

September 6, 2017

Sophia Granchinho Manager, Impact Assessment - Nunavut Impact Review Board 29 Mitik St P.O. Box 1360 Cambridge Bay, NU XOB OCO

Re: NIRB File No. 16MN056 – Opportunity to Address Comments Received Regarding Agnico Eagle
Mines Ltd.'s Application for Exceptions from the Ongoing Review of the Whale Tail Pit Project

Dear Ms. Granchinho,

Agnico Eagle appreciates that NIRB has provided Agnico Eagle the opportunity to respond to the screening comments provided by the interveners as outlined in the NIRB letter dated August 23rd, 2017 regarding the "Receipt of Public Comment Regarding Agnico Eagle Mines Ltd's Application for Exceptions from the ongoing Review of the Whale Tail Pit Project".

The following responses from Agnico Eagle acknowledges the concerns, recommendations and comments of the interveners and believes that the proposed predevelopment activities will not have a significant adverse environmental impact nor ecosystemic effects. Given the scale of the project, our operational experience in Nunavut, the impacts are predictable and can be mitigated by keeping the site footprint small, utilizing the currently approved infrastructure at Amaruq, and by applying best known technologies, "existing documentation from past assessments¹", best management practices and other proven technologies presented to NIRB and NWB during the Whale Tail Pit Project review.

It is important to acknowledge that the activities proposed in this amendment are within the current footprint of the KIA commercial lease and are not going to significantly change the current camp activities that support surface drilling on the Amaruq site. Agnico Eagle will continue to work with local stakeholders prior to the predevelopment activities to ensure the concerns that were raised in these comments have been adequately addressed.

Agnico Eagle has applied for a NIRB exemption to ensure a timely assessment and in order to ensure the gap between the end of production and mining at the Meadowbank Mine, and commencement of predevelopment activities at Whale Tail Pit is limited to the extent possible to ensure employment continuity in Nunavut. Agnico Eagle will further address the recommendations from INAC, ECCC and DFO during the NWB Type B regulatory phase of the project.

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

¹ Aboriginal Affairs and Northern Development Canada. Sept 1, 2016. Minister's response to NIRB's report.



Regards,

Jamie Quesnel

Jamie.Quesnel@agnicoeagle.com

819.856.8021.

Environmental Superintendent – Nunavut

Ryan Vanengen

ryan.vanengen@agnicoeagle.com

819.651.2974

Amaruq Permitting Lead



General Comments from KivIA, GN and BL HTO

Agnico Eagle acknowledges the KivIA letter of support dated August 17, 2017, for the Whale Tail Pit proposed predevelopment activities. Agnico Eagle agrees the predevelopment activities would help bridge the gap in Inuit employment between completion of Meadowbank and the projected issuance of the Whale Tail Project Certificate.

As well, Agnico Eagle acknowledges the comments submitted by the Baker Lake Hunters and Trappers Organization (BLHTO) and GN regarding the exception application. Following receipt of the BLHTO's letter of August 14, 2017, Agnico Eagle requested an opportunity to meet with the BLHTO in order to better understand their concerns and to explain Agnico-Eagle's proposal and the exception process in further detail. Agnico Eagle and the BLHTO met on August 29, 2017, with a follow-up meeting scheduled for September 8, 2017.

The exception process is an established regulatory process under the Nunavut Agreement as well as Nunavut Planning and Project Assessment Act ("NuPPAA"). Granting of the exception in this case will not interfere with the completion of a thorough and complete review of the Whale Tail Pit Project under Part 5 of Article 12 of the Nunavut Agreement and section 102 of the NuPPAA. The NIRB final hearings for the Whale Tail Pit Project will be completed prior to the start of the proposed excepted activities.

The robust NIRB approach to pre-development exception applications can be found in several examples of applications and decisions for pre development work:

- February 20, 2012 approval of the Agnico Eagle Mine's proposal for a 23.8 km all weather access road ("AWAR") for the Meliadine Project;
- June 24, 2016 decision to approve an application from TMAC Resources for pre development
 approval of the Madrid Advanced Exploration Program in advance of the environmental
 assessment of the Phase 2 Hope Bay Project Proposal. The pre development work included
 additional camp facilities, construction of two access portals and ramps for underground
 operations, a 4.7 km extension of the existing all weather access road, development of a winter
 road until the all weather access road has been constructed, ore and rock quarry facilities, waste
 and ore stockpiles, and water and waste management structures.

