



Nunavut Regional Office
Water Resources Division
Iqaluit, NU

Our reference:
IQALUIT-#487380

October 12, 2011

Your reference:
2BE-MEA0813 Amendment No. 2

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
Gjoa Haven, NU

Email: licensing@nunavutwaterboard.org

Re: Application for Amendment No. 2 to Water Licence No. 2BE-MEA0813 –Distribution of Additional Information

Dear Ms. Beaulieu,

On September 28, 2011 the Nunavut Water Board (NWB or Board) requested that interested parties review additional information submissions that were received concerning the above-cited water licence amendment request. The Board received these submissions in response to their August 20, 2011 letter to the Licensee (Agnico Eagle Mines Ltd. or AEM) where AEM was provided an opportunity to respond to submissions made following the Board's (initial) June 7, 2011 distribution of their licence amendment application and the conflict noted between the licence amendment application and the Nunavut Impact Review Board's screening decision dated April 21, 2011 (NIRB File 11EN010).

As presented in the NWB's September 28, 2011 letter, the additional information received were as follows:

- Letter from AEM to Aboriginal Affairs and Northern Development Canada providing mitigation measures that will be implemented prior to, or during and following drilling activities within thirty (30) metres of the ordinary high water mark of a water body¹;
- Letter from NIRB to NWB confirming that the file does not require further screening²; and,

¹ Letter from D. Frenette, AEM, Exploration, to T. McCaie, AANDC, Subject: Amendment No. 2 to Water Licence 2BE-MEA0813 – Response to Review Comments, dated August 31, 2011.

² Letter from A. Hanson, NIRB, to D. Hohnstein, NWB, Re: Application exempt from Screening pursuant to NLCA Schedule 12-1: Amendment Request for Agnico-Eagle Mines Ltd.'s Water Licence with the Nunavut Water Board for their "Pipe Dream Winter Road and Mining Exploration Project," dated August 15, 2011.

- Letter from AANDC to NWB noting a conflict between the amendment request to drill within thirty (30) metres of the ordinary high water mark of a waterbody and the June 10, 2011 AANDC Land Use Permit, #N2011C0010³.

On behalf of the Aboriginal Affairs and Northern Development Canada (AANDC) Water Resources Division, I contacted AEM through email correspondence on October 5, 2011 (attached) to provide notification that a formal written request to amend their AANDC Land Use Permit (#2011C0010) must be submitted to Ms. Tracey McCaie, AANDC Land Administration Specialist. The August 31, 2011 letter that was submitted by AEM to Ms. McCaie could not be processed because it did not specifically request an amendment to the Land Use Permit or identify those conditions that require revision. To facilitate a timely land use permit amendment I have advised AEM that they should contact Ms. McCaie to ensure that all of the information required by AANDC Land Administration can be submitted.

The AANDC Water Resources Division recommends that the Nunavut Water Board process AEM's submitted water licence application following confirmation of an amendment to AANDC Land Use Permit #2011C0010 that would allow drilling activities within the thirty (30) metre ordinary high water mark zone.

Please do not hesitate to contact me by telephone at 867 975-4555 or email at David.Abernethy@inac-ainc.gc.ca to discuss this submission.

Regards,

David W. Abernethy
Regional Coordinator

Cc: Ian Parsons, A/ Manager of Water Resources
Andrew Keim, A/ Manager of Field Operations
Tracey McCaie, Land Administrator Specialist

³ Letter from D. Abernethy, AANDC, to P. Beaulieu, NWB, Re: Amendment No. 2 to Water Licence 2BE-MEA0813, Agnico-Eagle Mines Ltd., dated August 30, 2011.