



Amaruq Exploration Project

Exploration Camp Relocation

Main Application Document and Project Description

Supporting Document to Amend Authorizations

NPC: 148261

NIRB: 11EN010

NWB: 2BB-MEA1828

and to obtain land use authorization with KIA

August 2019

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2. Project summary

Exploration activities, including drilling, started on the Amaruq property in 2013 following the signature of a Mineral Exploration Agreement with the Nunavut Tunngavik Incorporated. In February 2017, Agnico Eagle Mines Ltd. approved development of the Whale Tail Pit as a satellite deposit to supply ore to the existing Meadowbank mill. The final permits were received in July 2018, when development began.

The exploration camp initially located at km 100 of the AWAR, near of the Meadowbank Mine, was transported and installed on the Amaruq property in 2014 to support exploration activities in the area. With the opening of the Whale Tail operation camp and the mining activities conducted in the vicinity, the exploration camp has to be relocated again to allow exploration activities to continue safely and efficiently.

The present application is submitted to obtain the authorizations to relocate the Amaruq exploration camp from its present location to a site located approximately 2.7km mostly East of the present location. This exploration camp continues to be necessary to support exploration programs in the region and on the Amaruq property.

a. Amaruq exploration camp

The planned relocated exploration camp will accommodate up to 75 workers in rooms located in trailers. The camp will also include offices located in tents, a core shack, a core splitting room, a garage, a kitchen, a dry, showers and toilets. Gensets for camp electricity, treatment for drinking and waste water (black and grey), 1 x 50 000 litre double wall tanks for diesel and 1 x 100 000 litre jet fuel storage and a 10 000 litre double wall tank for gas storage are also planned to be installed within this camp footprint. The waste generated will be segregated on site and then transported at the mine site in compliance with the application of the waste management plan in place. Exploration activities are planned to continue annually between February and November in the region and the camp could be opened all year long to support these.

b. Exploration activities

The planned exploration activities on the Amaruq property have already been authorized by Water licence 2BB-MEA1828 and by land use authorization KVL312C03. The authorizations are for prospection, geophysical surveying (airborne by helicopter and ground support), diamond drilling

and rock exposal by overburden removal. Underground drilling from the Whale Tail Portal is also conducted under this water licence.

c. Fuel planned to be stored on site

Due to the vicinity of the existing mining facilities and the access to the All Weather Road for resupply, a limited volume is planned to be stored on the relocated exploration camp site

- 1 x double wall 100000 litre for jet fuel
- 1 x double wall 50000 litre for diesel
- 1 x double wall 10000 litre for gas

d. Equipment available at this project

- 3 x ATV 4x4
- 1 x Snowbear
- 6 x Snowmobile
- 1 x Loader 420E Cat
- 3 x Ford F250
- 2 x Helicopter Bell 407
- 8 x Diamond Drill
- 4 x Bulldozer D6

e. Access Road

The construction of a gravel access is planned from the esker 6 borrow pit access up to the new exploration camp. This access will allow the camp to be connected to the main access road permitting the transport of the equipment, material and workers. This gravel access is planned to have a width of approximately 6.5 meters and a length of about 900 meters. Culverts will be installed to allow water drainage where it is needed, but no fish bearing stream will be crossed by the proposed planned access.

3. Proponent information

Agnico Eagle is 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 been producing 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 the Kivalliq Region since 1990. Agnico Eagle owns and operates the Meadowbank and the Meliadine Mines.

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 (NPC), the Nunavut Impact Review Board (NIRB), the Kivalliq Inuit Association (KIA), the Nunavut Water Board (NWB), 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 to obtain the required authorisations for the proposed project and has the responsibility for the reclamation and closure related to its site once completed. When its exploration program is completed, Agnico Eagle will clean up and restore the site.

b. Land use planning

All project proposals, in the Keewatin Planning Region, that require a licence or authorization from a land use authorizing agency must be assessed by the NPC for conformity with the Keewatin Regional Land Use Plan. The proposed relocation of the exploration camp is entirely located within the Kivalliq (Keewatin) region of Nunavut, and since a land use licence and a water licence amendment are required, conformity determination is requested from NPC.

c. Inuit Owned Land

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

The area described in this application is located on Inuit Owned Land so Agnico Eagle will have to be authorized for this, by the KIA. A valid land use licence with KIA, the KVL312C03, already authorizes the mineral exploration activities, including diamond drilling, on the Amaruq property. An amendment to the existing licence or a new licence will be required for the camp relocation.

d. Water licence

An amendment to the water licence is required since water is needed to operate the exploration camp in the kitchen, the showers and the toilets and it will be withdrawn from a different source than the one that is presently authorized for the Amaruq exploration camp. Also, waste generated by the camp operation and the related waste management are also elements that require to be authorized by an amendment of the licence.

6. Environmental screening

The information provided in this main application document has been compiled to meet the information requirements established by the various organizations. We understand that a positive environmental screening decision for this application is required before any other agency can issue any permits, leases, or authorizations that would allow us to commence the works described.

a. Public consultation

Agnico Eagle conducts public consultations regularly concerning its exploration projects and project developments in Nunavut, and the Amaruq project is one of projects that has been presented to different stakeholders. The project to relocate the exploration camp has not been presented yet, but the topic will be covered in future meetings. No new component is planned to be added by the relocation of this camp, as the project concerns only the relocation.

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 and findings. These investigations are required for Agnico Eagle to protect archaeological sites during exploration activities and to respect the regulations. Protection buffers are established by the archaeologist for any archaeological sites found, in compliance with the regulations.

c. Caribou protection

As already enforced at the Amaruq project to limit the impact on the caribou, Agnico Eagle will continue to apply the Terrestrial Ecosystem Management Plan that has been developed for the

Meadowbank and Whale Tail Mines. This Plan was developed based on Environmental Impact assessments which identify potential residual effects to wildlife and wildlife habitat, and for each potential effect, mitigation measures are proposed. Adaptive management is used to assess the effectiveness of the mitigation, and reports by regulatory agencies, technical reviewers, Terrestrial Advisory Group and stakeholders will further ensure that local and regional concerns have been adequately addressed.

d. Spill Contingency Plan

The Spill Contingency Plan designates lines of authority and responsibility, and establish 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. The plan has been revised to consider the new camp situation and is submitted with this application.

e. Site reclamation

The actual exploration camp area is within the footprint of the Whale Tail Operation site and is planned to become an ore stockpile area for the mining operations. The reclamation of this area is thus included in the global reclamation and closure plan developed for the Whale Tail Pit project and is also included in the exploration reclamation plan under the licence 2BB-MEA1828. Since many elements presently covered under the 2BB-MEA1828 licence will be transferred to the amended 2AM-WTP1826 licence, a reclamation and closure plan including solely the elements remaining under the 2BB-MEA1828 licence is proposed to be submitted to the Board for approval once the amendment of the licence 2AM-WTP1826 is accepted. This will allow a revision of the reclamation and associated costs.

Figure 1, Amaruq Exploration Camp Relocation Proposal



Figure 2, Preliminary Exploration Camp Design

