January 6, 2026

Richard Dwyer
Manager of Licensing
Nunavut Water Board
P.O Box 119
Gjoa Haven
NU X0B 1J0

Re: 2AM-WTP1830 Agnico Eagle Mines Limited– Whale Tail Mine Responses to GSP-2 Storage Pond Design Report Comments

Dear Mr. Dwyer,

As requested, the following responses are intended to address the comments made in the below letters:

- November 28, 2025; Crown-Indigenous Relations and Northern Affairs Canada's Review of Agnico Eagle's Whale Tail GSP-2 Storage Pond Design Report;
- December 5, 2025; KIA comments on Design Report GSP-2 Storage Pond, Water License 2AM-WTP1830.

Should you have any questions or require further information, please do not hesitate to contact us.

Regards,

Eric Haley
eric.haley@agnicoeagle.com
Environment & Critical Infrastructures Superintendent

1 CIRNAC Comments

1.1 Conditions Applying to Construction and Operation

Comment: CIRNAC notes that the Licensee has not complied with the reporting requirements outlined in Part D, Item 3 of 2AM-WTP1830.

a) Site Selection

The Licensee states that the new location for GSP-2 was identified internally as the most effective solution for water storage, according to the available site footprint and in-situ ground conditions. However, Part D, Item 3(b) describes that the Design Report shall include site-specific data and analysis to support the design and management decisions. The rationale for site selection is not sufficiently justified and requires the provision of site-specific, evidence-based data that was used for decision-making.

b) Geochemical Analysis of Material

The Licensee described that if potentially acid-generating material is encountered, the material will be managed according to the Whale Tail Waste Rock Management Plan. However, Part D, Item 3(c) describes that the Design Report shall include the geochemical analysis of waste rock and fill, demonstrating the acid rock drainage and metal leaching characteristics. Supporting geochemical data was not provided with the Design Report.

c) Construction Methods

The Licensee stated that sediment and erosion control measures will be put in place if needed. However, Part D, Item 3(e) describes that the Design Report shall include technical specifications for sedimentation, erosion control and bank stabilization measures. Technical specifications for sedimentation and erosion controls were not included in the Design Report.

Recommendation: (R-01) CIRNAC recommends that the Licensee update the Design Report to comply with the reporting requirements outlined in Part D, Item 3 of 2AM-WTP1830.

> ***Agnico Eagle's Response:*** *Details and data pertaining to the site selection are included in the design rationale section 2.1 of the Design Report. The primary site-specific factor driving the selection of the new GSP-2 location was the requirement to achieve the updated storage capacity requirements. The selected site provides the necessary footprint and geotechnical conditions to achieve the required storage volume while maintaining safe design parameters and effective water management practices. Alternative locations, such as those originally proposed by SNC-Lavalin in 2021, were proposed based on a prefeasibility, desktop study, with limited information regarding in-situ conditions and final design requirements. Upon further evaluation during the detailed review by Agnico Eagle, and considering the existing infrastructure within the footprint, these locations were not deemed feasible to safely execute the design or accommodate the required*

storage capacity of 235,000 m^3. The original GSP-2 proposed location was too constrained and would not allow for ramp or bench design that would satisfy the Mines Act.

Agnico Eagle acknowledges CIRNAC's recommendation and confirms that geochemical characterization of waste rock and fill material is addressed through the Operational Acid Rock Drainage (ARD) and Metal Leaching (ML) Sampling and Testing Plan, as referenced in the Whale Tail Waste Rock Management Plan. All waste rock generated during construction and operations will be sampled and tested to verify ARD and ML potential in support of waste segregation.

The construction of GSP-2 will occur during the winter season when the ground is frozen and within continuous permafrost conditions. Under these circumstances, no water is expected to be present during excavation and construction activities. In the unlikely event that water is encountered, it will be managed as per standard site water management practices. Specifically:

- *Sediments and water will be collected in designated sumps within the construction area.*
- *Pumping systems will convey the water to the existing open-pit water collection pond for proper containment and treatment, in accordance with the approved Water Management Plan and Water License requirements.*

GSP-2 is designed to be excavated in competent bedrock, which minimizes the potential for erosion. Additionally, the pond crest will be sloped and capped according to field conditions if required.

1.2 Water Management

Comment: The Design Report states that no water management measures are expected to be necessary during construction, which is expected to take five (5) months to complete, beginning in January. CIRNAC notes that the current schedule for construction could overlap with the freshet period, which could increase hydrological flows at the site. Without adequate planning and water management practices, increased hydrological flows could reduce water quality in downstream receiving environments.

CIRNAC also notes that the proposed construction activities, such as blasting and excavation, have the potential to mobilize sediment and atmospheric particulate matter during the winter months, which could increase loads in snowpacks and subsequent meltwaters during the spring. The Design Report does not describe mitigation measures that would be used to minimize impacts on water quality during construction.

