NUNAVUT WATER BOARD HEARING

RE: MEADOWBANK GOLD MINE PROJECT TYPE A WATER LICENSE

HEARING HELD AT THE
COMMUNITY CENTRE
BAKER LAKE, NUNAVUT
APRIL 16, 2008

APPEARANCES:

NUNAVUT WATER BOARD (NWB):

Mr. L. Toomasie	Chair
Mr. G. Kakkiarniun	Member
Mr. G. Porter	Member
Mr. T. Tatatuapik	Member
Mr. R. Hanson (by phone)	Member

NUNAVUT WATER BOARD STAFF:

Mr. W. A. Tilleman, Q.C. (by phone)	Legal Counsel
Ms. C. Emrick, Esq.	Legal Counsel
Ms. D. Filiatrault	Executive Director
Mr. D. Hohnstein	Acting Director Technical Services
Mr. B. Kogvik	Secretary/Interpreter/ Translator
Mr. J. Seto	Senior Geotechnical Advisor
Mr. D. Carr	Licensing Administrator
Mr. R. Dwyer	Licensing Administrator
Mr. S. Lines and Ms. K. Tunaley	Tunaley Lines & Associates

LICENSEE:

AGNICO-EAGLE MINES LIMITED (AEM)

-Mr. L. Connell	Manager of Environment, Social, and Government Affairs, AEM Meadowbank Division
-Mr. T. Eldridge	Golder Associates
-Ms. V. Bertrand	Golder Associates
-Mr. D. Walker	Golder Associates
-Mr. J. Donihee	Legal Counsel
-Mr. G. Mann	Azimuth Consulting
-Mr. S. Doire	Mine Site Environmental Coordinator
-Mr. R. Vanengen	Mine Site Environmental Coordinator
-Ms. R. Gould	Environmental Manager of Permitting and Compliance Monitoring
-Mr. S. Robert	Environmental Engineer, AEM Abitibi Division

INTERVENERS:

INDIAN AND NORTHERN AFFAIRS CANADA (INAC)

-Mr. M. Nadler	Nunavut Regional Director General
-Mr. J. Rogers	Manager of Water Resources
-Mr. K. Landa	Legal Counsel-Justice Canada
-Mr. K. Armstrong	Technical Specialist

ENVIRONMENT CANADA (EC)

-Ms. A. Wilson	Water Pollution Specialist
-Mr. G. Groskopf	Mining Specialist

DEPARTMENT OF FISHERIES AND OCEANS CANADA (DFO)

-Ms. A. Liu	Habitat Management Biologist
-Mr. D. Balint	Habitat Management Biologist

GOVERNMENT OF NUNAVUT-DEPARTMENT OF ENVIRONMENT (GN-DOE)

-Ms. H. Yeh	Manager of Environmental Assessment and Land Use
-Mr. E. Baddaloo	Director of Environmental Protection

NUNAVUT TUNNGAVIK INCORPORATED (NTI) AND KIVALLIQ INUIT ASSOCIATION (KIA)

-Mr. J. Lindell	
-Ms. J. Ehaloak	
-Mr. L. Manzo	
-Mr. S. Hartman	Environmental and Water Officer, KIA Lands Department

INTERPRETERS/TRANSLATORS:

Mary Hunt Rhoda Perkison	Inuktitut Language
Trevor Bourque	Sound Technician (PIDO)
Karoline Schumann, CSR(A)	Court Reporter

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(PROCEEDINGS COMMENCED AT 9:02 A.M.)
THE CHAIR: Please feel welcome. Bob, I didn't hear you; are you on the line?
MR. HANSON: I'm sorry, I didn't hear you. I am here, Lootie. Thank you very much.
THE CHAIR: Thank you. So before we go on, carry on the business for the day, I like to ask Guy Kakkiarniun to say a prayer.
(OPENING PRAYER)
THE CHAIR: Thanks, Guy. Can I ask Dionne to do the housekeeping for us before we go on -- okay, or the Staff. Go ahead.
PROCEDURAL MATTERS:
MR. CARR: Thank you, Mr. Chair. Don Carr here.
I have a few more items to enter as exhibits, if there are no objections. Exhibit Number 4, electronic INAC MG Water License Presentation, April 2008, submitted by Michael Nadler; Item 5, hard copy Indian and Northern Affairs, Meadowbank Gold Project, April 2008, submitted by Michael Nadler; Exhibit 6, electronic "AEM Public Community Presentation_r3", April 2008, submitted by Larry Connell; Exhibit 7, the hard copy AEM Community Presentation Meadowbank Gold Mine Project, April 2008, submitted by Larry Connell. That's it.
THE CHAIR: Thank you. Any objection to

this? Thank you. I take it there's none.

EXHIBIT NO. 4:
ELECTRONIC INAC MG WATER LICENSE PRESENTATION, APRIL 2008, SUBMITTED BY MICHAEL NADLER.

EXHIBIT NO. 5:
HARD COPY INDIAN AND NORTHERN AFFAIRS, MEADOWBANK GOLD PROJECT, APRIL 2008, SUBMITTED BY MICHAEL NADLER.

EXHIBIT NO. 6:
ELECTRONIC "AEM PUBLIC COMMUNITY PRESENTATION_R3", APRIL 2008, SUBMITTED BY LARRY CONNELL.

EXHIBIT NO. 7:
HARD COPY AEM COMMUNITY PRESENTATION MEADOWBANK GOLD MINE PROJECT, APRIL 2008, SUBMITTED BY LARRY CONNELL.

INAC RESPONSE TO AEM QUESTION:

THE CHAIR: So we'll carry on from yesterday's agenda. Could I ask INAC to come back to intervention table. Okay, thank you, INAC. Does Staff have some more questions?

MR. NADLER: Mr. Chair, if you will --

THE CHAIR: Before we carry on --

MR. NADLER: -- I was hoping --

THE CHAIR: Sure, Michael, go ahead.

MR. NADLER: Thank you. Mr. Chair, I was

hoping, if you will, that we might clarify a response to a question we received yesterday.

THE CHAIR: Staff? Okay, yes.

MR. NADLER: We'd just like to clarify a response to one of the questions that was posed regarding cover layer on waste rock. Might we began?

THE CHAIR: Yes, sure.

MR. NADLER: Thank you, Mr. Chair.

THE CHAIR: Go ahead.

MR. NADLER: Again, we were hoping to clarify a response to a question received yesterday regarding cost estimates for reclamation and the depth of rock cover over waste rock and tailings.

The Proponent's cost estimates for reclamation are based on the use of a cover of 2.5 metres based on their presentation of yesterday over waste rock and tailings.

INAC has two concerns regarding the depth of cover proposed by Agnico-Eagle, one of these relates to modelling, the other to the Ekati example.

Cover over waste rock is meant to bury waste rock deeply enough that it freezes permanently. Each winter, as all of us know, the ground freezes to the surface. Each summer, it thaws to a certain depth. The space between the surface and the deepest level of thawing is called the active layer.

With regard to modelling, for its modelling on

reclamation and rock cover, the Proponent considered an active layer of 2 metres. However, we know from site data collected at the Meadowbank site that the depth of the active layer is closer to 2.15 metres. Given that the active layer is already deeper than the Proponent's models and given that on-site data reflects solid ground, which freezes more quickly than rock piles, INAC has limited confidence in the Proponent's estimate.

With regard to the Ekati example, we recognize that the Ekati mine is in a slightly different climatic zone than the Meadowbank Project. However, there are important similarities, primary among these similarities is that the Ekati's monitoring data is for rock piles. As we know, rock piles are looser than solid ground. There's more air permeation. They have a different characterization than solid ground with regard to freezing and thawing of permafrost. Moreover, even if the two projects are in different parts of the Arctic, the difference between the Ekati estimate of 5 metres and the Proponent's estimate of 2 metres is quite significant. So in comparing its own estimate, our Department felt that the 5 metres found at Ekati would be too conservative for the climate around Baker Lake, but that 2 metres or even 2.5 metres is likely too optimistic, and we struck a balance at 4 metres for our estimates.

Given that the Board might be contemplating a two-phase water license and given that the Proponent will be undertaking progressive reclamation, we would make three recommendations.

The first recommendation would be that the initial license base its assessment of security for first five years of mine life and mine operations on a 4 metre cover. This would be a conservative response to the lack of good data on the active layer.

The second would be that the Proponent undertake a physical testing of different cap depths and designs over different types of waste rock and monitor the results and provide these annually to the Water Board.

The third would be to require that the Proponent prepare and submit a plan for this testing and monitoring within 12 months of the date of the license. With good physical testing and monitoring information in hand, security estimates for the waste rock cover for the second licensing phase and the remainder of the mine life would be much more accurate as they would reflect five years of active layer data collection.

Thank you, Mr. Chair.

THE CHAIR: Thank you, INAC. Staff, any more questions? Dionne?

MS. FILIATRAULT: Mr. Chairman, before we continue with questions from the Staff, because this is

sort of new information and is a new recommendation that's tabled, I think it's only appropriate to allow Agnico to respond.

THE CHAIR: Thank you. Agnico?

MR. CONNELL: Thank you, Mr. Chairman.

I would like to respond to that, but I'd also like some time to prepare on that basis, so I propose that I do that response at the -- when we have an opportunity to do the replies, if that would be okay with you.

THE CHAIR: Yes, it's okay.

MR. DONIHEE: Mr. Chairman, John Donihee.

Perhaps the Staff could finish their questions of INAC, and that would give us a few moments just to gather our thoughts before we reply.

THE CHAIR: Okay, thank you. Staff?

CONTINUED NWB STAFF QUESTION INAC:

MR. HOHNSTEIN: Thank you, Mr. Chair. Dave Hohnstein.

Steve's finished. Karlette, did you want to carry on?

MS. TUNALEY: You go ahead.

MR. HOHNSTEIN: I'll do mine. Okay, Dave Hohnstein.

Just one clarification question for INAC, and unfortunately I didn't write down the page number on the presentation in the intervention, but there was a

reference to the discharge from Tear Drop Lake based on the industrial waste discharge guidelines, and we would like clarification as to why those guidelines were referenced rather than the guidelines for discharge of treated municipal waste water.

THE CHAIR: Thank you, INAC?

MR. NADLER: I think we'd recommend that our -- given the question has a relatively technical answer, we'd prefer our technical specialist be sworn in to respond. Thank you, Mr. Chair.

KEN ARMSTRONG, sworn:

MR. ARMSTRONG: Ken Armstrong, Mr. Chairman.

With respect to the industrial discharge, the concern that we have is that the quality of effluent -- back up a step here. Between the technical hearing and our hearing today, Agnico-Eagle provided some updated information with respect to the quality of effluent arising out of the sewage treatment plant before it's discharged to Tear Drop Lake.

Now, the quality of effluent proposed to be discharged from Tear Drop Lake to the environment was established or identified as 25 milligrams per litre BOD and 25 milligrams per litre total suspended solids. The information that Agnico-Eagle provided from their manufacturer, from the supplier of the sewage treatment plant, indicated that the total suspended solid levels

would be 100 milligrams per litre and 80 milligrams per litre BOD, so 100 milligrams per litre of suspended solids.

This provides us quite a bit of discomfort in that discharging that level of effluent to Tear Drop Lake will make it very difficult to achieve the water quality levels required for discharge to the environment.

Therefore, in looking at the guidelines for industrial water quality for the Nunavut area, January 2002, sewage treatment levels indicated in that document indicate an average of about 15 milligrams per litre total suspended solids and BOD prior to entering Tear Drop Lake. We would be satisfied with seeing that the sewage treatment plant would provide a level of treatment that would ensure that the 25 milligrams per litre suspended solids and BOD are achievable from Tear Drop Lake.

And the other item is that Tear Drop Lake is also a storm water receiver, so it's also acting as a dual function in that capacity.

THE CHAIR: Thank you. Any more questions from Staff?

MR. HOHNSTEIN: Thank you, Mr. Chairman. Yes, we do have about three more questions.

MS. TUNALEY: Thank you, Mr. Chair.

My questions again are clarifications, and I'll just

refer to the written intervention. On page 5, regarding Part D, "Conditions Applying to Construction", there's a table there that provides timetables for submissions to the Board for specific and nonspecific structures related to water use. And I'm just wondering if you could clarify what this table means as far as the dates and that are concerned. It says, for example, "Dams and dikes ten days"; is that ten days following some specific time?

THE CHAIR: Thank you, Staff.

MR. NADLER: Mr. Chair, it will just take me a moment to absorb the page. It's part of a broader sweep of information. It will just take me a moment to absorb.

THE CHAIR: If you need question time, we can take a break.

MR. NADLER: I think we'll give an answer in just a moment, Mr. Chair. Forgive us, it's just -- there's a table at the back of the intervention. It will just take me a moment.

THE CHAIR: Okay.

MR. NADLER: Thank you for your patience, Mr. Chair.

This table relates to the adaptive management approach that would be undertaken during mine construction and mine operations, so it assumes that

plans that are included in the approved Nunavut Water Board management plan might be changed due to adaptation. And so what these time frames are are advanced dates to inform the Water Board of the information on a subsequent page, on page 6 of that. So that information would be provided because what we're seeing is an adaptation to the existing plan, according to the time frame found in the second -- or, rather, in the two columns.

So what it is is it's just an -- the time frames are in advance of the construction or the measure of the step.

Mr. Chair, I hope that responds sufficiently to the question. We should have made that clear. I regret it's kind of implicit, not explicit, in the text.

MS. TUNALEY: That helps. Thank you very much. My next question, Mr. Chair?

THE CHAIR: Yes, go ahead.

MS. TUNALEY: Yesterday I think Steve asked you a question about your recommendation that noncontact water be monitored and asked if it should be regulated, and you said yes, INAC said yes to that. So my question in follow-up is what standards would you recommend that discharge be regulated to?

THE CHAIR: Thank you. INAC?

MR. ARMSTRONG: Mr. Chairman, Ken Armstrong.

The water standards for noncontact should be the industrial water quality levels 2002 for Nunavut. The appropriate title is the Nunavut Department of Sustainable Developments Guidelines for Industrial Waste Water Standards. I believe it's January 2002.

THE CHAIR: Thank you. Any more questions, Karlette?

MS. TUNALEY: Thank you, Mr. Chair. I have one more question.

Regarding the incinerator and INAC's recommendation on page 10 of their written intervention, again, a clarification with respect to the appropriate ash standards for the disposal of bottom ash from the incineration of municipal wastes. If I could get clarification regarding what standard they're referring to.

THE CHAIR: Thank you. INAC?

MR. ARMSTRONG: Mr. Chairman, could I get a clarification on which page you're talking about?

THE CHAIR: Karlette?

MS. TUNALEY: It's page 10.

MR. ARMSTRONG: Mr. Chairman, Ken Armstrong.

I'll just read part of our -- or the text in our intervention. It reads: (As Read)

> Agnico-Eagle should analyze the ash produced from the incineration of organics, organic

wastes, and sludges prior to disposal of ash in the landfill. Appropriate ash standards, such as those used for the disposal of bottom ash, from the incineration of municipal wastes should apply.

I believe the reference for this should be the CCME guidelines for incineration.

THE CHAIR: Thank you. Any more questions from Staff? Thank you.

I like to ask Bob Hanson, do you have a question, Bob?

MR. HANSON: Bob Hanson, Mr. Chairman. No, I don't have a comment. I would like to make sure that all people speaking say their name first for the record. Thank you, Mr. Chair.

THE CHAIR: Thank you, Bob. You have any questions, Nunavut Water Board? Tommy?

NWB QUESTIONS INAC:

MR. TATATUAPIK: My name is Tommy Tatatuapik. I'm a Board Member of the Nunavut Water Board. In regards to the plastic, the plastic bags and so on, and some scrap metals, are they going to be separated, or are they going to burn them in incinerator? They tend to be hazardous to the air. Are they going to burn them or destroy them in different incinerators?

THE CHAIR: Thank you. INAC?

MR. ARMSTRONG: Ken Armstrong, Mr. Chairman.
Could I have you repeat the beginning of that question? I didn't have the monitor on the right channel here.
THE CHAIR: Please repeat your question, Tommy, the first part of your question.
MR. TATATUAPIK: My name is Tommy Tatatuapik of the Nunavut Water Board. I was referring to plastic. They tend to be hazardous to -- when they are being burned through incinerator, and also scraps such as metals, are they going to be separated and burn them in separate incinerators?
THE CHAIR: Thank you. INAC?
MR. ARMSTRONG: Mr. Chairman, Ken Armstrong.
The question should actually be directed to Agnico-Eagle. However, the comments that we have received and reviewed thus far indicate that only organics are going to be and sewage sludge are going to be burned in the incinerator. Therefore, plastics and metals and other like materials that would be found in the waste stream will be separated and taken to the landfill.
MR. LANDA: Mr. Chair, if I could follow up on that, please. It's Ken Landa from Justice Canada.
There may actually be a need for Agnico-Eagle to clarify that because my understanding of the evidence

was that packaging materials that came into contact with food were being classified as organics, so maybe we do need to hear from Agnico-Eagle on that.

THE CHAIR: Thank you. Larry?

AEM RESPONSE TO NWB QUESTION:

MR. CONNELL: Thank you, Mr. Chairman. Larry Connell.

All what you've heard is correct; the company will be segregating metals. Those will go to the landfill. We will segregate the plastics that are normally part of our operation, they would also be segregated, taken to the landfill.

The only thing that would be incinerated would be packaging that comes in contact with food, and some of that may be plastics, some of it will be cardboard, some will be other materials. And also we will have the plastic bags obviously that the kitchen scraps are in, those would be going to the incinerator stream, but those would be the only plastics that would go to the incinerator stream would be the packaging or the bags that contained the organic materials.

THE CHAIR: Thank you. Any more questions from Nunavut Water Board? If there's no more questions, thank you, INAC and Staff.

MS. FILIATRAULT: Thank you, Mr. Chairman. Just to point out that AEM needs to clarify some of the

recommendations before we -- before you let INAC be dismissed, thank you.

THE CHAIR: Okay, thank you, Staff. Applicant?

AEM CLARIFICATION RE: RECOMMENDATIONS:

MR. CONNELL: Thank you, Mr. Chairman. It's Larry Connell.

I just want to go back and add some -- quite a bit of information actually or clarity to what we've heard over this issue, and what we've actually said.

Originally in our application submission, we had a cover thickness of 2 metres. That was not an assumption that came from the modelling; that was the outcome of the modelling. That's what the model told us that the capping layer should be. So I think that that should be clarified.

The other thing we've heard is that the average active layer at the Meadowbank site as we've measured it is 2.15 metres. That too isn't quite true. Those are for boreholes in close proximity to the talik zone. They aren't for boreholes throughout the site.

Having said that, in our submission, in our recommendation of what the security should be to the Board, the 26.1 million, that is based on 4 metres. That is INAC's number at the end of the five-year period. We've -- in order to move this along and to

accept that, we said, It is time we just take the 26.1 million, which is the 4 metre, and that's what we've included in that estimate that we've -- under the recommendation we made to the Board. So we moved from our original 2 metre, and under the argument that we would produce that data during the first five-year license term.

Yesterday, we heard a lot of questioning from the Board Staff over this, especially from Stephen, was looking for some clarity on information with regards to capping layer. And I think there is information out there that should be provided to them that helps us to provide some additional information. This capping of tailings and waste rock is not new in the north. It's not unique. We're not proposing something that has not been done in the past. It has been done here in the north, and there is some record of that work that we can look to.

The active layer, the depth of an active layer is actually dependent upon the material characteristics including the grain size and the moisture content, and we've heard that through INAC as well, and that's quite true. The measured depths of the active layer for the Ekati waste rock dumps, they're reported to be in the order of 5 metres. That active layer thickness at Ekati hasn't yet stabilized, and the ground temperatures there

are continuing to get colder with time. That's from the same report that INAC provided to all of us to look through.

