



July 25, 2014

Your file - Votre référence  
2BE-MEA0814

Our file - Notre référence  
IQLAUIT-#820768

Phyllis Beaulieu  
Manager of Licensing  
Nunavut Water Board  
GJOA HAVEN, NU X0E 1J0

**Re: Aboriginal Affairs and Northern Development Canada Review of Agnico Eagle Mines Ltd.'s  
Application to Amend Water Licence #2BE-MEA1318, 2014 Amendment #1**

Dear Ms. Beaulieu:

Thank you for your email of June 25, 2014, concerning the above mentioned application. A memorandum is provided for the Board's consideration. Comments and recommendations have been provided pursuant to Aboriginal Affairs and Northern Development Canada's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me by telephone at 867-975-4555 or email at [david.abernethy@aadnc-aadnc.gc.ca](mailto:david.abernethy@aadnc-aadnc.gc.ca) for further information.

Sincerely,

David Abernethy  
Regional Coordinator  
Water Resources Division  
Resource Management Directorate  
Aboriginal Affairs and Northern Development Canada  
IQALUIT, NU X0A 0H0

Encl.

c.c.: Murray Ball, Manager of Water Resources, AANDC Nunavut  
Erik Allain, Manager of Field Operations, AANDC Nunavut

# Memorandum

To: Phyllis Beaulieu, Nunavut Water Board

From: David Abernethy, Aboriginal Affairs and Northern Development Canada

CC: Murray Ball (AANDC) and Erik Allain (AANDC)

Date: July 25, 2014

**Re: Water Licence Amendment Application, #2BE-MEA1318**

Licensee: Agnico Eagle Mines Ltd.  
Project: Meadowbank Exploration  
Region: Kivalliq

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## Comments:

### A. Background

On June 25, 2014, the Nunavut Water Board (the "NWB") provided notification of an application to amend Agnico Eagle Mines Ltd.'s (the "Licensee") Type 'B' Water Licence #2BE-MEA1318 to include the recently enlarged IVR property and allow for the installation of a 50 person exploration camp (average population anticipated to be no more than 25 people). In January 2013, the Licensee secured the IVR property through an exploration agreement with Nunavut Tunngavik Inc. It began drilling within the property area the following summer in search of gold mineralization. The property is located 50 km northeast of the Meadowbank Mine and 125 km north of the Hamlet of Baker Lake. This new exploration program is anticipated to be completed in the summer of 2017 and any required reclamation work will be performed in the spring of 2018.

The Licensee will follow standard practices for exploration undertakings (e.g., the disposal of camp greywater and drill water in sumps, the incineration of fecal matter, etc.) and utilize existing Meadowbank Mine facilities to manage non-combustible and hazardous waste materials.

Interested parties were asked to review this application and provide comments by July 25, 2014.

## B. Results of review

On behalf of Aboriginal Affairs and Northern Development Canada ("AANDC"), the following comments and recommendations are provided:

1.	<p><b>Redistribution of daily water consumption allowance for domestic purposes</b></p> <p><b>Comment:</b> The Licensee is requesting that the existing 19 m<sup>3</sup> daily domestic freshwater allowance be applied to both the existing Meadowbank and the planned IVR Exploration Camps. This volume would be distributed to allow 10 m<sup>3</sup> of water at the Meadowbank Exploration Camp and 9 m<sup>3</sup> at the IVR Exploration Camp. The daily water consumption allowance for drilling operations will remain unchanged at 250 m<sup>3</sup> per day.</p> <p><b>Recommendation:</b> AANDC has no issue with the Licensee's request to redistribute the existing daily water consumption allowance between the two exploration camps. Compliance with existing terms and conditions (i.e., Part C, Items 2 and 3 of the licence) should prevent any drawdown of source water bodies.</p>
2.	<p><b>Spill contingency planning</b></p> <p><b>Comment:</b> The Licensee's May 2013 Spill Contingency Plan does not include details specific to the IVR property (e.g., new exploration camp). Rather it is specific to the existing Meadowbank Exploration Camp and mineral exploration activities (e.g., drilling operations)</p> <p><b>Recommendation:</b> The Licensee should provide an updated Spill Contingency Plan that includes details specific to the IVR property (e.g., available spill response kits, fuel caches) and any other applicable revisions (e.g., company contact details).</p>
3.	<p><b>Closure Planning</b></p> <p><b>Comment:</b> The Licensee's December 2012 Closure and Reclamation Plan does not include details specific to the IVR property (e.g., new exploration camp). Rather it is specific to the existing Meadowbank Exploration Camp and mineral exploration activities (e.g., drilling operations).</p> <p><b>Recommendation:</b> The Licensee should provide an updated Closure and Reclamation Plan that includes details specific to the IVR property and any other applicable revisions.</p>

Prepared by David Abernethy