As discussed with the BLHTO representative during our meeting on August 29, 2017, our exception application is not a request to proceed with general mining before the NIRB review of the proposal is complete. Rather, Agnico Eagle has requested a very limited scope NIRB approval to proceed with construction of certain facilities and activities. The exception application includes pre delivery of material, construction of a laydown area, construction of some service roads around the Whale Tail Pit site, expansion of the exploration access road to a haul road to ensure the safe delivery of material and equipment, quarrying at Quarry 2, and construction of the waste rock berm.

It is important to note that all of the facilities and activities included in the exception application would be used to support continuing advanced exploration, in the event the Whale Tail Pit project is not approved by NIRB. The proposed activities such as road preparation, pad construction and pre-delivery



are consistent with those which have been approved for other northern advanced exploration projects and do not include production mining activities such as commencement of mining or ore extraction.

Proceeding with the work included in the exception application in the proposed time frame would have significant positive socio-economic benefits as it would significantly address the projected gap in Nunavummiut employment that will occur as a result of the timing of the completion of mining at Meadowbank and projected issuance of the Whale Tail Project Certificate.

In summary, consistent with the KivlA's position, Agnico Eagle believes that granting of the exception application in this case is consistent with the Nunavut Agreement and the NLCA; would not cause any significant adverse ecosystemic impacts; would have significant positive socio-economic impacts and would be an important step towards minimizing potential impacts of any unforeseen delays in the review of the Whale Tail Project.

Schedule Inconsistencies from ECCC and INAC

- 1.1: ECCC #1 recommends that the Proponent clarify the scheduling of pre-development works including the timing and duration of these activities.
- 1.2: INAC E) recommends that the work schedule for the pre-development activities requires clarification before INAC is able to adequately assess the need and required timing of the proposed exceptions.

Agnico Eagle's Response to ECCC #1 and INAC E):

Agnico Eagle apologizes for the confusion in the schedule for pre-development activities. Please refer to Table 1 which provides the updated schedule of predevelopment activities. Note most of the activities will continue until June 15, 2018, however activities indicated by ^ will begin under the proposed predevelopment license and if approved, construction may continue under the Type 2AM WTP --- activities.



Table 1: Schedule of Predevelopment Activities

	NIRB 12.10.2 (b) Exemption Requested Activities and NWB Type B Predevelopment - submitted July 14, 2017	Quarry or Material Source	Construction*				
	Works planned between November 15, 2017 to June 15, 2018 (or prior to receiving Type 2AM WTP:)		Start Date	End Date			
1	construction of a pad for the permanent camp (Note, pad will be used for storing pre-delivered material);	Quarry 1	15-Nov-17	15-Jun-18	٨		
2	construction of necessary service roads and expansion of the exploration access road to a haul road						
	i) Roads from Amaruq Camp to Mammoth Crossing	Quarry 1	15-Nov-17	15-Feb-18			
	ii) Roads from Quarry 2 to South of Mammoth Lake	Quarry 2	15-Jan-18	15-Jun-18	٨		
	iii) Site wide road maintenance	Quarry 2	15-Jan-18	15-Jun-18	٨		
	iv) Enlargement of the Amaruq Exploration Access Road (6.5m) to Haul Road (9.5m)	Ouarries	15-Nov-17	15-Jun-18	^		
3	quarrying at Quarry 2		15-Jan-18	15-Jun-18	^		
4	construction of waste rock berm;	Quarry 1 and 2	15-Nov-17	15-Jun-18	٨		
5	construct Mammoth Channel crossing; and	NA	1-Mar-18	15-Apr-18			
6	pre-delivery of material.	NA	15-Dec-17	15-Jun-18			
	^ if approved, construction will continue under the Type 2AM WTP activities * all of these dates are approximate and may change depending on the timing of reciept of the NIRB exemption and NWB Type B for predevelopment activities.						

