



Water Resources
Nunavut Regional Office
P.O. Box 100
Iqaluit, NU, X0A 0H0

July 21, 2015

AANDC reference
CIDM# 930059

NWB reference
#2AM-MEL----

Phyliss Beaulieu
Manager of Licencing
Nunavut Water Board
Gjoa Haven, NU, X0E 1J0

Re: Updated review of Agnico Eagle Mine Ltd.'s Application for a New Type A Water Licence, after in person discussion with Agnico-Eagle Personnel and in light of extension being granted until July 21, 2015. Licence No. 2AM- MEL

Dear Ms. Beaulieu,

Thank you for your email on July 15, 2015, concerning the above mentioned water licence application process.

A memorandum is provided for the Nunavut Water Board's (Board or NWB) consideration. Comments have been provided pursuant to the Department's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me by telephone at 867-975-4282 or email at ian.parsons@aandc-aadnc.gc.ca for further comments or any questions.

Sincerely,

Ian Parsons
Regional Coordinator, B.Sc.
Aboriginal Affairs and Northern Development Canada
P.O. Box 100
Iqaluit, NU, X0A 0H0

c.c.: Scott Burgess, A/Manager Water Resources, Nunavut Regional Office (NRO),
AANDC
Erik Allain, Manager of Field Operations, NRO, AANDC

Memorandum

To: Phyliss Beaulieu, Nunavut Water Board

From: Amjad Tariq, Regulatory and Science Advisor, Water Resources Division, AANDC
Ian Parsons, Regional Coordinator, Water Resources Division, AANDC

CC: Scott Burgess (AANDC), Erik Allain (AANDC), Christine Wilson Water Resource Officer (AANDC)

Date: July 20, 2015

Re: **Updated review of Agnico Eagle Mine Ltd.'s Application for a New Type A Water Licence, after in person discussion with Agnico-Eagle Personnel and in light of extension being granted until July 21, 2015. Licence No. 2AM- MEL**

Applicant:	Agnico Eagle Mine Ltd.
Project:	Meliadine Gold Project
Region:	Kivalliq

A. Background

An in-person discussion with Agnico-Eagle was held at the AANDC offices in Iqaluit on July 16, 2015, where AANDC July 13, 2015 letter to the NWB was discussed.

Below is an update to our original comments and recommendations made on July 13, 2015.

The NWB requested that intervening parties provide written submissions by July 21, 2015.

B. Result of Review

On behalf of Aboriginal Affairs and Northern Development Canada (AANDC), the following comments and recommendations are provided.

1. Complete application

The submitted licence application is considered to be complete since the requirement of the NWB's Guide # 4: Completing and Submitting a Water Licence Application for a new Licence (NWB 2010) appears to be satisfied. Concordance has been assessed for the requirement of the NWB Guidelines and the Supplemental Information Guide for Mining and Milling.

2. Additional Management Plans

- **Freshet Action Plan**

Comment:

A Freshet Action Plan identifies areas of concern around the mine site that will be required to be managed in an organized manner during the annual freshet period to prevent adverse environmental impacts. The freshet period typically occurs during the annual snow and ice melt (May to July). Excess water is generated during this period that must be managed through additional measures (pumping and other management practices) at vulnerable areas around the mine site.

Recommendation:

The Proponent should provide a Freshet Action Plan with details on mitigation techniques and timeframes to cope with possible impact during the annual freshet period.

Update from Agnico-Eagle

Agnico-Eagle will provide a Framework for a Freshet Action Plan prior to the Technical meeting. Moving forward Agnico-Eagle will revise this plan when applicable.

- **Groundwater Monitoring Plan**

Comment:

Groundwater data obtained from monitoring wells can be used to predict the chemistry of water accumulating in open pits (particularly salinity as chloride, total dissolved solids and conductivity), as well as to determine any effects of the mining activities on groundwater quality.

Recommendation:

The Proponent should provide a Groundwater Monitoring Plan for Board's consideration.