Recommendation: (R-02) CIRNAC recommends that the Licensee update the Design Report to include water management practices that would be used if construction overlaps with freshet and applicable management practices that would be used to mitigate potential impacts of construction on water quality.

Agnico Eagle's Response: *The construction of GSP-2 will occur during the winter season when the ground is frozen and within continuous permafrost conditions. Under these circumstances, no water is expected to be present during excavation and construction activities. In the unlikely event that water is encountered or if construction expands through freshet season, it will be managed as*

per standard site water management practices. Sediments and water will be collected in designated sumps within the construction area. Pumping systems will convey the water to the existing open-pit water collection pond for proper containment and treatment, in accordance with the approved Water Management Plan and Water License requirements.

1.3 Catchment Hydrology

Comment: The Design Report states that GSP-2 will be constructed north of the IVR pit shell and south of Nemo Lake Road, and its design allows for the storage of 235,000 m^3 of water, including 35,000 m^3 of contingency for catchment runoff. However, the Design Report also states that water will be transferred into GSP-2 on an "as needed" basis. This information appears to suggest some uncertainty on the quantity of runoff that could conceivably be collected in GSP-2. For example, if there is less than 200,000 m^3 of water transferred from GSP-1 or underground mining, GSP-2 would have an increased capacity for additional catchment runoff. It is also unclear to CIRNAC how the contingency runoff volume was determined, as there are no references to any management plans and analysis in the Design Report.

The hydrological implications of constructing GSP-2 in the new proposed location were not discussed, such as potential changes to pit inflows and water quality, warranting further investigation.

Recommendation: (R-03) CIRNAC recommends that the Licensee:

- Clarify how the catchment runoff volume was derived, including outlining any assumptions, limitations, and results associated with the analysis; and
- Assess the hydrological implications of constructing GSP-2 in the new proposed location, including any changes to pit inflows and water quality during operations.

Agnico Eagle's Response: *The reference to transferring water on an "as-needed" basis pertains strictly to groundwater inflows encountered in the underground mine and is not related to surface runoff. Runoff reporting to GSP-2 has been calculated using the site water balance forecast and the defined catchment area, as outlined in the Design Report. More precisely, due to being located on a high point near a topographic ridge at the boundary of catchment area C, as defined in the original SNC-Lavalin report, the design is expected to be primarily upslope of surface runoff. A small northern portion of catchment area B of 2.5 hectares was considered, along with historical precipitation measurements. Most runoff is expected to be diverted southward, towards the A47-N sump, which is downslope and already within the same catchment area B. Agnico Eagle does not consider further hydrological assessment for alternative hypothetical locations to be warranted, as the selected site meets operational and regulatory requirements and is supported by current modeling and design assumptions.*

1.4 Design Details

Comment: Section 2.2 of the Whale Tail GSP-2 Design Report describes that construction would involve five (5) benches, assuming a single-lane switchback access road connecting to the existing IVR Ring Road. However, the construction design drawings presented in Appendix A state that six (6) benches are

proposed. The provision of accurate design details is necessary to support a fulsome understanding of project construction and compliance with Part D, Item 1, of 2AM-WTP1830.

CIRNAC also notes that the Licensee did not clearly assess its assumptions about the proposed design, in the context of the proposed site. The design assumes an overburden thickness of 7 m, with 1 m of contingency, but it is unclear if any site-specific information was used to inform these design parameters. The Design Report describes that the thickness of overburden in the original location could have led to unstable slopes, and the low-lying topography did not allow for effective water management practices. Providing site-specific information is justified to inform sound construction and water management practices.

Recommendation: (R-04) CIRNAC recommends that the Licensee confirm the number of benches that are contemplated for construction and provide site-specific information that was used to justify the design assumptions.

> ***Agnico Eagle's Response:*** *Agnico Eagle recognizes there is an error in the body of the design report regarding the number of benches and confirms the design plan is 6 benches as stated in Appendix A.*
>
> *Agnico Eagle would like to clarify that the design assumptions, including those related to overburden thickness, are based on site-specific drill hole data collected from the locations assessed during project planning. The assessment utilized data from historical exploration holes (DDH) within and near the proposed footprint, to create two separate stitched overburden and bedrock surfaces. The 7.0 m of overburden was estimated from the difference between these surfaces. The reason for the 1 m contingency is to account for topographical and in-situ variations compared to singular, localized drill hole data. These data informed the design parameters presented in the Design Report, ensuring that construction and water management practices are tailored to actual field conditions.*

2 KivIA Comments

2.1 Catchment Runoff

Comment 1: It is stated in section 2.1 (Design Rationale) that "this design allows for the storage of 235,000 m^3 of water to elevation 150 masl, which includes 35,000 m^3 of contingency for catchment runoff." The KivIA recommends that the hydrological information used to determine the contingency for catchment runoff be provided so the KivIA can complete a more robust review.

