

File: 2AM-MEL1631/TR/D1, 2

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Jamie Quesnel Environmental Superintendent - Nunavut Agnico Eagle Mines Ltd. 145, King Street East Suite 400, Toronto, ON M5C 2Y7

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Subject: Final Design and Construction Drawings for D-CP1 and D-CP5; Type "A" Water Licence 2AM-MEL1631, Meliadine Gold Project, Agnico-Eagle Mines Ltd.

Dear Ms. Turmel and Mr. Quesnel:

The Nunavut Water Board ("NWB") received from Agnico Eagle Mines Ltd. (AEM or Licensee) on August 17, 2016 the Construction Design Reports: "Design Report for D-CP1 Meliadine Gold Project, NU" and "Design Report for D-CP5 Meliadine Gold Project, NU" (Reports), including final Design and Construction Drawings for the proposed two water retention dikes D-CP1 and D-CP5 as a requirement of Part D, Item 1 of the Licence 2AM-MEL1631 (Licence). The Reports were completed by Tetra Tech EBA for AEM and dated August 15, 2016.

AEM stated in their submission that Dikes D-CP1 (DCP1) and D-CP5 (D-CP5) are two of the water retention dikes and are required to be constructed before the spring freshet of 2017. The proposed D-CP1 dike will be located at the outlets of two existing shallow lakes (H17 and H6) and the dike will be approximately 600 m long with a maximum dike height of 5.6 m. The proposed D-CP5 dike will be located across the south portion of the existing shallow lake (A54) and the dike will be approximately 300 m long with a maximum dike height of 3.1 m.

The Reports were distributed for public review and comments on August 18, 2016. Comments were received from Indigenous and Northern Affairs Canada (INAC) on September 2, 2016. In its comment INAC recommended that the construction and operation schedule accommodate an early spring thaw event, and asked about measures to be in place to accommodate such an event.

INAC also requested clarification on the timing of construction of Dike D-CP1; specifically, will the Dike be completed prior to receiving water from A54.

It was also stated that other than the two minor comments above, INAC is satisfied that the Design Reports for the construction of both Dikes will enhance the water management at site and therefore has no concerns with the construction at this time.

On September 9, 2016, the Licensee responded to INAC comments, indicating that construction of D-CP1 is planned in two phases: during the first phase (September – November 2016), the liner will be tied into the key trench and raised along the core of the dike. As soon as the coldest period of winter is completed (early March 2017 at the latest), the second phase will follow with the completion of the placement of the material on the upstream and downstream shells of the dike. D-CP1 will be completed in April 2017. Construction of D-CP5 includes one phase which will end in November 2016.

It was also stated that as per the design there should be a collection ditch at the downstream toe of the dike, with a sump to transfer water to the upstream side of the dike in the attenuation pond footprint of CP1; and silt curtains on the downstream of the structure during construction.

AEM also indicated that the dewatering process of Lake H17 is currently ongoing and will end by mid-September 2016. D-CP1 construction begins in late - September 2016. The capacity created by dewatering H17 is estimated to be over than 88,000 m³. We plan to transfer Lake A54 which has a volume of 40,000 cubic metres, which is less than the capacity that has been created by dewatering H17.

By copy of this letter the Board acknowledges that the Reports address the requirements of Part D Item 2 of Licence 2AM-MEL1631, and has approved the Reports through the Board Motion No. 2016-A1-005, dated September 14, 2016, as required by Part D, Item 1 of Licence. The Licensee is also advised that the Board's "approval" of this document is a verification that the proposed activity is consistent with the existing terms and conditions of the Licence and more specifically with the Part D, Item 2, and may proceed in accordance with the Report and drawings provided. It should be noted that the Board's "approval" is NOT intended or offered as any representation regarding the suitability of the plans nor third party verification of the design, construction, planning or engineering discussed in the document.

Should you have any questions, please feel free to contact the undersigned at (867) 360-6338 or karen.kharatyan@nwb-oen.ca at your earliest convenience.

Yours truly,

Karén Kharatyan A/Manager of Licensing / Sr. Technical Advisor

cc: Distribution List - Meliadine