



NIRB File Nos.: 03MN107, 11EN010

NWB File No.: 2BE-MEA0813

KIA File Nos.: KVL312C03, KVCL305H305, KVRW11F01

AANDC File No.: N2011C0010

October 18, 2012

Thomas Kabloona
Chairperson, Nunavut Water Board
c/o Phyllis Beaulieu, Manager of Licensing
Nunavut Water Board
Gjoa Haven, NU X0B 1J0

and

The Honourable John Duncan
Minister of Aboriginal Affairs and Northern Development
c/o Jeff Mercer, Manager of Land Administration
Aboriginal Affairs and Northern Development Canada
Iqaluit, NU X0A 0H0

Sent via email: licensing@nunavutwaterboard.org and jeff.mercer@aandc.gc.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: Agnico-Eagle Mines Ltd.'s Application for Renewal of NWB Water Licence for the "Meadowbank Exploration Camp" and "Pipe Dream Winter Road and Mining Exploration" projects, Kivalliq Region

Dear Phyllis Beaulieu and Jeff Mercer:

On October 11, 2012 the Nunavut Impact Review Board (NIRB or Board) received an application from the Nunavut Water Board (NWB) for a renewal to the Type B Water Licence (No. 2BE-MEA0813) associated with Agnico-Eagle Mines Ltd.'s (AEM) "Meadowbank Exploration Camp" and "Pipe Dream Winter Road and Mining Exploration" project proposals.

The NIRB initially received a positive conformity determination (Keewatin Regional Land Use Plan) for the "Pipe Dream Winter Road and Mining Exploration" project proposal (NIRB File No.: 11EN010) from the Nunavut Planning Commission (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 Nunavut Land Claims Agreement (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.

Following consideration of materials supplied to the NIRB, the Board previously determined that activities associated with the "Meadowbank Exploration Camp" were included within the scope of the NIRB's assessment and public review of the Meadowbank Gold mining project (File No. 03MN107) and as such, the activities were exempt from the requirement for further screening pursuant to NLCA Section 12.4.3. The Meadowbank Gold project was permitted to proceed pursuant to the NIRB's Project Certificate No. 004 issued December 30, 2006.

Additional authorization and extension requests associated with the "Pipe Dream Winter Road and Mining Exploration" project have also been reviewed by the NIRB following screening of the original project proposal (File No. 11EN010). In each instance, the NIRB confirmed that the application was exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA and that the activities therein remained subject to the terms and conditions recommended in the original April 21, 2011 Screening Decision Report. A summary of the additional applications associated with NIRB File No. 11EN010 are presented in Table 1.

Table 1: Additional applications associated with NIRB File No. 11EN010

Authorization	Application			Correspondence Issued by NIRB
	Date Received by NIRB	Type	Reason for Application	
Water Licence (2BE-MEA0813)	August 10, 2011	Amendment	To permit drilling activities to occur within the 30 metre high water mark	August 15, 2011
AANDC Land Use Permit	March 22, 2012	Amendment	To conduct exploration activities on additional Crown land	April 30, 2012
KIA Land Use Licence	May 29, 2012	New licence	To conduct exploration activities on Inuit Owned lands	August 28, 2012

The current NWB application, the original NIRB Screening Decision Report (File No. 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 included within the scope of the NIRBs assessment and Review of the Meadowbank Gold project (File No. 03MN107) and had been permitted to proceed pursuant to the NIRB's Project Certificate No. 004 issued December 30, 2006.

Following an evaluation of the project scope, the NIRB determined that the proposed "Pipe Dream Winter Road and Mining Exploration" project activities were not included within the scope of 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 application included:

- Conducting drilling activities within the 30 metre high water mark of proximal water bodies; and
- Disposal of all drill waste a minimum of 30 metres from the ordinary water mark of proximal water bodies.

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 was to be conducted on land and on ice, with sites located approximately 15 kilometres northwest and up to 20 kilometres northeast of the previously permitted exploration sites (NIRB File No. 11EN010).

The Proponent's May 29, 2012 application for a KIA Land Use Licence proposed additional exploration activities associated with its "IVR property" to take place on Inuit Owned Lands,

approximately 50 kilometres northwest of the Meadowbank Mine site. The activities and components included:

- 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 of approximately 30 or more holes per year (dependent upon results obtained);
- Short term storage of fuel and chemicals at drill sites, including diesel, gasoline and propane;
- Transportation of personnel, fuel and equipment to exploration sites via helicopter;
- Use of water for drilling activities as permitted under the amended Type B Water Licence; and,
- Backhaul of any waste produced to the Meadowbank mine site for disposal (NIRB File No. 03MN107); and
- Use of Meadowbank Exploration Camp (NIRB File No. 03MN107).

CURRENT APPLICATION:

AEM is proposing to renew its Type B Water Licence for water use and waste disposal associated with the “Meadowbank Exploration Camp” project (NIRB File No. 03MN107) and the “Pipe Dream Winter Road and Mining Exploration” project (NIRB File No. 11EN010).

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.”

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed Water Licence renewal 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,

A handwritten signature in black ink that reads "Ryan Barry". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Ryan Barry
Executive Director
Nunavut Impact Review Board

cc: David Frenette, Agnico-Eagle Mines Ltd.
Stéphane Robert, Agnico-Eagle Mines Ltd.
Luis Manzo, Kivalliq Inuit Association
Tracey McCaie, Aboriginal Affairs and Northern Development Canada

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