^{1.3} GN-01 recommends the Proponent provide the following information for Intervenors to review for the 10.12.2 exception application:

- 1. List of materials and equipment that they are seeking to transport and store during the predevelopment phase;
- 2. Identify those items that could not be moved on the existing 6.5 m wide road and justify the importance of being able to move those items during the pre-development phase.

Agnico Eagle's Response to GN-01:

To reduce the projected gap in employment, Agnico Eagle has developed an employment strategy that will allow machine operators to transition from mining at Meadowbank to predevelopment activities and then upon receipt of the Type A License, construction and operational activities at Whale Tail Pit. For safety, the quarrying and site preparation equipment such as loaders and 777 Haul Trucks that are currently at Meadowbank require safe shipment on



the 9.5m wide road. As per GN-01 recommendation, Table 2 summarizes the general list of materials and equipment that for safety, require a 9.5m wide road.

Table 2: List of Equipment and Requirements for pre-delivery on the 9.5 m wide road.

Material to be Pre-delivered	Model	Quantity	Approximate Date of Shipment to Whale Tail Pit	Requires 9.5m haul road
Temporary Bridge Structures		2	15-Jan-18	No
Crane		1	15-Jan-18	No
Camp Buildings		NA	15-Nov-18	Yes
Camp Construction Material		NA	15-Nov-18	No
Fuel/ Explosives		NA	Ongoing	No
<u>Equipment</u>				
50 tonne trucks		4	15-Nov-17	No
Dozers		2	15-Nov-17	No
Drills	DM-45	2	15-Nov-17	No
Loaders for use in Quarries	992	1	15-Jan-18	Yes
	1250	1	15-Jan-18	Yes
777 Haul Trucks in Quarries (100 tonne)	CAT	4	15-Jan-18	Yes

Atmospheric Environment

2.1: ECCC #2 recommends that the Proponent provide information on any dustfall monitoring along the haul road that will be conducted during pre-development activities and clarify if the monitoring will follow the information provided in the proponent's response to April 2017 technical comment ECCC#2

Agnico Eagle's Response to ECCC #2:

Agnico Eagle agrees with ECCC's recommendation and will apply the Project's Terrestrial Ecosystem Management Plan (TEMP) monitoring and mitigation for pre-development activities that includes adherence to TEMP Appendix D- AWAR and Haul Road Dustfall Monitoring Plan that incorporates ECCC#2 technical comments and follow-up meetings with ECCC regarding sampling locations for Whale Tail Pit.

Terrestrial Environment from ECCC and GN

3.1: ECCC # 3 recommends that the Proponent take into account ECCC's guidelines on migratory birds so that all pre-development activities are carried out in a manner that protects migratory birds and avoids harming, killing or disturbing migratory birds or destroying, disturbing or taking their nests or eggs. These guidelines can be found at http://www.ec.gc.ca/paom-i tmb/. Options such as avoiding, adapting, rescheduling or relocating activities should be considered and implemented if there are



indications of migratory bird nests where activities having the potential to disturb or destroy nests are proposed.

Agnico Eagle's Response to ECCC 3:

Agnico Eagle agrees with the recommendations and will adhere to ECCC guidelines for protection of migratory birds and avoidance of harming, killing and disturbing or destroying nests or eggs.

3.2: ECCC 4 a) recommended the Proponent provide shipping contractors with a map of identified resources at risk along the shipping route, including key marine habitat sites for migratory birds.

Agnico Eagle's Response to ECC 4a:

Agnico Eagle agrees with this recommendation and will provide the requested information to the shipping contractor.

3.3: ECCC 4 b)recommended the Proponent encourage shipping contractors to establish what steps would be taken to protect wildlife (including migratory birds) in the event of a pollution incident and have the equipment to do so. The information should include specific measures to keep wildlife out of a contaminated area, location and specifics of equipment available to do this, what measures would be taken if animals do come in contact with the pollutant and when such procedures should be used. This information should be incorporated into their Shipboard Oil Pollution Emergency Plan.

