



NIRB File No.: 11EN010

Associated NIRB File Nos.: 03MN107, EX160 & EX211

AANDC File Nos.: N2013F0030 & N2011C0010

NWB File Nos.: 2BE-MEA0813 & 2BE-MEA1318

KIA File Nos.: KVCL314C01, KVL312C03,

KVCL305H305 & KVRW11F01

December 15, 2014

David Frenette
Agnico Eagle Mines Limited - Exploration Division
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Val-d'Or, QC J0P 4N9

Sent via email: david.frenette@agnicoeagle.com

Re: Application Acknowledgement for Agnico Eagle Mines Ltd.'s Amendment Requests with Aboriginal Affairs and Northern Development Canada, the Nunavut Water Board and the Kivalliq Inuit Association for the "Amaruq (IVR) Winter Access" Project

Dear David Frenette:

On October 29, 2014 the Nunavut Impact Review Board (NIRB or Board) received Agnico Eagle Mines Ltd.'s (AEM or Proponent) "Amaruq (IVR) Winter Access" project proposal. On October 30, 2014 the NIRB issued correspondence to AEM advising that a conformity determination from the Nunavut Planning Commission (NPC) and a referral from an authorizing agency would be required for the Board to screen the project proposal in accordance with Article 12, Part 4 of the Nunavut Land Claims Agreement (NLCA).

On November 18, 2014 and November 25, 2014 respectively, the NIRB received a positive conformity determination (Keewatin Regional Land Use Plan) from the NPC and a screening request from Aboriginal Affairs and Northern Development Canada (AANDC) for an amendment to the Land Use Permit (No. N2013F0030) associated with this project proposal. On November 20, 2014 and November 24, 2014 respectively, the NIRB received an amendment application from the Nunavut Water Board (NWB) for AEM's Water Licence (No. 2BE-MEA1318) and a screening referral from the Kivalliq Inuit Association (KIA) associated with the Land Use Licence (No. KVCL314C01) previously issued for the Amaruq (IVR) Winter Access project.

Please be advised that the NIRB initially received a positive conformity determination (Keewatin Regional Land Use Plan) for the originally named "Pipe Dream Winter Road and Mining

Exploration” 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 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.

Additional authorization and extension requests associated with the “Amaruq (IVR) Winter Access” project have also been reviewed by the NIRB following screening of the original project proposal (File No. 11EN010). As summarized below, 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.

PREVIOUSLY-SCREENED PROJECT PROPOSAL

As previously screened by the NIRB (File No. 11EN010), AEM’s original “Pipe Dream Winter Road and Mining Exploration” project was located within the Kivalliq region, on two properties: the Meadowbank Exploration Project area, approximately 90 kilometers (km) north of the Hamlet of Baker Lake; and the Greyhills Exploration Project area, approximately 43 km northeast of the Hamlet of Baker Lake. 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 NIRB’s Review of the Meadowbank Gold Mine project (File No. 03MN107) that 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 “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 Mine Project and as such, these activities were treated as a new project subject to screening in accordance with Article 12 of the NLCA.

The activities and/or components associated with the proposal originally screened under 11EN010, 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 (m) 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 10, 2011 NWB Type B Water Licence (No. 2BE-MEA0813) amendment application included:

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

The Proponent's March 22, 2012 application to amend its AANDC Land Use Permit (No. N2011C0010) included a request to conduct exploration activities on additional Crown land from April 2012 to August 2014 and included the following components:

- Approximately 30 drill sites per year for a total of 60 sites;
- Drilling 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 new KIA Land Use Licence (No. KVL312C03) 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 were determined to be related to the NIRB's 11EN010 screening, and 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).

The activities and components associated with the previous January 21, 2013 Type B Water licence (*associated* NIRB File No. EX160; NWB File No. 2BE-MEA0813) amendment included a request to add two exploration areas to the licence: "IVR Exploration" and "south Meadowbank area".

The Proponent requested a two year extension to its AANDC Land Use Permit (No. N2011C0010) in the May 23, 2013 extension application, to continue land use operations.

The Proponent's March 27, 2014 application for an amendment to its project and a new AANDC Land Use Permit (No. N2013F0030) included additional activities and components:

- Development and operation of a winter access road, approximately 53 kilometres in length from the Meadowbank mine site to the IVR Exploration site;
 - Winter road mostly located on lakes with 9 km located on land;
 - No use of water for preparation of winter road;
- Use of winter access road to transport material, equipment and fuel for exploration activities;
- Archaeological investigation to be conducted in the summer of 2014.

In addition, AEM's June 27, 2014 Type B Water Licence (*associated* NIRB File No. EX211; NWB File No. 2BE-MEA1318) amendment application included the establishment of a 50 person temporary exploration camp consisting of 12 tents.

