



# **AGNICO EAGLE**

**MELIADINE GOLD PROJECT**

**SD 9-3**

**Business Development Plan**

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**APRIL 2014**

**VERSION 3**

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## DOCUMENT CONTROL

Version	Date	Section	Page	Revision	Author
1	November 2012			First draft of the Business Development Plan	John Witteman, Env. Consultant, AEM
2	March 2013			DEIS re-submission; rebranding	
3	April 2014	1.1	iv 1	Change to caveat Updated Sustainable Development Policy	Larry Connell, Corp. Dir. Reg. Affairs, AEM
		2.1.1	4	Added Chesterfield Inlet	
		2.2	5-6 Through doc	Contract ranges Clarify references to Meadowbank IIBA	

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**EXECUTIVE SUMMARY**

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The development and operation of the Meliadine Project is expected to provide material benefits to the Kivalliq region and to Nunavut in the form of education and training, employment and business development opportunities, financial benefits flowing from the IIBA, and mineral royalties paid to Nunavut Tunngavik Incorporated (NTI). AEM will ensure that, to the greatest extent possible, the benefits arising from its Nunavut operations remain in Nunavut. These benefits would flow to the Inuit, Inuit businesses and communities. AEM will reach out to Inuit owned businesses throughout the Kivalliq region to offer opportunities to provide AEM's Nunavut operations with supplies and services. Successful Inuit businesses will stimulate new employment and sustainable communities while at the same time providing AEM with improved access to locally provided goods and services at reasonable rates.

While business opportunities will extend beyond the Kivalliq region to all of Nunavut, preferential hiring will be concentrated in the Kivalliq region. Hiring/contracting benefits are expected for all communities of the Kivalliq region. AEM will make all reasonable efforts to firstly recruit Inuit employees for all positions in AEM's Nunavut operations, and subsequently provide them with the training and support needed to perform the duties of the position and enhance their success in employment with AEM. AEM, in collaboration with the KIA, agreed to use their respective best efforts to increase the number of Inuit in the workforce. AEM also partnered with the KIA, the Government of Nunavut (GN) and the local communities to create the Kivalliq Mine Training Society (KMTS).

AEM will hold workshops in all Kivalliq communities to inform Inuit businesses on outsourcing opportunities and invite expressions of interest from Inuit companies from the Kivalliq region. AEM has developed a registry of qualified Inuit businesses and capacity database, which allows AEM, in many cases, to negotiate directly with Inuit businesses. AEM also initiated the Inuit Business Opportunities Initiative (IBOI) to help regional businesses take advantage of opportunities created by AEM's Nunavut operations. AEM will identify and evaluate businesses that have the potential to provide services and will facilitate any development support required from regional economic development agencies. Additionally, AEM will engage economic development agencies to target their programs and services to assist small businesses in acquiring business support services and financing.

As shown in the past with the Meadowbank Mine, AEM would expect to continue to respond to requests for contributions through the Meliadine Project life cycle for community-based initiatives or investment like, for example, cultural and community activities.

### **Caveat**

AEM is currently in the process of negotiating with the KIA an Inuit Impact and Benefit Agreement (IIBA) for the Meliadine Project. In this management plan, AEM has provided its intended actions based on its current practises at its Meadowbank Mine combined with its intentions for the Meliadine Project. However, it must be noted that once the new IIBA is ratified by both parties, and subsequently implemented, the actual conditions as set out in the IIBA will take precedence over the Business Development Plan (SD 9-3). At that time, AEM will modify the Business Development Plan to reflect the requirements of the IIBA. The IIBA remains to be concluded for the Meliadine Project<sup>1</sup>.

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<sup>1</sup> In early 2012, AEM and the KIA initiated negotiation on an IIBA for the Meliadine Project. Negotiations are proceeding with the expectation that a final agreement will be completed by the end of 2014 or early in 2015. This IIBA will encompass many of the employment, business and other issues covered in this Business Development Plan (SD 9-3). Consequently, many of the elements covered in this Plan may need to be modified in the future based on the outcome of the IIBA negotiations. In the interim, AEM has based the elements covered by this Plan on its experience operating the Meadowbank Mine where AEM is operating under an IIBA with the KIA since 2008.

