

January 31 2019

Karén Kharatyan Director of Technical Services- Nunavut Water Board P.O. Box 119 Gjoa Haven, Nunavut XOB 1JO

RE: Request for Opinion regarding whether the NWB should consider waiving the requirement for a Public Hearing to consider Agnico Eagle Mines Ltd.'s "Inpit Tailings Disposal Modification" amendment application

Further to your letter of December 17, 2018 and our subsequent submissions to the Nunavut Water Board (NWB), Agnico Eagle Mines Limited (Agnico) is writing to reconfirm its view that the processing of the In Pit Disposal Application should not require a technical meeting, prehearing conference or public hearing.

As set out in s. 9 of the *Nunavut Waters Regulations*, SOR/2013-69 a Public Hearing is not required for an amendment to a Type "A" Water Licence that does not affect the use, flow or quality of waters or alter the term of the licence. Agnico re-confirms its submission to the NWB of December 13, 2018 that the In-Pit Disposal Application will not affect the use, flow or quality of waters or alter the term of the licence. Agnico will continue to comply with all of the Water Licence terms and conditions respecting use, flow and quality. No changes to the existing Water Licence volumes or discharge criteria are being sought by Agnico Eagle. As stated previously within the NIRB and NWB process, as currently, Agnico Eagle will meet Type A license requirements at the point any discharges enter the Second and Third Portage Lake.

It is clear that in the context of the several important tailings dam failures that have occurred in the last decades, and in particular since the recent ones, Mount Polley (Canada, 2014), Samarco (Brazil, 2015), and, the very recent and terrible one in Brazil on January 25, 2019, the industry has to make a radical shift in its approach with tailings management. It is now recognized that in-pit disposal like we are proposing here is a Best Available Technology and is an opportunity to achieve a fully robust tailings management strategy that can pass the test of time.

As previously noted by Agnico, there are several precedent applications where the NWB has processed amendments to Type A Water Licences involving facility changes without a public hearing. Further it would be very inconsistent with the NWB's previous determination (of July 20, 2018) that the In-Pit Disposal Proposal should be processed as a modification to now determine that an amendment triggering a public hearing is required.

Since December 17, 2018, Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) has confirmed that its previous concerns respecting the flooding strategy and Interim Closure and Reclamation Plan and security have been resolved.



In response to comments on groundwater monitoring from Environment and Climate Change Canada (ECCC), Natural Resources Canada (NRCan) and CIRNAC, Agnico has committed in its responses of January 23, 2019 and January 25, 2019 to review, optimize and adapt the location of monitoring wells as part of the final closure plan in collaboration with regulators, and to continue the ongoing monitoring at site and to update the hydrogeological model and Groundwater Monitoring Plan.

Based on these recent submissions, Agnico feels we have resolved these issues, however we can have a teleconference in early February to discuss these items with ECCC, NRCan and CIRNAC and our view is that these discussions are not of a nature that would require a written or oral public hearing to resolve.

Should you have any questions regarding this letter, please do not hesitate to contact the undersigned.

Sincerely,

Jamie Quesnel

Jamie.Quesnel@agnicoeagle.com

819.856.8021.

Superintendent - Permitting and Regulatory Affairs - Nunavut