
October 15, 2018

Nunavut Planning Commission
P.O. Box 1797
Iqaluit, Nunavut X0A 0H0

RE: Notification of Self Assessment - Agnico Eagle Mines Whale Tail Pit Expansion to Whale Tail NIRB Project Certificate No.008 and NWB Water License 2AM- WTP1826

Dear Sharon Ehaloak and Brian Aglukark,

Agnico-Eagle Mines Limited (Agnico Eagle) currently operates the Meadowbank Mine under Nunavut Impact Review Board (NIRB) Project Certificate No. 4, and the Whale Tail Pit Project under NIRB Project Certificate No. 8.

As set out in the enclosed materials, Agnico Eagle is proposing certain changes to the Whale Tail Pit Project. Agnico is writing to notify the NPC that it has concluded via a self-assessment following the "*NIRB Guidance on Process for Seeking Approval for Modifications to Previously-Approved Projects*" (April 27, 2018) (the NIRB Guidance) that the proposed modification constitutes a "significant modification" to the Whale Tail Pit Project as previously assessed by the NIRB and as previously licenced by the Nunavut Water Board (NWB), and as such is requesting that the NIRB proceed with a reconsideration per the NIRB Guidance, Nunavut Agreement s. 12.8.2 and NuPPAA s. 112.

However, Agnico wishes to emphasize that the project changes are not significant from a land use planning perspective, as all project changes will occur within the original development area considered by the Nunavut Planning Commission (NPC) when it issued its original positive conformity determination for the Whale Tail Pit Project.

Accordingly, as suggested in the NIRB Guidance, Agnico is writing to request that the NPC confirm Agnico's view that the modification meets the applicable land use planning requirements so that NIRB may undertake a timely reconsideration of Project Certificate No. 8 and the NWB may also commence any applicable water licence amendment processes.

A. Background

The Meadowbank Mine was the subject of positive NPC conformity determinations on July 12, 2002 and July 21, 2003; the Amaruq exploration project received positive NPC conformity determinations on March 10, 2011 and October 15, 2015; and the Amaruq access road received an NPC conformity determination on July 16, 2015.

Most recently Agnico Eagle received a positive conformity determination on June 17, 2016 for the operation of the Whale Tail Pit and haul road, as it is a satellite operation to the Meadowbank Mine. The previous positive conformity determinations are attached for NPC's convenient reference.

On November 6, 2017, the NIRB provided a positive decision on the Whale Tail Pit Project and on March 15, 2018 Agnico Eagle gained approval to further extend the life of the mine by constructing and operating the Whale Tail Pit and associated facilities as permitted by NIRB Project Certificate No.008.

On July 11, 2018, the Minister approved the Whale Tail Pit Water License 2AM-WTP1826 to begin construction and operation of the Whale Tail Pit, hauling of ore to the Meadowbank Mill, and continued milling at the Meadowbank Mill and operation of the tailings storage facility under an amended Meadowbank Mine Type A Water License 2AM MEA1526.

Given the rapid pace in reserve and resource expansion at the property, during the permitting of Whale Tail Pit Project, Agnico Eagle began the pre-economic assessment and feasibility of expanding the Whale Tail Pit Project to include:

- the IVR Pit,
- IVR Waste Rock Facility,
- IVR Attenuation Pond, and
- Underground mine (collectively, the Whale Tail Pit Expansion Assets).

The Whale Tail Pit Expansion Assets are located within the approved Whale Tail Pit project radius (refer to Figure 1).

Since then, Agnico Eagle has consulted with stakeholders with respect to these proposed changes, completed an options analysis for water management and is completing a Final Environmental Impact Statement (FEIS) addendum to support the reconsideration of NIRB Project Certificate No 8. Agnico Eagle will work with NIRB and regulatory agencies by providing a comprehensive application submission in November 2018 to support the review of the FEIS addendum.

B. Scope of project components and activities to be undertaken during the proposed modification

What follows summarizes the Whale Tail Pit Project as originally approved and provides a high-level summary of the proposed expansion that will result in a change to the:

- the Whale Tail Pit mine site development area;
- intensification of mining activity; and,
- increase in duration of mining at Whale Tail Pit Project.

