



P.O. Box 119  
Gjoa Haven, NU X0B 1J0  
Tel: (867) 360-6338  
Fax: (867) 360-6369

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NUNAVUT WATER BOARD  
NUNAVUT IMALIRIYIN KATIMAYINGI  
OFFICE DES EAUX DU NUNAVUT

File: 2AM-MEA0815/Amendment 1  
Schedule A

May 6, 2010

Stéphane Robert  
Environment Superintendent  
Agnico-Eagle Mines Limited – Meadowbank Division  
20, Route 395  
Cadillac, Quebec J0Y 1C0  
Email: [stephane.robert@agnico-eagle.com](mailto:stephane.robert@agnico-eagle.com)

**Subject: Licence 2AM-MEA0815 – Meadowbank Gold Mine Project, Nunavut; Amendment No.1 - Marshalling Area Bulk Fuel Storage Facility Expansion**

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Dear Mr. Robert,

Please find attached, Amendment No.1 to Licence No. 2AM-MEA0815 Type “A” issued to Agnico-Eagle Mines Ltd (AEM) and as approved by the Nunavut Water Board (NWB) (**Motion 2010-03-07**) pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSRTA).

The terms and conditions of the original Licence related to water use and waste disposal remain an integral part of this approval. Please note that the Amendment as issued, must be approved by the Minister under s. 56 of the NWNSRTA and accordingly, the NWB has forwarded the issued Amendment to the Minister for his consideration.

The NWB recommends that the Licensee consult the comments received by interested persons<sup>1</sup>. This information is attached for your consideration.

Sincerely,

Lootie Toomasie  
Nunavut Water Board  
Vice-Chair

LT/dh/tla

Enclosure: Licence No. **2AM-MEA0815 - Amendment No.1**  
Comments – GN-CLEY, INAC, EC  
Cc: Distribution – Kivalliq

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<sup>1</sup> Government of Nunavut Department of Culture Language Elders and Youth, dated March 11, 2010; Indian and Northern Affairs Canada, dated March 24, 2010; and Environment Canada dated March 31, 2010.

# LICENCE AMENDMENT No. 1

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<b>Licensee:</b>	<b>AGNICO-EAGLE MINES LTD.</b>
<b>Licence No:</b>	<b>2AM-MEA0815      Type "A"</b>
<b>Licence Issued:</b>	<b>June 9, 2008</b>
<b>Amendment Application:</b>	<b>February 5, 2010</b>
<b>Amendment Issued On:</b>	<b>May 5, 2010</b>

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## DECISION

The Licence issued June 9, 2008 with an expiry date of May 31, 2015 shall be amended to include the following terms and conditions, with respect to use of water and deposit of waste, to allow the Licensee to expand the **Marshalling Area Bulk Fuel Storage Facility**, and fuel storage from 40 million litres (ML) to 60 ML of diesel fuel by adding two more 10 ML capacity diesel fuel tanks. One 2 ML tank is also to be constructed for the bulk storage of Jet A fuel to re-fuel aircraft flying into the Meadowbank mine site.

In issuing this amendment the NWB notes the concerns raised by the Government of Nunavut Department of Culture, Language, Elders and Youth (GN-CLEY) with respect to archaeology sites in the area of the tank farm expansion. Although, the archaeology issue raised by GN-CLEY falls outside of the NWB's jurisdiction, the NWB is aware of the Nunavut Impact Review Board's (NIRB) decision of September 25, 2009 to exempt the amendment application from screening. However, in that decision NIRB stated:

the Proponent will be required to commission a site assessment on those archaeological sites identified in the fuel tank farm area, and that this assessment will need to be completed prior to undertaking any works to expand the fuel tank farm. The archaeological site assessment should be forwarded to the GN-CLEY and the NIRB upon completion. Additional follow-up information may also be required through the NIRB's Monitoring program for the Project, pursuant to Part 7, Article 12, [Nunavut Land Claims Agreement].

In addition to the concerns raised by GN-CLEY, the NWB notes the following observation made by INAC in its submission to the NWB:

Upon review of the NWB's public registry there is no record of any license amendment applications for the previous increase in the Baker Lake Marshalling Area Bulk Fuel Storage Facility's diesel fuel capacity from 20 to 40 ML. The current license amendment application will bring AEM into compliance by setting the fuel storage capacity to the amount required for the Meadowbank Gold Project's operation.

The Type A water Licence issued to AEM by the NWB on June 9, 2008 did define the capacity of the Baker Lake Marshalling Area Bulk Fuel Storage Facility as being 20 ML. However, the NWB did note in its decision that the facility was designed to be expanded to eventually contain four 10ML fuel tanks, reflecting the information submitted in the application. The public registry also contains signed and stamped construction drawings of the Baker Lake Marshalling Facility

showing four (4) fuel storage tanks dated June 2007. In addition, NIRB's September 25, 2009 decision to exempt the tank farm expansion from screening also indicates that NIRB previously assessed and approved the tank farm consisting of four (4) 10 ML diesel fuel tanks. After considering this information, the NWB finds that the definition of the Marshalling Area Bulk Fuel Storage Facility should have originally defined the storage capacity as four (4) 10 ML tanks for a total of 40 ML.

