

December 20, 2013

Our reference IQALUIT-#756222

Your reference 2AM-MEA0815

Phyllis Beaulieu Manager of Licensing Nunavut Water Board GJOA HAVEN, NU X0E 1J0

Re: **Final Written Submission**

> **Water Licence:** #2AM-MEA0815

Licensee: Agnico Eagle Mines Ltd. **Amendment Application #2** Issue:

Region: **Kivalliq**

Dear Ms. Beaulieu,

Thank you for your email of November 1, 2013, concerning the above mentioned application.

A memorandum is provided for the Board's consideration. Comments have been provided pursuant to the Department's mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Department of Indian Affairs and Northern Development Act.

Please do not hesitate to contact me by telephone at 867-975-4555 or email at david.abernethy@aandc-aadnc.gc.ca for further information.

Regards,

David Abernethy Regional Coordinator Water Resources Division Resource Management Directorate Aboriginal Affairs and Northern Development Canada IQALUIT, NU X0A 0H0

Encl.

Murray Ball, Manager of Water Resources, AANDC Nunavut C.C.: Erik Allain, Manager of Field Operations, AANDC Nunavut Karen Costello, Director of Resource Management, AANDC Nunavut



Memorandum

TO Phyllis Beaulieu OUR REFERENCE

Manager of Licensing IQALUIT-#756222
Nunavut Water Board

YOUR REFERENCE

2BE-MEA0813

FROM David Abernethy

Water Resources Regional Coordinator DATE

Aboriginal Affairs and Northern December 20, 2013

Development Canada

SUBJECT Final Written Submission, Amendment Application #2

Water Licence: Type 'A' Mining and Milling, #2AM-MEA0815

Licensee: Agnico Eagle Mines Ltd.

Region: Kivalliq

A. BACKGROUND

On November 1, 2013, the Nunavut Water Board (NWB or Board) distributed their Pre-Hearing Conference Decision on Agnico Eagle Mines Ltd.'s (Agnico Eagle) application to amend the Meadowbank Gold Mine's Type 'A' water licence for an increased freshwater consumption allowance. The document provides a summary of the Technical Meeting and Pre-Hearing Conference that occurred in Baker Lake, Nunavut, on October 16 and 17, 2013. Interested parties were invited to provide final written submissions with respect to this application by December 20, 2013.

Provided below is a summary of Aboriginal Affairs and Northern Development Canada (AANDC) participation in the application's review process to date:

- 1. Completeness review written submission dated August 6, 2013;
- 2. Technical review written submission dated September 26, 2013
- 3. Participation in the October 16, 2013 Technical Meeting; and
- 4. Participation in the October 17, 2013 Pre-Hearing Conference

On November 28, 2013, Agnico Eagle hosted a teleconference on licensed monitoring program requirements. Participants included the NWB, the Kivalliq Inuit Association, Environment Canada, and AANDC.

B. RESULTS OF REVIEW

The following recommendations are submitted for the Board's consideration,

Support for Application

- Agnico Eagle's application appears to be reasonable. Adequate justification for increased freshwater consumption has been provided and the amendment will bring Agnico Eagle into compliance with licence terms and conditions.
- 2. Recommendations provided in AANDC's September 26, 2013 Technical Review Memorandum do not apply to the scope of the requested application. Rather, details associated with the provision of monitoring information (water balance and water quality) and referencing updated management plans in licence terms and conditions should be addressed in the upcoming licence renewal process.

Monitoring of Third Portage Lake's Water Level

3. Agnico Eagle should provide the criteria that will be used to an trigger increased frequency of monitoring Third Portage Lake's water levels (from monthly to weekly) and review the lake's water balance should water levels diminish.

Context: Section 4.1 of the April 2013 application support document outlines Agnico Eagle's commitment to investigate any reduction in Third Portage Lake's water level (including erosion or water flow changes) but does not provide the criteria that would trigger action. This issue was raised by the NWB during the Technical Meeting. Agnico Eagle committed to provide the criteria that will be used to increase monitoring of Third Portage Lake's water levels and review its water balance.

Prepared by David Abernethy