The Whale Tail Pit Project includes the following project components and activities, previously considered by the NPC, the NIRB and the NWB that will be extended through the proposed expansion:

- Development of an open pit gold mine at the Amaruq property.
- Construction commencing in 2018, with operations expected to commence in 2019 and continuing to 2022, followed by closure of the site from approximately 2023 to 2029, ending in post closure monitoring from 2030 to 2046.
- Processing of ore.
- Storage of waste rock and overburden.
- Ore trucked to Meadowbank via 65 km private haul road at a rate of 9,000 to 12,000 tonnes per day.
- Continued use of existing Meadowbank marine infrastructure at Baker Lake and the all-weather access road between Baker Lake and Meadowbank site.
- Estimated up to 500 employees during the construction phase with an on-site labour requirement of up to 931 people on rotation during operations.

As previously described, the proposed Whale Tail Pit Expansion will include an additional pit (IVR Pit), IVR Waste Rock storage facilities, IVR Attenuation pond and the underground mine, which will extend the extraction of ore over an approximate four-year period. As an expansion of the approved Whale Tail Pit Project, the project is designed to operate as a satellite of the main Meadowbank facilities and will be accessed by the existing approved haul road, which Agnico Eagle proposes to upgrade from 9.5 metres to 15 metres in width. Transportation to the mine site (marine barging, airstrip, and transportation along the all-weather access road), housing and handling will remain the same as authorized under Project Certificate No. 004 and/or Project Certificate No. 008, where applicable.

Following the completion of the NIRB reconsideration process, receipt of any required license amendments, authorizations and permits, construction and pre-stripping of IVR Pit is proposed to begin in September 2020; mining of the expanded pits and an underground mine will begin in 2021. In total, the resources for the Whale Tail Project will be expanded from the approved project of 2019-2023 and is proposed to expand approximately over an eight year period from 2019 to 2026. Infrastructure and activities at Whale Tail Pit and Meadowbank Mine that support the approved projects will be extended for another three years.

Given that this proposed expansion is an extension of Whale Tail Pit orebody that has existing waste and water management facilities and associated management plans that are approved by the NWB under Type A 2AM WTP1826, the existing management, monitoring and mitigation will focus on ensuring impacts to waste and water are consistent with those predicted for the approved project. As a result, the approved Whale Tail Waste Rock Storage Facility (WRSF) will continue to be used for the expansion, however the waste storage facilities will be expanded

vertically and horizontally to the southeast. The newly proposed IVR WRSF will accommodate waste rock and overburden generated from the IVR Pit. The waste rock storage footprint, water management infrastructure and camp have been designed consistent with the approved project and will accommodate growth of the project within the modified project footprint presented in Figure 1. The existing underground WRSF (near AP-5 location that is permitted under the NWB Type BB) will have an increased footprint to accommodate additional waste storage and groundwater of the underground mine. Consistent with the approved Meadowbank and Whale Tail Pit operations, a classification system will be used to identify and safely store NPAG, PAG, and ML rock. PAG mine rock will be stored in the designated storage areas designed for long-term stability. The closure strategies for the proposed Whale Tail Pit expansion are consistent with the approved Whale Tail Pit Project and securities for the expansion will be arranged with Crown Indigenous Relations and Northern Affairs Canada and Kivalliq Inuit Association and posted in accordance with Type A 2AM WTP1826.