> ***Agnico Eagle's Response:*** *Runoff reporting to GSP-2 has been calculated using the site water balance forecast and the defined catchment area, as outlined in the Design Report. Due to being located on a high point near a topographic ridge at the boundary of catchment area C, as defined in the original SNC-Lavalin report, the design is expected to be primarily upslope of surface runoff. A small northern portion of catchment area B of 2.5 hectares was considered, along with historical*

precipitation measurements. Most runoff is expected to be diverted southward, towards the A47-N sump, which is downslope and already within the same catchment area B.

2.2 Location Rationale

Comment 2: It is stated in section 2.1 (Design Rationale) that "Agnico Eagle carried out an extensive internal review which identified the location for GPS-2 presented in Appendix A." The KivlA recommends that the information used in this extensive internal review be provided so the KivlA can complete a more robust review.

Agnico Eagle's Response: *Details and data pertaining to the site selection are included in the design rationale section 2.1 of the Design Report. The primary site-specific factor driving the selection of the new GSP-2 location was the requirement to achieve the updated storage capacity requirements. The selected site provides the necessary footprint and geotechnical conditions to achieve the required storage volume while maintaining safe design parameters and effective water management practices. Alternative locations, such as those originally proposed by SNC-Lavalin in 2021, were proposed based on a prefeasibility, desktop study, with limited information regarding in-situ conditions and final design requirements. Upon further evaluation during the detailed review by Agnico Eagle, and considering the existing infrastructure within the footprint, these locations were not deemed feasible to safely execute the design or accommodate the required storage capacity of 235,000 m^3. The original GSP-2 proposed location was too constrained and would not allow for ramp or bench design that would satisfy the Mines Act.*

2.3 Overburden Thickness

Comment 3: It is stated in section 2.2 (Design Details) that "the design assumes an overburden thickness of 7 m, with a 1 m of contingency." The KivlA recommends that the geotechnical information used to make this assumption be provided so the KivlA can complete a more robust review.

Agnico Eagle's Response: *Agnico Eagle would like to clarify that the design assumptions, including those related to overburden thickness, are based on site-specific drill hole data collected from the locations assessed during project planning. The assessment utilized data from historical exploration holes (DDH) within and near the proposed footprint, to create two separate stitched overburden and bedrock surfaces. The 7.0 m of overburden was estimated from the difference between these surfaces. The reason for the 1 m contingency is to account for topographical and in-situ variations compared to singular, localized drill hole data.*

2.4 Number of Benches

Comment 4: It is stated in section 2.2 (Design Details) that "construction involves 5 benches." However, in the design plan in Appendix A it states 6 benches. The KivlA recommends that the correct information be provided for the number of benches.

Agnico Eagle's Response: *Agnico Eagle recognizes this error in the body of the report and confirms the design plan is 6 benches as stated in Appendix A.*

2.5 Ramp Design Details

Comment 5: It is stated in section 2.2 (Design Details) that "20-m wide, single-lane ramp." However, in the design plan in Appendix A it states "21-m wide, single-lane ramp." The KivIA recommends that the correct information be provided for the width of the single-lane ramp.

Agnico Eagle's Response: *Agnico Eagle recognizes this error in the body of the report and confirms the design plan is 21-m wide, single-lane ramp as stated in Appendix A.*

2.6 Water Management

Comment 6: It is stated in section 2.3 (Construction Methodology) that "if needed, sediment and erosion control measures will be put in place." The KivlA recommends that based on the 5-month schedule starting in January 2026 the construction will likely overlap the 2026 freshet so applicable water management practices should be put in place.

Agnico Eagle's Response: *Agnico Eagle agrees that water management practices should be put in place if required. The construction of GSP-2 will occur during the winter season when the ground is frozen and within continuous permafrost conditions. Under these circumstances, no water is expected to be present during excavation and construction activities. In the unlikely event that water is encountered or if construction expands through freshet season, it will be managed as per standard site water management practices. Sediments and water will be collected in designated sumps within the construction area. Pumping systems will convey the water to the existing open-pit water collection pond for proper containment and treatment, in accordance with the approved Water Management Plan and Water License requirements.*

2.7 Water Rock

Comment 7: It is stated in section 2.3 (Construction Methodology) that "if PAG material is encountered, this material will be managed as per the operational standards following the Whale Tail Waste Rock Management Plan." The KivlA recommends that the material being removed from GSP-2 be tested for acid rock drainage and metal leaching and be reported in the 2026 Annual report.

Agnico Eagle's Response: *Agnico Eagle acknowledges KivIA's recommendation and confirms that geochemical characterization of waste rock and fill material is addressed through the Operational Acid Rock Drainage (ARD) and Metal Leaching (ML) Sampling and Testing Plan, as referenced in the Whale Tail Waste Rock Management Plan. All waste rock generated during construction and operations will be sampled and tested to verify ARD and ML potential in support of waste segregation.*