Update from Agnico-Eagle

During discussions with Agnico-Eagle on July 16, 2015 it was agreed upon that Agnico-Eagle would provide all information that they have available. As well Agnico-Eagle explained that some of this information is or maybe contained in the water management plan or their Environmental Impact Statement submitted to NIRB.

AANDC will review this further at the technical review stage of the water licencing process.

- **Acid Rock Drainage/Metal Leaching Testing and Sampling Plan**

Comment:

Acid Rock Drainage/Metal Leaching (ARD/ML) Testing and Sampling Plan provides the details on sampling, analysis and testing procedures that are to be implemented at the mine site. The plan will define the acid generating and metals leaching potential of the waste rock. Such characterization will be used to segregate and manage materials in an environmentally appropriate manner.

Recommendation:

The Proponent should provide an Acid Rock Drainage/Metal Leaching Testing and Sampling Plan.

Update from Agnico-Eagle

During discussions with Agnico-Eagle on July 16, 2015 it was agreed upon that Agnico-Eagle would provide additional information with regards to potential for acid rock drainage and metal leachate as well as how they intend to segregate the materials.

However, Agnico-Eagle did advise that Acid Rock Drainage (ARD) and Metal Leachate (ML) potential for phase one of the project was addressed in Agnico-Eagle's Final Environmental Impact Statement (FEIS) to the NIRB and that the potential for ARD/ML is either non-existent or very low.

The rationale provided for the ARD/ML determination was accepted and approved by NIRB was evident with their (Agnico-Eagle) receiving of the project certificate from NIRB.

- **Fuel Management Plan**

Comment:

Agnico-Eagle makes reference to fuel storage at both Rankin Inlet and at the Meliadine mine site yet there seems to be no fuel management plan with the licence application

Recommendation:

Please submit to the NWB a Fuel Management Plan.

Update from Agnico-Eagle

This management plan is contained in the Hazardous management plan under section 5.3. This section contains all necessary information.

No further need to bring this issue forward.

- **Alternatives Assessment Report/Plan**

Source: Agnico Eagle Meliadine Gold Project, Type A Water Licence Application, Main Application Document, April 2015

Comment:

In the Main Application document, Agnico-Eagle makes reference to the Alternatives Assessment Report which was submitted to NIRB as part of their Final Environmental Impact Statement (FEIS).

Recommendation:

As this is not a coordinated process Agnico-Eagle should submit a revised alternatives assessment to the NWB which would reflect only alternatives assessments of components affecting/possibility affecting water quantity/quality.

Update from Agnico-Eagle

During the July 16, 2015 discussion with Agnico-Eagle it was determined and agreed upon that the alternatives assessment that was submitted to NIRB as part of Agnico-Eagle's FEIS and that was subsequently approved as indicated by the company receiving their Project Certificate from NIRB is in fact satisfactory to AANDC and is no longer required at this stage.

Therefore to reiterate all alternatives that were approved during the NIRB process are satisfactory to AANDC as well and require no further assessment at this point.

3. Approvals/Authorizations

Source: Agnico Eagle Meliadine Gold Project, Type A Water Licence Application, Main Application Document, April 2015

Comment:

Block 6 of the General Water Licence Application states that a full list of land use permits, leases and authorizations for the Project is provided in the accompanying Type A Water Licence Main Application Document, Appendix B, Table 2.4. This list includes dates of issuance and dates of expiry.

AANDC is concerned that the dates of issuance and expiry of the permits, leases and authorizations are not provided in the Table 2.4. Moreover, several other Meliadine project licences, permits, authorizations and agreements listed in Table 2.3 (issuance and expiry dates are provided) are expired.

Recommendation:

The Proponent should provide the dates of issuance and expiry for all the permits, leases and authorizations.

Update from Agnico-Eagle

Agnico-Eagle has confirmed that they will have all necessary permits, leases and approvals up to date before they commence with any work.

C. Technical Meeting and Pre-Hearing Conference

The NWB Technical Meeting and Pre-Hearing Conference should be held in person. In person meetings are recommended because it would allow intervening parties, the Proponent, and NWB staff to address issues related to the Meliadine Gold Project.

Prepared by Amjad Tariq and Ian Parsons