



NIRB File No. 11EN010

KIA File No.: KVL312C03

Other KIA File Nos.: KVCL305H305, KVRW11F01

AANDC File No.: N2011C0010

NWB File No.: 2BE-MEA0813

August 28, 2012

David Ningeongan
President of the Kivalliq Inuit Association
c/o Luis Manzo, Director of Lands
Kivalliq Inuit Association
Box 340
Rankin Inlet, NU
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Via email: dirlands@kivalliqinuit.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: Agnico-Eagle Mines Ltd.'s "IVR Exploration" project

Dear Luis Manzo:

On May 29, 2012, the Nunavut Impact Review Board (NIRB or Board) received an application from the Kivalliq Inuit Association (KIA) for a new Land Use Licence application for Agnico-Eagle Mines Ltd.'s (AEM) "IVR Exploration" project proposal. On August 9, 2012 the NIRB received a positive conformity determination (Keewatin Regional Land Use Plan) from the Nunavut Planning Commission (NPC) for this file. Following an initial review of the application materials submitted, the NIRB determined that this project proposal is related to AEM's previously screened "Pipe Dream Winter Road and Mining Exploration" project, NIRB File No.: 11EN010.

Please be advised that the NIRB received a positive conformity determination (Keewatin Regional Land Use Plan) for the original project proposal (NIRB File No.: 11EN010) from the NPC on March 10, 2011 and a request for screening from Indian and Northern Affairs Canada (INAC, now Aboriginal Affairs and Northern Development Canada or AANDC) on March 15, 2011. The proposal was screened by the Board in accordance with Part 4, Article 12 of the NLCA and on April 21, 2011 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

On August 20, 2011 the NIRB received an application from the Nunavut Water Board (NWB) for an amendment to the Type B Water Licence (2BE-MEA0813) for the “Pipe Dream Winter Road and Mining Exploration” project. After a thorough assessment of the amendment request, the NIRB determined that the application was exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA, and reissued the enclosed screening decision report on August 14, 2011.

On March 22, 2012 the NIRB received an application from AANDC for an amendment to Land Use Permit No. N2011C0010 for the “Pipe Dream Winter Road and Mining Exploration” project. After a thorough assessment of the request, the NIRB determined that the application was exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA, and reissued the enclosed screening decision report on April 30, 2012.

The current KIA application, the original NIRB Screening Decision Report (11EN010) and related file information are available from the NIRB’s ftp site at the following link:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2011/11EN010-AEM-Pipedream%20%26%20IVR%20Exploration/>.

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No. 11EN010), AEM’s ‘Pipe Dream Winter Road and Mining Exploration’ project was located within the Kivalliq region, approximately 90 kilometers (km) north of the Hamlet of Baker Lake (Meadowbank Exploration Project area) and approximately 43 km northeast of the Hamlet of Baker Lake (Greyhills Exploration Project area). The Proponent indicated that it intended to conduct exploration activities and construct and operate a winter road network near the Meadowbank project area. These proposed activities were located near the Meadowbank Exploration Camp which was previously assessed through the NIRB’s Review of the Meadowbank Gold project (File No. 03MN107) and which had been permitted to proceed pursuant to the NIRB’s Project Certificate No. 004 issued December 30, 2006.

Following an internal evaluation of the project scope, the NIRB determined that the proposed ‘Pipe Dream Winter Road and Mining Exploration’ project activities were not included in the Board’s previous review of the Meadowbank Gold Project and as such, these activities were treated as a new project subject to screening in accordance with Article 12 of the NLCA. The project activities were proposed to take place from April through August 2011.

The activities/components associated with this proposal included:

- Construction and operation of winter road network, approximately 26.5 km in length;
 - Originating at the Meadowbank Exploration Camp at km 100 of the Meadowbank All Weather Private Access Road
 - Maximize passage over frozen lakes
 - Preparation include removal of snow from lake ice without flooding

- Approximately 13,000 metres (total) on land and on ice diamond (exploration) drilling on Inuit Owned Land and Crown land at the Meadowbank and Greyhills Exploration Projects;
 - Approximately 78 drilling sites located within 19 different areas (areas to be connected via proposed winter road)
- Geological mapping, prospecting, some trenching, geophysical surveying;
- Access via winter road, supported by helicopter;
- Project personnel based out of the Meadowbank Exploration Camp (NIRB File No. 03MN107); and,
- Transportation of fuel and chemical materials on an as-needed basis to support drilling activities.

The activities and components associated with the previous August 20, 2011 Type 'B' water licence amendment included a request to conduct drilling activities within the 30 metre high water mark. The application also stated that all drill waste would be disposed of at a distance of at least 30 metres from the ordinary water mark.

The activities and components associated with the previous March 22, 2012 Land Use Permit amendment included a request to conduct exploration activities on additional Crown land. The activities were to be conducted from April 2012 to August 2014 and would have included approximately 30 drill sites per year for a total of 60 sites. Drilling were to be conducted on Crown Land and on-ice, located approximately 15 kilometres northwest and up to 20 kilometres north east of the Meadowbank mine site and the original exploration sites for NIRB File 11EN010.

CURRENT APPLICATION:

AEM is currently applying for a new Land Use Licence with the KIA to conduct exploration activities on Inuit Owned Lands associated with its IVR property, approximately 50 kilometres northwest of the Meadowbank Mine site. The components/activities would include:

- Prospecting, geophysical work, and soil sampling;
- Trenching to enhance surface rock exposure for geological mapping and channel sampling (4 to 8 trenches);
- On-land and on-ice drilling with approximately 30 holes per year or more to be drilled depending on results obtained;
- Short term storage of fuel and chemicals (diesel, gasoline and propane) at drill sites;
- Transportation of personnel, fuel and equipment via helicopter to the exploration site(s);
- Use of water for drilling activities as currently permitted under the amended Type B NWB licence; and,
- Any waste produced would be brought to the AEM mine site for proper disposal; and
- Use of Meadowbank Exploration Camp.

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

On August 15, 2012 NIRB distributed the current Land Use Licence application request to a regional distribution list, requesting submission of any comments or concerns related to the application by August 24, 2012.

Please be advised that the NIRB did not receive any comments regarding the proposed Land Use Licence application for AEM.

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed new Land Use Licence application does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original April 21, 2011 Screening Decision Report (enclosed).

If you have any questions or concerns, please contact Sophia Granchinho, Technical Advisor, at (867) 793-4633 or sgranchinho@nirb.ca.

Sincerely,



Ryan Barry
Executive Director

cc: David Frenette, Agnico-Eagle Mines Ltd.
Stéphane Robert, Agnico-Eagle Mines Ltd.
Veronica Tattuinee, Kivalliq Inuit Association
Jeff Mercer, Aboriginal Affairs and Northern Development Canada
Tracey McCaie, Aboriginal Affairs and Northern Development Canada
Phyllis Beaulieu, Nunavut Water Board

Enclosed: NIRB Screening Decision Report, File No.: 11EN010 (April 21, 2011)