Agnico Eagle's Response to 4b:

Agnico Eagle agrees with this recommendation and will provide the requested information to the shipping contractor.

3.4: ECCC 4 c) recommended the Marine Mammal and Seabird monitoring program in the Shipping Management Plan follow the Eastern Canada Seabird At Sea standardized protocols developed for moving and stationary platforms

Agnico Eagle's Response to 4c)

Agnico Eagle agrees with this recommendation and will follow Appendix 8-D.5 Whale Tail Pit Shipping Management Plan and will adhere to applicable protocols developed for moving and stationary platforms.

3.5: ECCC 5) recommended that if species at risk are encountered or affected by pre- development activities, the primary mitigation measure should be avoidance. The Proponent should avoid contact with or disturbance to each species, its habitat and/or its residence. The Proponent should create a list of species at risk potentially interacting with shipping activities in the Shipping Management Plan. As new species are assessed by Committee on the Status of Endangered Wildlife in Canada or added to Schedule 1 of SARA on a regular basis, ECCC recommends that the Proponent consult the Species at Risk



registry to obtain the most current information when revising management plans and reporting annual monitoring results.

Agnico Eagle's Response to 3.5

Agnico Eagle agrees with ECCC's recommendation and will update the Appendix 8-D.5 Whale Tail Pit Shipping Management Plan accordingly.

3.6: GN-04 recommends that the specific requirements for wildlife monitoring and mitigation, which are applied as conditions in the Project certificate and within the Project's Terrestrial Ecosystem Management Plan, are also applied fully to the pre-development activities.

Agnico Eagle's Response to GN-04

Agnico Eagle agrees with GN's recommendation and will apply the Project's Terrestrial Ecosystem Management Plan monitoring and mitigation for pre-development activities.

3.7: NRCan recommended that by following the terms, conditions and mitigation measures in existing approved licenses and management plans and the measures proposed in the Application that impacts of pre-development activities on permafrost conditions can be minimized.

Agnico Eagle's Response to NRCan

Agnico Eagle appreciates NRCan's comments and will adhere to these recommendations.

Freshwater Environment from ECCC and INAC

4.1: ECCC 6a) recommended the proponent provide additional sampling intervals to monitor for TSS/turbidity during the in-stream work at the Mammoth crossing.

Agnico Eagle's Response to ECCC 6a)

Agnico Eagle will complete the construction of the Mammoth channel during the winter to prevent TSS/turbidity from entering the Mammoth stream. Agnico Eagle will conduct standard spring geotechnical and erosional inspections as per the NWB Type B license requirements.

4.2: ECCC 6b) recommended the proponent describe the timeline for seepage surveys and the locations to be monitored for seepage.

Agnico Eagle's Response to ECCC 6b)

Agnico Eagle agrees with ECCC's recommendation and will conduct seepage survey down gradient from the waste rock berm and in the quarries on a monthly basis as per the NWB Type B license requirements.



4.3: ECCC 6c) recommended the proponent add additional sampling parameters to the monitoring list for ST-WT-TBD, including total metals, major ions, and nutrients. ECCC also recommends that the Proponent provide clarification on what is meant by "as required".

Agnico Eagle's Response to ECCC 6c)

Agnico Eagle agrees with ECCC's recommendation and will adhere to the NWB Type B license requirements. For clarification, "as required" denotes that Agnico Eagle will adhere to the conditions imposed by the licensing and authorizing agency; in this case, "as required" by the NIRB screening decision or Type B predevelopment license.

4.4: NRCan recommended that by following the terms and conditions and the mitigation measures in the existing approved licences and monitoring and management plans as proposed in the Whale Tail Application impacts of the pre-development activities on groundwater can be minimized.

Agnico Eagle's Response to NRCan:

Agnico Eagle appreciates NRCan's comments and will adhere to these recommendations.

GN and INAC recommendations - Additional Information Required

5.1: GN-02 recommends that the Proponent provide additional information supporting the need for establishing permanent infrastructure and how it is an essential need for the pre-development transport of materials or for existing exploration activities.