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**ACRONYMS**

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AEM	Agnico Eagle Mines Limited
CSR	Corporate Social Responsibility
EIA	Environmental Impact Assessment
GN	Government of Nunavut
IBOI	Inuit Business Opportunities Initiative
IIBA	Inuit Impact and Benefit Agreement
KIA	Kivalliq Inuit Association
LSA	Local Study Area
MAC	Mining Association of Canada
MOU	Memorandum of Understanding
NTI	Nunavut Tunngavik Incorporated
RSA	Regional Study Area
SEMC	Socio-Economic Monitoring Committee
TSM	Towards Sustainable Mining

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## SECTION 1 • INTRODUCTION

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### 1.1 Meliadine Corporate Standards

The Meliadine Gold Project's corporate standards are aligned with those of its parent company, Agnico Eagle Mines Limited (AEM). AEM's commitment with reference to sustainability is to:

*"create economic value for our shareholders by operating in a safe, socially and environmentally responsible manner while contributing to the prosperity of our employees, their families, and the communities in which we operate."*<sup>2</sup>.

AEM recognizes its obligations, as a leading gold mining company in Canada's North, and strives to invest in host communities to create economic benefits and opportunities that will outlive the Project activities and contribute to achieving economic, social and environmental sustainability.

This translates into the four fundamental values of our Sustainable Development Policy, all of which are requisites for effective socio-economic management practices:

- Respect for our employees;
- Protect the environment;
- Operate safely; and
- Respect for our communities.

### 1.2 Approach to Socio-Economic Management

AEM's approach to socio-economic management has incorporated lessons learned from resource development projects in Canada's North and specifically the Kivalliq region of Nunavut. In particular, socio-economic management strategies used at AEM's Meadowbank Gold Mine have been incorporated in the current planning as it is likely that AEM will continue to implement strategies that have worked at Meadowbank. These strategies have been tried, tested, and adaptive management techniques have been put into practice to address any challenge or shortcoming to existing social management strategies. Meadowbank's social management and business development commitments are presented in the Inuit Impact and Benefit Agreement (IIBA) for Meadowbank<sup>3</sup>, the Kivalliq Socio-Economic Monitoring Committee (SEMC) reports, annual reports for the Development Partnership Agreement, the Inuit Business Opportunities Initiative (IBOI), Corporate Social Responsibility (CSR) reports<sup>4</sup>, and other policy documents.

#### 1.2.1 Objectives

The main objectives of AEM's socio-economic environmental management for the Project are to:

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<sup>2</sup> <http://www.agnicoeagle.com/en/Sustainability/Pages/Our-Approach.aspx> (accessed March 20, 2014).

<sup>3</sup> Available online : <http://aemnunavut.ca/index.php?q=en/meadowbank/permits-and-agreements> (accessed March 20, 2014).

<sup>4</sup> AEM's CSR reports are available online: <http://www.agnicoeagle.com/en/Sustainability/Pages/default.aspx> (accessed March 20, 2014).

- Mitigate the negative effects and enhance the benefits (create value) of the Project for all Project stakeholders;
- Create opportunities for people and businesses in the Kivalliq region and Nunavut more generally to participate in the Project, thereby enhancing business growth, self-reliance, well-being and sustainability;
- Establish a role for AEM as an active participant in the sustainability of communities in the Kivalliq region and in Nunavut more generally; and
- Maintain goodwill and good relations with people and their governments.

### **1.3 Business Development Areas**

#### **1.3.1 Regional Business Area**

Nunavut is the Regional Study Area (RSA) for the purposes of the Business Development Plan and other socio-economic components of the EIA. Impacts on Nunavut are primarily related to the potential for benefits to the Territory's economy, to government revenues and to the development of the mining sector.

