

December 7th, 2016

Karen Kharatyan,
A/ Manager of Licensing
Nunavut Water Board (NWB)
P.O. Box 119 Gjoa Haven, NU. X0B 1J0

Re: NWB 2AM-WTP - Water License Application for Whale Tail Pit Project Completeness Review

Dear Mr. Kharatyan,

As requested, the following responses are intended to address the comments outlined in NWB email dated November 7th, 2016, regarding the NWB 2AM- Water License Application for Whale Tail Pit Project Completeness Review. Agnico Eagle appreciates the opportunity to respond to the comments by INAC, ECCC and DFO.

Given the decision by the NIRB and NWB to review the Whale Tail Pit as a separate project, Agnico Eagle, in-part, agrees with INAC, DFO and ECCC and will be producing updated stand-alone Whale Tail Pit *Mine Infrastructure Management Plans*. However, it is important to Agnico Eagle that the Meadowbank *Material Management, Emergency Response, Environmental Monitoring* and other operational plans remain holistic, operationally seamless and functional. As a result, Agnico Eagle believes from an operational and compliance perspective, the format for these plans outlined in Volume 8, Table 8.2-1 is preferable. Based on ECCCs request regarding baseline data, Agnico Eagle has continued to collect baseline data related to groundwater and freshwater in 2016 and, as needed, will do so in 2017, prior to construction and operation of the Whale Tail Pit.

Agnico Eagle will continue to work with interveners to ensure the comments and requests that were raised have been adequately addressed. Should you have any questions or require further information, please contact the undersigned Jamie Quesnel at Jamie.quesnel@agnicoeagle.com M: 819.856.0821, or, Ryan Vanengen at ryan.vanengen@agnicoeagle.com M:819.651.2974.

Regards,

Agnico Eagle Mines Limited – Meadowbank Division

Regards,

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Indigenous and Northern Affairs Canada (INAC) Comments and Request (Dated: November 3rd, 2016)

1.1 INAC 1 – A complete set of standalone Management Plans for a New Water License

Recommendation: The proponent has submitted an application to amend its Type A water licence (2AM-MEA1525) to include Whale Tail Pit project under the existing licence for the Meadowbank mine. In order to support the application, the proponent has provided the existing approved management plans for Meadowbank gold mine (Vault, Portage and Goose area). In addition, 'addendums' to some existing plans have also been included to cover Whale Tail Pit project. The plans for which addendums were submitted are listed by INAC.

INAC notes that in accordance with the NIRB and NWB determinations, the Whale Tail Pit project will be treated as a separate (new) project requiring a new project certificate and Type A water licence. In principle, a new (separate) set of all management plans exclusively prepared for the Whale Tail Pit project should be available to the Board for review.

INAC recommends the applicant provide a separate set of stand-alone management plans to the Board exclusively for the Whale Tail Pit project in support of the new Type A water licence application.

Request: AEM is to provide a set of management plans exclusively for the Whale Tail Pit project to support the new Type A water licence application.

Agnico Eagle's Response to 1.1:

Given the recent decision by the NIRB and NWB to assess the Whale Tail Pit as a separate project, Agnico Eagle, in-part, agrees with INAC. However, it is important to Agnico Eagle that the Meadowbank operational plans (which will be extended to include Whale Tail Pit operations) remain holistic, operationally seamless and functional. It should be noted that several of the plans submitted on July 8th, 2016 to the NIRB and NWB while listed as addendums were in fact stand-alone appendices specific to the Whale Tail Pit Project. Therefore, Agnico Eagle believes the plans and "addendum" format in the submission are complete and views INACs request as administrative, may create unnecessary duplication and its' request to have separate plans potentially challenging from a compliance perspective. Agnico Eagle agrees with the INAC minister's recommendation that the board "make use of existing documentation from past assessments as much as possible during the review process." As a result, at this time we do not intend to update Materials Management and Emergency Response, Environmental Protection and Monitoring Plans, and "other" socio economic or human resource type plans, which we believe should either be a single plan (i.e. the TEMP) or an addendum to the existing plan, as approaches for monitoring and emergencies should not have license boundaries for this operation.

Nonetheless, Agnico Eagle partially agrees with INAC and will produce updated stand-alone Whale Tail Pit mine infrastructure management plans prior to the technical review phase. The list of plans that will be updated includes:

¹ 160902- 16MN056- Minister decision. INAC letter dated Sept 1, 2016 to Ms Elizabeth Copland NIRB



- Whale Tail Pit Waste Rock Management Plan;
- Whale Tail Pit Water Quality Monitoring and Management Plan for Dike Construction and Dewatering;
- Whale Tail Landfill Design and Management Plan*;
- Whale Tail Pit Water Management Plan*; and
- Whale Tail Pit Water Quality and Flow Monitoring Plan.
 - * while listed as addendums are in fact stand-alone appendices/ documents

Agnico Eagle continues to believe that from an operational and a compliance perspective, the format for the plans outlined in Volume 8, Table 8.2-1 is preferable. Unless otherwise directed by the NWB, Agnico Eagle will not update any additional plans for the technical review of the project.

Environment and Climate Change Canada (ECCC) Comments and Request (Dated: November 3rd, 2016)

2.1 ECCC #1, 2, 3: Baseline Monitoring

The baseline water quality, sediment quality, aquatic biota monitoring data presented in Volume 6 Freshwater Environment and summarized in Table 6.4-1 is not yet sufficient to enable characterization of natural and seasonal and inter-annual variation.