The data from Meadowbank, the area there indicates that we are in a different climate setting to Ekati, and we do have shallower active layers, and there's data available from other sources to support that. And just one of these sources of data that I'd like to put forward is the Circumpolar Active Layer Monitoring Program -- it's acronym is CALM -- and it has measured active layers in Baker Lake since 1997 in this region. They have been measuring the active layer, and the 2004 annual thaw depth was 1.79 metres. And I'd like to put forward for submission to the Board a document that lists where this information came from.

The Board has indicated in its previous ruling to us that we should actively engage prior to the hearings with other parties trying to resolve these issues, and we have done that on this issue. And so this information I'm putting forward was actually supplied to INAC and to the Kivalliq Inuit Association leading up to this hearing. It's not new information to them, but it was information that was never put on the record because it was done in between the final interventions, and so it would have been new evidence. We would like to ask if this could be now put on the record so that some of

this data is actually available to Board Staff and to the Board.

Another spot where we could reference people to look at for what evidence or what factual information is out there that we can look to, the Government of Canada through NRCan through the MEND Program has actually put out a report. It's entitled "Covers for Reactive Tailings Located in Permafrost Regions Review", and it's MEND Report 1.61-4, and it's dated in October 2004.

There are four recent case histories in that report that look at test pads constructed over reactive tailings in continuous permafrost, and they provide information on parameters that govern the design of a cover to maintain the tailings in a frozen state. The case histories are from Nanisivik, from the Raglan mine in Nunavik, from the Lupin mine, and from the Rankin Inlet mine, the old Rankin Inlet nickel mine. They represent different tailings operation, different cover designs, and different approaches and different physical and climate conditions.

Now, just to summarize, but I think this report's worth people referencing, at Raglan, for example, there was a 1.2 metre layer of mine rock underlain by 1.2 metres of crushed sand and gravel esker, and the measured active layer there was 1.9 metres.

At Nanisivik, there were five test pads 2 metres

thick covered with various stratigraphies. The active layer varied depending on the moisture content, from 1 metre at 34 percent moisture to 1.5 metres at 7 percent moisture; that's the active layer.

At Lupin, it was 0.6 to 1.6 metres cover of sand and gravel esker material with an active layer of function of location of the groundwater surface. The 1.3 metres for no cover and fully saturated tailings to 1.8 metres when the groundwater surface with the base of the cover, that was the active layer experienced there.

At Rankin Inlet there was 1 metre of cover sand and gravel esker material over an oxidizing sulphate tailings. 0 degrees, the thaw -- at 0 degrees, the thaw depth was estimated at 2.7 metres. So we do have a variance.

Our commitment or what we said to the Board was we understood that this was an issue, was going to be an issue, and so we proposed a cautious approach; that is that we bond for the INAC-proposed 4 metre during this first license term, that we use the INAC estimates at the end of year five of the operation, and that we establish fuel tests to demonstrate the performance of various cover thicknesses under actual conditions. We can set up these test plots as soon as we get into operation. We don't have to wait for tailings so that we can get the maximum data for this next license

period.

In our submission, we had already talked about instrumentation that we are going to be putting into place to monitor depth of thaw. For example, we have instrumentation going into the dikes, and that's outlined within our submission or within the materials as part of the water license. That will give us information that we can use very early in the life of the mine to calibrate against the thermal modelling that we've already done for this cover.

So, in essence, I believe that there is a lot of information out there to work from on a cover. At the end of the day, our commitment is to close out the tailings in the PAG rock in a manner where the active thaw layer does not reach the underlying tailings or PAG rock. We believe that final depth of this cover should be determined after the -- from the development of data in the field and not something that the Board should have to prescribe through a license condition.

We support the recommendation that INAC's put forward. We think that is a solid approach, and it actually coincides with what we were putting in front of the Board. Thank you, Mr. Chair.

THE CHAIR: Thank you.

PROCEDURAL MATTERS:

MS. EMRICK: I think I heard a proposal

to add two new exhibits, is that correct, one or two?
MR. CONNELL: One submission, this report which is entitled "INAC Review by Brodie Consulting Limited on Meadowbank Reclamation Cost Estimate, Meadowbank Gold Project, Nunavut". It's a technical memorandum from Golder, dated April 2nd, 2008.
MS. EMRICK: So, Mr. Chair, I would suggest we just check to see if there's any objections to adding that as an exhibit, and then we can proceed with doing that now.
THE CHAIR: Thank you. Any objection to it?
MR. NADLER: No objections, Mr. Chair. Michael Nadler.
THE CHAIR: Thank you.
MS. EMRICK: Are there any objections from any of the other parties?
MR. MANZO: No objections from NTI.
MS. EMRICK: I think, hearing no objections, then we would add that as an exhibit, and could we also have it filed electronically?
MR. CONNELL: Yes.
MS. EMRICK: Okay, so that will be -- which exhibit numbers are we at? So the hard copy will be added as Exhibit 8 and the electronic copy as Exhibit 9. Thank you.

EXHIBIT NO. 8:
HARD COPY OF A REPORT ENTITLED "INAC REVIEW BY BRODIE CONSULTING LIMITED ON MEADOWBANK RECLAMATION COST ESTIMATE, MEADOWBANK GOLD PROJECT, NUNAVUT", TECHNICAL MEMORANDUM FROM GOLDER, DATED APRIL 2, 2008.
EXHIBIT NO. 9:
ELECTRONIC COPY OF A REPORT ENTITLED "INAC REVIEW BY BRODIE CONSULTING LIMITED ON MEADOWBANK RECLAMATION COST ESTIMATE, MEADOWBANK GOLD PROJECT, NUNAVUT", TECHNICAL MEMORANDUM FROM GOLDER, DATED APRIL 2, 2008.

THE CHAIR: Okay, thank you. Where do we move from here now? Okay, thank you, INAC, for your presentation.

MR. NADLER: Thank you, Mr. Chair. Thank you, everyone.

PRESENTATION BY EC:

THE CHAIR: Okay, continue on. The next interveners will be Environment Canada. Can we have them sworn in or affirmed.

GLENN GROSKOPF, ANNE WILSON, sworn:

THE CHAIR: Thank you. Please go ahead, Environment Canada.

MS. WILSON: Thank you, Mr. Chairman.

Good morning, Chairman and Members of the Board. My name is Anne Wilson. I work with Environment Canada as a Water Pollution Specialist. With me today is Glenn Groskopf, who is a Mining Specialist also with Environment Canada.

I would also like to acknowledge other folks of EC who helped with the submission. Ivy Stone worked on abandonment and reclamation; Wade Romanko on emergencies; and Dave Fox on incineration.

To give you an overview of the presentation ahead, I'm just going to have one slide on our mandate, then we'll go into the water quality and groundwater issues. I'll turn it over to Glenn next for tailings and waste rock management, and I'll discuss some waste management, emergencies, and closure and reclamation issues.

The next slide, please.

With respect to our mandate and role, the primary relevant legislation and standards that EC either administers or adheres to which influence this presentation include Section 36(3) of the Fisheries Act, and those are the pollution prevention provisions, also the Metal Mining Effluent Regulations, the Canadian Environmental Protection Act, and two sets of Canada-wide standards for mercury emissions and for dioxins and furans.

The water quality issues that I'm going to cover

today include lake dewatering, the aquatic monitoring programs, setting effluent quality criteria, the water quality predictions that AEM has made, water quality in the pit lakes, and a slide on groundwater monitoring.

To go to lake dewatering, AEM has two main areas that they're going to be drawing down the natural lakes to make room for their attenuation ponds and to manage water. When they're doing this dewatering, the amounts they can discharge will have to be controlled by the amount of sediments in the waters in order to protect the waters that they're being discharged to. EC had some specific comments on the monitoring and various ways to regulate it.

We recommend the -- okay, to start with, we support the approach outlined by AEM in their dike construction and dewatering management plan. We had recommended the use of discrete samples, and AEM has clarified that the values they use to judge whether water is having an effect or not in the environment is the maximum in a profile, so they are using discrete samples.

It's also been clarified for me that the use of a 6-day average for TSS isn't necessary. They are using for their monthly averages all of the days in the 30-day, so 7 days was fine as they proposed. I had misread that.

We would also recommend submission of a dewatering

plan as a condition of the water license. This would just be a simple plan that states what they're going do, when, and their thresholds. They've got a lot of that in their current plan.

The next slide is to do with their water quality monitoring programs. There is a lot of monitoring that has to go on at this site: They've got the SNP monitoring or their compliance monitoring, which is internal to the project; there's the receiving environment monitoring also known as aquatic effects monitoring or management planning; and then under the Metal Mining Effluent Regulations, there's the environmental effects or EEM monitoring programs. We would also like to see ongoing groundwater monitoring. This is an important aspect for water management and closure planning. Oh, and one I haven't mentioned on my slide is the DFO Fisheries authorization monitoring.

So how are all of these going to be harmonized? Well, there are a few differences between the types of programs, and one of the reasons we want to have the Aquatic Effects Management Plan in addition to the EEM is there are tiny issues with the EEM. The reporting time lines are a little bit long for good management action in the EEM. The AEMP would have annual reporting and be used more immediately for their adaptive management, so they'll see right away if something is

going in a direction it shouldn't and be able to take the right action.

The AEMP would also presumably include some way to measure if we're seeing more productivity in the lake, which means right now the lakes don't have a lot of fish or a lot of algae or phyto -- or zooplankton, but is the mine adding nutrients that are making the lakes be more productive. That isn't normally included under an EEM, so we're looking for a comprehensive program that gives the EEM components, which are required by law, and supports them with the EEM information.

The Proponent has done a good job of giving us a framework for this, and I was able to read their 2006 and 2007 reports last night briefly, very quickly, and they have covered pretty much what we would hope they would. There are a few minor details that we would like to see addressed or updated or changed. And I think that once the water license is issued, it's important to have all this monitoring formalized in a consolidated plan and further construction phase sampling and analysis plans provided beyond the first one that we've got now for the construction of dikes and dewatering.

As far as the timing, there was a bit of discussion yesterday with INAC's presentation, and thinking about the timing issue as far as having the first update done in March 31st, '09, I think this should be developed

somewhat in collaboration with the departments working with water. And the proposed '08 monitoring should -- it would be very good to have some feedback on that to the Proponent. I don't exactly know what form that would take because it has to happen pretty quickly before they set up for this upcoming field season, which is really only a few months away.

Some examples on that would be just for the '08 monitoring, that we would like to see sediment variability better characterized. They have been using samples that are all mixed together so that you don't have individual samples at their stations, which would show the range of variability, so I think a little further work on the individual samples would be good. And we don't have a sense of winter water quality. I think that would be something they should get before the open pits start, so over -- like probably next April.

And there may be some other comments on the AEMP when I've had a chance to go through it properly, and I'm sure DFO and others would have a few comments. So there's a lot on monitoring for the environmental monitoring.

The next slide is to do with the site water quality monitoring, and we received an update in Appendix C that I had a table consolidating all the different requirements, and so we had identified a few specific

concerns with the parameters proposed, and the intervention has details, so I'm just going to give you a few examples of the things, rather than go through all of them.

For example the diffuser discharge stations, CM-4 and CM-5, don't have quite a broad enough suite of analyses planned for them. I think they need to get more parameters because this is what characterizes the effluents and this is what we're going to be looking at to say, Why are we seeing whatever we're seeing in the receiving environment. And the timing of that should be in advance of discharge as well as during discharge.

I did want to flag a mistake I made -- the second one here, my goodness -- the tailings storage facilities, CM-8 parameters, I flagged that they should include analysis for nitrogen compounds, and I said, "but should not require cyanide compounds"; that's wrong. CM-5 should not require cyanide compounds. I just wanted to correct that on the record.

There's a question of the waste rock pile monitoring. They only propose to monitor dissolved metals. We would like to see totals done at least annually as well to see what the most metals available might be. I appreciate that their models did use dissolved, and their comparisons are on that basis. However, we don't have guidelines for dissolved metals,

and most of our comparisons are done on total metals.

There are closure monitoring aspects outlined in the intervention. I appreciate that those will be for the next license, but they can be planned for in the closure and reclamation plan as it's updated in this license.

Going on to effluent quality criteria. It's been a nice iterative process between the Proponent and stakeholders, us mainly, as far as discussions on what we should have as end-of-pipe criteria and why, and by and large, we agree on most of them. There are some things though that EC feels need to be a little more conservative.

Among those, I would say the main one would be that turbidity be regulated. We also feel that the chloride levels proposed are higher than we would like to see. And we would like to see, probably as a management plan rather than regulated, but there be some duration specified for surface runoff TSS so that it's -- I expect this Proponent would address any ongoing surface runoff that caused erosion, but just so that there are time frames associated with that.

Now, I guess I'll jump into turbidity. That's kind of the big one here, and I hope -- please stay with me, this will take a little while. First off, I want to say that, as we all know, the lakes up here are almost distilled water. They're ultra-oligotrophic, so they're

really, really pristine and clean, and we want to keep them that way.

This was the way the people who live in the Northwest Territories felt about Lac de Gras, and so when it came to the Diavik water license, turbidity was put in as a regulated parameter when it came to dewatering the areas behind their dikes, a very similar situation to this.

I just want to go over a little bit the difference between total suspended solids and turbidity and how they're measured, just so that that's clear. If you have some sand and you have some baby powder or talcum powder, one's kind of coarse and one's kind of fine, mix them all together, put them in a bottle of water, and shake it all up. So the fine stuff is going to float, and the heavier sand is going to sink, but we don't know how much sand we have in our water. So I've got a sponge here and I know how much my sponge weighs; if I pour my sample through my sponge and then weigh the sponge with the sample, I'll know how much of that would be the sand.

Basically that's a very simplified explanation of how we measure total suspended solids. They're poured through a filter. Things of a certain size stay in the filter and can be measured. The part that's turbidity that I'm concerned about is the part that goes through

the filter and stays in the water. The tiny clay-sized particles will float for days to weeks. They don't like to settle out; they stay suspended. When they do that, they prevent the sunlight from going through the lake water and reduce what's available for algae and -- algae that live both in the water column and in the sediments to photosynthesize. So we want to minimize that effect to the extent possible.

If we were going to only regulate total suspended solids, you could put a lot of turbidity out into the lake before you hit your total suspended solids limit. I pulled out a few numbers from the Diavik dike dewatering monitoring.

Early on when they first started dewatering, both turbidity and total suspended solids were less than 1, and they were both the same. As they got further into it, the TSS was still about twice what the turbidity was and was still under their license limits. As they got closer to the bottom of the lake sediments, the suspended fines increased until they were more than the total suspended solids. And it was actually the turbidity that was regulated and had them stop dewatering, and of course, the dewatering, they still were able to get 60 percent of the lake water out even without hitting 10 NTU's, which is the measure of turbidity. And at that time, they'd hit 7 milligrams

per litre of TSS.

So I just wanted to make the point too that while turbidity is often used as a surrogate for TSS, in the Diavik experience, they were pretty close to 1:1, but at the beginning, one was way higher than the other, and at the end, it had flipped, so it's not a real accurate way to know exactly what your TSS is. And the reason for that, of course, is that your sediments are changing. As you drawn down your lake, you get changes.

So enough about turbidity, probably more than enough.

The other aspect for license limits is the chloride that we haven't quite come to agreement on, and we note that chronic effects can be seen at levels of chloride that are about 313 milligrams per litre to 500 milligrams per litre. That won't be an issue at the edge of the mixing zone. We acknowledge that the edge of the mixing zone is going to be quite low. If it was 2,000 milligrams per litre as proposed, it would be 32 milligrams per litre, which shouldn't be an issue. However, the predictions for chloride in the document Water Quality Predictions, I think the highest one I saw for Portage was 420 milligrams per litre, so I'm not convinced that we really need to go as high as 2,000. I know they want a margin of safety there, but I think that that might be more than what is needed.

I was just going to add a comment that we are okay with the higher nitrate levels that are suggested. I looked at the benthic invertebrates that live in the area and some of the zooplankton, and they would be fairly robust to that.

Okay, I'm going to leave effluent quality now and go to the water quality predictions. There is still some uncertainty regarding the modelling of nitrogen compounds from the cyanide breakdown and regarding the levels of ammonia which will accumulate in the attenuation pond and reclaim pond. AEM has committed to monitor and periodically remodel these.

We do support this approach, and, you know, we're going to learn as we go along what is actually happening. Modelling is our best guess. One of the things I would like to see as a license condition is an approved ammonia management plan -- and there's examples, like Diavik had to do one and other companies have them -- to ensure source control because that's really where it all starts. You want to prevent your problems.

Next is pit lakes water quality. We have had some discussions on what's going to happen in the pits after closure. It's predicted that there will be a cleaner top layer of water, and the bottom layer of water will have a little more density because of the salts that

come up from the groundwater. The layer between them, separating is called a chemocline. So we had sought clarification of the role that groundwater inputs or discharges were going to have in this pit water quality and how stable that layer was going to be: Was it going to break down as predicted; how is that going to affect water quality at closure.

We did get clarification on the inputs that were used in the modelling, and those look conservative enough, but there are still questions on the stratification. I think that it's important to keep remodelling this as further groundwater data quality are available, but this can be addressed in future closure estimates -- I'm sorry, in future closure updates.

Just going to the groundwater monitoring. Initially in our view, we had identified some problems with the handling of groundwater data, although we did agree that data were adequate to predict the salinity and major ion concentrations in dissolved metals. What we would like to see is a stand-alone groundwater monitoring plan. I think it's important that the permanent wells be robust, be installed soon, not necessarily go back where the ones that there's been problems with were because those sites are going to be covered over anyways, and this should be planned for -- to happen as soon as possible to get that data.

Okay, I'm going to turn the mike over to Glenn at this point.

MR. GROSKOPF: Thank you, Anne. My name is Glenn Groskopf. I'm with Environment Canada.

I'll be talking on tailings and waste rock issues, and it's the management of these solid wastes from the mine that are going to be critical for the long-term impact of the development. And the specific issues that I'll address relate to, I guess, one of the fundamental underlying design components to those waste facilities, that being the effectiveness of the cover to isolate the active zone from the reactive material, the actual segregation of material to ensure that you don't have problematic rock in that cover.

And with that, I'll now go through the slides. The first one is on design depth on the active zone. It's been already fairly extensively discussed, and from the -- design of the cover and its thickness has already been fairly extensively discussed, and the Department, I guess, concurs with where the discussion is heading in terms of looking at that cover design and, as we get real data, being able to put that into the model and confirm what the thickness would be for the long-term protection of the reactive material.

The next one, the next slide relates to contingency planning for the waste rock piles, and that relates to

the fact that should, in the course of evaluation, there be found either to be substantially more problematic rock to deal with or that the cover design requires significant modification, that there should be always a contingency that can be undertaken to ensure that the site is -- can be decommissioned safely. For example, such actions to be a commitment that, failing the proposal, waste rock could be relocated into one of the pits or cover material otherwise augmented to ensure that the material is not going to degrade and affect the environment in the long term.

Till characterization, this relates to a comment that some of the material, and it's about 10 percent of the till, is probably acid rock, may be problematic and in generating drainages that could affect the water quality, and we just wanted to underscore the importance of ensuring that none of that material gets inadvertently incorporated into any of the structures where it would affect water quality.

And lastly, site rock -- mine rock segregation. As I indicated earlier, segregation of the material to ensure that it's properly disposed of is key and fundamental to handling of solid waste at this mine. It's been stated that the segregation of the rock would be on the basis of sulphur content, as well as I believe the document suggests that total metal content may be

required as another means to address metal leaching.

The company is committed to updating and adapting its plans as it advances and as additional data is obtained, and we're certainly in agreement that is a good approach to take. However, we suggest that really you should have a segregation plan in mind, and if you don't have sufficient data, you should be quite conservative initially, and as you get greater confidence, you're able to reduce that, particularly given that many of these materials are going to be incorporated into long-term structures where the removal may be more difficult.

