Water Resources Division Nunavut Regional Office Igaluit, NU X0A 0H0

> Your file - Votre référence 2AM-MEA1526

July 16, 2018

Our file - Notre référence CIDM#1222975

Karén Kharatyan Director of Technical Services/ Acting Executive Director Nunavut Water Board Gjoa Haven, NU X0B 1J0

Re: Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) assessment of the Proposed Modification to Allow In-Pit Tailings
Deposition under Agnico Eagle Mines Limited's Type "A" Water Licence
No. 2AM-MEA1526 for the Meadowbank Gold Mine Project as an amendment

Dear Mr. Kharatyan,

Thank-you for the email notice, received on July 3, 2018, regarding the above mentioned proposed modification request at Meadowbank Gold Mine Project.

CIRNAC Water Resources Division assessed the proponent's proposed modification request involving a: "change to tailings management at the site to allow for in-pit deposition of tailings in the mined out Goose and Portage pits at the Meadowbank Gold Mine." Comments are provided pursuant to CIRNAC's mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Department of Indian Affairs and Northern Development Act. Technical review comments will be provided in a separate letter.

CIRNAC is of the opinion that the proposed modification request is an amendment to, rather than a modification of, Type "A" Water Licence No. 2AM-MEA1526. In-pit deposition of tailings is outside the Type "A" Water Licence No. 2AM-MEA1525 scope of "deposition of tailings into the Tailings Storage Facility."

As per Part F, Item 19, of the current Type "A" Water Licence No. 2AM-MEA1526 – Amendment No. 2:

IQALUIT#1222975 - v2

1

<sup>&</sup>lt;sup>1</sup> Letter to Jamie Quesnel and Ryan Vanengen, Agnico Eagle Mines Limited, Re: NWB Request for Technical Review Comments by August 3, 2018 Regarding Proposed Modification to Allow In-Pit Tailings Deposition under Agnico Eagle Mines Limited's Type "A" Water Licence No. 2AM-MEA1525 for the Meadowbank Gold Mine Project from Karén Kharatyan, NWB, dated July 3, 2018.

"the Licensee shall dispose of tailings and operate the Tailings Storage Facility in accordance with the approved Mine Waste Rock and Tailings Management Plan (March 2017), Meadowbank Tailings Storage Facility Management Plan for Whale Tail Pit (January 2017) submitted as part of water licence application for the Whale Tail Pit Project submitted by AEM to the NWB on July 8, 2016, and Guide to the Management of Tailings Facilities (Mining Association of Canada September 1998). The tailings solids fraction shall be permanently contained within the Tailings Storage Facility."

Tailings solids fraction for both the Meadowbank Gold Mine Project (Type "A" Water Licence No. 2AM-MEA1526) and the Whale Tail Pit Project (Type "A" Water Licence No. 2AM-WTP1826) are to be permanently contained within the Tailings Storage Facility. Amendment No. 2 of the Meadowbank Gold Mine Project Type "A" Water Licence No. 2AM-MEA1526 defines the Tailings Storage Facility as:

"the facility designed to permanently contain the solid fraction of the mill tailings as described in the approved <u>Mine Waste Rock and Tailings Management Plan</u>. The Facility includes structures and future facilities reviewed by the Independent Geotechnical Expert Review Panel and described in the approved <u>Mine Waste Rock and Tailings Management Plan.</u>"

The approved <u>Mine Waste Rock and Tailings Management Plan</u> (March 2017) states:

"tailings are processed through a cyanide destruction circuit, then pumped to the Tailings Distribution Box, and then deposited in the Tailings Storage Facilities – North and South Cells (TSF)." p.53.

The Tailings Storage Facility in the approved <u>Mine Waste Rock and Tailings Management Plan</u> (March 2017) is described as the North and South Cells at the Meadowbank Gold Mine Project. There are no descriptions of other structures nor future facilities designed to permanently contain the solid fraction of the mill tailings outside the North and South Cells of the Tailings Storage Facility in the approved <u>Mine Waste Rock and Tailings Management Plan</u> (March 2017).

The aforementioned <u>Meadowbank Tailings Storage Facility Management Plan for Whale Tail Pit</u> (January 2017) states:

"to store the full volume of tailings from processing of the Whale Tail Pit ore, Agnico Eagle is proposing to maximize the storage in South Cell through the deposition of approximately 5.3 Mt of tailings, within the Type A Water License 2AM-MEA1525 approved tailings facility structure. Agnico Eagle is also proposing to construct an internal dike structure to store the remaining 3 Mt within the current footprint of the North Cell." p.i.



Both the <u>Meadowbank Tailings Storage Facility Management Plan for Whale Tail Pit</u> (January 2017) and the <u>Mine Waste Rock and Tailings Management Plan</u> (March 2017) do not mention in-pit deposition of tailings in the mined out Goose and Portage pits at the Meadowbank Gold Mine Project.

Based on the submissions provided to date, and the definitions of 'amendment<sup>2</sup>' and modification<sup>3</sup> in the Type "A" Water Licence No. 2AM-MEA1525, CIRNAC concludes the proposed modification request received on July 3, 2018 is an amendment to, and not a modification of, Type "A" Water Licence No. 2AM-MEA1526. The July 3, 2018 proposed modification request changes the terms and conditions of Type "A" Water Licence No. 2AM-MEA1526, and alters the purpose or function of the Goose and Portage pits at the Meadowbank Gold Mine Project.

CIRNAC therefore recommends the proposed modification request for "*in-pit deposition* of tailings in the mined out Goose and Portage pits at the Meadowbank Gold Mine" be processed as an amendment to Type "A" Water Licence No. 2AM-MEA1526.

If you have any questions or require further information with respect to this matter, contact me at 867-975-3877 or <a href="michelle.blade@canada.ca">michelle.blade@canada.ca</a>, or lan Parsons at 819-953-8988 or <a href="mailto:ian.parsons@canada.ca">ian.parsons@canada.ca</a>.

Regards,

Michelle Blade Regional Coordinator, Water Resources

Cc. Spencer Dewar, Director, Resource Management Directorate – CIRNAC, NRO Erik Allain, Director of Lands – CIRNAC, NRO Wajid Daouda, Acting-Director, Senior Engineer, Major Project – CIRNAC, NRO Ian Parsons, Manager, Regional Water Coordinator – CIRNAC, NRO Mark D'Aguiar, DFO-Yellowknife

<sup>&</sup>lt;sup>2</sup> "Amendment"; means a change to any terms and conditions of this Licence through application to the NWB, requiring a change, addition, or deletion of specific terms and conditions of the Licence not considered as a modification.

<sup>&</sup>lt;sup>3</sup> "Modification"; means an alteration to a physical work that introduces a new structure or eliminates an existing structure and does not alter the purpose or function of the work.

<sup>&</sup>lt;sup>4</sup> Letter to Jamie Quesnel and Ryan Vanengen, Agnico Eagle Mines Limited, Re: NWB Request for Technical Review Comments by August 3, 2018 Regarding Proposed Modification to Allow In-Pit Tailings Deposition under Agnico Eagle Mines Limited's Type "A" Water Licence No. 2AM-MEA1525 for the Meadowbank Gold Mine Project from Karén Kharatyan, NWB, dated July 3, 2018.