition to providing a plan of action for the implementation of Condition 71.*
- 6) Where the PC Condition 74 directs the Proponent to employ environmentally protective techniques to suppress surface road dust, EC requested that dust control at site be addressed. The Board also notes that the *Air Quality and Noise Management* report submitted in October 2005 commits to an Air Quality Annual Report which is to include a Dust Monitoring Report. The Board recommends that in AEM's 2010 Annual Report on the Meadowbank Project, it demonstrate its familiarity with all annual reporting commitments as outlined in the FEIS and supporting material such as plans and programs, and ensure that these are submitted with the subsequent years' reporting. With

specific regard to this condition, the Board requires that AEM compile a Dust Monitoring Report and submit this with its 2010 Annual Report.

7) In its 2009 recommendations to the Proponent, the Board stated: "In future reporting initiatives, the Proponent shall provide a thorough analysis on the acceptability of the data reported, including comparisons to impacts and/or absence of impacts as predicted in the FEIS." In its January 15, 2010 response to the Board's recommendations, the Proponent requested further clarification regarding the noted deficiencies in analysis of data and required reporting.

The Board notes that INAC's comment submission to the Board in respect of the Proponent's 2009 Annual Report requests that the Proponent "provide an evaluation of the accuracy of impacts that were predicted in the FEIS." This, coupled with the Board's review of the Proponent's submission(s), leads to the conclusion that the Proponent has not provided the necessary comparison to those predictions made in the FEIS. While monitoring and management plans may prescribe for adaptive management and mitigation measures to be implemented when a certain threshold is exceeded or when the original predicted impacts are met and/or surpassed – information and comparison regarding predictions of impacts and threshold limits have not historically been provided in a clear concise manner for commenting parties' review and consideration.

The Board has directed staff in the finalization of a formal monitoring program as an Appendix D to the Meadowbank Project Certificate and that it specifically address this item, requiring that the Proponent provide detailed analyses of impact predictions made throughout the FEIS and relevant supporting (subsequent) information, including the accuracy of such impacts as compared to results of current annual monitoring results and trends noted over the course of the project. Furthermore, when describing future reporting requirements for the Proponent, Appendix D should require an explanation of the methodology employed to determine the accuracy of monitoring data used, a description of impacts resulting from exceeded thresholds, and an evaluation of the effectiveness of mitigation measures.

The Board recommends that Appendix D also give consideration to the timing at which comment submissions from regulators and other agencies are requested, in order that efficiencies are increased for all parties and that opportunities are reflective of project realities.

Should you have any questions or comments, please contact me at 867-983-4615 or via email at ahanson@nirb.ca.

Sincerely,

Amanda Hanson

Technical Advisor Nunavut Impact Review Board

cc: Anne Wilson, Environment Canada

Douglas Stenton, Government of Nunavut, Culture Language Elders and Youth

Allison Loder, Government of Nunavut, Department of Environment

Meadowbank Distribution List

Enclosure: The Nunavut Impact Review Board's 2009-2010 Annual Monitoring Report for the Meadowbank

Gold Mine Project