

Application for Water Licence Amendment

Document Date: April 2013

Application Submission Date: 11/21/2013

Month/Day/Year

P.O. BOX 119 GJOA HAVEN, NUNAVUT XOB 1J0

Tel: (867) 360-6338 FAX: (867) 360-6369 אבת אברת שלי באלי שלי באלי אוניים איני אברת איניים איניים אוניים איניים איניים

DOCUMENT MANAGEMENT

Original Document Date: April 2010

DOCUMENT AMENDMENTS

	Description	Date
(1)	Updated for public distribution as separate document from NWB Guide 7	June 2010
(2)	Updated NWB logos and reformatted table to allow rows to break across page	May 2011
(3)	New NWB logo; request for background information; and change to Block 24	April 2013
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		



P.O. Box 119

TEL: (867) 360-6338

FAX: (867) 360-6369

POSC PLEASE PULSC GJOA HAVEN, NU X0B 1J0 NUNAVUT WATER BOARD NUNAVUT IMALIRIYIN KATIMAYIT OFFICE DES EAUX DU NUNAVUT

APPLICATION FOR WATER LICENCE AMENDMENT

The applicant is referred to the NWB's Guide 7: Licensee Requirements Following the Issuance of a Water Licence for more information about this application form.

Where possible, provide background information regarding the original licence application or attach previously submitted information.

EXISTING LICENCE NO: 2BB-MEL0914
1. LICENSEE CONTACT INFORMATION
Is the licensee the same as that referred to on the existing licence?
X Yes No
If No, a licence assignment must be completed and approved by the NWB. An amendment will only be issued in the name of the current licensee in the absence of assignment of the licence.
If the licensee is the same, but the <u>name</u> of the licensee has changed, attach a certificate of name change.
Name: Agnico-Eagle Mines Limited Attention: Stéphane Robert, Manager Regulatory Affairs Nunavut
Address: 10 200, route de Preissac, Rouyn-Noranda, Québec, J0Y 1C0
Phone: (819) 759-3700 ext. 5188 Mobile Phone: (819) 763-0229 Fax: (819) 759 3663
e-mail: stephane.robert@agnicoeagle.com
2. LICENSEE REPRESENTATIVE CONTACT INFORMATION – If different from Block 1.
Name:
Address:
Phone: Fax:
e-mail: (Attach authorization letter.)

3.	NAME OF PROJECT	
Has the	e name of the project changed?	
	☐ Yes X No	
If Yes,	indicate the name of the project including the name of the location:	
4.	LOCATION OF UNDERTAKING	
Does	the proposed amendment change the location of the amended undertaking?	
	☐ Yes X No	
Provid	de the project extents and camp locations. Identify proposed changes.	
Projec	t Extents	
NW: NE: SE: SW:	Latitude: (63 ° 04 ′ 40" N) Latitude: (63 ° 04 ′ 40" N) Latitude: (62 ° 57 ′ 63" N) Longitude: (92 ° 22 ′ 03" W) Longitude: (92 ° 01′ 18" W) Longitude: (92 ° 01′ 18" W) Longitude: (92 ° 22 ′ 03" W)	
Camp	Location(s)	
Latitud	de: (63 ° 01 ' 30" N) Longitude: (92° 10' 20" W)	
5.	MAP	
Does th	ne proposed amendment change the locations of any of the main components of the undertaking?	
	☐ Yes X No	
Attach	a topographical map, indicating the main components of the undertaking. Identify proposed changes.	
NTS M	ap Sheet No.: 55 N/1 Map Name: Meliadine Lake Map Scale: 1:50,000	
The fig	ures can be found at the end of the amendment application.	
Figure 1 shows the location of the advanced exploration site in relation to Rankin Inlet.		
explora	2 shows the location of the proposed landfarm in relation to the main infrastructure at the advanced ation site. The landfarm would be located immediately next to the bulk fuel storage area and in the old referred farm containment area. This has an impermeable liner.	