Agnico Eagle's Response to GN-02

Agnico Eagle refers the GN to Agnico Eagle response 1.3. Agnico Eagle agrees with the GN. The *predevelopment* application inherently is a request to begin preparing the site for construction of the Whale Tail Pit Project through proposed activities such as road preparation, pad construction for pre-delivery and quarry development. That said, in the event the Whale Tail Pit project is not approved by NIRB, as noted in our application, the predevelopment infrastructure will be used to support continuing advanced exploration to the north of Whale Tail Lake and south of Mammoth Lake.

5.2: GN-03 recommends that if widening of the haul road is approved, it should be timed to occur outside the fall and spring migratory periods for caribou; construction should not occur before December 15th and after April 1.

Agnico Eagle's Response to 5.4

During the predevelopment Agnico Eagle will adhere to the monitoring and mitigation in accordance with the TEMP. Based on our experience constructing the Amaruq exploration road and operational practices at Meadowbank, best management and mitigation practices outlined



in the TEMP can ensure safe protection of caribou throughout the year and construction activities will be managed in accordance with the TEMP requirements for sensitive seasons.

Culture and Heritage from GN

6.1: It is recommended that no activities be conducted in the vicinity (50 m buffer zone) of any archaeological sites. If archaeological sites or features are encountered during the project, activities should immediately be interrupted and moved away from this location. Each site encountered needs to be recorded and reported to the Department of Culture and Heritage.

Agnico Eagle's Response to 6.1

Agnico Eagle agrees with the GN recommendations and will continue to adhere to the Appendix 8-E.8 Archaeological management plan for the Whale Tail Pit Project.

Design from DFO

7.1: DFO-FPP recommends that AEM provide DFO-FPP with the width of the proposed temporary bridge crossing, and the footprint of the abutments and the bank armouring that will occur below the HWM (153 m).

Agnico Eagle's Response to 7.1

Agnico Eagle refers DFO to the attached drawing which indicates a width of the bridge is 5.5m. Consistent with the design of bridges constructed along the Amaruq Exploration Access Road, the abutments will be above the water level of 152.00. Agnico Eagle will continue to work with the DFO during the regulatory phase of the project and will include details regarding the abutment footprints at that time.

7.2: DFO-FPP requests that AEM provide detailed, site specific engineer drawings for each of the proposed culverts and watercourse crossings (including Culvert 184). This includes but is not limited to the calculations used to determine correct sizing of the culvert which will ensure adequate velocities for fish passage during both high and low flows, and the hydraulic calculations showing the capacity of the culvert to adequately handle peak flows. This can be provided as part of AEM's 'DFO-FPP's Request for Review' submission as part of the regulatory phase.

Agnico Eagle's Response to 7.2

Agnico Eagle will continue to work with DFO during the regulatory phase of the project.

7.3: DFO-FPP recommends that AEM clarify whether the noted culverts will require replacement, and if so, DFO-FPP recommends that AEM provide site specific detailed drawings for both culvert 182 and 183. This can be provided as part of AEM's 'DFO-FPP's Request for Review' submission as part of the regulatory phase.



Agnico Eagle's Response to 7.3

Agnico Eagle will continue to work with DFO during the regulatory phase of the project.

7.4: DFO-FPP notes that the distance between the Whale Tail Lake and Quarry 2 is approximately 31 m (p. 23). DFO-FPP notes that blasting has the potential to cause serious harm to fish and as such DFO-FPP recommends that AEM adhere to the most recent blasting advice. In order to assist proponents in avoiding serious harm to fish, DFO-FPP provides the following guidance document: Cott, P.A., and Hanna, B.W. 2005. Monitoring Explosive-Based Winter Seismic Exploration in Waterbodies, NWT 2000-2002. Blasting should be done in accordance with DFO's NU Timing Window and can be found at http://www.dfo-mpo.gc.ca/pnw-ppe/timing-periodes/nu-eng.html

Agnico Eagle's Response to 7.3

Agnico Eagle agrees with DFO and will adhere to the above mentioned guidance for blasting.