And I guess related to that is once you have a segregation system, I think one of the other key components is routinely audited to ensure that it is working as expected. Rock units aren't always necessarily as homogeneous as first anticipated, and though certainly it's not exceptional to have rock units even within a drill core varying quite considerably in terms of their environmental character, certainly when you go then to try to extract information to a whole mining block, it can be more challenging. And through auditing, you can confirm that your rule that you're using for segregating is working and that, as you get greater confidence, you can then have greater time between those audits as you're within the same rock

units.

And that, I guess, concludes my part of the presentation. Thank you.

MS. WILSON: Okay, so I'm going to switch gears now -- it's Anne Wilson again -- to waste management. Just a couple of topics here. We're going to look at the incineration, compliance with the Canada-wide standards in connection with that, and landfarm operations.

Okay, I'll start out by saying we appreciate AEM's cooperative approach to implementing the best technology for incineration, and we looked at the incinerator specs yesterday, and there's further work being done based on that. Their plans are to incinerate used petroleum products, food waste, and sewage treatment sludge until it can go to the tailings facility. And they are looking at getting a dual chamber, high temperature incinerator and ensuring that it has enough capacity for the camp including redundancy. They have committed to stack testing to ensure that there is compliance with the Canada-wide standards, and they initially had stated that incinerator ash will be disposed of by spreading within the landfill following some testing for compliance with environmental guidelines that the GN has.

So EC would like to see the incinerator -- or

incineration management plan as one of the license conditions, as there are other waste management plans, and we would like to see best practices for ash disposal, that it be encapsulated if need be and that it be tested regularly enough to be sure that there's nothing that's going to generate a harmful leachate from the landfill from it.

Looking at landfarming of contaminated materials, this is an easy slide because AEM has satisfactorily addressed the concerns we raised for the pre-hearing meetings that were identified with the landfarm operations, and we just note that these should be documented as either addenda or in the commitments list that comes forward from this hearing.

Similarly, the concerns we had raised with respect to the plans for hazardous material management and spill contingency planning were addressed, and again, this concurrence should be just noted for the record in the form of either commitments or the Proponent putting out addenda to the plans with those updates.

There are a few closure and reclamation points. These include removal of the dewatering dikes, post-closure monitoring, closure of the treatment plant facilities, and progressive closure of the rock storage facilities.

With respect to the dewatering dikes, AEM has

committed that there will be appropriate mitigation measures identified and implemented prior to breaching of the dikes and that these are to be detailed in the plan which would be submitted to the Nunavut Water Board ahead of the work. This may be for a future license beyond this one, but the closure planning should include conceptual plans for this, and we would like to see detailed information regarding the method to be used to remove or breach the dewatering dikes at least 18 months prior to commencing this work. Along with details of the chosen method, there should be mitigation measures discussed.

With respect to post-closure monitoring, the Proponent advised this is being developed as part of an operation, maintenance, and surveillance manual, and this manual will incorporate the recommendations we had made at the pre-hearing technical meetings. So we look forward to the opportunity to see this manual and suggest that it be updated periodically and circulated for review.

Another one of the points we raised in our pre-hearing submission was if there is a treatment plant required for treatment of the reclaimed pond water, this would be a retrofitted mill treatment system. We feel that this probably will be required, not that we're pessimistic, but details on the closure of such a

facility could be provided on a general basis in updates to the closure plan. For example, if the mill is modified to include a treatment circuit at closure, how would this affect timing and details of its decommissioning? Our recommendation is that details on any such facility be included in future updates to the closure and reclamation plan.

And my last slide on this section, AEM has committed that a detailed monitoring and instrumentation plan will be prepared and submitted to the Nunavut Water Board for review once a final waste rock deposition plan has been developed, and this is in respect of progressive closure of the rock storage facilities. So EC would like to see such a plan as a license requirement and have results linked to closure planning.

I'm just going to turn the mike over to Glenn for a moment before our concluding slide.

MR. GROSKOPF: Thank you, Anne. It's Glenn Groskopf with Environment Canada.

I just wanted to mention that in other jurisdictions and mine properties where I have been involved with, they undertake what they called state of the environment reporting or roll-up reporting. There the monitoring results are compared to what was actually predicted in the EIS's and observations of the differences are explained. It's often a useful tool to see that and to

demonstrate that procedures and designs are working properly and that there is this continuous improvement and adaptive management is being enacted.

And such reports are often on a longer-term basis in that they represent three- or five-year frequencies, and they often don't -- necessarily themselves are new work, but they summarize all the work that's been done over the years to demonstrate trends, as well as identifying information gaps for the next sequence of licensing that the facility may go under.

I just want to take the opportunity to suggest that perhaps that might be a method employed here in which we've got a program that will be -- probably being modified during the life of the mine. Thank you.

MS. WILSON: Okay, so to our conclusion. EC would like to thank the Nunavut Water Board very much for the opportunity to participate in this water license process for the Meadowbank Gold Project, and we've also appreciated it's been an easy file to work on because of the interactive and cooperative approach the Proponent has to help resolve concerns ahead of this hearing.

So with that, we are available, Mr. Chair, for any questions.

THE CHAIR: Thank you. Okay, does the Applicant, AEM, have question or comments?

AEM QUESTIONS EC:

MR. CONNELL: Thank you, Mr. Chairman. It's Larry Connell. We do have a couple of questions for clarification.

In the presentation, we talked about the consolidated monitoring plan. Do you see this as an additional plan or really just a combination of plans? We have -- as you know, we have tons of plans out there. My worry is that we always get too many, and nobody reads them after a while. Are we talking about a brand-new plan, or are we talking about something that brings them together into like a checklist to make sure that over a period of time, we make sure that all the things we've committed to monitor are being done?

MS. WILSON: Mr. Chair, it's Anne Wilson.

I think you are substantially there in the framework that you've got between the 2005 work and then the reports.

What needs to be brought together is the EEM work, that's a separate document, just so that the -- perhaps a table showing which parameters are being monitored and under what -- for which program so there's no duplication, but we ensure that everything is caught for basically the four types of monitoring, being SNP, AEMP, EEM, and Fisheries Act monitoring. Does that make sense?

THE CHAIR: Thank you. Applicant?

MR. CONNELL: Thank you, Mr. Chairman.
I'm going to ask Valerie Bertrand to ask some questions with water quality.
THE CHAIR: Go ahead.
MS. BERTRAND: Thank you, Mr. Chair. This is Valerie Bertrand.
I would like to offer clarifications to two points over -- regarding overburden that is potentially acid-generating first.
It is planned that the overburden will be used in the central portion of the dike. I would -- we had not planned on testing it, because, in fact, if we did use material that was potentially acid-generating, it would be the perfect place for it where it is protected in the center of the dike.
So it is the position here that we would actually use this material specifically for -- or we would use this material for the dike, not necessarily needing to test it beforehand, but certainly we would not use material that would be potentially acid-generating for other construction purposes.
MR. GROSKOPF: Glenn Groskopf, Environment Canada.
If I understand -- I'm not sure there was a question there, I guess. The use of it in the core of the dam in which it's permanently wedded and there's no oxidation

of it, that would be, I think, an acceptable means to control that problematic waste. Used for road topping or as a -- put aside for future reclamation may be more problematic, and so I guess, if I understand your question, the use in a controlled manner in the core is fine; otherwise, you'd have to be very mindful of how you handle it. Is all the overburden going to be consumed by the core?

THE CHAIR: Thank you. Applicant?

MS. BERTRAND: Thank you, Mr. Chair. Valerie.

I believe not all the overburden will be used in the core.

THE CHAIR: Environment Canada, go ahead.

MR. GROSKOPF: Thank you. Glenn Groskopf, Environment Canada.

I guess just then whatever that remainder of material is, I'm just -- I'm wanting to be mindful that you understand it's a quality. Sorry, did you need me to repeat that, Chair?

THE CHAIR: Applicant, go ahead.

MS. BERTRAND: Could you please repeat, I didn't hear that?

MR. GROSKOPF: Sorry. I was just saying that the remainder of material that's not securely

disposed in the core, it would just have to be -- understand what its quality is so that you handle it properly.

THE CHAIR: Thank you. Applicant?

MS. BERTRAND: This is Valerie.

Yes, we would test that material.

THE CHAIR: Thank you. Any more question from Applicant? Go ahead.

MS. BERTRAND: Thank you. This is Valerie Bertrand, Mr. Chair.

Yes, one other clarification. With respect to chloride levels, Anne Wilson was wondering -- was saying that the highest value that she saw was 400 milligrams per litre chloride and was seeking clarification why such a high value that we're proposing, 2,000 milligrams per litre.

The reason for it is because, in fact, most of the chloride is expected to come from groundwater that accumulates into the pits, and the groundwater is expected towards the end of mine life to reach levels that are approximated to be about 600 milligrams per litre.

Considering that the overall water balance at that time in mine life, it is expected, predicted that the inflow into the attenuation pond will be about -- made up of about a bit more than 50 percent of pit

groundwater, so if there is more flow -- if predictions are off a bit, and there is more flow and it comes from a bit deeper or it is also saline, we would like to have 2,000 milligrams per litre effluent so that we can accommodate for variations in pit -- or groundwater quality produced by increased flow into the pits.

THE CHAIR: Thank you. Environment Canada?

MS. WILSON: Thank you, Mr. Chair.

I understand. It just seems that a three-fold plus allowance is a little bit generous, and I'm wondering if the Proponent would be concerned about the chronic toxicity tests because those could be -- they would probably not pass -- or they would see impacts in those for that level of chloride.

THE CHAIR: Thank you. Applicant?

MS. BERTRAND: This is Valerie. Thank you, Mr. Chair.

Yes, there is -- part of the AEMP, there will be some toxicity testing of the effluent, so we'll be documenting this.

THE CHAIR: Thank you. Environment Canada?

MS. WILSON: It's Anne Wilson again.

Just on a follow-up note on the chloride issue, there is a good side to it; it does reduce the toxicity

of nitrate and gives us a little comfort around having the nitrate levels.

Mr. Chairman, I omitted to comment on the ammonia levels. May I do so at this point?

THE CHAIR: Go ahead.

MS. WILSON: Thank you, Mr. Chair.

The Vault attenuation pond is proposed to have by the Proponent 26 milligrams per litre as their ammonia discharge limit. I note in the predictions that over the summer, it always starts high, and then it goes down considerably, and we expect that because of the breakdown due to sun, natural degradation processes, you know bacterial action.

I would suggest that the 26 might be high as far as passing a bioassay, and that although it is a contingency, because that was from their poor-end scenario, the worst-case predictions, that if rigorous source control is practiced and they get better numbers, there is the room, if there are spikes, to hold the effluent for a couple of -- you know, a number of weeks until the natural process is treated.

I have a problem with raising limits just because they're hard to meet, and I really think that we want to be as protective as possible, and that although we have some dilution in the receiving environment, we still have to worry about passing the bioassay test. So if

the Proponent has any comments on that, I would be interested.

THE CHAIR: Thank you. Any more from Applicant?

MS. BERTRAND: This is Valerie Bertrand.

I don't have a comment on that. I agree that we'll be bound anyway by the toxicity assay at the end.

I would like to clarify one aspect, however, that reason for the spike in ammonia in the spring is because of the increase in flow of water associated with explosives, water that comes from the pit and water that comes from the waste rock pile, andr we didn't account for degradation of ammonia with the sun in the model, but it will -- effectively, it will -- the sun will possibly decrease these levels and temperature.

THE CHAIR: Thank you. Environment Canada? No, okay. Any more questions from Applicant?

MR. CONNELL: Thank you, Mr. Chairman. No no more questions. Oh, sorry, Valerie Bertrand has one more.

THE CHAIR: Okay, go ahead.

MS. BERTRAND: This is Valerie Bertrand.

One clarification, a last clarification is for total metals. There's a -- to add total metals to the list of parameters that are going to be analyzed from internal monitoring points.

Internal monitoring points are areas within the footprint of the mine, areas that we monitor before it reaches the final pond from which water will be discharged. So per se, we're not -- there's no regulation that applies to these specific points. It's just for Agnico-Eagle's ability to understand what's happening at each individual point so that, if necessary, source control can be applied.

Now, the way -- the reason why we don't feel that -- I wanted to clarify the reason why we don't feel that total metals is a useful parameter in this case is that total -- we will be analyzing for dissolved metals to be able to compare with predictions. We -- the predictions don't consider total metals. Totals will be necessarily higher than dissolved metals. They -- that's because it's -- a portion of the metals come from the suspended solids.

Were we to monitor total metals in the internal monitoring points, it would not provide much information as to what's going to be the total metals in the pond itself because we'll be -- there's going to be some sediment separation most likely between the different areas until it reaches the attenuation pond. So that's why we're saying that it's not so useful to measure total metals. However, annual perhaps -- if we were to monitor it on a decreased frequency, perhaps once per

year, maybe that would be okay.
THE CHAIR: Thank you. Environment Canada?
MS. WILSON: Thank you, Mr. Chairman. Anne Wilson, Environment Canada.
I think that once per year would be helpful. And the reason I'd like to see the total metals done is that they don't always stay in the total form, because they can be on the surface of particles, but then when the water runs off, maybe it runs into more acidic bog water, and it liberates the metals that are on the particles, so that it's good to have an idea of what the most available might be. I agree that the dissolved ones are useful for their models, and they're also what's available right now for the biota, but to be able to have a grasp of what's really available, you should have totals once a year or so would be good. Thanks.
THE CHAIR: Thank you. Applicant?
MR. CONNELL: Thank you, Mr. Chairman. That finishes our questions. Thank you.
THE CHAIR: Okay. Any more from Applicant?
MR. CONNELL: No.
THE CHAIR: Okay, another party? Does INAC have question or comments?
MR. NADLER: No, Mr. Chair.

THE CHAIR: There's a microphone.
MR. NADLER: No questions or comments from INAC, Mr. Chair. Michael Nadler.
THE CHAIR: Thank you. How about DFO; do they have a comment?
MR. BALINT: Dave Balint with Fisheries. We have no questions or comments.
THE CHAIR: Thank you. Does GN-DOE have any questions or comments?
MR. BADDALOO: Earle Baddaloo, GN. No, Mr. Chair, we don't have any questions or comments, thanks.
THE CHAIR: Thank you. Does NTI have any questions or comments?
MS. EHALOAK: Jeannie Ehaloak. No questions at this time.
THE CHAIR: Thank you. Does KIA have any questions or comments?
MR. MANZO: Luis Manzo. No questions or comments from KIA.
THE CHAIR: Thank you. Is there any comments from public, question or comments? Yes, go ahead.
PUBLIC QUESTIONS EC:
MS. PUTULIK: Good morning, Brenda Putulik from Chesterfield. My question is movements with the

barge and ships on sea and lake, is it being overlooked in regards to transporting fuel, material in other -- materials that might be hazardous to the lake or sea? Quyannamiik.

THE CHAIR: Quyannamiik. Environment Canada?

MS. WILSON: Thank you. It's Anne Wilson. That's a good question.

That would fall under the spill contingency and emergencies planning, and we review those as plans required under the water license.

THE CHAIR: Thank you. Is there any more question from public? So I take that there's no more. Is there any question from Staff?

NWB STAFF QUESTION EC:

MR. HOHNSTEIN: Thank you, Mr. Chair. Dave Hohnstein. Yes, we do have a few questions, and I'll turn it over to Karlette.

THE CHAIR: Thank you. Karlette, go ahead.

MS. TUNALEY: Thank you, Mr. Chair. Karlette Tunaley speaking.

I just have one question. In follow-up to the discussion between Anne and Valerie on the monitoring of total metals versus dissolved metals, I think you agreed that maybe once per year monitoring of total metals

might be appropriate. I'm just wondering what time of year that would be most appropriate.

THE CHAIR: Thank you. Environment Canada?

MS. WILSON: It's Anne Wilson.

This is for the waste rock pile monitoring. Given the experience of other mines, and the time you see the runoff is usually in the spring, and that's after freshet, so I would say probably in mid to late July after the melt has happened. I'm not entirely sure of the timing each year of that, but where you've had the first flush of water through the rock materials.

THE CHAIR: Thank you. Karlette?

MS. TUNALEY: Thank you, Mr. Chair. That's all my questions.

THE CHAIR: Is there any more from Staff? Thank you. Is there any question or comment from Board Members? Bob Hanson, do you have any comments or question?

MR. HANSON: Bob Hanson here. No, Mr. Chairman, thank you very much. And don't forget, Bill Tilleman is on the line too by the way.

THE CHAIR: Thank you for reminding me, yes. I'm sorry, Bill, I haven't mentioned your name this morning.

MR. TILLEMAN: Oh, that's fine, no problem.

THE CHAIR: Okay, good. Questions from the Members? There's no questions from the Members. Thank you for your presentation.

We have housekeeping at the moment. Thank you, Environment Canada, thank you.

SUPPLEMENTARY MATTERS:

MS. FILIATRAULT: Thank you, Mr. Chairman. Dionne Filiatrault.

This morning we've kind of pushed through past coffee because we are -- the Board Member that is participating via teleconference is unavailable from 10:45 until about 12:00 our time I believe is -- is that correct, Bob?

MR. HANSON: Bob Hanson. Dionne, it was from about 10 minutes from now until 1:00 my time, which is 12:00 your time.

MS. FILIATRAULT: So, Mr. Chairman, I don't believe that the next presentation is -- it's going to take more than 10 minutes. The reason I'm mentioning this is because with Mr. Hanson on the phone, the Board only has quorum, and with him having to step away, the Board no longer has a quorum.

So that being the case, the Board is going to have to, Mr. Chairman, consider an adjournment until probably 12:30 to allow people to have lunch and reconvene a little bit earlier, at 12:30 rather than 1:00 or

something, but that's up to you, Mr. Chairman.
THE CHAIR: Yes, we can take that. So at the time of -- there's only 5 minutes left anyway. Maybe we can take a break now until 12:30. We'll come back at 12:30 in this room. Thank you.
(PROCEEDINGS ADJOURNED AT 10:36 A.M.)
(PROCEEDINGS RESUMED AT 12:40 P.M.)
THE CHAIR: We will resume again. Thank you for coming. Bob, are you on the line?
MR. HANSON: I'm here, Mr. Chairman, Bob here.
THE CHAIR: Thank you. Bill Tilleman, are you on the line?
MR. TILLEMAN: Yes, Mr. Chairman, I'm here.
PRESENTATION BY DFO:
THE CHAIR: Thank you. So we'll continue on for this afternoon's session. The next interveners will be DFO. Will you come to the intervention table, and Catherine will swear you in or affirm.
AMY LIU, DAVID BALINT, sworn:
MS. LIU: Good afternoon, Mr. Chair, Members of the Board, and the community of Baker Lake, and residents of Chesterfield Inlet. My name is Amy Liu, and I'm the Habitat Management Biologist for

Fisheries and Oceans in Iqaluit, and with me today is David Balint, also a Habitat Management Biologist with DFO.

I'd like to thank the Board for providing us an opportunity to present our intervention regarding the Meadowbank Gold Mine Project. DFO has reviewed the information provided by the Proponent, Agnico-Eagle Mines, for impacts to fish and fish habitat as it relates to our mandate under the Federal Fisheries Act and in context with our national policy for the management of fish habitat.

So to start, we'd like to provide an overview of the topics DFO will present today. First, we'll go over our mandate, the applicable legislation and policies, and next, we'll discussion our intervention comments, which we submitted to the Water Board.

For DFO's presentation, we'll give more attention to the main issues DFO would like to bring to the Board's attention, recognizing that our intervention comments provide a more complete discussion of all the issues, and after the presentation, we'll be available for questions or further clarification.