6. NATURE OF INTEREST IN THE LAND	
Does the proposed amendment change the nature of the int	erest in the land?
—	No
If Yes, indicate changes	
Check any of the following that are applicable to the propose 'Surface' header must be checked).	ed undertaking (at least one box under the
Sub-surface	
X Mineral Lease from Nunavut Tunngavik Incorporat	ed (NTI)
Date (expected date) of issuance: various times after Date of expiry: varies, renewed as required	r Nunavut Land Claim Agreement signed
Agnico-Eagle has 3,430 ha of sub-surface Nunavut subsurface mineral rights are administered directly b	
X Mineral Lease from Indian and Northern Affairs Ca Date (expected date) of issuance: before NLCA sign Date of expiry: varies – earliest 2017 for some claims	ed
Mineral leases (51,286 ha) and claims (887 ha) are g Regulations and are administered by Aboriginal Affa	
Surface	
Crown Land Use Authorization from Indian and No Date (expected date) of issuance: D	
☐ Inuit Owned Land (IOL) Authorization from Kitikmo Date (expected date) of issuance: □	
X IOL Authorization from Kivalliq Inuit Association (K Date (expected date) of issuance: commercial lease, Date of expiry: June 30, 2014, (renewed every 2 year	July 1, 2002
☐ IOL Authorization from Qikiqtani Inuit Association Date (expected date) of issuance: □	
Commissioner's Land Use Authorization Date (expected date) of issuance: D	Date of expiry:
Other	
Date (expected date) of issuance: D	Date of expiry:
Is the name of the entity(s) holding authorizations the same	as that considered in the existing water
licence? X Yes] No
If No, a licence assignment must be completed and approve	ed by the NWB.
Name of entity(s) holding authorizations:	

7.	NUNAVUT PLANNING COMMISSION	(NPC) DETERMINATION	
Indicat	Indicate the land use planning area in which the existing project is located.		
	☐ North Baffin ☐ South Baffin ☐ Akunniq	X Keewatin Sanikiluaq West Kitikmeot	
Does t	he proposed amendment change the lan	d use planning area?	
		☐ Yes X No	
If yes,	indicate the land use planning area in wh	nich the amended undertaking is located.	
	☐ North Baffin ☐ South Baffin ☐ Akunniq	☐ Keewatin☐ Sanikiluaq☐ West Kitikmeot	
Was a		required from NPC prior to the issuance of the existing water	
If Yes	, indicate date issued and attach copy. M	X Yes ☐ No ay 11, 2007. A copy is attached.	
Does	the proposed amendment change the ori	ginal NPC conformity determination or the need to obtain one?	
		☐ Yes X No	
If Yes	, indicate date issued (or expected) and a provide written confirmation from NPC co	attach a copyonfirming that a land use plan conformity review is not required.	
8.	NUNAVUT IMPACT REVIEW BOARD	(NIRB) DETERMINATION	
Was a	screening determination required from N	IIRB prior to the issuance of the existing water licence?	
		X Yes No	
If Yes		IRB File # 07EN044, Issued 3 June 2007. A copy is	
Does one?	the proposed amendment change the ori	ginal NIRB screening determination or the need to obtain	
		☐ Yes X No	
If Yes	, indicate date issued (or expected) and a provide written confirmation from NIRB c	attach a copyonfirming that a screening determination is not required.	

9.	DESCRIPTION OF UNDERTAKING
Does th	ne proposed amendment change the description of the undertaking?
	☐ Yes X No
List and	d attach plans and drawings or project proposal. Identify proposed changes.
Landfa	rm Management Plan - a copy is attached.
10.	OPTIONS
	ne proposed amendment change any of the alternative methods and locations that were considered out the project?
	☐ Yes X No
	e a brief explanation of the alternative methods or locations that were considered to carry out the ldentify proposed changes.
11.	CLASSIFICATION OF PRIMARY UNDERTAKING
Indica boxes	te the primary classification of undertaking for the existing licence by checking one of the following :
	☐ Industrial ☐ Agricultural X Mining and Milling (includes exploration/drilling/exploration camps) ☐ Conservation ☐ Municipal (includes camps/lodges) ☐ Recreational ☐ Power ☐ Miscellaneous (describe below):
Does t	he proposed amendment change the classification of primary undertaking?
	☐ Yes X No
If Yes,	indicate the primary undertaking of the amendment:
	nation in accordance with applicable Supplemental Information Guidelines (SIG) must be updated and tted with an Application for Amendment. Indicate which SIG(s) are applicable to your application.
	 Hydrostatic Testing Tannery Tourist / Remote Camp Landfarm & On-Site Storage of Hydrocarbon Contaminated Soil Onshore Oil and Gas Exploration Drilling Mineral Exploration / Remote Camp X Advanced Exploration (<i>The completed form is attached.</i>) Mine Development Municipal General Water Works Power