#### **1.3.2 Local Hiring/Business Area**

The Kivalliq region and the three (3) communities of Chesterfield Inlet, Rankin Inlet and Whale Cove make up the Regional Study Area (RSA) and the Local Study Area (LSA), respectively. The closest community to the Meliadine Project site is Rankin Inlet, approximately 25 km southeast of the Project site. Chesterfield Inlet is 80 km northeast of the Project, and Whale Cove is approximately 80 km south. The Meadowbank Gold Mine, the nearest large-scale industrial development, is located 285 km northwest of the Project. Meliadine and Meadowbank are both owned by AEM.

While business opportunities will extend beyond the Kivalliq region to all of Nunavut, preferential hiring will be concentrated in the Kivalliq region. Hiring/contracting benefits are expected for all identified LSA communities as well as for the entire Kivalliq region. Economic benefits will largely be derived from employment, training and business opportunities, and from social investment consequent on the terms of the IIBA that will be signed between AEM and the Kivalliq Inuit Association (KIA).

Each Kivalliq community is a "point of hire" for AEM's Nunavut operations with AEM arranging and paying for transportation of its employees between their respective point of hire and AEM's Nunavut operations.



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**SECTION 2 • STRATEGIES FOR PREFERENTIAL HIRING/CONTRACTING**

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**2.1 Preferential Hiring of Inuit Employees****Preferential Hiring**

Where an applicant who is an Inuk and an applicant who is not an Inuk are equally qualified for a position at the Meadowbank Mine, whether by virtue of their respective Equivalent Qualifications or Formal Qualifications, AEM shall give preference to the applicant who is an Inuk.

*(Source: Meadowbank Mine, Inuit Impact and Benefit Agreement)*

AEM makes all reasonable efforts to firstly recruit Inuit employees for all positions in AEM's Nunavut operations, and subsequently provide them with the training and support needed to perform the duties of the position and enhance their success in employment with AEM. The range of employment opportunities extended to Inuit include entry level trainee positions of an unskilled nature, apprentice positions in mine-related trades as well as professional, supervisory and management positions. AEM identifies, for each position, education levels, work skills, ability levels and experience that, taken together, can be considered equivalent to the formal qualifications for the position. Unless prohibited from doing so by law, AEM gives the same consideration to an applicant who has the applicable equivalent qualifications as AEM gives to an applicant who has the corresponding formal qualifications.

To assist Inuit working for AEM, AEM staffed a position within the Human Resources Department at the Meadowbank Mine who is fluent in Inuktitut and whose responsibilities, in conjunction with management and other staff, include liaison, training programs and orientation of Inuit employees. A similar position will be staffed at the Meliadine Project with the same duties.

AEM undertakes community information and career awareness programs in all Kivalliq communities once each year. AEM may do this in collaboration with government and other agencies through participation in initiatives aimed at providing information on:

- The labour needs of AEM's Nunavut operations;
- The skills and qualifications required for employment and advancement;
- The training opportunities available to prepare for employment; and
- Educational support programs for development of qualifications in the mining industry.

AEM, in collaboration with the KIA, agreed to use their respective best efforts to increase the number of Inuit in the workforce. Under the IIBA, Inuit employment goals are cooperatively set for every 12-month period of operation with the aim of progressively increasing the level of Inuit employment at AEM's Nunavut operations. Further, AEM provides ongoing career-path planning and counselling for Inuit employees that incorporate clear options for advancement to more senior

positions in AEM's operations. This happens after the Inuit employee has been a permanent employee for a year and has expressed a willingness to enter into career-path planning and counselling.

Finally, AEM's Nunavut operations demonstrate preferential Inuit hiring by placing a priority on realising the following objectives:

- The establishment of recruitment, hiring and employment practices that reflect Inuit cultural values and circumstances, and the development of a policy for the use of Inuktitut in a manner that respects the employment, cultural and social aspirations of the Inuit;
- The enhancement of opportunities for Inuit to obtain employment and succeed in careers;
- The provision of training and educational opportunities for Inuit; and
- The ongoing development, maintenance and retention of a skilled and qualified Inuit labour force.

AEM provides Inuit not less than ten (10) business days' advance notice of each opportunity for employment at AEM's Nunavut operations before announcing any such opportunity to non-Inuit.

#### **2.1.1 Summer Employment**

Preferential hiring extends to summer employment as well. When economically feasible, AEM will make summer employment opportunities available to Inuit students, in the following order of priority:

- Inuit students normally resident in Rankin Inlet and Chesterfield Inlet;
- Inuit students normally resident in another Kivalliq community; and
- Inuit students normally resident elsewhere in Nunavut.

#### **2.1.2 Equal Employment Opportunity**

AEM is committed to the principles of being an equal opportunity employer and this philosophy will govern in dealing with employees and applicants alike. AEM does not discriminate against qualified applicants or employees because of race, colour, religion, national origin, gender, sexual orientation, age, or disability.

AEM will take affirmative action to make sure those applicants and employees are treated without regard to these characteristics. AEM seeks to ensure that:

- Recruiting, hiring, training, promotions, and placement decisions be conducted without discrimination;
- Personnel actions including but not limited to pay, benefits, discipline, transfers, layoffs, training and recreational programs be administered without discrimination; and
- Reasonable accommodation be made to enable qualified employees with disabilities to perform the essential functions of their jobs.

## 2.2 Preferential Business Opportunities

As for preferential employment, AEM's policy is to maximize contracting opportunities for Inuit Owned businesses in the Kivalliq region to provide goods and services to the Project, again in the interest that Project benefits accrue not only to the larger national and regional economies, but also to the economy and people of the Kivalliq region. Such a policy implies that where local businesses have little experience with the mining sector, Project-specific initiatives may be necessary to remove barriers to successful bidding on procurement contracts.

AEM will use all reasonable efforts and implement effective strategies, including those developed through the Inuit Business Opportunities Initiative, to achieve a level of Inuit business that can be sustained throughout mining operations and beyond.

AEM has established procedures that will:

- Increase the participation of Inuit firms and other firms that provide significant benefits to Inuit in contracts for the provision of the goods and services that AEM requires in relation to its Nunavut operations;
- Increase the number of Inuit who are employed in the performance of AEM contracts to a level that reflects the ratio of Inuit to non-Inuit in the workforce; and
- Improve the capacity of Inuit firms to be awarded and to perform AEM's contracts.

These procedures are implemented in order to increase the economic benefits accruing to Inuit and to Nunavut from the AEM's Nunavut operations. AEM tries to unbundle multi-component contracts into discrete tendering packages that can be bid upon collectively or individually. This increases the likelihood that the contract will be awarded to an Inuit Firms as they normally begin operation as a small enterprise with a limited amount of capital and expertise to undertake large contracts. All tenders will require that the bidder clearly identify what Inuit content they will deliver should they be awarded the contract.

Contracts can range from very small value to very large value. AEM will employ a different procedure/strategy (based on the final Meliadine IIBA) for contracts with a value less than \$500,000 from those contracts with a value greater than \$500,000. For contracts exceeding \$500,000, AEM will provide advance notice of its intention to enter into a contract. Each notice will:

- Be provided to the KIA;
- Be advertised in at least one newspaper distributed in Nunavut;
- Be posted in English and Inuktitut in each Kivalliq community;
- State prominently that Inuit Firms shall be given preference;
- Describe in general terms the experience, capacity and qualifications that are required to fulfill the contract;
- Disclose any requirement to provide a bid bond; and

- Clearly indicate the manner in which a potential bidder must communicate to AEM its interest in performing the contract and the deadline for doing so.

For contracts less than \$500,000, AEM will in many cases negotiate directly with an Inuit Firm subject to it presenting and substantiating its bid for the contract. If two (2) or more Inuit Firms have presented to AEM that they have the experience, capacity and qualifications necessary to perform the contract, AEM will request competitive bids from each of the Inuit Firms. While making all reasonable efforts to award the contract to an Inuit Firms, this might not always be possible and, in these instances, another business may be engaged to perform the contract.

AEM will require community and Inuit businesses interested in providing supplies and services to submit an expression of interest. The expression of interest process will enable AEM to match community business capacity before considering requests for detailed proposals. Guidelines on preparing an expression of interest are part of the Inuit Business Opportunities Initiative (IBOI) and can be found in Appendix A.

AEM actively encourages discussions between southern businesses that the company has worked with previously and Inuit businesses that have identified themselves as being interested in a potential joint venture partnership under the IBOI. AEM will not directly participate in any joint venture discussions between non Inuit suppliers and Inuit companies, but will provide where practical non-confidential Project-specific information when requested to help in such discussions.

### **2.2.1 Inuit Business Opportunities Initiative**

The Inuit Business Opportunities Initiative (IBOI)<sup>5</sup> was developed for the Meadowbank Mine and subsequently extended to include the Meliadine Project in the period before a Project-specific IIBA has been signed with the KIA. It provides details on the business opportunities available to Inuit businesses with AEM's Nunavut operations (once a Project-specific IIBA has been signed, the terms and conditions contained in the new IIBA will take precedence).

AEM is committed to ensuring that benefits flow to the Inuit, Inuit businesses and communities. AEM will reach out to Inuit owned businesses throughout the Kivalliq region to offer opportunities to provide AEM's Nunavut operations with goods and services. Successful Inuit businesses will stimulate new employment and sustain communities, while at the same time provide AEM with improved access to locally provided goods and services at reasonable rates.

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<sup>5</sup> Details are available online: <http://aemnunavut.ca/index.php?q=en/business-opportunities> (accessed on March 20, 2014).

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**SECTION 3 • BUILDING CAPACITY FOR LOCAL BUSINESSES AND ENTREPRENEURS**

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**Nurturing an Entrepreneurial Culture**

Recognizing that the future of Nunavut is in its youth, Meadowbank Mine management makes presentations at schools about job opportunities in the mining industry. We have also put together an “entrepreneurship” travelling tour to present the products and services needed by an operating mine. We hope to nurture an entrepreneurial culture that will be able to sustain the communities past the mine closure.

*(Source: AEM 2010 Corporate Social Responsibility Report)*

Although there are now a growing number of exceptions, most businesses in the Kivalliq region, and particularly in the four smaller communities, are largely geared to meet the consumptive needs of the resident population rather than the needs of large mining projects. There is, thus, limited experience with the management and logistics of procurement, including preparing offers of goods and/or services. Many businesses are small, and do not have the breadth or the financial resources needed to bid on medium to large contracts. They have limited experience with the demands of supplying large, time sensitive operations, and limited experience with quality control. AEM will hold workshops (see also Section 5) in all Kivalliq communities to familiarize local businesses on how to take advantage of the benefits accruing to the Kivalliq region and Nunavut from AEM’s Nunavut operations.

AEM partnered with the KIA, the Government of Nunavut (GN) and the local communities to create the Kivalliq Mine Training Society (KMTS). As well, AEM started the Inuit Business Opportunities Initiative (IBOI) to help regional businesses take advantage of opportunities created by AEM’s Nunavut operations.

Under the Meadowbank IIBA, AEM is making a payment to the KIA in the amount of \$14,000 each year to establish and maintain a scholarship fund for the benefit of Inuit post-secondary students from the Kivalliq region. Education builds capacity and prepares the next generation to assume the responsibilities in running existing businesses or creating new ones.

**3.1 AEM’s Partners in Advancing Inuit Businesses**

The KIA and GN are valued partners in development and important to the success of AEM’s Inuit Business Opportunities Initiative. The KIA and GN have the authority and resources to best assist Inuit businesses in the following areas:

- Provide information on business structures and formation;
- Assist Inuit businesses in developing business plans;
- Assist in preparing of bids and proposals to AEM;

- Provide insurance and bid bonding;
- Organize workshops;
- Provide business aftercare; and
- Provide training programs.

AEM will identify and evaluate businesses that have the potential to provide services and will facilitate any development support required from regional economic development agencies. Additionally, AEM will engage economic development agencies to target their programs and services to assist small businesses in acquiring business support services and financing.

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## SECTION 4 • COMMUNICATION AND INFORMATION SHARING ON BUSINESS OPPORTUNITIES

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AEM will hold workshops in all Kivalliq communities to inform Inuit businesses on outsourcing opportunities and invite expressions of interest from Inuit companies from the Kivalliq region who have an interest in providing goods and services to AEM. The workshops will provide the following:

- An overview of AEM;
- An update on the status of the AEM's Nunavut operations;
- An introduction to AEM's Inuit Business Opportunities Initiative;
- List of contract opportunities;
- How contracts will be advertised and awarded; and
- Invite expression of interest forms.

Current practice at Meadowbank is that by November 1 of each year, AEM provides the KIA with a list of all contracts that AEM reasonably foresees being awarded during the ensuing calendar year. In doing so, Inuit businesses have advance notice of upcoming contracts, thereby giving them the benefit of making advance arrangements before the tender packages are released.

As described earlier, AEM will communicate with the KIA and every Kivalliq community of upcoming contracts exceeding \$500,000. AEM will provide advance notice:

- To the KIA;
- In at least one newspaper distributed in Nunavut; and
- By posting the contract in English and Inuktitut in each Kivalliq community.

AEM has developed a registry of qualified Inuit businesses and capacity database, which allows AEM, in many cases, to negotiate directly with an Inuit business subject to it presenting and substantiating its bid for the contracts between \$100,000 and \$500,000. Under the Meadowbank IIBA, for contracts of less than \$100,000, AEM makes all reasonable efforts to engage only Inuit businesses. Communication in these instances is directly with Inuit businesses listed in AEM's Inuit business registry.

## SECTION 5 • ECONOMIC DIVERSITY THROUGH COMMUNITY-BASED INVESTMENT AND INITIATIVES

In addition to contributions that may be negotiated as part of the IIBA, AEM expects to continue to provide financial and in kind contributions to Kivalliq communities as has been done at Meadowbank and over the Meliadine Project's development phase. The contributions are made in response to community priorities, usually on the basis of requests by representative organizations. In the recent past, contributions have included providing laptops to students to increase their computer literacy, and sponsorship for community events including feasts, sports events, and other community events. AEM, for instance, has been an ongoing sponsor of the Kivalliq Trade Show, an annual event held in Rankin Inlet that provides a forum to create and support networking opportunities and information to expand trade and economic activity in the region.

AEM would expect to continue to respond to requests for contributions through the Project life, including in partnerships with hamlet and regional organizations and institutions, and in collaboration with other mining companies.

### **Towards Sustainable Mining (TSM) Initiative<sup>6</sup>**

At the Mining Association of Canada, we believe that the industry and the Canadian public share a common interest in making sure mining takes place responsibly, in a way that creates economic opportunities, respects community interests, protects the environment and ensures public safety. A main objective of TSM is to significantly improve the industry's ability to engage with communities of interest and respond to their needs and concerns.

Participation in TSM is a condition of Mining Association of Canada (MAC) membership. AEM is a member of MAC.

*(Source: Towards Sustainable Mining, The Mining Association of Canada)*

AEM is dedicated to developing strong partnerships and relationships with the Kivalliq communities and to stimulating long-term sustainable development<sup>6</sup> throughout the region. AEM is committed to negotiate an agreement with the KIA for its Meliadine Gold Project to ensure benefits to Inuit people, businesses and communities. AEM is partnered with the KIA in enhancing the long-term prosperity of Kivalliq Inuit by promoting the development of a diverse economy in the Kivalliq region and contributing to the growth of sustainable and healthy Kivalliq communities. To support these commitments, AEM will reach out to Inuit owned businesses throughout the Kivalliq to offer opportunities to provide its Nunavut operations with goods and services. This is a win-win

<sup>6</sup> The MAC's TSM Initiative details can be found at <http://www.mining.ca/towards-sustainable-mining> (accessed March 20, 2014).



opportunity as Inuit businesses will stimulate new employment, economic diversity and develop more self-sufficient communities, while at the same time providing AEM with improved access to locally provided goods and services at reasonable rates.

Business success, productivity, and competitiveness increasingly depend on human resources. An entrepreneurial culture combined with education, training and lifelong learning are needed for economic diversification. AEM is providing training at its Nunavut operations and supports training and education in the communities in partnership with other organizations. Additionally, AEM is enabling competition in its tendering process. This strengthens successful businesses and allows them to flourish, provide value-added services, increase productivity, and expand their business interests beyond the mining industry. AEM is contributing, but support from government is needed in providing the social services that enhance an entrepreneurial culture in the communities. Progressive government policies can substantially contribute to developing a shared vision and strategy for maximising economic diversity across the region, ensuring all people and businesses realise their potential and contribute to a diverse economy, improving business performance, and matching education and training with demand.

The development of economic diversity is important during the operating life of the mines. This allows economic diversity to become firmly embedded in the Kivalliq communities and allows them to withstand an external shock such as the closing of a mine. Should AEM close one of its Nunavut mines, AEM will provide funding (a requirement under the existing Meadowbank IIBA) to the KIA to enable implementation of the Post-Closure Inuit Wellness Strategy<sup>7</sup>. This funding will be divided into an Economic and Community Development Fund and a Business Development Assistance Fund. The KIA shall use each fund to mitigate adverse post-closure consequences on Inuit of the Kivalliq region.

Under the Meadowbank IIBA, the KIA is to establish an Economic and Community Development Fund for use by Kivalliq communities impacted by AEM's Nunavut operations. Projects funded may be undertaken by the KIA, its subsidiaries, Kivalliq communities, other third parties, or any of these parties in collaboration, and may include:

- Development of economic sector strategies and plans;
- Development of other programs or projects that generally foster a diverse economy that the KIA may from time to time deem necessary or desirable;
- Education and training in various sectors;
- Cultural, social and wellness activities and programs;
- Employment activities in various sectors; and
- Other programs of a similar nature that the KIA may from time to time deem necessary or desirable.

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<sup>7</sup> The Post-Closure Wellness Strategy is described in the Meadowbank's IIBA:  
<http://aemnunavut.ca/index.php?q=en/meadowbank/permits-and-agreements> (accessed on March 20, 2014).

In part, this will also include the establishment of a Business Development Assistance Fund by the KIA to support Inuit firms in the Kivalliq region with funding possibly directed to the following:

- Periodically, and in no event less than once each year, hold business development workshops including such topics as:
  - (i) Business structures;
  - (ii) Developing funding proposals;
  - (iii) Developing business plans;
  - (iv) Preparation of contract proposals;
  - (v) Client services and marketing;
  - (vi) Maintaining business records and accounts; and
  - (vii) Insurance and bonding.
- Business assistance and support for Inuit firms including:
  - (i) Individual follow-up and mentoring; and
  - (ii) Seed capital support.

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**SECTION 6 • RETENTION OF PROJECT-SPECIFIC BENEFITS IN NUNAVUT**

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The development and operation of the Meliadine Project is expected to provide material benefits to the Kivalliq region and to Nunavut in the form of education and training, employment and business development opportunities, financial benefits flowing from the IIBA, and mineral royalties paid to Nunavut Tunngavik Incorporated (NTI). AEM will ensure that, to the greatest extent possible, the benefits arising from its Nunavut operations will remain in Nunavut, both in Nunavut as a whole and in the local communities that may be impacted.

**6.1 Direct Financial Benefits**

The IIBA, while providing a better definition of all benefits, will provide financial benefits to the Kivalliq Inuit upon its implementation. Mineral royalties paid to NTI will also benefit all Inuit in Nunavut.

**6.2 Education and Training**

AEM recognizes that poor educational achievement contributes both to lack of economic opportunity generally, and to social challenges that are the consequence of unemployment and poverty. AEM's support to education and training is therefore intended to address not only Project requirements, but also to maximize the benefits flowing from the Project to Inuit Beneficiaries and contribute to longer-term participation in both the wage and traditional economies in the interests of sustainable development.