So through the Constitution Act, DFO has responsibility for sea coast and inland fisheries within Canada's territorial boundaries, and this includes the conservation and protection of fish and marine mammals

and their habitats as outlined in the Fisheries Act.

DFO's involvement in the Meadowbank Project is through the Fisheries Act, and the main regulatory trigger for the Meadowbank Project is Section 35, which is the prohibition on harmful alteration, disruption, or destruction of fish habitat unless authorized by the Minister of Fisheries and Oceans or by regulation under the Fisheries Act.

Another important section of the Fisheries Act is Section 36, as mentioned by Environment Canada, which prohibits the deposit of a deleterious substance into fish-frequented waters unless authorized by a regulation made under the Fisheries Act. Under the terms of a memorandum of understanding with Environment Canada, Environment Canada administers Section 36 and those aspects dealing with the control of pollutants affecting fish. And of particular importance to the Meadowbank Project is the Metal Mining Effluent Regulations, which permits the deposit of deleterious substances into prescribed -- under prescribed conditions.

The northwest arm of Second Portage Lake is a fish-bearing water body, which is proposed to be used as a tailings impoundment area. This use requires an amendment to the Metal Mining Effluent Regulations, and under MMER, if a proposed tailings impoundment area is proposed to be constructed in a natural water body that

is fish-frequented, then the water body in question must be added to Schedule 2 of the regulations prior to tailings deposition and must be approved by the Governor-in-Council of Canada.

So the regulatory amendments for MMER can only be initiated following the completion of an environmental assessment and after Fisheries and Oceans Canada has determined that impacts to fish habitat are acceptable and can be mitigated and/or compensated. So Environment Canada is then responsible for preparing required documents in the form of a regulatory impact assessment statement so that the amendment can be forwarded to the GiC for consideration. So the Governor-in-Council has approved the proposal for listing on the Canada Gazette I, and the public comments are -- were received and being considered for a decision.

So the policy for the management of fish habitat guides DFO in the administration of fish habitat, the habitat protection provisions of the Fisheries Act, and there is an overall objective, which is to obtain a net gain of productive capacity of fish habitats for Fisheries resources.

There are three goals used to achieve this objective. It's conservation, restoration, and development of fish habitat, and the primary goal is conservation. The guiding principle in this

circumstance is no-net-loss of productive capacity of fish habitat. And the plan to address this principle is typically referred to as a no-net-loss plan, which is developed and implemented by the Proponent. Therefore, if a loss of fish habitat is unavoidable, then a Section 35 Fisheries Act authorization would be required and only issued when the acceptable no-net-loss plan is provided.

So before I continue on with the intervention comments, I'd like to note a few things regarding our written submission. The Water Board may notice that there are comments relating to the Type B water license for the Meadowbank Gold Project access road, and DFO recognizes that this Type B water license is being reviewed separately from the Type A water license application. So DFO will not be presenting these items in this presentation, but if there are any questions, we'll be able to answer them.

DFO has also included recommendations for Agnico-Eagle Mines regarding the financial securities for the fish habitat features that will compensate for the harmful alteration, disruption, and destruction of fish habitat from the mine construction and the tailings impoundment area. These recommendations to Agnico-Eagle Mines are provided to the Board for their information and to make the Board aware of DFO's requirements under

MMER and the Fisheries Act.

So our other comments will surround the construction, water use, water management, tailings impoundment area, contingency planning, and monitoring.

So for the Board's information, the financial securities in the form of irrevocable letters of credit will be required from the Proponent by DFO specifically for the completion and monitoring of the fish habitat features within Second and Third Portage Lakes prior to the issuance of a Fisheries Act Subsection 35(2) authorization.

Two separate letters of credit would be required, one under the Metal Mining Effluent Regulations to cover the implementation of the no-net-loss plan for the northwest arm of Second Portage Lake as a tailings impoundment area, and the other one for the completion and monitoring of the habitat features compensating for the harmful alteration, disruption, or destruction of fish habitat under Fisheries Act Subsection 35(2) resulting from other components of the development proposal.

So DFO has requested Agnico-Eagle Mines to provide cost estimates for review relating to the completion and monitoring of the dike faces, finger dikes and extensions, habitat mounts, boulder guard and shoals, artificial reefs and basins of the Second Portage, Third

Portage, and Vault Lakes. These financial securities are separate from those obtained from other Government agencies and parties, as they only relate to the fish habitat compensation measures within the no-net-loss plan.

So under the category of construction, there are four items of infrastructure that are of interest to DFO, and this includes the eastern-most channel, Vault Lake road crossing, central and dewatering dikes, and fish habitat features.

So three channels connect Second Portage Lake with Third Portage Lake, the eastern-most channel, central and western-most channels, and the construction of the Portage pit will require that the western-most channel be eliminated. So it was asked in the EA phase whether the elimination of the western-most channel would require modifications to the eastern-most channel, and as indicated by Agnico-Eagle Mines yesterday, modifications will not be necessary, but -- however, if in order to mitigate potential sedimentation, AEM has proposed to remove vegetation and add riprap to the banks only if required and according to site conditions, so DFO recommends that vegetation removal be minimized, since vegetation would provide stability for the banks, and that's also according to whether it's necessary or not.

For the Vault Lake access road, it will cross a stream channel connecting Drill Trail Lake to Turn Lake, and in order to cross this channel, they've proposed to install two culverts, and these culverts will be embedded and installed in the winter in the dry -- the existing channel consists of large boulder substrate with a shallow depth, thus, preventing fish from moving between lakes, and the installation of culverts may allow upstream movement by fish. So there's potential improvement to the channel for the existing fish population. And Agnico-Eagle has committed to submitting final detailed design and construction drawings to the Water Board and DFO for review prior to commencing construction.

So for the no-net-loss plan, within that plan, Agnico-Eagle Mines has presented several fish habitat features to offset the loss of fish habitat from mine construction and the tailings impoundment area, and these features include the exterior and interior dike faces, finger dike extensions, habitat mounts, reefs, boulder gardens, shoals, and lake basins.

So within our written comments, DFO recommends that the final detailed design and success criteria for the East, Tails, Goose Island, and Bayzone dike faces be provided in the consolidated no-net-loss plan for review and approval no later than May 1st, 2008.

However, in Agnico-Eagle Mine's presentation yesterday, they proposed that the Water Board license require a submission of the detailed design of the Goose Island and Vault Lakes a minimum of six months prior to the planned start of construction. So if the Water Board is in agreement with this proposal by Agnico-Eagle Mines and their time line, then DFO would be in support of the Board's decision, provided that Agnico-Eagle Mines is committed to these time lines for submission to the Water Board and regulators for review and approval and that the time line for submission be clearly stated in the no-net-loss plan.

So DFO also recommends that Agnico-Eagle Mines consult with DFO regarding the success criteria for the fish habitat features prior to finalizing the monitoring programs and also that they provide as-built drawings of the fish habitat features to indicate how the features have changed through actual implementation and have an indication of their commitment in the no-net-loss plan as well.

Under water use, AEM has provided detailed design information on the proposed dewatering pipe in Second Portage Lake and the outfall diffuser. DFO acknowledges that AEM has substantially fulfilled the request for clarification of the dewatering pipe for review and approval. And AEM has recently proposed that water for

the emulsion plant will be taken from a small unnamed lake located 250 metres from the plant. The water is to be taken with the use of a submersible pump placed on the bottom of the lake with a hose connection to a rigid pipeline that will be placed from the shoreline to the emulsion plant, and DFO recommends that the detailed design drawings and plans of the intake pipe and fish screen be submitted no later than May 1st, 2008, for review and approval.

For water management, the assessment of the potential effects of pit lake flooding on Third Portage and Wally Lakes indicates that the drawdown will have a minimal decrease in water level. And as the flooding activities will occur in the summer, it appears that the small decrease in water levels in Third Portage Lake and Vault Lake will not have a significant impact on fish and fish habitat.

So DFO is of the opinion that the preliminary assessment of the potential effects of pit flooding on Third Portage and Wally Lakes indicates that the impacts to fish and fish habitat can be mitigated. However, as updated information on the re-flooding plan is developed, it should be submitted to the Water Board and regulators for review and approval prior to implementation. DFO also recommends that the water license should ensure that pit flooding is conducted so

that the water flow is maintained at downstream locations and at outlet streams.

For the tailings impoundment area, as it relates to water quality objectives and legal requirements under MMER, DFO defaults to Environment Canada's recommendations for the TIA in the northwest arm of Second Portage Lake and other general water quality parameters as they relate to the Meadowbank Gold Project.

And as indicated in the early slide under construction, the final detailed design drawings and monitoring plan for the fish habitat compensation features related to the loss of habitat resulting from the TIA are to be submitted by a -- DFO also recommends that the addendums to the no-net-loss plan be consolidated into one final no-net-loss plan document.

For the fish-out program, DFO is of the opinion that AEM has substantially completed the fish-out proposal for the northwest arm of Second Portage Lake, and AEM has committed to providing the final fish-out program, incorporating community consultation and scheduling of the fish-out programs in the other basins to DFO no later than May 31st, 2008, and we realize that there is a session tonight regarding that fish-out program, and comments on this program is for the Board's information.

Under contingency planning, the majority of the fish

habitat features to offset the loss of habitat from the mine construction and TIA rely heavily on water quality of the basins at mine closure. AEM has proposed to breach Goose Island and Vault dikes only in the event that the water quality within the pit lakes meets CCME, aquatic life guidelines, background lake concentrations, or other risk-based assessment criteria.

In the event that the water quality does not meet any of the above criteria and the dikes cannot be breached, an adaptive management plan with contingencies for alternative fish habitat compensation features is required. A contingency plan would also be required in the event targeted studies reveal that the habitat structures, such as the habitat mounts, finger dikes, dikes faces, reefs, shoals, and boulder gardens are not functioning as intended. Alternative compensation measures should be developed in consultation with the communities.

So DFO recommends that contingency plans detailing alternative fish habitat features to offset the loss of habitat from mine construction be developed in consultation with communities and DFO and be provided for review and approval.

The monitoring program within the no-net-loss plan requires further details on implementation and measuring effectiveness of fish habitat structures, and DFO

acknowledges that the Aquatic Effects Management Program contains targeted monitoring programs to address specific concerns related to the project components which are used to measure the effectiveness of fish habitat features.

Some examples, to measure the effectiveness of the dike faces, they'll be measured through the monitoring of pore water metals released from interstitial spaces of the dikes, there's periphyton colonization studies, and fish egg survival during incubation. So DFO recommends that the core monitoring programs and targeted studies outlined in the AEMP be provided in detail for review and approval. In addition, all baseline data must be submitted for review and incorporated, if appropriate, in monitoring programs. So DFO is also amenable to Environment Canada's suggestion that timing of the first update of the AEMP be discussed with parties with interest in water.

So AEM has provided a detailed monitoring plan with contingencies and threshold limits for the total suspended solids during dike construction and dewatering activities, and it's proposed that a silk curtain will be placed approximately 5 to 10 metres from the base of the dike and will be suspended off the lake floor to avoid re-suspension of sediments, and DFO acknowledges that AEM has substantially completed a monitoring plan

and presented the threshold limits for TSS.

So in conclusion, it's anticipated that the mitigation measures and recommendations will adequately address the identified concerns, and DFO expects that the final no-net-loss plan will adequately address residual impacts to fish and fish habitat. So DFO's comments and recommendations are based on our area of expertise and jurisdiction, so we trust that they are helpful to the Board as they consider the project before them.

And I would like to thank the Board, once again, for the opportunity to present our intervention and to thank AEM for their cooperation in trying to address DFO's comments. Thank you.

THE CHAIR: Thank you, DFO. I will start with AEM. Do you have a question or comments?

MR. CONNELL: Thank you, Mr. Chairman. Larry Connell. We thank DFO, but we have no questions. Thanks.

THE CHAIR: Thank you. INAC, question or comments? There's a microphone there.

MR. NADLER: Michael Nadler for INAC. We have no questions or comments.

THE CHAIR: Thank you. Does Environment Canada have a question or comments?

MR. GROSKOPF: Environment Canada has no

questions at this time.
THE CHAIR: Thank you. GN-DOE, question or comments?
MS. YEH: Helen Yeh with GN-DOE. We don't have any questions. Thank you.
THE CHAIR: Thank you. Does NTI have any question or comments?
MS. EHALOAK: Jeannie Ehaloak, NTI. No questions or comments at this time.
THE CHAIR: Thank you. Does KIA have any question or comments?
MR. MANZO: Luis Manzo, Kivalliq Inuit Association. No questions or comments at this time, Mr. Chairman.
THE CHAIR: Thank you. Is there a question or comments from the public? Go ahead.
PUBLIC QUESTIONS DFO:
MS. PUTULIK: Thank you. Brenda Putulik from Chesterfield.
Question: What plans are in place for any contaminants or if there were to be any spills in the marine or in the oceans within Chesterfield Inlet? I didn't see any indications in regards to that. Is there any emergency response to that? Quyannamiik.
THE CHAIR: Thank you. DFO?
MR. BALINT: Dave Balint with Fisheries

and Oceans. As far as the project is concerned, many of the spills would be covered in the spill contingency plan as presented by the company, and many of those issues would be dealt with there.

If there are a number of spills related to the marine environment and impacts on mammals, DFO also utilizes Coast Guard and different services related, and so they'd have a response team that would deal with those issues, and other agencies that would be in the area, wildlife officers would be able to provide that data to those companies that would look after that.

THE CHAIR: Thank you. Brenda?

MS. PUTULIK: Quyannamiik. Brenda Putulik.

The next question I would like to know is approximately how long would it take to come to the site to assess the damage and to clean, example, the spill on the barge with the fuel or any other toxics? Quyannamiik.

THE CHAIR: Quyannamiik. DFO?

MR. BALINT: Dave Balint, Fisheries and Oceans.

I would not be able to have a definitive answer. I know that there is an emergency response team that a number of different agencies across the north do respond to spill events like that, so there is a process in

place, a number of different agencies are involved, and that agency would be informed, so the spillage response team would get there, but I could not say how many days or hours that it would take.

THE CHAIR: Thank you. Further questions from the -- Brenda?

MS. PUTULIK: Quyannamiik. Brenda Putulik of Chesterfield.

In cleaning up the fuel or any toxins, is there any materials, example, oil pads, these kinds of materials needed to clean up or assess the damage, or pretty much what I'm saying is will there be any materials in place, in hand, in case this does happen? Quyannamiik.

THE CHAIR: Thank you, Brenda. DFO?

MR. BALINT: Dave Balint, Fisheries and Oceans.

I think much of the answer to the question is contingent on the carrier of the fuels, for instance. Many of those materials for any type of spill cleanup, that that is a requirement that those vessels that would have those materials have those on hand so that they can deal with some of those issues.

THE CHAIR: Thank you. Any more comments from public? I take that there's no more.

Okay, Staff, do you have any comments or questions?

NWB STAFF QUESTION DFO:

MR. HOHNSTEIN: Yes, thank you, Mr. Chair. We're not going to miss Steve this time. We'll let him get his question in.

THE CHAIR: Thank you. Steve?

MR. LINES: Thank you, Mr. Chairman. I just wanted to go over the issue that DFO brought forward for Tear Drop Lake and the use of it as the storm water pond and for sewage treatment.

I guess DFO, Mr. Chair, was uncertain whether or not at any time the pond was frequented by fish, and I'm of the understanding that that information was provided on March 31st by the Applicant to clarify the issue, and I'd just like to know from DFO if that issue regarding the use of Tear Drop Lake has been resolved or not. Thank you.

THE CHAIR: Thank you. DFO?

MS. LIU: Amy Liu from Fisheries and Oceans.

That information was provided, and we feel that it is sufficient to -- for us to say that that water body is not fish-frequented or fish-bearing, so that we don't have a concern with that.

THE CHAIR: Thank you. Any further questions from Staff?

MR. LINES: Thank you, Mr. Chairman. That's all. Thank you, DFO.

THE CHAIR: Thank you. Is there any question from Board Members? Bob Hanson, do you have any questions or comments?

MR. HANSON: Bob Hanson, Mr. Chairman. No, thank you. Appreciate it. Nothing from here.

THE CHAIR: Thank you. Any questions from Board Members? There's none. Thank you, DFO, for your intervention.

PRESENTATION BY GN-DOE:

Okay, the next interveners will be GN-DOE. Could we have them sworn in.

HELEN YEH, EARLE BADDALOO, sworn:

THE CHAIR: Do you need more time to set it up?

MR. CARR: We're okay.

THE CHAIR: Okay, GN?

MR. BADDALOO: Thank you, Mr. Chair, Board Members. My name is Earle Baddaloo, and I am Director of Environmental Protection for Department of Environment, part of the Nunavut Government family.

Firstly, I would like to express my sincere thanks and appreciation to the Nunavut Water Board for allowing us the opportunity to present our intervention at this public hearing activity in Baker Lake regarding Agnico-Eagle's Meadowbank Gold Project. Secondly, I'd

like to acknowledge the Proponent, Agnico-Eagle, and thirdly, thank the host, Baker Lake, for allowing us the opportunity to visit their Hamlet and to carry out this activity in their beautiful community.

Sitting next to me is Ms. Helen Yeh, Manager of Environmental Assessment and Land Use for the Department of Environment. Ms. Yeh will be doing the technical intervention for the Department of Environment today. After which, I will deliver the Department of Community and Government Services' position in regard to security bonding for the marshalling area facilities, followed by some closing remarks.

Ms. Yeh?

MS. YEH: Thank you, Earle. On behalf of GN-DOE, I would like to present our review on the Meadowbank water license application submitted by Agnico-Eagle Mines Limited or AEM.

THE CHAIR: I'm sorry, I didn't hear your name.

MS. YEH: Sorry, Mr. Chair. Helen Yeh with GN-DOE.

Before I proceed with my review, I would like to briefly go through our legislation related to this project, and these are the Environmental Protection Act and Wildlife Act. The Environmental Protection Act creates the GN authority to regulate the discharge of

contaminants and the impacts on the environment. The Wildlife Act creates the GN-DOE authority for the management of human activity that impacts wildlife. And lastly, we also have the responsibility on the CCME Canada-wide standards, as the Government of Nunavut is a signatory to the standards.

Our review and the concerns or recommendation related to this Meadowbank water license application form the following six topics: Water management and water quality; waste management; geochemistry; contingency planning; monitoring; and lastly, closure and reclamation.

Issue number 1 is related to water quality. During parts of the mine operation, there will be discharges from the attenuation ponds to the environment through the Portage and Wally Lake diffusers. GN-DOE were previously unclear about the discharge standards. In response to our previous concern, AEM indicates that discharges would comply with the Metal Mining Effluent Regulations or MMER at the diffuser discharge points. AEM further indicates that they will ensure water quality meets either the CCME within a 30-metre radius of the two diffusers or site-specific criteria.

GN-DOE further recommends that the site-specific criteria should be approved by Environment Canada. We recommend the above-discussed commitment and

recommendation forms the terms of the license if it's issued.

Issue number 2 is related to water management. AEM proposes water management and mitigation measures that would control and minimize discharges to the environment for water in contact with mine site components. AEM also proposes treatment methods to address concentration of total suspended solids, metals, and cyanide species. In the GN-DOE technical submission, we commented that even the best models cannot compare with the evaluation of operational monitoring data that allows for refined water quality predictions and management plans, including treatment needs.

GN-DOE, therefore, recommended that AEM refine water quality predictions and management plans based on monitoring data during operation. And AEM concur with our recommendation. AEM's commitment to refine and update water quality predictions and management plans based on updated monitoring data is recommended for the term of the license if issued.