12. WATER USE		
Indicate, using the boxes below, the types of water use(s) approved in the existing licence.		
X To obtain water for camp/ municipal purposes X To obtain water for industrial purposes To cross a watercourse To alter the flow of, or store water Other:		
Does the proposed amendment change the type(s) of water use(s)?		
☐ Yes X No		
If Yes, indicate using the boxes below, the proposed change(s) to the type(s) of water use(s) noting any water use(s) that are to be added, continued, or removed.		
☐ To obtain water for camp/ municipal purposes ☐ To obtain water for industrial purposes ☐ To divert a watercourse ☐ To cross a watercourse ☐ To modify the bed or bank of a watercourse ☐ To alter the flow of, or store water ☐ Flood control ☐ Other: ☐ Flood control		
13. QUANTITY OF WATER INVOLVED		
Does the proposed amendment change the source of water?		
Indicate the water source(s). Identify proposed changes:		
Water for camp use (45 m³/day) comes from Meliadine Lake. Water for drilling (245 m³/day) comes from Lake A8 and small ponds near drill sites. There will not be any changes.		
The landfarm could in dry years use a small amount of water obtained from approved sources (<5 m³ per year), these being Meliadine Lake, Lake A8 or a nearby small pond. Water may be required over the summer period for dust suppression originating from the landfarm, and possibly to supply the microbes in the landfarm with moisture. These microbes are expected to remove petroleum hydrocarbons from the contaminated soil.		
(show location(s) on map) Figure 2 shows Meliadine Lake, Lake A8 and nearby small ponds.		
Does the proposed amendment change the quality of the water source and/or its available capacity?		
☐ Yes X No		
Describe the quality of the water source(s) and the available capacity(s). Identify any changes.:		
Does the proposed amendment change the overall quantity of water to be used?		
☐ Yes X No Provide the overall estimated quantity to be used. Identify proposed changes. : m³/day		
Does the proposed amendment change the quantity of water to be used from each source?		
☐ Yes X No		

Provide the estimated quantity(s) of water to be used from each source. Identify proposed changes:		
Does the proposed amendment change the quantity of water to be used for each purpose?		
☐ Yes X No		
Provide the estimated quantities to be used for each purpose (camp, drilling, etc.). Identify proposed changes:		
Does the proposed amendment change the method(s) of extraction?		
Describe the method(s) of extraction. Identify proposed changes. :		
Does the proposed amendment change the quantity(s) of water returned to source(s)?		
☐ Yes X No		
Estimated quantity(s) of water returned to source(s). Identify proposed changes. :0 m ³ /day		
Does the proposed amendment change the quality(s) of water returned to source(s)?		
☐ Yes X No		
Describe the quality(s) of water(s) returned to source(s). Identify any changes. :		
44		
14. WASTE		
Check the appropriate box(s) to indicate the types of waste(s) approved in the existing licence.		
X Sewage (BIOdisk treatment) X Waste oil (collected and sent south for recycle) X Solid Waste (onsite landfill) X Greywater (BIOdisk treatment)		
X Hazardous (sent south for disposal) X Sludges (Sewage sludge – used in reclamation) X Bulky Items/Scrap Metal (shipped south)		
Does the proposed amendment change the type(s) of waste(s) to be generated or deposited?		
X Yes No		
If Yes, indicate using the boxes below, the proposed change(s) to the type(s) of waste(s) to be generated and/or deposited noting the addition, removal or continued generation and/or disposal of waste(s).		
☐ Sewage ☐ Waste oil ☐ Greywater		
☐ Solid Waste ☐ Greywater ☐ Hazardous ☐ Sludges		
Bulky Items/Scrap Metal X Contaminated soil and/or water Animal Waste Other (describe):		

TITY AND QUALITY OF WASTE INVOLVED
posed amendment change the quantity(s) of the types of wastes involved?
☐ Yes X No
posed amendment change the composition(s) of the types of wastes involved?
☐ Yes X No
posed amendment change the method(s) of treatment for the types of waste involved?
X Yes
posed amendment change the method(s) of disposal for the types of waste involved?
X Yes
of the above, describe the proposed changes: Hydrocarbon contaminated soil will be landfarmed ent area having an impermeable liner. The lined area was previously used to hold fuel Landfarm Management Plan for details.

For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.

Type of Waste	Composition	Quantity Generated (tonnes/year)	Treatment Method	Disposal Method
Solid Waste	Scrape wood, scrape shingles, cardboard boxes, plastic materials, glass, hoses, etc.	15 to 30	No treatment	Landfill. Small quantities of scrape wood and cardboard could be incinerated
Bulky items / scrape metal	Drill steel, broken machinery, 205 litre barrels, old skidoos, etc.	50 to 100	All waste is cleaned of hydrocarbons and electronics removed before disposal. Scrap metal also sent south for recycling.	Landfill and recycling in the south
Incinerator Ash	Ash, tin cans, glass	22 to 45	Waste from offices, rooms and kitchen are all incinerated + anything in contact with food	Landfill or shipped to a southern certified waste management facility for treatment and disposal
Hydrocarbon Contaminated Soil	Soil having diesel, gasoline or other light hydrocarbons	Varies annually based on the number of spills	Aeration and biological treatment of contaminated soil	Landfarm
Sewage sludge	Sludge remaining following waste water treatment	Estimated at 3 to 20 m3/year (varies with the annual quantity removed from the BIOdisk treatment plant)	Pumped from the treatment plant and passed through a filter press to retain the solids	Used in reclamation of disturbed land at drill sites or in the landfarm.

