

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

December 3, 2018

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Subject: Design Report for Tailings Storage Facility (TSF); Type "A" Water Licence 2AM-MEL1631, Meliadine Gold Project, Agnico Eagle Mines Limited

Dear Mr. Theriault and Mr. Quesnel:

The Nunavut Water Board ("NWB") received from Agnico Eagle Mines Limited (Agnico Eagle or Licensee) on November 15, 2018, the construction design report entitled "Tailings Storage Facility (TSF) Design Report and Drawings" dated November 2018, including for Construction Drawings (Report) for the proposed infrastructure as a requirement of Part D, Item 1 of the Licence 2AM-MEL1631 (Licence).

The Construction Design Report or Report summarizes the site conditions, design basis and key parameters adopted for design, and for-construction design drawings for Tailings Storage Facility, as specified under Water License 2AM-MEL1631, Part D Item 1.

The Report also provides refinement made since 2018 Mine Waste Management Plan (MWMP): The 2018 MWMP presented a three-cell management system that had originally been proposed during the 2014 feasibility level scoping assessment. However, a two-cell system has been progressed during detailed design, which offers the following technical advantages over the previously discussed three-cell system:

• Construction access. To accommodate the additional 1.2 Mt of tailings expected to be placed in the TSF, both the overall footprint and the average height of the facility have increased slightly from the 2018 MWMP. In order to maintain an acceptable 10% grade on the access ramps to the upper levels of the facility with a three cell system would have required either switch-backs or wrap around ramps, both of which would have further decreased available space and introduced potential safety concerns.

• **Freeze-back**. The two-cell system provides a thinner annual tailings placement which thereby enhances the freeze-back potential of both the underlying ground surface and the placed tailings.

The Report was distributed for a public review and comments with a deadline for submission set at November 26, 2018. On November 26, 2018, the NWB received correspondence from Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) stating that that there are no material changes to the facility and therefore has no comments at this time.

By copy of this letter the Board acknowledges that the Report addresses the requirements of Part D Item 2 of Licence 2AM-MEL1631, and has approved the Report through the Board Motion No. **2018-A1-022**, dated November 30, 2018, as required by Part D, Item 1 of Licence. The Licensee is also advised that the Board's "approval" of these documents is a verification that the proposed activities are 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 documents.

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

Regards,

Karén Kharatyan Director of Technical Services

cc: Distribution List - Meliadine