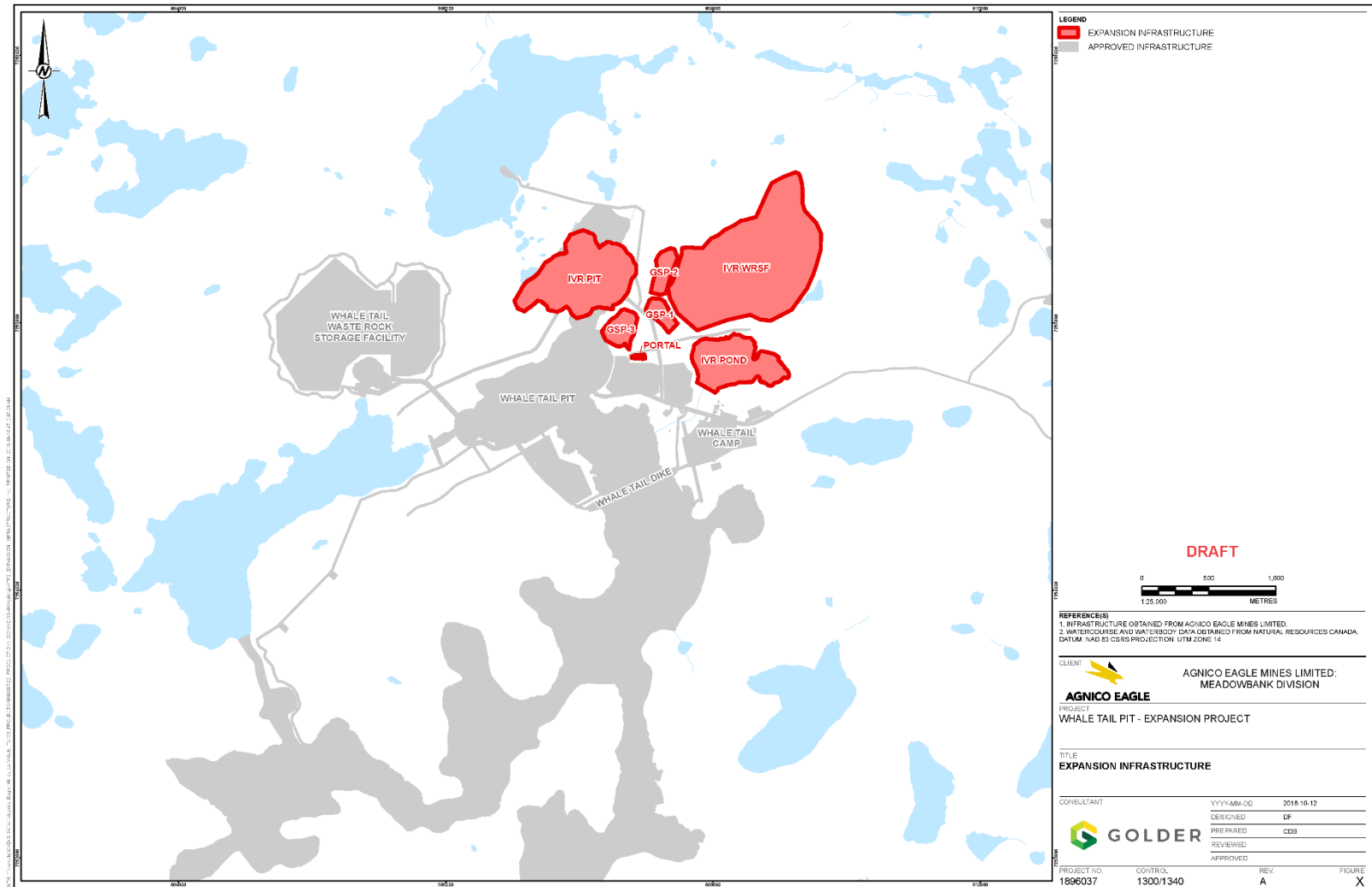


Figure 1: Whale Tail Pit Expansion to include IVR Pit, IVR Waste Rock Storage Facility, IVR Attenuation Pond, and Underground mine.

C. Confirmation of Agnico self-assessment that the proposed modification is within the area included within the June 17, 2016 Whale Tail Pit Project NPC conformity determination

The modifications noted above are all entirely located within the previously approved Whale Tail Pit project radius (refer to Figure 1). Per the NPC's previous positive conformity determination of June 17, 2016 for the operation of the Whale Tail Pit and haul road, it is Agnico Eagle's expectation that the proposed modifications are therefore also in conformity with the KRLUP.

As such in accordance with the NIRB Guidance, Agnico Eagle is now requesting that NPC confirm our view that the proposed Whale Tail Pit Project changes conform to the KRLUP. Agnico requests that the NPC issue its confirmation on or before October 31, 2018 in order to support timely reconsideration by the NIRB and amendment by the NWB commencing in November 2018.

D. Confirmation of Agnico self assessment per NIRB Guidance that the proposed modification constitutes a "significant modification" to the Whale Tail Pit Project as previously assessed by the NIRB and as licenced by the NWB

Agnico Eagle has completed a self-assessment following the NIRB Guidance and concluded that the planned changes are considered a "significant modification" to the Whale Tail Pit Project as previously assessed by the NIRB and licenced by the NWB. Appendix A provides an overview of Agnico Eagle's consideration of the NIRB Guidance.

As the planned changes are integrally linked to the original project as assessed by the NIRB, assessment of the proposed modification as an independent project proposal is inappropriate. Agnico's view is that this modification should be assessed by NIRB via a reconsideration of Project Certificate No. 8, pursuant to Nunavut Agreement s. 12.8.2 and NuPPAA s. 112. As part of that process, it is anticipated the NIRB may also consider related amendments to Project Certificate No. 4. Agnico also anticipates that related amendments to the Type A Water Licence 2AM-WTP1826 will be required by the NWB.