There were no other major issues identified by parties during the review of the amendment application subject to the continued application of existing conditions and the requirement that monitoring plans are updated accordingly following construction.

Upon review of the application and submissions, the NWB determined that the amendment would not affect the use, flow or quality of waters or alter the term of the licence. Therefore, pursuant to section 174(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, the NWB determined that a public hearing was not required to amend the Type A Licence.

Pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* and the *Nunavut Waters and the Nunavut Surface Rights Tribunal Act*, with respect to an application for amendment dated February 5, 2010, made by Agnico-Eagle Mines Ltd. (AEM or Licensee), the Nunavut Water Board (NWB) hereby issues the amendments to Licence 2AM-MEA0815 as follows:

#### **SCHEDULE A**

#### **SCOPE, DEFINITIONS AND ENFORCEMENT**

Delete Definition	<b>"Baker Lake Marshalling Facility"</b> means the facilities associated with the Meadowbank Project, located within the Hamlet of Baker Lake, that includes the barge unloading facilities, a lay-down, storage and marshalling area, a fuel tank farm, ammonium nitrate and explosive storage areas, and associated access roads, described in the Application filed with the NWB on April 8, 2007;
Insert new Definition	<b>"Baker Lake Marshalling Facility"</b> means the facilities associated with the Meadowbank Project, located within the Hamlet of Baker Lake, that includes the barge unloading facilities, a lay-down, storage and marshalling area, a fuel tank farm, ammonium nitrate and explosive storage areas, and associated access roads, described in the Application filed with the NWB on April 8, 2007 and amendment application for expansion of the fuel tank farm filed with the NWB on February 5, 2010;
Delete Definition	<b>"Marshalling Area Bulk Fuel Storage Facility"</b> means the facility, constructed to contain a nominal capacity of approximately twenty (20) million litres of diesel fuel and all associated infrastructure, as described in the Application dated April 8, 2007 and all supporting documentation;
Insert new Definition	<b>"Marshalling Area Bulk Fuel Storage Facility"</b> means the facility consisting of six (6) 10 million litre diesel fuel storage tanks and one (1) 2 million litre jet A fuel storage tank, for a total fuel capacity of sixty two (62) million litres and all associated infrastructure, as described in the

Application dated April 8, 2007 and Amendment Application for expansion of the fuel tank farm filed with the NWB on February 5, 2010;

**OTHER**

In addition to the amended definitions above, the NWB would like to call the Licensee's attention to the following conditions of the Licence that apply to the expansion of the tank farm:

**Part B, Item 20:**

The Licensee shall review the Plans or Manuals referred to in this Licence as required by changes in operation and/or technology and modify the Plans or Manuals accordingly. Revisions to the Plans or Manuals are to be submitted in the form of an Addendum to be included with the Annual Report required by Part B, Item 5, complete with a revisions list detailing where significant content changes are made.

This applies in particular to the Environmental Performance Monitoring Plan submitted under Part I, Item 17.

**Part D, Item 26:**

The Licensee shall submit a Construction Summary Report to the Board, within ninety (90) days following the completion of each structure designed to contain, withhold, divert or retain Waters or Wastes. The Construction Summary Report shall be prepared by a qualified Engineer(s) in accordance with Schedule D, Item 1.

**Part D, Item 36:**

The Licensee shall construct and operate the Mine Site and Marshalling Area Bulk Fuel Storage Facilities in accordance with all applicable legislation and industry standards, including:

- a. *Environmental Code of Practice for Aboveground and Underground Storage Tank Systems Containing Petroleum and Allied Petroleum Products, 2003CCME*; and
- b. *National Fire Code, 1995*.

**Part G, Item 4:**

The Licensee shall provide as-built plans and drawings of the Modifications referred to in this Licence within ninety (90) days of completion of the Modification. These plans and drawings shall be stamped by an Engineer.

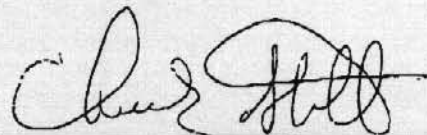
All remaining terms and conditions of the Licence 2AM-MEA0815 Type 'A' dated June 9, 2008 still apply.

This Licence Amendment No.1, issued and recorded at Qikiqtarjuaq, NU on May 5, 2010.



Lootie Toomasie,  
Nunavut Water Board  
Vice-Chair

APPROVED BY:



Minister of Indian and  
Northern Affairs Canada

JUN 18 2010

DATE AMENDMENT APPROVED: