

Ministre des Affaires autochtones
et du développement du Nord



Ottawa, Canada K1A 0H4

Minister of Aboriginal Affairs and
Northern Development



SEP 13 2011

Mr. Lucassie Arragutainaq
Chairperson
Nunavut Impact Review Board
PO Box 1360
CAMBRIDGE BAY NU X0B 0C0

Dear Mr. Arragutainaq:

Thank you for your Screening Decision Report of July 8, 2011, regarding Agnico-Eagle Mines Inc.'s Meliadine Gold Mine project proposal. The Report indicates that the Nunavut Impact Review Board has determined that the proposal may have significant adverse effects on the ecosystem, wildlife habitat or Inuit harvesting activities; may have adverse socio-economic effects on Northerners; and will cause significant public concern. Accordingly, pursuant to Section 12.4.4(b) of the Nunavut Land Claims Agreement, the Board has determined that the proposal requires review under Article 12, Part 5 or 6 of the Agreement.

I have reviewed the Board's Report, and given the nature and scale of the proposal and its potential impacts, I am referring it to the Board for a review of the ecosystemic and socio-economic impacts in the Nunavut Settlement Area. The federal departments of Fisheries and Oceans Canada, Natural Resources Canada, and Transport Canada also have jurisdictional responsibility for authorizing the proposal to proceed, and concur that a Part 5 review is appropriate.

In addition to the potential impacts of the proposal, the Board has identified four issues of concern that it believes the review should take into consideration.

1. Agnico-Eagle's "All-Weather Road" project proposal

On July 4, 2011, I received the Board's Screening Decision Report on the All-Weather Road project proposal. In the Report, the Board outlined its determination that the All-Weather Road Project is not an independent, stand-alone project proposal, and

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as such, recommended that the road construction should be included within the context of the mine proposal. The Board indicated that this could allow for the consideration of the All-Weather Road construction as a pre-development activity pursuant to Section 12.10.2 of the Agreement, should a review of the mine proposal be ordered. The Board reiterated this recommendation in its July 8, 2011 Screening Decision Report on the mine proposal and indicated the option was contingent upon Agnico-Eagle choosing to re-apply for early development of the all-weather road. Should Agnico-Eagle choose to do so, it is essential that the mine proposal be updated to reflect the new proposal.

The discretion to consider and subsequently grant exceptions under 12.10.2 of the Agreement rests with the Board and should only be exercised after careful consideration.

2. Potential Cumulative Effects of Increasing Mineral Development in the Kivalliq Region

I agree that the cumulative ecosystemic and socio-economic effects resulting from increasing levels of mineral development on the Kivalliq Region warrant special consideration. In assessing cumulative impacts on caribou, it is essential that the scope of the Board's review also include consideration of transboundary effects.

3. Level of Information Currently Available in Support of the Project Proposal

The Board has noted that the level of information submitted by the proponent is not consistent with similar mining and milling proposals previously submitted to the Board. You have also indicated that additional information will likely be required before community scoping sessions are initiated. I support the Board's efforts to ensure that sufficient information is in place prior to commencing key stages in the review.

4. Availability of Participant Funding

While funding has been provided for a limited number of complex projects in Nunavut on a case-by-case basis in the past, Aboriginal Affairs and Northern Development Canada does not have an established participant funding program. In consequence, I am not in a position to provide participant funding for review of the Mine Proposal at this time.

Again, I would like to thank the Nunavut Impact Review Board for its efforts in screening the project proposal and I look forward to working with the Board on future environmental assessments.

Sincerely,

A handwritten signature in black ink, appearing to be 'John Duncan', with a stylized, cursive script.

John Duncan, PC, MP

c.c.: The Honourable Denis Lebel, PC, MP
The Honourable Keith Ashfield, PC, MP
The Honourable Peter Kent, PC, MP
The Honourable Joe Oliver, PC, MP
The Honourable Lorne Kusugak, MLA
Mr. Thomas Kabloona
Mr. Joe Kaludjak