Issue number 3, sewage treatment and management. During mine operation, treated sewage will be discharged to a fishless lake, namely, the Tear Drop Lake. The lake will be built up in depth with insulation or impervious walls to serve as a storm water management pond. AEM has stated that sewage treatment system will

be installed and that the effluent discharge will meet the guidelines for the discharge of treated municipal waste water in the Northwest Territories. AEM also is committed to monitor the quality of the treated sewage effluent prior to the discharge, and this commitment should follow the term of the license if it's issued.

However, upon mine closure, it is unclear whether or not AEM plans to restore the water quality of the Tear Drop Lake to appropriate standards. GN-DOE recommends that AEM restores the lake water to appropriate standards upon closure, and this recommendation is recommended to form a term of the license.

Issue number 4, landfill and landfarm design/construction/and as-built drawings. There are two landfills and a landfarm proposed for the Meadowbank Project. AEM indicated final construction drawing for these facilities will be based on final design drawing stamped by professional engineers.

To this date, AEM has submitted final design drawings stamped by professional engineer and registered in the Northwest Territories for the landfill number 1 and the landfarm. AEM further commits to provide construction drawings for review prior to construction. For the landfill number 2, as it will be built upon a structure to be built during mine operation, AEM proposed that the final design drawing to be submitted

prior to commissioning of the landfill. GN recommends that the construction drawing for landfill number 2 should also be submitted prior to construction. And finally, GN-DOE further recommends that as-built drawings for both landfills and the landfarm are submitted. And the above commitment and recommendation are recommended for the term of the license if issued.

Issue number 5 is related to landfill management. AEM has outlined a list of material to be landfilled including asbestos, white goods such as refrigerators and light bulbs, such as fluorescent lamp tubes. However, AEM did not provide detailed landfilling procedures for these items. This concern was raised by GN-DOE in our previous technical submission.

And in response to our concern, AEM proposed to handle and segregate the management of these above-mentioned wastes according to the relevant Federal and Territorial guidelines. GN-DOE is satisfied with this commitment and recommends this commitment forms a term of the license if issued.

Issue number 6 is related to remediation guidelines for hydrocarbon-contaminated soil. For remediation of hydrocarbon-contaminated soil, AEM is committed to comply with both the CCME Canada-wide standards and the relevant GN-DOE guidelines. Additionally, AEM is committed to measure appropriate parameters during the

remediation process. GN-DOE is satisfied with AEM's commitment discussed above and recommends these commitments for the term of the license if issued.

Issue number 7 is related to acid rock drainage and metal leaching. AEM has developed sampling and management plans for potentially acid-generating or PAG material to mitigate the potential for acid drainage and metal leaching. Additionally, AEM has developed a water quality and flow-monitoring plan to track changes in drainage chemistry.

In the GN-DOE previous technical submission, we raised the concern about how change in ARD test method during re-evaluation of ARD and metal leaching may affect rock characterization and volume calculation of waste rock. The difference in test results may affect overall plans for management of waste rock. AEM concur with GN-DOE and responded that all additional test results collected in the future will be used to verify the current information.

Additionally, GN-DOE previously identified a concern about insufficient testing for ARD and metal leaching potential for materials along the all-weather road such as the material at the quarry site. AEM responded that they will be surveying rock quality and drainage chemistry at each quarry site over the summer of 2008 in order to finalize quarry closure plans. GN-DOE

recommends these commitments discussed above for the term of the license if issued.

Issue number 8 related to metal leaching. In the GN-DOE technical submission, we identified a lack of correlation between total metal concentration and metal leaching rate for waste rock. Without this correlation, it is difficult to understand metal leaching potential of nonpotentially acid-generating materials which are to be used for construction and capping materials.

AEM responded that they will continue to conduct total metal analysis and shake flask extraction tests. AEM is also committed to continue operating humidity cells and large fuel cells to better understand metal leaching potential and leaching rate for both nonPAG and PAG packed materials. GN-DOE recommends this commitment by AEM forms a term of the license if issued.

Issue number 9 is related to landfarm management and contingency planning. Soil contaminated by spill is to be treated in an outside landfarm and remediated to appropriate standards. In the case where there are large spills and the landfarm cannot accommodate, AEM proposed to temporarily store the contaminated spill material at the tank farm burn area or construct a second landfarm to accommodate the spill materials. However, details related to these contingency measures have not been provided for review. Note that AEM is

committed to initiate planning to these contingency measures. Therefore, we, GN-DOE, recommends AEM's commitment to initiate planning for these contingency measures should form a term of the license.

Issue number 10 is related to spill contingency planning. GN-DOE believe the spill contingency planning submitted by AEM is generally satisfactory. AEM is committed to revise the spill plan yearly as a minimum and as needed, and this commitment by AEM should form a term of the license if issued.

However, in our previous technical submission, we noticed some areas in the spill plan that could be improved. AEM in the technical meeting indicated a willingness to incorporate all comments and improve the plan. However, this commitment has not been noted in the AEM's written response on March 7th, 2008. GN-DOE, therefore, recommends AEM incorporates GN-DOE's comments, and they revise the -- when they revise their spill contingency plan, and we recommend these recommendations form a term of the license if issued.

Issue number 11 related to thermal monitoring and tailings storage facility. AEM predicted that frozen condition within the tailings storage facility, or TSF, will take 10 to 15 years. Once frozen conditions are established, the ability of the tailings to produce acid and leach metals will be minimized. However, we

previously were unclear about the period of the thermal monitoring proposed.

AEM responded that they will conduct thermal -- they will monitor thermal conditions within the TSF until it can be clearly demonstrated that the underlying tailing mass has been re-frozen and no longer presents an environmental risk.

For the purpose of estimating reclamation liability, it has been assumed that this will require a minimum post-closure monitoring period of 15 years. GN-DOE is satisfied with AEM's commitment to conduct thermal monitoring of the TSF until it does not present an environmental risk. We further recommend that the thermal monitoring result be reported annually. These commitments and reporting recommendation are recommended to form a term of the license if issued.

Issue number 12 related to thermal monitoring and rock storage facility or RSF. Waste rock from mining operation will be disposed of in the Portage and Vault rock storage facilities. The establishment of frozen condition within these facilities will minimize the likelihood of acid drainage and metal leaching. GN-DOE, however, were previously uncertain whether AEM plans to conduct thermal monitoring for the two rock storage facilities.

AEM responded that they intend to monitor thermal

condition and chemical drainage condition in both RSF to verify physical and chemical stability. Mitigative measures will be employed if monitoring indicates that chemical and physical stability are not present. GN-DOE is satisfied with this commitment and recommends these form a term of the license if issued.

Issue number 13 is related to dikes breaching and water quality. Dikes separating the flooded open pits from nearby lakes will eventually be breached, and the water in the pit lakes may contain elevated levels of metals. In the GN-DOE technical submission, we raised the concern about the water quality in the pit lake at a point where the dikes are breached. Inadequate water quality within the pit lake will affect the surrounding lake water quality when the dikes are breached.

AEM responded that they propose to breach the dikes only where the water quality within the dike -- within the pit lakes meet the CCME guidelines, background lake concentration, or other risk-based assessment criteria. GN-DOE's supports AEM's proposal to meet CCME guidelines or site-specific criteria within pit lakes prior to dike breaching. The site-specific criteria should be approved by Environment Canada, and these commitments and recommendations are recommended to form a term of the license.

Issue number 14 is related to closure for the

tailings storage facility and rock storage facility. In the GN-DOE technical submission, we indicated that closures assessed of the TSF and the RSF is based on the assumption such as correct rock characterization and establishment of frozen condition within the cores of these facilities. However, there are underlying fuel realities that may affect these assumptions during mine operation. GN-DOE, therefore, recommended that AEM revise closure plans for these facilities as the operational information and management plans are revised.

AEM concur with our comments and indicated that they will update a closure plan for the Vault rock storage facility based on additional rock characterization information; however, we are unclear if this commitment to update closure plans will also be applied to TSF and the Portage RSF. Therefore, we recommend AEM revise the closure plan for the TSF and the two RSF's as operational information and management plans are revised, and we recommend this form a term of the license if issued.

And the last issue is related to revegetation and reclamation. GN-DOE were previously concerned about the short monitoring period, i.e., 11 years post-closure for revegetation post-closure. AEM responded to our concern and indicated that they will continue to monitor the

condition at the reclaimed Meadowbank site, including the success of revegetation measures until the landowner and the Nunavut Water Board are satisfied that the site is chemically and physically stable and that the ongoing risk of release of contaminants to the surrounding environment has been adequately addressed. GN-DOE is satisfied with AEM's commitment and recommends these form a term of the license if issued.

To sum up our review, the water license application submitted by AEM described measures to mitigate and manage potential impacts resulting from the Meadowbank Project. The application generally provides satisfactory mitigation and management procedures for all waste streams and hazardous materials. GN-DOE support this license application moving forward if these concerns and recommendations discussed above are addressed.

Before we conclude our presentation, Earle Baddaloo will make some statements on behalf of Community and Government Services also with the GN regarding security issues.

MR. BADDALOO: Thank you, Helen. Mr. Chair, Earle Baddaloo.

Firstly, I regret to say that Community Government and Services are -- of the Government of Nunavut was unable to attend this intervention, so they have asked

that I outline their position concerning security bonding for the marshalling area facilities in Baker Lake.

Land use Permit Number 603-0-LUP-07-001 for the marshalling area facilities commenced on May 4th, 2007, with an expiry date of May 4th, 2008. The facilities, all of which are to be fenced, consists of barge unloading facility with an adjacent storage and marshalling area, fuel storage for four 10 million litre tanks, a storage compound for explosives, interconnecting roads, and an office trailer will compose the site.

AEM has indicated that they are currently weighing various options for the location of the site. CGS issued that they will seek appropriate financial security for the component of the project on Commissioner's land. CGS will know better which component of the project to include in its liability assessment once AEM has provided the necessary details concerning the location of the marshalling area. CGS will discuss the options of security bonding with the company once the GN has concluded its assessment, and CGS understands that INAC, Indian and Northern Affairs Canada, will hold security for any water-related liabilities.

We, the GN-Department of Environment, would like to

thank the Nunavut Water Board and its Staff for the opportunity to comment on this license application, and we look forward to continued high quality working relationships with all working parties.

We would again express our sincere thanks to the Hamlet and also to all of the interveners and the attending public for patiently listening to us.

Thank you, Mr. Chair.

THE CHAIR: Thank you, GN-DOE. Before we carry on with comments -- questions and comments from various parties, one of the Board Member have to go to the washroom, so we take about a 5-minute break.

(BRIEF ADJOURNMENT)

THE CHAIR: Okay, get back again. Before we proceed, can I -- Bob and Bill, are you on the line?

MR. HANSON: Yes, I am, Lootie. Thank you.

MR. TILLEMAN: Yes, I am Lootie, thank you.

THE CHAIR: Okay, can we have clarification? Dionne?

MS. FILIATRAULT: No, Mr. Chairman, you can proceed to questions. We'll do administration after the questions.

THE CHAIR: Okay, we are now going to question the GN intervention. Now, can I ask the

Applicant whether you have questions or comments to GN-DOE?

AEM QUESTIONS GN-DOE:

MR. CONNELL: Thank you, Mr. Chairman. Just some points of clarification.

On the slide that was titled "Issue Number 8, Metal Leaching", it quotes that our commitment was: (As Read)

> ...to re-evaluate metal leaching potential by establishing correlations between total metal concentrations and metal leach rates for the nonpotentially acid-generating materials.

In the written material, I think it's Issue Number 9 in the written material, it talks about that being for PAG material. I just want to confirm that our commitment was for the nonpotentially acid-generating material as you have here. Just make sure that we're talking the same thing.

MS. YEH: At the technical meeting, I think you --

THE CHAIR: Excuse me, can you state your name before you speak?

MS. YEH: Sorry, Mr. Chair, Helen Yeh with GN-DOE.

I believe at the technical meeting, you committed to conduct further studies related to both PAG and nonPAG, and the reason for getting more samples for the PAG

material, just to establish the maximum leaching rate, and for the nonPAG because the material, the nonpotentially acid-generating material will be used for construction. So that's why we request that you conduct further studies regarding to those materials.

THE CHAIR: Thank you. Applicant, do you have a further question?

MR. CONNELL: Thank you, Mr. Chairman. Larry Connell.

I think there's no disagreement the fact that that was our commitment for the nonpotentially acid-generating material. It's the fact that there's not continuing between the two texts and that our -- the commitment was definitely for the nonPAG material, specifically for the metal leaching rates, but the PAG material was for other items. It's not necessarily for metal leaching.

THE CHAIR: Thank you. GN?

MS. YEH: Okay, understood. We don't have any further questions.

THE CHAIR: Okay. Applicant, do you have further question or comments?

MR. CONNELL: Thank you, Mr. Chairman, Larry Connell again.

The next one was on -- again, it's a clarification point. It's on the slide that's titled "Issue Number

11". This is the thermal monitoring of the tailings storage facility, and it was our commitment that we would monitor thermally the underlying frozen tailings until we demonstrated that those tailings were totally frozen.

I just want to make the point or make it understood that our commitment was for -- until we could prove it was frozen. Then what -- well, we had to turn that into a cost. We just assumed 15 years. So we don't want -- or wanted to ask the question is the GN saying that the Board should put the 15 years in as a minimum? Because that was never our intent, our intent was to do it until we could prove it. But for costing purposes, we just assumed 15 years.

THE CHAIR: Thank you. GN?

MS. YEH: No, our intention was to --

THE CHAIR: Can you state your name?

MS. YEH: Sorry, Mr. Chairman. Helen Yeh with GN-DOE.

Yes, our intention was to bring up the fact that your liability estimate is based on a minimum of 15 years, but, of course, we would like you to make a commitment to show that you will continue monitoring the thermal condition until it proves there is no longer environmental risk.

THE CHAIR: Thank you. Applicant, do

you have a further question?
MR. CONNELL: Thank you, Mr. Chairman. It's Larry Connell again.
The next one had to do with Issue Number 14, and I think it's just again just to make sure that everyone's clear on the same thing. This is the one where we're talking about closure plans for the tailings storage facility and the rock storage facilities, and specifically it's with relation to the thermal monitoring of the Vault deposit.
In the Vault deposit, we aren't relying upon the ground having to freeze. We have an excess capacity of potentially acid-generating material to acid-generating material for that dump. So that dump is distinctly different than the Portage dump, in that reliance upon freezing wasn't the purpose on that dump. It doesn't require to be frozen to be stable, chemically stable.
I just want to make sure that GN, that that was your understanding as well. But definitely for the Portage, that relies upon freezing, and it has to be thermally monitored to demonstrate that.
THE CHAIR: Thank you. GN?
MS. YEH: Helen Yeh with GN-DOE.
Are you saying that you won't be -- then conduct thermal monitoring for the Vault storage facility then? Because my understanding was that there's some PAG

material that will be deposited in that storage area as well, and I think in your written response to us in March, you did indicate that you are planning to conduct thermal monitoring for that rock facility.

THE CHAIR: Thank you. Any further questions from Applicant?

MR. CONNELL: Sorry, one sec. Sorry for that, Mr. Chairman. Thank you. Larry Connell.

My understanding from our commitment is that the commitments that were made were to definitely monitor thermally the covers that are required to address the PAG material stored in the Portage and the PAG material stored on the TSF, but the Vault itself doesn't require a cover in order to manage the PAG rock because the PAG rock material that's within the Vault is small enough that it's covered by or entombed within significant volumes of nonacid-generating rock. And so the -- there isn't a need or a requirement that you have to thermally monitor it because there isn't a need to demonstrate that you have to leave behind a frozen dump in order to be chemically stable. So there seems to be some misunderstanding on that issue.

THE CHAIR: Thank you. GN?

MS. YEH: So I'm still unclear. So how are you planning to manage the risk of potentially acid drainage from those PAG material in the Vault

storage facility?
THE CHAIR: Thank you. Applicant, go ahead.
MS. BERTRAND: Thank you, Mr. Chair. This is Valerie Bertrand.
There being potentially acid-generating rock does not necessarily mean that it's going to generate acidic drainage. It's a balance. There is some rock that does contain minerals that may rust and generate acid, but overall, the balance of that rock is much lower than the rock that is actually buffering. So in terms it will -- the prediction is that it will never generate drainage that is actually acidic and metal rich. There will be some oxidation going on from some of the rock there, but the mixing itself and the contribution of buffering capacity from the rock that is overwhelmingly acid buffering will neutralize this drainage. We also show this in a number of reports on kinetic testing and static testing.
THE CHAIR: Thank you. GN?
MS. YEH: I understand that you are planning to use -- Helen Yeh with GN-DOE.
I understand you are going to use some material to neutralize potential acid drainage, but are you proposed to doing the monitoring? And also if your mitigated measures is not shown to work out in the end, what's

your contingency measures?
THE CHAIR: Thank you. Applicant?
MS. BERTRAND: This is Valerie Bertrand. Okay, we have -- we will be monitoring water quality in the dump. We have a number of monitoring points in that area, so we'll be monitoring any drainage coming from the rock pile. We'll be monitoring the quality of pit water, and we need to achieve previously -- or we need to achieve criteria that's protective of the environment before we breach the dike also at the Vault area. So we would be monitoring water quality directly from the rock pile and in the flooded pit.

With respect to -- we also have a monitoring plan for waste rock and guidance as to how to encapsulate any potentially acid-generating material that comes out from the Vault pit, and that -- you can refer to Support Document 425 to the water license application.

The water quality monitoring plan that outlines what's going to -- the monitoring that will happen at Vault area is also described in Document 450 to the water license application.

THE CHAIR: Thank you. GN?
MS. YEH: Helen Yeh, again. I think we are fine as long as the AEM is committed to monitor the water quality coming out of the drainage. We don't have further issues.

THE CHAIR: Thank you. Applicant, do you have further questions or comments?
MR. CONNELL: Thank you, Mr. Chairman. I have no further questions.
THE CHAIR: Thank you. Does INAC have any comments, question or comments?
MR. NADLER: It's Michael Nadler with INAC. We have no questions or comments.
THE CHAIR: Thank you. Does Environment Canada have any question or comments?
MR. GROSKOPF: Glenn Groskopf for Environment Canada. We don't have any questions or comments.
THE CHAIR: Thank you. Does DFO have any question or comments?
MS. LIU: Amy Liu with Fisheries and Oceans. We have no questions or comments at this time.
THE CHAIR: Thank you. NTI?
MS. EHALOAK: Jeannie Ehaloak, NTI. I have no questions or comments at this time.
THE CHAIR: Thank you. KIA?
MR. MANZO: Luis Manzo, Kivalliq Inuit Association. No, I have no questions or comments at this time, Mr. Chairman.
THE CHAIR: Thank you. Is there any questions or comments from public?

PUBLIC QUESTIONS GN-DOE:
MS. PUTULIK: Brenda Putulik. Thank you. It's my understanding that the ships and barges will have a spill kit. In your opinion, do you think it's a good idea to have the community of Baker Lake and Chesterfield Inlet to also have a spill kit on hand within the community? Quyannamiik.
THE CHAIR: Thank you. GN-DOE?
MR. BADDALOO: Thank you, Mr. Chair. It's Earle Baddaloo.

In regard to spill contingency planning for the communities, it is part of the responsibilities that we under Community and Government Services for communities to have a spill contingency plan for spills that locate within Commissioner's land. So in addition to that, the wildlife officers that are in the community are trained to handle spills, and in such instances, they also have the help of adjacent communities to come in to serve that purpose. Thank you.

THE CHAIR: Thank you. Any further question, Brenda?
MS. PUTULIK: Quyannamiik. First of all, I have two questions. First of all, how far is the Coast Guard's headquarters? And do you think it would be ideal to train and educate of how to handle spills within the community of Baker Lake and Chesterfield

Inlet, keep in mind that we only have one Wildlife Officer? Quyannamiik.

THE CHAIR: Thank you. GN?

MR. BADDALOO: Thanks, Mr. Chair. Earle Baddaloo.