CURRENT APPLICATION

AEM is currently proposing to amend its Land Use Permit (No. N2013F0030) with AANDC to include the following additional components and activities which are proposed to take place from February 2015 to September 2016:

- Development and operation of an alternative winter access road, approximately 79 kilometres in length and 5 metres (m) wide, from the Meadowbank mine site to the Amaruq (IVR) exploration area to transport materials, equipment and fuel for exploration activities;
 - Winter road mostly located on lakes with 7 km located on land with a total area of 3.5 hectares;
 - Winter access road to be used from February to May with approximately 4 trips per day;
 - No use of water for preparation of winter road;
- Archaeological investigation of the proposed winter access route to be completed in the summer of 2015.

The Proponent is also currently proposing an amendment to its NWB Water Licence (No. 2BE-MEA1318) to allow for the following activities, which are proposed to take place from July 2014 to September 2018:

- Potential installation of an airstrip approximately 15 m wide and 500 m long at the south side of the proposed exploration camp using gravel from an esker near proposed location;
- Potential transportation of materials, drills and personnel between the Meadowbank and Amaruq sites via airplane;
- Installation of accommodations trailers for up to 60 personnel;

- Storage of fuel (diesel, gasoline, aviation fuel and propane) and hazardous materials and chemicals (oil, glycol, and grease) in double-walled tanks and/or drums stored in lined berms;
- Installation of a “Bionest” water treatment system to treat sewage and grey water before discharge into the environment;
 - Accumulated sludge (solid materials) to be disposed of in a pit near the site biennially (every 2 years) and treated with lime and covered with a minimum of 30 centimetres (cm) of compacted soil;
 - Potential alternative disposal of grey water in a sump to be released to the environment following treatment;
- Incineration of combustible solid waste;
- Non-combustible solid waste including scrap metal, hazardous waste, contaminated soil and snow to be transported to an approved facility;
- Empty barrels to be reused or transported to a recycling facility via barge;
- Total water consumption of 299 m³/day for all project related activities (including camp and drill activities).
 - Additional water consumption of 30 cubic metres per day (m³/day) to be used for drilling activities for a total 280 m³/day; and
 - Additional water consumption for domestic use of 10 m³/day to be used for a total of 19 m³/day.

AEM has also applied for a new Commercial Lease with the KIA (No. KVCL314C01) to allow for the following activities, with construction to commence in 2015:

- Camp construction, including installation of accommodations trailers, construction of a garage and gravel pad, and installation of a Bionest waste water treatment system;
 - Camp to be re-opened February 2015;
 - Use and construction of 2 gravel pits;
- Construction of gravel roads to support exploration, approximately 5 m wide and 0.40 m thick, within the KIA commercial lease area;
- Drilling activities to commence March 2015, with up to 6 drills anticipated to be in operation for the 2015 season;
 - Storage capacity of 400,000 Litres (L) with tanks to be refilled during the winter season;
 - Installation of 9 - 55, 000 Litre (L) and 2 – 100,000 L double-walled tanks;
- Continuation of archaeological investigations in the Amaruq region;
- Additional water use for drilling activities as permitted under the amended NWB Type B water licence.

REQUEST FOR COMMENT

The NIRB has determined that this request may result in a change to the original scope of the project.

The AANDC, NWB and KIA applications, as well as the original NIRB screening file (No. 11EN010) are available from NIRB’s online public registry at the following link:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2011/11EN010-AEM-Amaruq/>.

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.”

The NIRB is of the opinion that the amendment requests are not likely to *significantly* change the general scope of the original project activities. Therefore the NIRB is *proposing* to re-issue the same terms and conditions as those in the attached April 21, 2011 Screening Decision, along with any new terms and conditions the NIRB considers appropriate. The NIRB is copying parties and municipalities potentially affected by this project and we invite interested persons to comment directly to the NIRB by **December 29, 2014**.

The NIRB would like Parties to provide comments regarding:

- Whether the inclusion of the additionally proposed component(s) and/or activity(ies) would significantly modify the project;
- Any additional mitigation measures that are appropriate; and
- Any other matter of importance to the Party related to the project proposal.

Please send your comments directly to the NIRB at info@nirb.ca or via fax to **(867) 983-2594**.

If you have any questions or require clarification, please contact the undersigned at (867) 983-4606 or hramussen@nirb.ca.

Sincerely,



Heather Rasmussen
Technical Advisor
Nunavut Impact Review Board

cc: Stéphane Robert, Agnico Eagle Mines Ltd.
Phyllis Beaulieu, Nunavut Water Board
Luis Manzo, Kivalliq Inuit Association
Tracey McCaie, Aboriginal Affairs and Northern Development Canada
Distribution List

Enclosures (3): Comment Forms (English and Inuktitut)
NIRB Screening Decision Report, File No.: 11EN010 (April 21, 2011)