

Environmental Protection Operations Directorate
Prairie and Northern Region (PNR)
5019 52nd Street, 4th Floor
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Yellowknife NT X1A 2P7

August 6, 2013

EC file: 4703 001 015 050
NIRB file: 2AM-MEA0815

Phyllis Beaulieu, Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven NU X0B 1J0
Via e-mail: licensing@nunavutwaterboard.org

Attention: Ms. Beaulieu

**RE: Licence No. 2AM-MEA0815, Agnico-Eagle Mines Ltd.: Amendment
Application - Fresh Water Consumption**

Environment Canada (EC) has reviewed the above-mentioned amendment application submitted to the Nunavut Water Board (NWB). The following specialist advice is provided pursuant to the *Canadian Environmental Protection Act 1999*, the pollution prevention provisions of the Fisheries Act, the Migratory Birds Convention Act, and the Species at Risk Act.

Agnico-Eagle Mines Ltd. (the Proponent) submitted an amendment application for a Type "A" Water Licence for the Meadowbank project, in order to permit the withdrawal of 1,870,000 m³/yr in 2013, and 1,150,00 m³/yr thereafter from Third Portage Lake, for domestic camp use, mining, milling and associated uses. This request is based on the projection of increased fresh water uses. The total volume withdrawn for mining under maximum use for 2010 – 2018 would be less than 2.5% of the volume of Third Portage Lake, so the Proponent expects no significant impacts to the local aquatic ecosystem as a result of the requested increase in fresh water use.

EC reviewed the materials submitted in support of the Proponent's licence amendment request and has not identified concerns with the increase in water use.

However, the review of the updated Water Management Plan (March 2013) identified concerns in connection with changes to the mine plan and activities. EC acknowledges that the NWB is proceeding pending determinations by the

Nunavut Planning Commission and the Nunavut Impact Review Board, and that there may be further processes through those agencies. In any case, EC recommends that further information be provided with respect to the dewatering of Phaser Lake, with detailed consideration given to the effects on wildlife, water quality during dewatering, and closure methods including management of water quality.

Other issues that warrant further consideration include the changes to the waste rock pile footprint and associated seepage, and a review of North Cell Tailings Storage Facility (TSF) Reclaim Pond chemistry. The concentrations of several parameters that have been reported at concentrations in the TSF are significantly higher than predicted originally. While the Proponent has taken steps to reduce levels and prevent future increases, EC questions whether there will be effects on closure pit water quality, and whether there will be a need for additional water treatment.

Once the formal technical review for the updated Water Management Plan has commenced, EC can further elaborate on the concerns as necessary.

Should you require further information, please do not hesitate to contact me at (819) 934-0273 or yongshu.fan@ec.gc.ca.

Sincerely,

A handwritten signature in black ink, appearing to read 'Yongshu Fan', followed by a period.

Yongshu Fan
Senior Environmental Assessment Coordinator

cc: Loretta Ransom, Acting Head, Environmental Assessment North (NT & NU), EC