Agnico Eagle's Response to 2.1:

Agnico Eagle has continued to collect inter-annual freshwater sampling in 2016 and will discuss the need for additional baseline data collection with ECCC during the technical review phase of the project.

2.2 ECCC Comment #4 – Groundwater

As per Section 6.2.5 of Volume 6, at the time the EIS was being drafted, attempts to collect groundwater samples had been unsuccessful and no baseline information has been available for groundwater at the Amaruq site. ECCC requests that the results of the 2016 groundwater monitoring, analysis and discussion of implications be provided as an addendum to the EIS.

Agnico Eagle's Response to 2.2:

Agnico Eagle refers ECCC to the attached Ground Water Quality Investigation, Amaruq Site, Nunavut (Golder, 2016). As requested, during the technical review phase, Agnico Eagle will provide to the NWB an addendum to the EIS that includes an analysis and discussion of these results as it relates to groundwater predictions for the Whale Tail Pit Project.

2.3 ECCC Comment #5 – Erosion and Sediment Control



Volume 8 Monitoring, Mitigation and Management Plans does not contain an Erosion and Sediment Control Plan. Erosion and sediment control planning are essential to mitigate mining- related sedimentation effects on the aquatic environment.

ECCC requests that an erosion and sediment control plan be developed and implemented for this project. Volume 8 should be updated to include this additional plan.

Agnico Eagle's Response to 2.3:

Erosion and sediment control planning and mitigation measures are presented in the submitted Water Management Plan and the Water Quality Monitoring and Management Plan for Dike Construction and Dewatering. Nevertheless, a separate and operationally focused sub-section entitled: Erosion and Sediment Control Measures will be added to the updated Whale Tail Pit Water Management Plan and provided to NWB prior to the technical review phase of the project.

2.4 ECCC Comment #6 – Greenhouse Gases

Predicted total greenhouse gases (GHG) for the project were presented in Section 4.2.3, however no detailed analysis of GHG emissions was provided.

ECCC requests a detailed analysis of GHG emissions attributed to various components of the project, as well as a detailed discussion of the planned mitigations.

Agnico Eagle's Response to 2.4:

Agnico Eagle refers ECCC to Section 4.2.3.1 of the Whale Tail Pit FEIS which summarizes the GHG emissions data in Tables 4.2-1 and 4.2-2. The emissions estimates were tabulated according to methods consistent with Environment and Climate Change Canada' (ECCC) annual Facility Greenhouse Gas Emissions Reporting Program (GHGRP). Emissions were tabulated separately for: Off-road emissions; On-road emissions; power plant; and, camp heater. GHG emissions were calculated in parallel to CAC emissions; the CAC emissions calculations methods are discussed in detail in Appendix 4B of the FEIS. Agnico Eagle will discuss the GHG mitigation with ECCC prior to and during the technical review phase of the project.

Department of Fisheries and Oceans (DFO) Comments and Request (Dated: November 3rd, 2016)

3.1 DFO Comments – Closure and Reclamation Plan, Aquatic Effects Management Plan, Habitat Compensation Monitoring Plan

DFO1 - DFO is uncertain why the Meadowbank Interim Closure and Reclamation Plan and Aquatic Effects Management Plan (AEMP) will not be updated to reflect to ongoing activity at Whale Tail which will necessitate the extended use of roads, tailings storage and milling facilities at Meadowbank.

DFO2 – DFO is uncertain as to why AEM did not include a Whale Tail Monitoring Plan separate from the Meadowbank Habitat Compensation Monitoring Plan. A separate fisheries monitoring plan will be



required for Whale Tail. DFO could not locate a Blast Management Plan or Fishout Plan for Whale Tail Project.

Agnico Eagle's Response to 3.1, DFO1 and DFO2:

The interim closure plans and costs associated with Meadowbank Mine, including the Tailings Storage Facility, are not expected to change as a result of the extension of the processing facilities to accommodate the operation and storage of Whale Tail Pit Tailings. As a result, Agnico Eagle has submitted a separate closure plan for Whale Tail Pit in support of discussions with NWB, INAC and KIA about closure costs.

It is important to Agnico Eagle that the Meadowbank operational (which will be extended to include Whale Tail Pit) plans remain holistic, operationally seamless and functional. As previously stated, at this time we do not intend to update Environmental Protection and Monitoring Plans such as the AEMP and Fisheries Habitat Compensation Plan. Rather, Agnico Eagle believes aquatic monitoring should be consistent and transferable between monitoring locations and intends to leverage the historical data and current monitoring results to inform management and mitigation at the Meadowbank Mine, Whale Tail Pit and along the Whale Tail Pit haul road, inclusively. Agnico Eagle continues to believe the format for these plans outlined in Volume 8, Table 8.2-1 is preferable from an operational and a compliance perspective. Although the Meadowbank Blast Monitoring Plan is available on the NIRB registry; it's inclusion in Table 8.2-1 was not and is an oversight by Agnico Eagle. Blast monitoring best management practices at Meadowbank will be transferred to Whale Tail Pit to ensure the protection of fish and fish habitat. An updated version of the Meadowbank Blast Monitoring Plan that will be provided to DFO as part of the Meadowbank Mine NWB annual reporting requirements and will be sent prior to the technical review phase of Whale Tail Pit.

Agnico Eagle has developed fishout work plans and successfully executed numerous fishouts at Meadowbank in collaboration with the DFO. Agnico Eagle will transfer the knowledge and experience from the past fishouts and work with DFO to develop a site specific fishout workplan for the Whale Tail Pit project during the technical review and authorization phase of the project.