The Inuit and other individuals who receive training and education benefits from AEM will retain the skills and certifications they receive. The skills and certifications gained make these workers marketable anywhere in Canada. As an example, a certified heavy duty mechanic working at the Meliadine Project can easily find a comparable position elsewhere within AEM or with another company inside or outside Nunavut. AEM offers competitive wages to retain valued employees with the benefit of not losing the investment made in their education and training. Project-specific benefits gained by workers will remain in Nunavut as long as they do not move outside of Nunavut.

**6.3 Employment and Business Development**

AEM's policy is to maximize opportunities for businesses in the Kivalliq region to provide goods and services to the Project, again in the interest that Project benefits accrue not only to the larger national and regional economies, but also to the economy and people of the Kivalliq region. AEM will encourage Inuit businesses to grow in order to provide more diverse services to its Nunavut operations, thereby opening more opportunities for the participation of Inuit businesses. The services and products they supply to AEM's Nunavut operations reduce the expense and delivery time in obtaining similar services and products from the South. The Meliadine Project will be AEM's second mine in the Kivalliq region and should result in an increase in business for Kivalliq and Nunavut firms. The benefits now being received by Kivalliq businesses with the Meadowbank Mine

will grow once the Meliadine Mine begins construction. The benefits gained by the businesses in dealing with AEM will remain in Nunavut as long as the businesses remain active and do not move out of the territory.

#### **6.4 Contributions and Social Benefits**

AEM also provides social benefits through its support of cultural and community activities.

In conclusion, Project-specific benefits can remain in the Kivalliq region and in Nunavut as long as AEM continues operating in Nunavut. Upon closure of the mines, and if no new mines are scheduled to open, mine workers and businesses can be expected to move to more promising jurisdictions and, in doing so, take the benefits they received over the years with them. Financial benefits flowing from the IIBA would end as would royalties paid to NTI. It is incumbent on the Nunavut government, NTI, KIA and other organizations to see this does not happen. Policies supporting mining development would lead to ongoing mineral exploration and tomorrow's mines. Collectively, they are encouraged to support and promote the development of mineral resources in Nunavut if there are significant long-term social and economic benefits for Nunavut and if this development is consistent with protecting the ecosystemic integrity of the Nunavut Settlement Area.

**APPENDIX A • INUIT BUSINESS OPPORTUNITIES INITIATIVE – EXPRESSION OF INTEREST  
FORM**

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# **AGNICO EAGLE**

**INUIT BUSINESS OPPORTUNITIES INITIATIVE**

**EXPRESSION OF INTEREST FORM**

## **EXPRESSION OF INTEREST GUIDELINES**

AEM requests that community businesses interested in providing supplies and services submit the attached expression of interest form. The expression of interest information will provide AEM with contact information and enable AEM to match community business capacity with opportunity before requesting detailed proposals.

To assist interested community businesses AEM has developed the following expression of interest form for businesses to complete. Expressions of interest forms will be kept confidential and solely used by AEM to establish interest, capacity and communications. Upon review of completed submissions AEM may request participants for further information as required.

<b>Area of Business Opportunity Interest</b>	
<i>State the supply and service area(s) that your business organization is interested in providing to AEM.</i>	
<b>Organizational information</b>	
<i>Organization name;</i>	
<i>Business office address, phone number and facsimile number;</i>	
<i>Name, position, phone number and email address of the person who may be contacted for further information;</i>	
<i>Date the business commenced operations.</i>	
<i>Company products and services offered;</i>	
<i>Legal status of organization, (e.g. corporation, sole proprietor, partnership, joint venture partnership;)</i>	
<i>Names of company owner(s) and/or directors</i>	



<b>Current number of employees your organization employs;</b>	
<i># of Inuit employees;</i>	
<i># total current labor force.</i>	
<b>Provide a brief summary of current and recently completed projects: (if applicable)</b>	
<i>Project name and contact details;</i>	
<i>Scope of supplies\services provided;</i>	
<i>Duration and date of completion;</i>	