In regard to the Coast Guards, I cannot speak for the Coast Guards as they don't come under the responsibilities of the Government of Nunavut. However, yes, I realize that there is a capacity concern with regard to spills and the number of people that are trained to handle such incidences. However, if a spill does occur in any community, as it did, say, in Rankin Inlet a few years ago, we were able to get people into the area to handle the spill. That's a spill that falls under the responsibility of the Government of Nunavut. Thank you.

THE CHAIR: Thank you. Brenda? Any further question from public? Okay, I take that -- oh, okay, there's one.

MS. MUELLER: Barb Mueller from Baker Lake.

How long -- if there was a spill, how long would it take the Government to mobilize people to get into the community? Last July at breakup, one of the barges that had contained fuel in this community leaked, and nothing was done for at least two days, and because of where I

live in the community, you could see the oil just -- or the fuel or whatever was in the barge just descending out on the lake. It eventually was cleaned up, but it took a long time, and it -- if it was a larger spill and with the currents in the water, it would have gone a long way.

So I'm wondering how long the response would be if it was a major spill; and that's a potential, there's a potential for that happening with the location of the tank farm because it is higher than the lake. It's on bedrock. I am aware of that, but it is higher than the lake, and we all know that gravity flows downward. Thank you, Mr. Chairman.

THE CHAIR: Thank you. GN-DOE?

MR. BADDALOO: Thank you, Mr. Chair. Earle Baddaloo.

In regard to a spill in Baker Lake, for instance, as I indicated earlier, we have staff here that are trained to handle oil spills. I know it's very, very difficult to say how long it takes, and, as the attendee pointed out, that this has happened in the past, and it took some time.

In a situation where the spill occurs in water, it's -- it doesn't fall under the GN responsibility. However, the GN is there for assisting, as the case may be. When the spill occurs on land, it falls within the

Commissioner's land responsibility. In previous instances, for instance, when Quebec Energy had a spill on land, we were there up front and center to assist with dealing with the spill. Thank you.

THE CHAIR: Thank you. Is there any further questions from public? Okay, I take that there's no more.

MR. BADDALOO: Mr. Chair, could I ask Helen to add a couple more points?

THE CHAIR: Go ahead.

MS. YEH: Helen Yeh with GN-DOE. I think it is important for AEM to realize on the timing that it will require to respond to major events such as spills, and I think it would be more in your spill contingency plan to outline personnel and the time that it would require, so if there's any spill that happen, then you would be able to mobilize your response and personnel wherever you are hiring the people from.

THE CHAIR: Thank you. Applicant?

MR. CONNELL: Thank you, Mr. Chairman. Larry Connell.

That is Agnico's intent. We're -- as we develop and ramp-up with our work force, we are putting together emergency response teams. We'll be coordinating those with the community. And for our responsibility, when it comes into the tanks, we will be ramping-up to be able

to handle that.

With respect to the on-water, that obviously falls out of our jurisdiction. It falls with NTCL or whoever the supplier is, but, you know, if we have capacity, we have materials, we're not sitting back. Spills are spills, and they need to be dealt with. Whoever has got the wherewithal and material to handle it, and we figure out it gets dealt with afterwards. So in that situation, we would be there with whatever resources we had and helping out, and then we'd worry about whose responsibility it was afterwards.

THE CHAIR: Thank you. Can I ask the Staff, is there a question from the Staff? Steve?

NWB STAFF QUESTION GN-DOE:

MR. LINES: I just have one question, Mr. Chairman, thank you.

It's on GN Issue Number 6 regarding the remediation guideline for hydrocarbon-contaminated soil, and the GN recommends that the Applicant follow the guideline for the GN's own guideline for contaminated site remediation, and in that guideline, there are four different standards for it, and I was just wondering if the GN can make a recommendation on which standard would apply to the project. Thank you.

THE CHAIR: GN?

MS. YEH: Helen Yeh with GN-DOE.

We would recommend the AEM to comply with the guideline related to industrial purposes, as we understand the remediated soil will be used as a capping for landfill. However, if this is not the case, if the remediated soil will be applied for remediation purposes, then we would recommend AEM to comply with our guideline for the park land purposes.

THE CHAIR: Okay, before we continue on, there's a public question. Go ahead.

PUBLIC QUESTIONS GN-DOE:

MS. MUELLER: I apologize, Mr. Chairman. Barb Mueller. I don't see as well as I used to. I don't have my glasses on, and sometimes it takes me a few minutes to kind of put things together in my head, but I guess I'm asking further to my previous question and comment with where does the GN's responsibility begin and end, and where does AEM's responsibility begin and end in relation to spills leakages, that sort of thing. Thank you. Thank you, Mr. Chairman.

THE CHAIR: Thank you. GN?

MR. BADDALOO: Mr. Chair, Earle Baddaloo.

In the case of jurisdictions, there are different areas. For instance, the GN has jurisdiction on Commissioner's land, and we have a spill emergency response line that is notified upon spill, and this travels quickly through the territory. In the case of

water, that's another jurisdictional responsibility.
    However, in the event of spills, particularly relating to this project, there is the opportunity for assistance from various different groups in regard to this. And the last question clearly outlined that procedure, so it is dealt a little bit different when this thing occurs, so when a spill or something like that occurs on the land or in the water. Thank you.
THE CHAIR: Thank you. Back to Staff. Is there any further question from the Staff?
MR. LINES: I don't have any more questions. Thank you.
THE CHAIR: Thank you. Is there any question or comments from the Board? Bob Hanson, do you have any comments or question?
MR. HANSON: Thank you, Mr. Chairman. Bob Hanson here. I have no questions, sir.
THE CHAIR: Thank you. Any questions from the Board Members? Thank you, GN, for your intervention.
MS. YEH: Thank you, Mr. Chair, for the opportunity.
MR. BADDALOO: Thanks, Mr. Chair.
THE CHAIR: We'll continue on with Staff administration. Don Carr, go ahead.
PROCEDURAL MATTERS:

MR. CARR: Thank you, Mr. Chair, Don Carr.

If there are no objections, I'd like to enter the following as exhibits: Exhibit 10, electronic, Environment Canada's Intervention on the Meadowbank Gold Project, April 2008, submitted by Anne Wilson; Exhibit 11, hard copy Environment Canada's Intervention on the Meadowbank Gold Project, April 2008, Anne Wilson; Exhibit 12, Electronic, DFO Intervention Comments to the Nunavut Water Board on the Meadowbank Gold Mine Project, April 2008, submitted by Amy Liu; Exhibit 13, hard copy, DFO Intervention Comments to the Nunavut Water Board on the Meadowbank Gold Mine Project, April 2008, submitted by Amy Liu; Exhibit 14, electronic, GN-DOE Review of the Meadowbank Water License Application Presentation to NWB, April 2008, submitted by Helen Yeh; Exhibit 15, hard copy, GN-DOE Review of Meadowbank Water License Application Presentation to NWB, April 2008, submitted by Helen Yeh. That's everything so far.

THE CHAIR: Thank you. Is there any objection to the various exhibits?

MR. DONIHEE: John Donihee for AEM, Mr. Chairman.

No objection, but after you hear from other parties, we have an exhibit to tender as well.

THE CHAIR: Thank you. Is there any

objection from any parties? Can I ask INAC to start with?

MR. NADLER: Michael Nadler with INAC. No objections.

THE CHAIR: Can I ask Environment Canada?

MR. GROSKOPF: Environment Canada has no objections.

THE CHAIR: Could I ask DFO?

MS. LIU: Fisheries and Oceans has no objections.

THE CHAIR: Thank you. Could I ask NTI?

MS. EHALOAK: Jeannie Ehaloak, NTI. No objections.

THE CHAIR: Can I ask KIA?

MR. MANZO: Luis Manzo, KIA. No objection.

THE CHAIR: Thank you.

EXHIBIT NO. 10:
ELECTRONIC COPY OF ENVIRONMENT CANADA'S INTERVENTION ON THE MEADOWBANK GOLD PROJECT, APRIL 2008, SUBMITTED BY ANNE WILSON.

EXHIBIT NO. 11:
HARD COPY OF ENVIRONMENT CANADA'S INTERVENTION ON THE MEADOWBANK GOLD PROJECT, APRIL 2008, SUBMITTED BY ANNE WILSON.

EXHIBIT NO. 12:
ELECTRONIC COPY OF DFO INTERVENTION COMMENTS TO THE NUNAVUT WATER BOARD ON THE MEADOWBANK GOLD MINE PROJECT, APRIL 2008, SUBMITTED BY AMY LIU.
EXHIBIT NO. 13:
HARD COPY OF DFO INTERVENTION COMMENTS TO THE NUNAVUT WATER BOARD ON THE MEADOWBANK GOLD MINE PROJECT, APRIL 2008, SUBMITTED BY AMY LIU.
EXHIBIT NO. 14:
ELECTRONIC COPY OF GN-DOE REVIEW OF THE MEADOWBANK WATER LICENSE APPLICATION PRESENTATION TO NWB, APRIL 2008, SUBMITTED BY HELEN YEH.
EXHIBIT NO. 15:
HARD COPY OF GN-DOE REVIEW OF MEADOWBANK WATER LICENSE APPLICATION PRESENTATION TO NWB, APRIL 2008, SUBMITTED BY HELEN YEH.

THE CHAIR: Catherine?

MS. EMRICK: I think there might be just a little bit of confusion. There were two additional documents that weren't read out on that exhibit list that I believe AEM would like to have filed relative to their commitment to produce two items at the -- sorry, pre-hearing conference commitments. There was two items, Number 31 and Number 37, which are the Meadowbank Gold Project Type A Water License Schedule of Plan

Revisions, and Meadowbank Gold Project Type A Water License Commitment Summary. I believe those two items were to be added in, and I think they were circulated earlier today, so I think those would be the next two exhibit items.

THE CHAIR: Thank you. Applicant?

MR. DONIHEE: John Donihee for AEM. Thank you, Mr. Chairman. Those were the documents that I was going to refer to, and as Board counsel has indicated, they were circulated to the other parties, and we propose to tender them in response to our earlier commitments in the pre-hearing conference at this time.

THE CHAIR: Thank you. Staff?

MR. DONIHEE: Mr. Chairman, I don't know -- think they were given an exhibit number. That's the only thing left over.

MS. EMRICK: I would propose that the Meadowbank Gold Project Type A Water License Schedule of Plan Revisions be Exhibit Number 16 in the hard copy and Number 17 in the electronic copy, and we'll need AEM to provide an electronic copy if they would. Actually it's just been confirmed that we have it. And then Exhibit 18 would be Meadowbank Gold Project Type A Water License Commitment Summary in the hard copy and Number 19 would be in the electronic copy. And so we'll just confirm that there's no objections to that.

THE CHAIR: Thank you. Is there any objection to that? So I take that there's none. Thank you.

EXHIBIT NO. 16:
HARD COPY OF AEM MEADOWBANK GOLD PROJECT TYPE A WATER LICENSE SCHEDULE OF PLAN REVISIONS.
EXHIBIT NO. 17:
ELECTRONIC COPY OF AEM MEADOWBANK GOLD PROJECT TYPE A WATER LICENSE SCHEDULE OF PLAN REVISIONS.
EXHIBIT NO. 18:
HARD COPY OF AEM MEADOWBANK GOLD PROJECT TYPE A WATER LICENSE COMMITMENT SUMMARY.
EXHIBIT NO. 19:
ELECTRONIC COPY OF AEM MEADOWBANK GOLD PROJECT TYPE A WATER LICENSE COMMITMENT SUMMARY.

THE CHAIR: So it's kind of warm in here in this room at the moment, maybe we should take a short break and refreshment before we continue on with NTI. We'll take a 10-minute break for now.

(BRIEF ADJOURNMENT)

THE CHAIR: Is Bob and Bill joining us? Okay.

PRESENTATION BY NTI/KIA:

We will have the NTI and KIA joint presentation now. Before we continue, carry out sworn in or affirm.

JACKSON LINDELL, JEANNIE

EHALOAK, LUIS MANZO, STEPHEN HARTMAN, sworn:

THE CHAIR: Thank you, go ahead, Intervention.

MR. MANZO: Thank you, Mr. Chairman.

I would take the opportunity to thank the Board for giving us the opportunity to present in front of all of you today. I also would like to thank the Board Staff for all the guidance during these hearings. I also wanted to thank the Proponent for your cooperation and understanding and timing matters to -- in some of the response, and all the residents of Baker Lake to make this happen today.

Our presentation today will be carried on by Stephen Hartman, the Environmental and Water Officer from KIA Lands Department. The presentation will be -- cover the dewatering dike, the central dikes and tailing area designs, some of the concerns, acid rock drainage, metal leaching, and waste rock tailing, and water quality predictions, abandonment and closure, including some scenarios for security deposits in terms of how to hold security.

I will pass now the microphone to Mr. Hartman to start our presentation. Thank you, Mr. Chairman.

MR. HARTMAN: Good afternoon, Mr. Chairman. My name is -- and good afternoon, Water Board Members, Meadowbank, and other interveners. My

name's Steve Hartman. I'm with the Kivalliq Inuit Association.

The Meadowbank Project: Under the Nunavut Land Claims Agreement, Nunavut Tunngavik Incorporated holds Inuit-owned land in trust for all Inuit. NTI under the Nunavut Land Claim Agreement appoints a designated Inuit organization to administer the IOL surface parcels in each of the three regions of Nunavut. In the Kivalliq region, the Kivalliq Inuit Association is responsible for this land administration.

The proposed Meadowbank Project is located entirely on IOL land except for portions of the all-weather access road and the lay-down area in the Hamlet of Baker Lake. KIA's role in the Meadowbank Project relates to the following articles under the Nunavut Land Claims Agreement: Article 6, wildlife compensation; Article 19, licensing and permitting; Article 20, water compensation; and Article 26, IIBA.

KIA and MMC have successfully negotiated an Inuit Impact and Benefits Agreement according to Article 26 of the Land Claims Agreement. KIA and MMC have successfully signed a Water Compensation Agreement according to Article 20 of the Land Claims Agreement.

Areas of concern identified during our review: KIA and NTI identified the following areas of concern during the pre-hearing meetings held earlier in Baker Lake.

Areas of concern were the dewatering dike, central dike and tailings area design, acid rock drainage, metal leaching in waste rock, tailings, and water quality predictions, and finally abandonment and closure.

For the dewatering dikes, central dike, and tailings area design area an independent dike safety review committee will be formed to monitor all aspects of dike performance during the construction and mine life. This committee must be able to review and comment on any deficiencies found in the design, construction material, or during mine operations. The dike safety review committee should consist of qualified technical people that are able to view broad issues associated with the dikes without being preoccupied by day-to-day operational issues. The dike safety review committee should provide quarterly reports to the stakeholders that outlines any design changes and adaptive engineering that has been implemented during the construction and mine life. This report should be provided to stakeholders within ten business days after the end of each reporting quarter. And finally, KIA retains the right to place a qualified technical person of their choosing on this committee.

MMC must closely monitor the thermal seepage and water quality characteristics of the mine waste storage areas. A worst-case plan must be prepared for

implementation of design changes and adaptive engineering if monitoring indicates contaminants are negatively impacting the environment.

Under abandonment and closure, KIA and NTI feel the existing abandonment and restoration plan presented by MMC is sufficient. However, MMC should provide an annual revised abandonment and restoration plan for each year of construction and operation. This updated plan would incorporate design changes and adaptive engineering that was required and implemented during construction and operations. These changes would be based on monitoring results collected over the life of the project to reflect actual site conditions.

KIA and NTI feel MMC has sufficiently addressed each of our concerns to date by monitoring and implementing adaptive engineering.

For security, the Kivalliq Inuit Association acknowledges the right of the Nunavut Water Board to require the Proponent to furnish and maintain security for the project. KIA, as the owner of Inuit lands upon which the project will be constructed, is entitled to hold security pursuant to its lease with the Proponent to protect against the risks posed by the project on IOL.

KIA supports earlier decisions of the Nunavut Water Board that security should not be divided between land

and water. KIA believes that all parties' interests would be best served if there was one security held jointly by KIA and the Minister. However, KIA is aware that Canada will not accept security which is payable jointly to the Minister and KIA.

If the Nunavut Water Board awards security, which is held only in the name of the Minister, KIA is exposed to risks that some part of the security may be applied for other purposes such as reclamation off IOL or compensation to third parties who are adversely affected by the project.

The amount of security is determined based on some of the risks posed by the project and is normally capped at the amount required for abandonment and reclamation. However, according to the Nunavut Waters and Nunavut Surface Rights Tribunal Act, the Minister may apply -- the Minister may use -- sorry, the Minister may apply the security to compensate any person who is adversely affected by the project. As well, the Minister may use the security to reimburse the Crown for some of its costs.

As a result, the security can be depleted for things which were not contemplated when the amount of security was determined. KIA is not suggesting that Canada would improperly use the security, only that Canada's obligations are broader and its priorities may be

different from those of KIA. If the security is held only by the Minister and the security is depleted for other claims, KIA faces the potential of cleanup costs for which no security is available.

The first scenario that we came up with to address security: KIA initially proposed that security be held in a trust which would set out the rights and responsibilities of each party. This trust indenture would detail decision-making processes and other fundamental terms governing the application of security should it be needed. Rather than trying to allocate the security as between land and water in the absence of a real-life situation, where the facts would inform the partners as to how the security would be best applied, the parties would determine how to use the security based on the facts as they were known when and if the security is called upon.

If INAC and KIA were to agree to the terms of the trust, satisfactory evidence could be provided to the Nunavut Water Board that adequate security is in place pursuant to the trust, thus, eliminating the need of the Nunavut Water Board to order security and avoiding the problems already mentioned.

INAC's mine site reclamation policy for Nunavut states consideration should be given to alternate or innovative forms of security such as minor reclamation

trusts, provided they meet certain criteria that protect the Government's interests and objectives. Therefore, the holding of security for this project could be achieved in a way that protects the interests of both the Crown and KIA without the need for a policy change by INAC.

INAC advised KIA that a trust for holding security for this project is not possible at this time as it would take time to prepare this. KIA recognizes the authority of the Nunavut Water Board is to require security in a form of natures subject to such terms and conditions and in the amount prescribed or determined and according with the regulations that satisfy the Minister. Absent regulatory authority or agreement by the Minister that a trust is satisfactory, the Nunavut Water Board is unable to require that the security be held in trust. KIA is now forced to consider alternate ways in which a security could be held due to time constraints.

The second scenario that we had thought about: If the security is not separated between land and water and the Board is limited to ordering security which is to be held only by the Minister, then KIA must have an acceptable agreement with Canada setting out how security held by the Minister will be applied, otherwise, KIA has no assurance that the security will

be used to protect IOL, which is the land at greatest risk due to the location of this project. KIA has been advised by INAC that such an agreement is not possible at this time.

The third scenario that KIA had looked at was that if the Nunavut Water Board awards a hundred percent security to be held by the Minister, KIA would only be protected if INAC would indemnify KIA against any liabilities for the abandonment and reclamation of the project. INAC has indicated that they will not provide such an indemnity to KIA.

The fourth scenario that we were looking at, the Nunavut Water Board awards a hundred percent security to be held by the Minister. The Minister may then apply these funds to reclaim IOL but is not necessarily obligated for land- or water-related issues on IOL. Therefore, KIA is then forced to request its own additional security under its lease agreements. Under this arrangement, the Proponent is then forced with the possibility that it will have to provide security to both the Minister and to KIA, with the result that the project is over-secured creating financial burden on the Proponent. This is a result that nobody wants to see.

The fifth scenario that we looked at, KIA understanding and supporting the view that land and water security should not be separated, ask that the

security be divided between land and water and that the Nunavut Water Board orders water-related security only to be held by the Minister. Land-related security would then be held by KIA under its lease with the Proponent. In this scenario, KIA still faces a risk that any security held by the Minister for water may not be applied to IOL-related reclamation, but at least it would have security for land reclamation on IOL parcels.

So KIA's submission regarding security to the Water Board is KIA believes that the total amount of security for this project should be $43.87 million. That's the total amount. If INAC is unable or unwilling to agree to a trust and is otherwise unable to provide assurance that KIA requires in order to protect Inuit-owned lands, it is KIA's intention to require the Proponent to provide KIA with security under its lease in the amount of $14.79 million.

KIA respectfully submits that the Nunavut Water Board award the balance of security, $29.08 million, to be held by the Minister. This represents a split of the security based on a professional analysis of land and water risks. If security is awarded this way, KIA will be satisfied with its holdings, the Minister will be sufficiently secured, and the Proponent will not be forced to provide excess security.

Thank you to Mr. Chairman, Nunavut Water Board

Staff, Meadowbank Mining Company, the community of Baker Lake, and other interveners for allowing us to present our concerns here today. Thank you.

MR. MANZO: Luis Manzo, Mr. Chairman. KIA/NTI are willing to take any questions on this.

THE CHAIR: Thank you. Can I ask the Applicant whether you have a question or comments?

AEM QUESTIONS NTI/KIA:

MR. CONNELL: Thank you, Mr. Chairman. It's Larry Connell.

Just a point of clarification on the -- on this proposed first license term, the seven-year term with the total split, what's the KIA's position on the ramping-up? Are you looking at the full 14.79 and 29.8, that first license term at the end of the license term?

MR. MANZO: Yes, KIA will be seeking the full amount in front.

THE CHAIR: I'm sorry, can you --

MR. MANZO: My apologies, Mr. Chairman. I'm sorry. Luis Manzo from KIA.

Yes, KIA will be seeking the full amount of security to protect the beneficiaries of the IOL parcel.

THE CHAIR: Thank you. Applicant, do you have further questions or comments?

MR. CONNELL: Thank you, Mr. Chairman. No, no further questions.

THE CHAIR: Thank you. Does INAC have any comments, question or comments?

INAC QUESTIONS NTI/KIA:

MR. NADLER: It's Michael Nadler with INAC, Mr. Chair.

The Department would like to make three clarifications and pose two questions to KIA if possible.

THE CHAIR: Thank you. Go ahead.

MR. NADLER: Thank you. Just to begin, the KIA has stated that Canada does not support a joint reclamation security. Just a point of clarification, our Department's position has been that the Minister cannot hold security jointly with another party within the framework of the Nunavut Water Board regime.

The second point of clarification, with regard to scenario one, for reclamation security to be held in a trust; INAC is willing to discuss with landowners in Nunavut, such as associations in the KIA, approaches to the management of reclamation security that could fall outside of the Nunavut Water Board regime. We undertook such discussions with the KIA but were not able to develop a proposal in time for these hearings that we felt would be sufficiently detailed to give the Water Board confidence that the matter of security was being dealt with outside of the project's water license.

Third clarification: With regards to scenario two, involving an agreement on the use of a land and water security held by the Minister; just to clarify, INAC supports the development of such an agreement, but despite best efforts, the KIA and INAC were not able to reach consensus on what the terms of such an agreement might be. We have never advised that such an agreement would be impossible.

Mr. Chair, I just have two questions to pose to the KIA. The first is a supplementary question to the one posed by the Proponent. The Water Board has heard recommendations for the assessment of security based on a two-phase licensing process. Is the KIA recommending a different model for water-related security?

MR. MANZO: Mr. Chairman, Luis Manzo.

No, we're using the bulk number to assess security, and we will hold it, the security under the lease.

THE CHAIR: Thank you. Does INAC have a further question?

MR. NADLER: Just a supplementary then to that question, if I might, Mr. Chair.

Just to speak to the details of the KIA presentation, the KIA presentation recommends that security of 29.084 million be held by the Minister, while the total estimate for water-related security prepared by INAC for the entire post-project is 29.084

million. INAC is recommending an initial security payment of 7.625 million, followed by additional security up to 15.841 million up to the end of the first licensing period or the first five years of mine operations, whichever comes first. Is the KIA recommending a different model?

MR. MANZO: Mr. Chairman, Luis Manzo.

We reviewed several times the model presented by INAC. We do agree that the model in between KIA numbers and INAC numbers and AEM numbers come to the bulk number of 43 million. This object -- calculation do not allow us to assess it because a lack of information. It's a professional discretion. The companies informed us. So to avoid conflicts, because we did agree on the bulk number, we're just splitting the number. Thank you.

THE CHAIR: Thank you. INAC?

MR. NADLER: Thank you, Mr. Chair. I just have to ask one more supplementary related to that question because I think our questions are being misunderstood.

Just referring to the KIA slide and just the wording of the slide on the KIA submission on the slide titled "KIA Submission Continued": (As Read)

> The KIA respectively submits that the Nunavut Water Board award the balance of security, $29,084,426, to be held by the Minister.

What has been proposed is a slightly different model, and that is a model whereby during the first licensing period, security would be assessed at amounts of 7.625 million followed by an additional security of up to 15.841 million. While we recognize that the total estimate of water-related security by the Department is the 29.084 million, we are proposing a slightly different model. Is the KIA opposed to that model?

THE CHAIR: Thank you, INAC -- I'm sorry, KIA, go ahead?

MR. HARTMAN: Thank you, Mr. Chairman. My name's Steve Hartman.

We're not opposing INAC's model. The model for ramping-up is fine. I think to build a little bit on the earlier question from the Proponent as well, it's our intention to charge the full amount for land-related security at the beginning without a ramp-up fee or anything, but we don't object at all to INAC's model.

Thank you, Mr. Chairman.

THE CHAIR: Thank you. INAC?

MR. NADLER: Thanks, Mr. Chairman. Thank you for the response.

The second question: Is the KIA's recommendation to the Water Board the model they've described in the scenario five?

THE CHAIR: KIA?

MR. MANZO: Mr. Chairman, Luis Manzo. Yes, it is.
THE CHAIR: Thank you. INAC?
MR. NADLER: Thank you, Mr. Chairman. We have no further comments or questions. Thank you for your patience, all of you.
THE CHAIR: Thank you. Can I ask Environment Canada whether you have a question or comments?
MS. WILSON: It's Anne Wilson of Environment Canada. We don't have any questions or comments.
THE CHAIR: Thank you. Can I ask DFO, do you have --
MS. LIU: Fisheries and Oceans do not have any comments.
THE CHAIR: Thank you. Can I ask GN-DOE?
MR. BADDALOO: Thank you, Mr. Chair. GN doesn't have any comments at this time.
THE CHAIR: Thank you. Can I ask the public whether there's questions or comments? There's none? Okay, I take that there's none. Can I ask, Staff, is there a question or comments from Staff?
MR. HOHNSTEIN: David Hohnstein here, Mr. Chairman. We have no questions.

THE CHAIR: Thank you. Can I ask the Board Members? Bob Hanson, do you have any question or comments?
MR. HANSON: Thank you, Mr. Chair. Bob Hanson. I have no questions. Thank you, sir.
THE CHAIR: Thank you. Is there any further -- was there comments from the Board Members? None, okay.
MR. TATATUAPIK: We don't have any questions.
THE CHAIR: Okay, thank you. Thank you, NTI and KIA. Thank you for your intervention.
MR. MANZO: Thank you, Mr. Chairman.
THE CHAIR: Should we take -- okay, Staff, for administration purpose, is there any? PROCEDURAL MATTERS:
MR. CARR: Thank you, Mr. Chair. Don Carr.
If there's no objections, I'd like to enter the following two as exhibits: Exhibit 20, electronic NTI and KIA Nunavut Water Board Technical Hearing, April 2008, submitted by Steve Hartman; Exhibit 21, hard copy, NTI and KIA Nunavut Water Board Technical Hearing, April 2008, submitted by Steve Hartman. And we'd also need a hard copy submitted.
THE CHAIR: Thank you. Is there any objection for this Applicant? Thank you. Is there any

objection from any parties? So there's none. Okay, thank you.

EXHIBIT NO. 20:
ELECTRONIC COPY OF NTI/KIA SUBMISSION ENTITLED "NTI AND KIA NUNAVUT WATER BOARD TECHNICAL HEARING", APRIL 2008, SUBMITTED BY STEVE HARTMAN.

EXHIBIT NO. 21:
HARD COPY OF NTI/KIA SUBMISSION ENTITLED "NTI AND KIA NUNAVUT WATER BOARD TECHNICAL HEARING", APRIL 2008, SUBMITTED BY STEVE HARTMAN.

THE CHAIR: Dionne, can you help me a bit at this moment?

MS. FILIATRAULT: Thank you, Mr. Chairman. I can't see the time; I think it says 3:20. There's still, I guess, one more agenda item before -- I guess it's questions, open questions to the floor as a final opportunity to ask any final questions to -- on the project.

And then there has been a request to, prior to closing remarks, that the parties be allocated an hour or so to prepare their closing remarks. So with that in mind, we probably can open the floor to the public for any final questions they may have and then break for an hour and do closing remarks.

THE CHAIR: Okay, I take that. Is there

any further questions from any parties? There's none. Dionne.

MS. FILIATRAULT: Thank you, Mr. Chairman. I think it's important to stress to members of the public that this is the final opportunity for them to make any comments or ask any questions on the project before closing remarks.

THE CHAIR: Thank you. So there's none. So, Applicant, do you have any --

MR. CONNELL: Thank you, Mr. Chairman. I don't have any questions at this point in time either.

THE CHAIR: Okay, maybe we should take a break. Dionne?

MS. FILIATRAULT: Mr. Chairman, I'd recommend an hour. That brings us back at 4:30 to enter into closing remarks.

THE CHAIR: Okay. Yes, take a break for one hour. Go ahead, Dionne.

MS. FILIATRAULT: I'm just wondering if you want to check with the parties to see if that's acceptable to them, Mr. Chairman.

THE CHAIR: Yes, I should do that. Is there an objection to this request from the Staff or from us? Applicant?

MR. CONNELL: No, I have no problem proceeding that way as well.

THE CHAIR: Thank you. How about from any parties? None? Okay, we'll take a one-hour break.
(PROCEEDINGS ADJOURNED AT 3:21 P.M.)
(PROCEEDINGS RESUMED AT 4:20 P.M.)
THE CHAIR: Now, we're back into session again. Before we proceed, I'd like to ask Bob Hanson, Board Member, and Bill Tilleman, legal counsel, are you on the line?
MR. HANSON: Yes, Mr. Chairman, it's Bob Hanson. I am on the line, please proceed.
MR. TILLEMAN: Yes, Mr. Chairman.
THE CHAIR: Thank you. Now, we're back to our agenda. I'd like to ask any parties making a closing statement. We'll start with INAC.
SUPPLEMENTARY MATTERS:
MR. LANDA: Ken Landa with Justice Canada. I think it might be helpful if AEM and KIA could have a few minutes before we reconvene to discuss a matter prior to our closing statements.
THE CHAIR: Dionne?
MS. FILIATRAULT: Do you have any indication of how long you're asking the Board for?
MR. LANDA: Ken Landa, Justice Canada. Mr. Chair, I'm hope the conversation would be no more than 5 minutes, and then we should be able to reconvene.
THE CHAIR: Yes, we take that, but

nobody can disappear.

MR. LANDA: Ken Landa, Justice Canada. Thank you and everybody present for their understanding.

(BRIEF ADJOURNMENT)

THE CHAIR: We should get on with this. Let's proceed -- before we proceed, I would like to advise parties that Inuit Broadcasting is present and may be recording the proceeding. If any parties has concerns with this, I ask that they make such concern known before we proceed.

I would also like to remind parties that since the Board cannot comment on pending matters either by confirming or denying the accuracy of others' statements to the media, the Board would appreciate it if all parties would refrain from any such comment that may imply a certain action or decision by the Board.

Applicant?

MR. DONIHEE: Thank you, Mr. Chairman, John Donihee on behalf of Agnico-Eagle. We'd like to thank the Board for its patience. There was an important discussion that we were trying to wrap up at the last moment, and the extra time did help.

I think, Mr. Chairman, with the Board's indulgence, it would assist KIA and DIAND if Agnico-Eagle were allowed to make its closing statement first rather than last. If the Chair and the Board would be so willing,

we would proceed, and then the others can just follow in order, and we would have our closing statement first, and that should assist the other parties that we were having a discussion with.

THE CHAIR: Thank you. Is there any objection from the Board? No. Okay, good. Applicant?

CLOSING STATEMENT BY AEM:

MR. CONNELL: Thank you, Mr. Chairman. This is Larry Connell.

For our closing remarks, I'd like to make them in two parts. I will speak to the summary of the key issues, and then I'm going to ask Ebe Scherkus to provide an overall wrap-up on behalf of Agnico-Eagle Mines. To summarize our position, I think we need to reaffirm or restate that AEM is requesting a seven-year license term. That's two years of construction, 2008, 2009, followed by the first five years of operation.

On the issue of security against reclamation -- this is obviously a key issue -- there seems to be consensus that the pragmatic approach is to agree to a two-stage model for security, that is set the security for the first license term with the amount increasing as the disturbance and liability increases. That provides time to evaluate the cover thickness during this period by actually measuring the performance of the test covers. And then we would re-estimate security towards the end

of that license term with the information and the data we have derived during this first period.

How the security should be split is directly an issue between the landowner, KIA, and INAC, but it does have an impact on Agnico-Eagle Mines Limited when the parties cannot agree. This results in the Proponent being asked to put up more security that is required to fully fund the liability. This isn't fair to mining companies coming to Nunavut and is a disincentive to mining proceeding on IOL land. Is there possibly another way?

One proposal or one possible way would be to allow the Board to continue -- not allow, but to have the Board continue to make its decision on security, as it was going to do anyways, but to allow the three parties, the KIA, INAC, and Agnico-Eagle, time to pursue the concept of an environmental security agreement. In other words, give us the time, and we come back in front of you if we are successful in reaching an agreement and ask to re-open that security issue if we are successful in finding a way to resolve this.

We've heard -- the KIA have indicated that this type of an agreement would be an acceptable approach, and we heard INAC say that such a method was not out of the question, just that time was needed to set up an agreeable mechanism. I leave that with the Board for

your consideration.

The other issue I wanted to talk to, the second issue I wanted to talk to was turbidity. This was a key issue that was left outstanding between our parties. AEM understands the importance of protecting the receiving environment water quality and recognizes that decreased water clarity as measured by turbidity may lead to reduced productivity in some cases. To that end, we have incorporated direct and indirect measures of primary productivity into the Aquatic Effects Monitoring Program to provide data on potential responses related to reduced water clarity or other stressors.

While we agree with protecting the receiving environment from turbidity-related effects, we are proposing setting an objective rather than a standard for the following reasons: The CCME's own guideline for the protection of aquatic life from increased sediments, despite being based on a broad review of studies targeting the effects to algae, zooplankton, and fish, do not include a turbidity-based guideline derived for the protection of primary productivity. The existing CCME guideline is based on total suspended solids.

AEM has agreed to meet TSS-based discharge standards intended to protect aquatic life. We will also strive to meet the objective of 10 NTU as proposed as a

standard by EC.

The Aquatic Environmental Monitoring Program, the monitoring under that will address primary productivity at stations closed to the proposed discharge zones. Significant changes in water clarity and/or direct or indirect indicators of primary productivity would trigger appropriate management action. Turbidity-related changes would not be long term, and conditions should improve substantially with appropriate mitigation. In summary, AEM believes that our proposal of having a turbidity objective coupled with the Aquatic Environmental Effects Monitoring Program will not result in significant impacts to the environment.

The last area I'd like to talk to was the proposed sewage discharge standard. The standards that were attributed to Separatech, the supplier of the sewage treatment plant, were actually taken from the recent Doris North water license. When Separatech were asked what standard their plant would achieve, they looked to recent water licenses from the Nunavut Water Board in similar circumstances and gave us that number back.

At the technical meeting, the parties discussed what standards should be set for the sewage treatment discharge. We all agreed or I think there was consensus at that point that what was really necessary was that we need to be protective of the discharge to the

environment, and so the consensus came to actually build upon the discharge from the storm water pond and to set a standard there whenever that water was being discharged to the receiving environment.

At that session, it was Environment Canada that proposed a 25 milligram per litre BOD and a 25 milligram per litre TSS at the discharge from the storm water pond when we were discharging, and AEM agreed with that. The proposed tighter standard that's been suggested by INAC seems to be punitive and that this standard was actually something more than was actually predicted at the -- or discussed at the technical meeting. The GN guideline that's been referenced by INAC are even tighter than the guideline that was referred by the GN in their own submission. So we're going to ask the Board to set that standard as it's been presented by AEM and as by Environment Canada.

That brings me to the conclusion of the technical portion, and I'd like to ask Ebe Scherkus, our company President, to do a final overall wrap-up of our closing comments, if that's agreeable.

THE CHAIR: Thank you. Can I have legal -- Catherine, have him sworn in.

EBERHARD SCHERKUS, sworn:

THE CHAIR: Thank you, go ahead.

MR. SCHERKUS: Thank you, Mr. Chairman.

Thank you for the opportunity to provide Agnico-Eagle's closing comments. I think my comments are more on a personal level. I'd like to thank yourself, and I'd like to thank the Board, I'd like to thank Staff, and I'd also like to thank the Government of Nunavut-DOE, INAC, DFO, NTI, KIA, and, of course, our employees and consultants as well.

I just looked at my calendar, and today is a very special day for Agnico-Eagle Mines. It's the exact anniversary, April 16th, 2007, where we acquired, fully acquired, the Meadowbank Project from Cumberland, so it's a very special day.

But I also think that a lot has happened over this past year, when I look at the Community of Baker Lake, when I look at what has been accomplished on a -- with the completion of the road, when I look at what has been accomplished on the mine site, this is a terrific project.

I think when Agnico-Eagle assumed ownership of this property, we made commitments that we were going to be here for a long time and that we are -- we're going to build a mine, and I believe so far, in the construction phase, we have maintained our word.

As I mentioned last night, I think you know there are -- we are all on the same page basically. We all want this project to go because we believe it will be

highly beneficial to Nunavut, be highly beneficial to the people of Nunavut, and then, of course, to the people and the citizens of Baker Lake.

I think over the past two days what I have observed is, perhaps on the execution and with respect to some of the execution points, I think we are all in agreement that the land, maintaining the land, maintaining the heritage, maintaining the water quality, maintaining the environment are paramount and most important to us all. So I think I can honestly say from Agnico-Eagle's point of view, we have to work on gaining your trust.

As I mentioned last night, words are one thing, but I also believe that actions are stronger than anything, and we have to perform and we have to continue to earn everybody's trust.

So I'd like to thank a few people. You know, we talked about resources as well over the past couple of days, and you know, I'd like to just visually point out some of those resources by thanking our team, and I'd like them to stand so that you can just take a look at them. So as I mention their names, please stand up and remain standing.

I think number one on our list, Larry Connell, Louise Grondin, our VP of the Environment, Rachel Gould, Kathryn McIvor, Stephane Robert, Ryan Vanengen. These are all of our environmental professionals, not

including the group that we have in our Abitibi office and Technical Services.

Locally, we also have Michael Haqpi; we have Martin Bergeron; we have Denis Gourde. From our consultants, we have Dan Walker; we have Terry Eldridge; we have Valerie Bertrand from Azimuth; we have Gary Mann from Garber and Associates; we have -- they're locally assisted by Hatti and Thomas Mannick. We also have our legal counsel, John Donihee. From Hatch, we don't have anyone here, but they supported us on this project.

So these are the people that really helped us with this particular application, and I can make a promise to you on behalf of Agnico-Eagle Mines, the Board of Directors, the CEO, Sean Boyd, and myself that they will have all the resources necessary and all the backing necessary and support to be able to carry out the commitments that we made to you over the last two days that are in our present application.

So having said that, thank you very much guys, and the Board, God speed in your decision, and thank you for your consideration and time.

THE CHAIR: Thank you. So, Applicant, are you done with this?

MR. CONNELL: Thank you, Mr. Chairman. Yes, I'm sorry, we're finished with our closing remarks. Thank you.

THE CHAIR: Thank you. Next party will be INAC's closing statement.

CLOSING STATEMENT BY INAC:

MR. NADLER: Thank you, Mr. Chair. It's Michael Nadler from Indian and Northern Affairs Canada.

We would like to make some technical final remarks and then some general final remarks, and the microphone will be shared by myself and Jim Rogers.

So I would like to begin with one technical comment, and then Jim will follow with some other technical comments, and then I'll provide a specific comment on -- regarding security and then some general observations.

So to begin, we acknowledge that the Proponent has agreed to undertake fixed data -- field data collection and modelling to better characterize the appropriate cover for waste rock and tailings and will prepare and submit for approval a plan for this work within one year of the license effective date.

MR. ROGERS: On the water side, and in answer to -- oh, it's Jim Rogers, sorry -- and to answer a question raised by Agnico-Eagle and as suggested of Anne Wilson of Environment Canada, INAC agrees with the parameters suggested on the water quality for releases from Tear Drop Lake during construction and the storm water pond releases.

Also, as is also suggested by Environment Canada,

INAC has made recommendations on monitoring, for the Proponent to improve confidence in their predictions and assumptions and give greater confidence to the Board and those groups supporting the Board and for regulatory reasons.

For regulatory monitoring, INAC would like the Board to require water quality monitoring at sites where water is withdrawn from the environment such as the water point on the Second Portage Lake; and where water is returned to the natural environment such as releases from Tear Drop Lake during the construction period; releases from the attenuation ponds later during the project; seepage from waste rock, landfills, dikes, which are not directed in either of the tailings containment area or a secondary settling pond or attenuation pond. Releases from Wally Lake should also be monitored, and they should begin now because, eventually, you will have to. In the short term, periodic monitoring until the Vault dike is built would probably be adequate.

These monitoring locations, we would request the Board to accept these as generic locations for now with the final locations to be determined in consultation by the Proponent and the INAC inspector. The inspector may at that time require additional regulatory sites if site conditions have been altered or differ from designs.

All these regulatory monitoring sites would then be provided to the Board.

All SNP sites should be monitored daily for flow and discharge and monthly for water quality, and the data provided quarterly during construction and the first two years of operations. All regulatory monitoring should also be provided to the INAC inspector.

The Proponent is requested to include the monitoring data along with their model results in the annual report to the Board, but the internal monitoring is not a regulatory requirement -- should not be a regulatory requirement; should be a good thing to do.

MR. NADLER: Thank you, Jim. It's Michael Nadler again for Indian and Northern Affairs Canada.

The Department would like to confirm that we will continue to work with the Proponent and the KIA on an option for security that falls outside of the water license process and that we are willing to work with the KIA and the Proponent to bring this option back to the Board at a later date if we are successful.

At this point, we'd like to emphasize the Department's support for the Meadowbank Project, and on behalf of the Department, I would like to express my respect and admiration for the work of the Water Board. I would like to thank the Chair, Water Board Members,

the Staff for their diligence and patience during these hearings. I'd also like to thank Bob Hanson and Bill Tilleman, who have been very diligent on the phone and that can't have been easy. I would like to express our gratitude to the interpreters and the hearing reporter for their diligence and patience as well, particularly with me as I speak often very quickly.

We would like to thank the Hamlet and the people of Baker Lake for their hospitality during our visit to their lovely town. We'd also like to recognize the people of Chesterfield Inlet for their contributions during this hearing.

We'd like to thank our cousins in the Federal family, our colleagues in the Government of Nunavut, the KIA, and the Proponent for their collaboration during this hearing and before the hearings.

I, myself, as the Regional Director General for the Department would like to recognize Jim Rogers, Jillian Martin, Ken Landa from Justice Canada, our consultants from EBA and John Brodie Consulting for their help during these hearings, plus the larger team working in Iqaluit, working in Rankin Inlet, and working in Kugluktuk, who all contributed to this project.

Mr. Chair, those are our final remarks. Thank you for your patience and time.

THE CHAIR: Thank you. The next party

will be Environment Canada.

CLOSING STATEMENT BY EC:

MS. WILSON: Am I good to go here? Okay, it's Anne Wilson with Environment Canada.

Environment Canada would like to thank the Nunavut Water Board for the opportunity to present our concerns with AEM's application for this Class A water license for the Meadowbank Gold Mine Project.

EC has provided suggestions in our intervention, a document for the Board to consider in the development of this water license. As outlined in our written intervention and summarized in the presentation earlier, we have presented a broad range of concerns, and substantially these have been addressed by the Proponent in discussions with their technical experts.

I'll just outline some of the issues raised and addressed. These include agreement on integrating monitoring plans and developing a groundwater monitoring plan for implementation this upcoming summer; use of monitoring results for adaptive management in the areas of sites water quality; periodically updating predictive models with site data; and planning for closure monitoring.

Another issue addressed is the use of monitoring results and the determination of waste rock cover thickness in mine rock segregation and for till

management. They have agreed to development of an ammonia management plan. Also addressed is being the use of appropriate incineration technology to comply with the Canada-wide standards for dioxins and furans along with stack testing. Issues around landfarm management, contingency planning, and closure planning have also been addressed.

We believe we have substantial agreement from the Proponent in the area of effluent quality criteria with the issues of chloride limits and the use of turbidity as a regulated parameter to be determined by the Board.

With respect to turbidity, EC notes, as we just heard, that the Proponent has expressed concern with using the number 10 NTU's as a regulated parameter as a limit, and we acknowledge there is some uncertainty with how this plume will behave and what operational limits that might impose upon their discharges. EC does prefer to have this as a regulated parameter, but we're open to a somewhat higher limit. With Diavik, they used 15 as their maximum. Possibly we could use 15 as the maximum on average and no higher.

Another option would be on an interim basis, i.e., for the first dewatering activity, to have the NTU's as a soft limit or soft threshold or objective as requested by the company. In this case, it would have to result in specific actions to prevent further releases above

that limit and concurrent evaluation of receiving environment effects to address the uncertainty. Appreciating that the public record is closing very shortly -- as soon as this hearing is over -- we'll have to leave it at that for the Board to determine.

Just a couple other points. EC does support the proposed license term of seven years, and we note that this file is a priority for us, and we will remain available to provide ongoing support to the Board in the form of expert advice on areas relating to water quality, toxicity testing, aquatic effects monitoring, contingency planning, and review of waste management and other plans.

EC would like to note that the hearings and the steps leading up to them have been very constructive and have resulted in substantial resolution of issues identified by us. We have appreciated the Proponent's initiative in addressing issues, and I would like to comment on Larry's 5:20 a.m. e-mail this morning on incineration, such issues that we've raised in the course of this process.

I would also like to highly commend the Board on a well-run hearing, particularly for the outstanding hospitality in the community. On a personal note, I would like to thank the Elders for their prayers, and I wish for safe travel for all of us. Thank you.

THE CHAIR: Thank you. Next party would be DFO make a closing statement.

CLOSING STATEMENT BY DFO:

MS. LIU: Mr. Chair, it's Amy Liu from Fisheries and Oceans. DFO would like to thank the Board and the Staff for all their hard work and for the opportunity to come to Baker Lake to discuss our review for the Meadowbank Gold Project. We would also like to thank Agnico-Eagle Mines and their consultants for working with DFO to substantially address our issues prior to the hearing.

DFO has carefully considered all the information that Agnico-Eagle Mines has presented in their submission to the Water Board, as well as all the information presented by AEM, the public, and other interveners during the course of the hearings for the past couple of days.

In our intervention, DFO made a number of recommendations to the Board, and some were addressed, but the ones we would like to reiterate relating to this Type A water license include water management, specifically the submission of the final dewatering and flooding plans to ensure water flow is maintained in downstream locations; and monitoring, specifically the Aquatic Effects Management Program, that the core monitoring programs and targeted studies outlined be

provided in detail; and that party comments be integrated and consolidated into the AEMP for review and approval; and that the dike construction and dewatering activities monitoring plan incorporate party comments for review and approval.

So while these items are still outstanding, Agnico-Eagle Mines has committed to providing them, and it is anticipated that with the inclusion of this information and with the no-net-loss plan, it will adequately address potential harmful effects to fish and fish habitat. So we trust that our comments and recommendations will be helpful to the Board in their deliberations.

In closing, DFO would like to thank the participants of the Kivalliq communities for offering their knowledge about and views regarding this project, and DFO would also like to give special mention to the community of Baker Lake for their hospitality and support during these proceedings. Thank you.

THE CHAIR: Thank you, DFO. Next party, GN-DOE make a closing statement.

CLOSING STATEMENT BY GN-DOE:

MR. BADDALOO: Thank you, Mr. Chair. My name is Earle Baddaloo.

In summary, this water license application submitted by AEM describes measures to mitigate and manage

potential impacts resulting from the Meadowbank Project. The application generally provides satisfactory mitigation and management procedures for all waste streams and hazardous materials. The Government of Nunavut-Department of Environment supports this license application moving forward if the concerns and recommendations discussed in our detailed intervention and summarized in our earlier presentations are addressed.

In regard to the marshalling area facilities, the Government of Nunavut-Department of Community and Government Services will continue to work with Agnico-Eagle Mines Limited to move forward on the issue regarding financial security bonding.

Government of Nunavut-Department of Environment would like to express our sincere thanks and appreciation to the Nunavut Water Board, all of its Staff, Mr. Hanson and Mr. Tilleman on the telephone, for allowing us the opportunity to present our intervention at this public hearing here in Baker Lake regarding Meadowbank Gold Mine Project's application for water license, and we look forward to a continued high-quality, working relationship with all parties.

We thank the Proponent for their patience and also their responses, which were invaluable in assisting and clarifying many issues. We would also like to thank our

fellow interveners, Kivalliq Inuit Association, Nunavut Tunngavik Incorporated, Department of Fisheries and Oceans, Environment Canada, Indian and Northern Affairs Canada, and all of the individuals from the communities for expressing their concerns and for providing input into issues that we hope will contribute to a project that will result in an excellent environmental track record.

I would also like to express my thanks to my staff and the support of my Department staff in particular, Helen and Mike Atkinson, who has left us now, for their continued help and for their hard work and cooperation towards addressing this license.

DOE would like again to express a sincere thanks to the host, to the Hamlet of Baker Lake for allowing us the opportunity to visit their community and to carry out this activity in such a beautiful setting. Thank you, Mr. Chair.

THE CHAIR: Thank you, GN-DOE. Before we proceed with the next party, can I have Staff express NTI and KIA? Okay, continue on. Okay, can I have NTI make a closing statement? And KIA, probably you go...

CLOSING STATEMENT BY NTI/KIA:

MR. MANZO: Mr. Chairman, Luis Manzo. The member of NTI will be doing the closing remarks for the joint submission. Thank you.

MS. EHALOAK: Thank you, Mr. Chair. Jeannie Ehaloak.

Nunavut Tunngavik Incorporated and the Kivalliq Inuit Association would like to take this opportunity to thank the Nunavut Water Board, Agnico-Eagle, Government of Canada, DFO, Environment Canada, Nunavut Government, and especially community members from Baker Lake and Chesterfield Inlet for being here with us today. We would also like to acknowledge the support of the communities in the Kivalliq region.

For Nunavut, a major milestone was reached in 1993 with the signing of the Nunavut Land Claims Agreement. The Land Claims Agreement provided the Inuit with unique opportunities. First, the Land Claim Agreement provided the Inuit with the right to exclusive use and occupation of the land. Second, the Land Claim Agreement provided the Inuit with the right to choose what uses land can be used for. Third, the land -- that lands held by the Inuit could provide economic opportunity.

The land is the heart of the Inuit culture. It provides food, closing, and a place of well-being. It provides families with a safe and healthy environment that has supported our ancestors for thousands of years. We envision Nunavutmiut living healthy, sustainable livelihoods that are based on jobs in the wage-based economy and our traditional ways of life.

As we celebrate Nunavut's 15th year as Canada's newest territory this spring as an emerging region in Canada, we are excited about exploring avenues for long-term, sustainable economic development. We are a vast geographical area with a small population, and we are just beginning to learn the potential natural resources in our Arctic environment.

That is not to imply that the Kivalliq region has not had a long history of exploration and mining. Historically in this region, we have successfully mined for nickel and gold. It is up to us to embrace the opportunities that are before us. It is our responsibility to build a stable economy for our children and our children's children to ensure that Nunavut will always be our land. It is equally important that we protect and preserve the traditional ways of our ancestors so that those who follow us will never forget where they came from. Today in the Kivalliq, we are witnessing the progression of these two goals as we move steadily towards the reality of Meadowbank Gold Mine.

It was in 2003, Cumberland Resources Limited presented a project proposal to KIA, which we forwarded to NIRB, the Nunavut Impact Review Board, for the Meadowbank Gold Project located north of Baker Lake. A Part 5 review was completed in 2006 with a Project

Certificate issued in December 2006. After successfully completing the NIRB process, the Nunavut Water Board provided Cumberland Resources with guidelines in March 2007 in accordance with Section 48(3) of the Act and Article 13.81 of the Nunavut Land Claims Agreement.

On August 1, 2007, Agnico-Eagle Mines Limited amalgamated with Cumberland Resources and Meadowbank Mining Corporation. The Nunavut Water Board acknowledged receipt of this revised application form from AEM on September 24th, 2007.

The project has an expectant life of 12 years and could provide employment for up to 370 people and represent approximately $30 million in local wages, of which the Nunavutmiut stand to benefit from all aspects: Jobs, training, contracting, and additional indirect benefits relating to the overall economic growth. The benefits will be felt throughout the entire region, Nunavut and Canada.

It is at this point that we must decide if the project submitted in 2003 with all the additional work that has been done is ready to move forward. We have made our submission today to you concerning the holding of security, and we understand the Board will make its decision based on what was presented at this hearing. However, we remain hopeful that an alternative way of holding security might be reached and wish to continue

to explore with INAC and AEM the possibility of a trust or other vehicle for holding security, and we would support a review of security in one year.

KIA and NTI, including technical staff and professional consultants, are satisfied for the purposes of the review of this water license. Also, KIA and NTI is pleased to be working with AEM and believe this project can be developed in a way that balances both environmental impacts and economic benefits. We hope the Nunavut Water Board and other Government agencies understand the importance of moving this project forward in a responsible, timely manner.

In closing, I would like to wish everyone safe travels. Thank you.

THE CHAIR: Thank you.

MR. MANZO: Luis Manzo. Thank you, Mr. Chairman.

THE CHAIR: Thank you. I also like to call Chesterfield Inlet representative, Brenda Putulik, to make a closing statement.

CLOSING STATEMENT BY CHESTERFIELD INLET REPRESENTATIVES:

MR. MIMIALIK: Thank you, Mr. Chair.

THE CHAIR: Please state your name first.

MR. MIMIALIK: Thank you, Mr. Chair. My name is Leo Mimialik from Chesterfield Inlet. I work

for KIA for the committee, and I also work for the Hamlet to do the -- to do with the explorations, and I'm also a member of the various projects in our community.

I would like to make another statement in regards to what I have heard from AEM. Thank you for -- I saw the site, and they're in good condition, and I saw the site myself. They're well-planned. The site looks good. I saw it through my own eyes, and I don't see any problem there. They're well-organized. That's the information I have for you, and I'm going to report this back to our Hamlet in our community.

And I thank you for giving me information. Thank you to INAC, Nunavut Water Board, and their Staff, AEM Staff. I understand clearly what was said, and there are many Inuit people working at the site. I was very pleased to see the number of Inuit and also nonInuit, Kabloona, and they fed us also. They fed us so well, my wife and I.

And I would like to make it, stress to the point, I would like to invite you to our community, to Chesterfield Inlet, so we can show you some pictures, the photograph that we have from in those days then, and we have some histories to tell you. And also our waters, I would like you to take a look at our waters. And I understand that you have been to our community many times. I've seen you many times in our community,

but we would like to continue consulting with you closely, people from Meadowbank, and I'm sure these two here sitting with me from Chesterfield Inlet, I'm sure they have more comments to say. This is all I have to say for now. Thank you.

MS. MIMIALIK: My name is Leonie Mimialik from Chesterfield Inlet. I am representing HTO; I'm Chair to HTO. I also work for the nursing station health centre. Thank you for inviting me to the site. I visited the site, and I ate so well while I was there, the food was good, but I did not have any marrow from the caribou, which is delicacy. Thank you for inviting me to you all. And also our Hunters and Trappers Organization in our community, I'm going to give them feedback that they will be wanting to see you or meet with you face to face, and we like to continue to protect our wildlife habitat.

And thank you for everything, and God bless you all and all of us, and thank you for having me. Thank you.

THE CHAIR: Quyannamiik. Brenda?

MS. PUTULIK: Thank you, Mr. Chair. Can you hear me okay? My name is Brenda Putulik from Chesterfield Inlet. I'll talk Inuktitut and sometimes in English. I'm just letting you know ahead of time.

As a closing statement, as a representative of Chesterfield Inlet, I've asked everyone to learn from

the Dew Line sites, Nanisivik mine, Rankin Inlet mine, learn from their mistakes.

It was said that we are overlooking the gold mine, the AEM within the Baker Lake area, and I say there is no much thing as overlooking anything when it involves our children and our children's future. It is because of our children, that is why we are here; we are paving the way and opening doors for our children. I had heard or it was said maintaining the land, culture, and heritage.

I feel that there is one item that is left unsaid, and that is what will be for a human, humanity. We are making sure that the land, the animals, the water, the sea is taken care of. One thing that I feel that is being overlooked now is humanity. Yes, employment is the reason why we are here. I asked let this be that -- not only employment is given, but we are the ones that cares for our well-being of people of Nunavut that cares for the land, Inuit culture, and our heritage. Don't overlook humanity. There will always be pros and cons to everything, regardless of what it is. Don't ever lose yourself. That's the only one item that I feel right now that is being overlooked. It's been humanity; it's to do with our culture. That's all I have to say.

CLOSING STATEMENT BY NWB BOARD:

THE CHAIR: Quyannamiik. Now, is the

Board and -- the Board's closing remarks. The Board would like to thank the parties including especially the Applicant, the Staff, interveners; interpreters, Mary Hunt, Rhoda Perkison, and Ben Kogvik; court reporter, Karoline Schumann; and PIDO, Trevor Bourque; local page, Donald Nasauyaituk and Cherie Nasauyaituk; all the community members and the Elders from Baker Lake and Chesterfield Inlet for their valued participation in this hearing. Thanks also to the Hamlet of Baker Lake for their outstanding hospitality and patience with the Board.

As we are at the closing of the hearing, I will make some comment to let parties know what happens next.

First, I now close the hearing record for the application for Type A water license submitted by Agnico-Eagle Mines Limited. What this means is no additional information will be accepted on this application prior to the Board making final decision. The Board will make its decision on the application for amendment in 30 to 60 days.

Have a good evening, safe travel home to visitors to Baker Lake. This hearing is now adjourned in accordance with these instructions. I will call Tommy once again to say a closing prayer.

(CLOSING PRAYER)

(WHICH WAS ALL THE EVIDENCE TAKEN AT 5:52 P.M.)

I, Karoline Schumann, Court Reporter, hereby certify that I attended the above Hearing and took faithful and accurate shorthand notes, and the foregoing is a true and accurate transcript of my shorthand notes to the best of my skill and ability.

Dated at the City of Calgary, Province of Alberta, this 24th day of April, 2008.

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Karoline Schumann, CSR(A)
Official Court Reporter

EXHIBITS

PAGE NUMBER: