



September 26, 2014

Your file - Votre référence  
2AM-MEA0815

Our file - Notre référence  
IQALUIT-#851505

Robin Ikkutisluk  
Licence Administrative Assistant  
Nunavut Water Board  
GJOA HAVEN, NU X0E 1J0

**Re: Aboriginal Affairs and Northern Development Canada Completeness Review of Agnico  
Eagle Mines Ltd.'s Application to Renew Water Licence #2AM-MEA0815**

Dear Ms. Ikkutisluk:

Thank you for your email of August 29, 2014, concerning the above mentioned application. A memorandum is provided for the Board's consideration. Comments and recommendations have been provided pursuant to Aboriginal Affairs and Northern Development Canada'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@aadnc-gc.ca](mailto:david.abernethy@aadnc-gc.ca) for further information.

Sincerely,

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

Encl.

c.c.: Andrea Morgan, Senior Engineer, AANDC Nunavut  
Amjad Tariq, Regulatory and Science Advisor, AANDC Nunavut  
Murray Ball, Manager of Water Resources, AANDC Nunavut  
Erik Allain, Manager of Field Operations, AANDC Nunavut

# Memorandum

To: Robin Ikkutisluk, Nunavut Water Board

From: David Abernethy, Aboriginal Affairs and Northern Development Canada

CC: Andrea Morgan (AANDC), Amjad Tariq (AANDC), Murray Ball (AANDC), and Erik Allain (AANDC)

Date: September 26, 2014

Re: **Water Licence Renewal Application, #2AM-MEA0815**

Licensee: Agnico Eagle Mines Ltd.  
Project: Meadowbank Gold Mine  
Region: Kivalliq

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Comments:

A. Background

On August 29, 2014, the Nunavut Water Board (“**NWB**”) provided notification of Agnico Eagles Mines Ltd.’s (the “**Proponent**”) application to renew their Type ‘A’ Mining and Processing Water Licence, 2AM-MEA0815, for a ten year renewal term. This licence allows the use of water and disposal of waste associated with mining and milling undertakings at the Meadowbank Gold Mine. The application is accompanied by a review of monitoring data that has been collected since the beginning of mine operations in 2010, updated management plans, and an updated licence with a rationale for proposed changes.

Interested parties were asked to review this application for completeness and initial technical assessment. Furthermore, interested parties were invited to comment on the type of Technical Meeting and Pre-Hearing Conference that will be held following the upcoming technical review phase (i.e., written, teleconference, or in person).

The NWB requested that intervening parties provide written submissions by September 29, 2014.

## B. Results of review

On behalf of Aboriginal Affairs and Northern Development Canada (AANDC), the following comments and recommendations are provided:

IR #	Document	Reference (Appendix, Section, Page, Paragraph)	Issue	Rationale	Information Request
1.	2014 Licence Renewal Application	Appendix B17 - 2013 Water Management Report and Plan, Version 1 (March 2014)	Freshet Action Plan	The Freshet Action Plan is referred to in the Water Management Plan, and in particular, for managing RSF seepage water, but has not been included with the licence application.	<p>The Proponent should include a copy of the Freshet Action Plan with the application.</p> <p>Many mine facilities around the mine site are vulnerable to excess water. Review of the Freshet Action Plan would provide a better understanding of the management plan for contact waters and their potential environmental impacts during operations and closure.</p>
2.	2014 Licence Renewal Application	Appendix B14 – Interim Closure and Reclamation Plan, Version 2 (Jan 2014)	Reclamation Financial Security Cost Estimate	<p>The Interim Closure and Reclamation Plan provides a permanent closure and reclamation financial security estimate that was prepared using a dated version of the RECLAIM model (Version 6.1, March 2009).</p> <p>The RECLAIM model has been revised (Version 7, March 26, 2014) to include unit costs that are benchmarked against actual abandoned mine site remediation projects situated in the Northwest Territories.</p>	<p>The Proponent should re-calculate its permanent closure and reclamation financial security estimate using the latest RECLAIM template (Version 7, March 26, 2014). Furthermore, the current mine operating costs, RECLAIM Version 7 unit costs, and inflation should be reflected in the security estimate.</p> <p>A revised cost estimate should be provided to ensure that the requirements of the <i>Mine Site Reclamation Policy for Nunavut</i> are satisfied (i.e., adequate security should be provided to</p>

IR #	Document	Reference (Appendix, Section, Page, Paragraph)	Issue	Rationale	Information Request
					ensure the cost of reclamation, including shutdown, closure, and post-closure, is born by the operator of the mine rather than the Crown).
3.	July 2014 Monitoring Program Summary Report	Appendix C – Assay Road Seepage, Phase 2 Environmental Site Assessment and Engineering QA/QC (Aug 2014)	Assay Road Seepage Assessment and Engineering QA / QC Report	<p>The Phase 2 Environmental Site Assessment of the Assay Road Seepage and the Quality Assurance / Quality Control monitoring for the construction of the interception trench designed to contain cyanide impacted soil and groundwater is relevant to closure planning but has not been included in the licence application (was available until after AEM submitted its application).</p> <p>This report was included in AEM's July 2014 monitoring program summary report.</p>	<p>The Proponent should include a copy of the Assay Road Seepage Assessment and Engineering QA / QC Report with the application.</p> <p>The management of cyanide impacted soil and groundwater will result in monitoring and possibly, additional mitigation measures that will affect AEM's closure plan.</p>

### C. Technical Meeting and Pre-Hearing Conference

The NWB Technical Meeting and Pre-Hearing Conference should be held in person in Baker Lake, NU. In person meetings are recommended because it would allow intervening parties, the Proponent, and NWB staff to address issues related to the continued operation and upcoming closure of the Meadowbank Gold Mine. Areas of particular interest include re-flooding of the mine pits, closing the tailings impoundment and waste rock storage facilities, and monitoring program requirements.

Prepared by David Abernethy, Andrea Morgan, and Amjad Tariq