



AGNICO EAGLE

Boston Advanced Exploration Project

Main Application Document and Project Description

Bulk Fuel Storage Facility and Sewage Treatment System

**Supporting document to obtain a modification to the
water licence 2BB-BOS1727**

March 2022

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1. Project summary

On February 2nd, 2021, Agnico Eagle Mines Limited (Agnico Eagle) acquired TMAC Resources Inc., the operator of the Hope Bay property located in the Kitikmeot region of Nunavut, Canada. Exploration activities under Type B water licence 2BB-BOS1727. The project authorized under this water licence consists of prospecting, drilling, core-splitting and logging, operation of a bulk sampling, crushing and sorting plant, a camp, domestic use of water, treatment and disposal of greywater and sewage, fuel storage, operation of a landfarm facility for hydrocarbon contaminated soil, environmental baseline data collection, underground development and underground exploration drilling, the collection of a bulk sample, handling and storage of waste rock and ore.

2. Modifications proposed

The water licence modification proposed here consists of a modification to the Bulk Fuel Storage Facility capacity, the installation of additional fuel tanks at the camp site and a modification to the Sewage Treatment Facility.

a. Bulk Fuel Storage Facility

The existing Boston bulk fuel storage facility includes 6 - 77,000-liter tanks and 2 - 33,500-liter tanks that are installed in a berm constructed with HDPE liner and gravel. These fuel tanks require maintenance and repair to ensure their use in the long term. Agnico Eagle is proposing to install, at the Boston camp site in 2022, 4 additional fuel tanks including 2 - 50,000-liter double wall fuel tanks and 2 - 45,500-liter fuel tanks constructed with and integrated berm having a volume of 110% of the tank.

The 2 - 45,500-liter fuel tanks having an integrated berm will be installed at the camp site approximate locations shown on Figure 1.

The 2 - 50,000-liter double wall fuel tanks will be temporarily installed within the existing fuel drum storage berm on the camp site, shown on Figure 1, until the existing bulk fuel storage fuel tanks are repaired and enlarged to accept an additional 20 - 50,000-liter fuel tanks. The proposed berm enlargement will be subject to water Licence Part G item 1; "The Licensee shall submit to the Board for review for-construction design drawings, stamped and signed by a

qualified Engineer, at least sixty (60) days prior to the construction of any dams, dykes, or structures intend to contain, withhold, divert or retain water or waste”. The effluent quality from the bulk fuel storage facility, including the proposed enlargement, will be subject to respect water quality described in water licence Part D, item 19.

