



Water Resources Division  
Resource Management Directorate  
Nunavut Regional Office  
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Your file - Votre référence  
2AM-DOH1335  
Our file - Notre référence  
GCdocs # 105474532

August 22, 2022

Mr. Richard Dwyer  
Manager of Licensing  
Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, NU, X0B 1J0  
sent via e-mail: [licensing@nwb-oen.ca](mailto:licensing@nwb-oen.ca)

**Re: Crown-Indigenous Relations and Northern Affairs Canada's reply to Agnico Eagles Mines Limited's response to CIRNAC comments on the 2021 Annual Report for Type A Water licences 2AM- DOH1335 and 2AM-BOS1835, and Type B Water Licences 2BB-MAE1727, 2BB-BOS1727, and 2BE-HOP1222, for the – Hope Bay Project**

Dear Mr. Dwyer,

Thank you for your August 12, 2022 invitation for reply to Agnico Eagle Mine Limited's (AEM) response to Crown-Indigenous Relations and Northern Affairs Canada's (CIRNAC) July 6, 2022 comments on the 2021 Annual Report.

CIRNAC examined AEM responses in pursuant to its mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Crown-Indigenous Relations and Northern Affairs Act*.

AEM addressed all comments and as a result, CIRNAC has no further concerns.

Below are the CIRNAC's reply to AEM's response to comments:

#### **1. Potential Future Water Treatment Requirements**

CIRNAC recommended that AEM summarize the treatment options and other mitigations that have already been considered to manage the predicted increases of parameters of concern in the TIA.



### **AEM Response**

Agnico is committed to complying with MDMER and will not discharge non-compliant water from the Doris TIA. Based on the future interpretation of TSS trends, Agnico has procured a water treatment plant for the Doris TIA water that would help to reduce seasonal elevated TSS concentrations below MDMER limits, to allow for more operational flexibility, prior to discharging to Robert's Bay. The WTP also has the capacity to treat water from underground dewatering. Treatment of both TIA and UG waters can be done by batch separately or by commingling the two sources. The design of the plant considers future expansion and the ability to treat metals as required via chemical dosing. Details of the water management at site can be found in the Hope Bay Project Doris and Madrid Water Management Plan (June 2022). Construction of the plant is scheduled for Fall 2022 and commissioning is anticipated by freshet 2023.

CIRNAC concerns were addressed.

## **2. Incinerator Stack Testing**

CIRNAC recommended that AEM provide:

- Timelines for the stack testing in 2022; and
- The summary of the stack testing results in the 2022 Annual Report.

### **AEM Response**

The stack test is currently scheduled for August 24-31, 2022, at Hope Bay. A summary of the stack testing results will be presented in the 2022 Annual Report.

CIRNAC concerns were addressed.

## **3. Suspension of Production**

CIRNAC recommended that AEM provide further details on:

- The technical, logistical and/or financial factors that contributed to the decision to suspend production;
- The evaluations that AEM is undertaking to inform decisions regarding the operational future of the Hope Bay Project;
- Currently anticipated timelines for the decision-making process; and
- How the company plans to engage/inform NIRB, NWB, CIRNAC and other interested parties throughout the decision-making process.

### **AEM Response**

Agnico announced its decision on February 18, 2022 to place the Doris Mill into Care and Maintenance and suspend production of the Hope Bay Project. This decision was made after reassessment of the operation and weighing the importance of growing Hope Bay's gold resources to support future expansion as opposed to maintaining low-volume/high-cost mine production operation. After careful consideration, Agnico has decided to focus on exploration and expanding the property resources to make an informed decision for a future start-up of the mine. This decision allows Agnico to



take a methodical approach and carefully examine the existing deposits and the significant potential for more resources. There are no specific timelines to resume production, but is likely between two and three years before a decision is made. The existing Care and Maintenance Plan will be followed as per the Water License requirements and once a decision is made on the next steps, the appropriate parties will be informed.

CIRNAC concerns were addressed.

#### **4. Closure Planning**

CIRNAC recommended that AEM:

- Clarify if the temporary suspension of production will eventually transition into a permanent closure or there will be resumption of production prior to the full closure;
- Ensure that the current temporary suspension of operations is addressed in the next iteration of the Interim Closure and Reclamation Plans (ICRP) for the Hope Bay Project. Specifically, the ICRP should include options that involve the temporary production suspension transitioning into a permanent suspension requiring full closure earlier than previously planned;
- Should undertake a comprehensive update of all unit costs used in the preparation of its updated liability estimates, when developing an updated cost estimate of total mine closure 12 months after the current production suspension (per Part J Item 6 of NWB Type A Water Licence 2AM-DOH1335), to address recent inflammatory pressures for goods and services within the mining industry; and
- Proactively engage with NWB, KIA and CIRNAC to ensure that the next iteration of the Hope Bay Project ICRPs and updated cost estimates address the potential that the current temporary production suspension will become permanent

#### **AEM Response**

Agnico announced its decision on February 18, 2022 to place the Doris Mill into Care and Maintenance and suspend production of the Hope Bay Project. There are no specific timelines to resume production, but is likely between two and three years. At this time a full closure is not anticipated.

Agnico will ensure that the next iteration of the ICRP, considers the applicable scenarios. An updated closure plan based on changes to the mine plan and associated closure cost/security amounts will be submitted to the NWB in February 2023.

CIRNAC concerns were addressed.



CIRNAC appreciates the opportunity to participate in this review. If there are any questions, please contact me at (867) 975-4738 or [vincent.okonkwo@canada.ca](mailto:vincent.okonkwo@canada.ca)

Sincerely,

Vincent Okonkwo  
Sr. Environmental Assessment Specialist