It is important to note that the determination of the "significance" of the planned changes will ultimately be made by NIRB within the reconsideration assessment process. Agnico is confident that at the completion of the NIRB reconsideration assessment process that the NIRB will agree that granting the project amendment will not cause any significant adverse ecosystemic or socio-economic impacts.

E. Conclusion

Based on the s.90 factors self assessment presented in Appendix A, Table 1, Agnico Eagle considers the nature, magnitude, complexity, probability, frequency and duration of the impacts for the proposed expansion are low to negligible changes from the approved Whale Tail Pit Project. To support the NPC's determination, it is important to note that the proposed changes to the Whale Tail Pit Project are located entirely within the area of impact previously considered by NPC when it issued its positive Whale Tail Pit Project conformity determination on June 17, 2016.

As stated previously, we are hoping for a timely determination of conformity to the KRLUP by NPC to commence the reconsideration process with NIRB in November 2018. Accordingly Agnico is requesting that NPC confirm that the modification request has met the applicable land use planning requirements and that the NPC issue a positive conformity determination on or before October 31, 2018.

If you require any further information in relation to NPC's consideration of this request, please contact the undersigned via email or telephone.

Regards,



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Superintendent – Permitting and Regulatory Affairs – Nunavut

copy to: Nunavut Impact Review Board
 Nunavut Water Board

Appendix A
Summary of Self-Assessment Per NIRB Guidance

The following analysis follows the NIRB Guidance, in which NIRB sets out its recommended process for proponents wishing to propose a modification to a previously approved project.

Section 90 of NuPPAA states, in determining the significance of potential impacts, the NIRB must take into account the factors outlined in Table 1. In accordance with the NIRB Guidance, Agnico Eagle has considered the proposed scope of activities and the potential impacts of the proposed expansion in relation to s. 90 of NuPPAA, using the self-assessment steps outlined by the NIRB and as summarized in Table 1 below.

In consideration of the scope of the changes compared to the Whale Tail Pit Project as originally assessed by NIRB and licenced by the NWB, Agnico Eagle is of the view that the proposed changes are a modification that should be considered by the NIRB as a reconsideration of the existing terms and conditions of Project Certificate No. 8 (see NIRB Guidance, Nunavut Agreement s. 12.8.2 and NuPPAA s. 112), and by the NWB in the water licencing process. Agnico Eagle is of the view that following completion of the NIRB reconsideration assessment process, the determination of the NIRB will ultimately be that the proposed expansion will not cause any significant adverse effects.

Table 1: Agnico Eagle NuPPAA Section 90 Self-Assessment

NuPPAA Section 90 factors	Results of Agnico Eagle's Self-assessment
(a) the size of the geographic area, including the size of wildlife habitats, likely to be affected by the impacts;	The proposed expansion is a 22% increase in project footprint (see Figure 1), is inside the approved project's radius (~4km) and is therefore within the same geographic area. As a result, the expansion results in no additional impacted geographic area. Changes to the project will all occur within the area previously included in the NPC's positive conformity determination, assessed by NIRB and licensed by the NWB.
(b) the ecosystemic sensitivity of that area	The proposed expansion does not cause impacts to an ecosystemically sensitive areas.
(c) the historical, cultural and archaeological significance of that area	The expanded facilities will not result in changes to impacts to an area of historical, cultural or archaeological significance.
(d) the size of the human and the animal populations likely to be affected by the impacts	The expansion will not result in changes to impacts on human and animal populations.

NuPPAA Section 90 factors	Results of Agnico Eagle's Self-assessment
(e) the nature, magnitude and complexity of the impacts	The expansion will result in a low to negligible change to the Whale Tail Pit Project predicted environmental impacts, including the nature, magnitude and complexity of the impacts.
(f) the probability of the impacts occurring	There will be low to negligible change to the probability of impacts occurring as per the existing PC and Water License.
(g) the frequency and duration of the impacts	There will be low to negligible change to the frequency and duration of the impacts.
(h) the reversibility or irreversibility of the impacts	There will be no change to the reversibility or irreversibility of the impacts as per the existing PC and Water License.
(i) the cumulative impacts that could result from the impacts of the project combined with those of any other project that has been carried out, is being carried out or is likely to be carried out	There will be no change to the cumulative impacts.
(j) any other factor that the Board considers relevant to the assessment of the significance of impacts	To be determined by NIRB.

Appendix B
Nunavut Planning Commission Conformity Determination June 2016