Figure 1, Proposed fuel tank locations

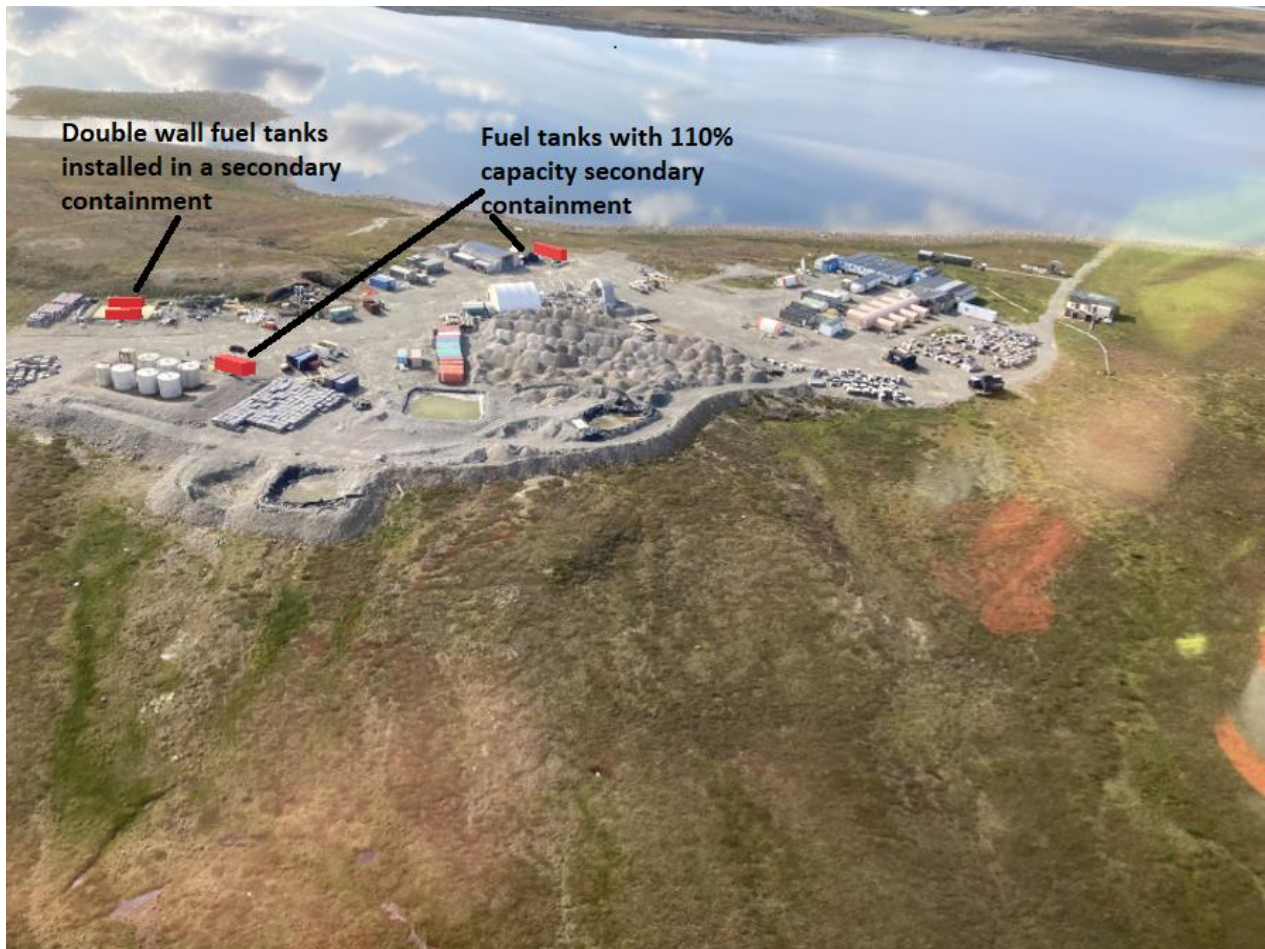


Figure 2, 45,500-liter fuel tank with integrated secondary containment



Figure 3, 50,000-liter double wall fuel tank



Figure 4, Location of the proposed berm enlargement



b. Sewage Treatment Facility

The existing Sewage Treatment Facility consists in a “Clementine” Rotating Biological Reactor Treatment System that can treat the wastewater produced by the 72-person camp. The rotating biological treatment system including lift stations, require maintenance and repairs. To ensure wastewater treatment as soon as the camp is reopened, Agnico Eagle is proposing to add a Kodiak Bionest Biological treatment system. This system will allow the wastewater to be treated during the maintenance and repairs to the Rotating Biological Reactor and will subsequently provide flexibility to the wastewater treatment if needed. The Kodiak Bionest system will include up to 2 Kodiak Bionest containers.

The Kodiak Bionest systems are “ready-to-use Bionest” advanced secondary wastewater treatment units that can be moved from one location to another as the complete treatment system is installed in a transportation container. The system includes a septic tank followed by a bioreactor as described in detail in the Kodiak Bionest operator’s manual.

The effluent produced by the Kodiak Bionest sewage treatment system will be subject to monitoring and shall respect the effluent criteria described in water licence Part D, item 11.

Figure 5, Kodiak Bionest installed in a transport container



3. Proponent information

Agnico Eagle is a Canadian publicly traded mining company listed on the Toronto and New York Stock Exchanges (NYSE:AEM, TSX:AEM) with head offices in Toronto, Ontario.

Agnico Eagle is a senior Canadian gold mining company that has produced precious metals since 1957. Its main operations are located in Canada, Finland, and Mexico, with exploration and development activities in each of these regions as well as in the United States. Agnico Eagle began exploring for minerals in Canada in 1953 and has been active in Nunavut since 1990.

Agnico Eagle has a proven reputation for sustainability and economic success wherever it operates. Its success is based on grassroots exploration and successful mining in politically stable countries. Agnico Eagle maintains strong relationships with the Nunavut Planning Commission, the Nunavut Impact Review Board, the Inuit Associations, the Nunavut Water Board, Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) and other regulators in advancing its projects. These relationships are built on thorough monitoring, transparent reporting, and presentation of information to the regulators and stakeholders, and are backed by successful and accomplished operations.

4. Contacts for the exploration activities

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5. Required authorizations

a. Land use

Agnico Eagle has the responsibility of the proposed project and related activities and has the responsibility for the reclamation and closure related to its activities once completed. When completed, Agnico Eagle will clean up and restore the sites at nearest state to baseline conditions.

b. Land use planning

All proposed project that required a licence or authorization from a land use authorizing agency, must be assessed by the NPC. The NPC emitted a confirmation for the Boston exploration project before the water licence renewal in February 2017.

c. Inuit Owned Land

Land and environmental management of Inuit Owned Land (IOL) in this area is administered by Kitikmeot Inuit Association. CIRNAC is the administrator for the Crown Land.

The area described in this application is located on Inuit Owned Land and an active Advanced Exploration Lease is maintained with the Inuit Association to continue the proposed activities.

6. Environmental screening

a. Public consultation

Agnico Eagle conducts public consultations/information sessions regularly concerning its exploration and development projects in Nunavut.

b. Inuit heritage

To ensure Inuit heritage protection Agnico Eagle conducts annual archaeological works on various exploration sites and these investigations are permitted by the Government of Nunavut. These works include office and field investigations conducted by archaeologists to find, identify and report archaeological sites. Annual reports are submitted to the Government of Nunavut including details of the completed investigations. These investigations are required for Agnico Eagle to protect archaeological sites during exploration activities and to respect the regulations. Protection buffers established by the archaeologist for any archaeological sites found must be respected in compliance with the regulations. The reports associated to the archaeological works are submitted to the Government of Nunavut.

c. Spill Contingency Plan

The Spill Contingency Plan designates lines of authority and responsibility, and establishes proper reporting and detailed action plans in the event of a spill. The plan is applicable to all employees and to any contractors working at the exploration project. A revision of the active Spill Contingency Plan will be done once modifications proposed to the water licence are accepted to ensure inclusion of the modification to the fuel storage.