16. OTHER AUTHORIZATIONS
Does the proposed amendment change the need for other authorizations in addition to the sub-surface and surface land use authorizations provided in Block 6?
X Yes
If Yes, indicate any additional authorizations required, which authorizations are no longer required, and which authorizations continue to be required.
For each provide the following:
The advanced exploration project is located on Inuit Owned Land. The Kivalliq Inuit Association must approve the establishment of a landfarm on the commercial lease held by AEM. No other approvals are required.
For each provide the following:
Authorization: Approval from the Kivalliq Inuit Association to establish a landfarm on the commercial lease. A copy of the letter sent to KIA is attached.
Administering Agency: Kivalliq Inuit Association
Project Activity: Approval of landfarm.
Date (expected date) of issuance: 20 Dec 2013 Date of expiry: AEM's commercial lease is renewed every two years. Next expiry date is July 1, 2014
17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES
Does the proposed amendment change the predicted environmental impacts of the undertaking or the mitigation measures?
Yes X No Describe direct, indirect, and cumulative impacts related to water and waste. Identify any changes.
18. WATER RIGHTS OF EXISTING AND OTHER WATER USERS
Was compensation paid and/or an agreement(s) for compensation been entered into with any existing or other users of water during consideration of the existing licence?
Yes X No If Yes, provide the names, addresses and the nature of water use by those persons or properties.
Does the proposed amendment adversely affect any known persons or property including those that hold licences for water use in precedence to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature?
$\label{eq:Yes} \ \ \text{Yes} \text{X No}$ If Yes, provide the names, addresses and the nature of water use of those persons or properties.
Advise the Board if compensation has been paid and/or an agreement(s) for compensation has been reached with any existing or other water users with respect to the proposed amendment.

19. INUIT WATER RIGHTS		
Was compensation paid/ or an agreement(s) for compensation been entered into with any Designated Inuit Organization (DIO) during consideration of the existing licence?		
☐ Yes X No If Yes, which DIO(s)		
Does the proposed amendment substantially affect the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL)?		
☐ Yes X No		
If Yes, advise the Board if negotiations have commenced or an agreement to pay compensation for any loss or damage has been reached with one or more DIO(s) with respect to the proposed amendment.		
20. CONSULTATION - Provide a summary of any consultation meetings including when the meetings were held, where and with whom. Include a list of concerns expressed and measures to address concerns.		
Please see the attached record of public and regulatory consultation in 2012 – 2013.		
21. SECURITY INFORMATION		
Does the proposed amendment change the financial security assessment?		
☐ Yes X No		
Does the proposed amendment change the estimate of the total financial security for final reclamation?		
☐ Yes X No		
Provide an estimate of the total financial security for final reclamation equal to the total outstanding reclamation liability for land and water combined sufficient to cover the highest liability over the life of the undertaking. Estimates of reclamation costs must be based on the cost of having the necessary reclamation work done by a third party contractor if the operator defaults. The estimate must also include contingency factors appropriate to the particular work to be undertaken. Identify any changes in the financial security assessment resulting from the proposed amendment.		
Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the <i>Mine Site Reclamation Policy for Nunavut</i> , Indian and Northern Affairs Canada, 2002.		
Reclamation security presently furnished under water licence 2BB-MEL0914 with the Minister of AANDC totals \$639,000.00. Presently, the estimated cost for reclaiming the site determined by AANDC, including the Phase 1 all-weather road, is \$905,231. There is no change expected to the security because of the landfarm.		

22. FINANCIAL INFORMATION										
Is the statement of financial security the same as that considered in the existing water licence?										
X Yes										
Provide an updated statement of financial security.										
AEM is a publically traded company listed on both the TSX and NYSE under the symbol AEM. Its head office is in Toronto, and the company has mines in Quebec, Nunavut, Finland and Mexico. It latest annual financial report can be found at the following web address: http://www.agnico-eagle.com/English/Investor-Centre/Financial-Reporting/default.aspx										
If the applicant is a business entity please answer the questions below:										
Is the list of the officers of the company the same as those considered in the existing water licence?										
☐ Yes X No										
Provide a list of the officers of the company.										
Officers for the company can be found at the following web address: http://www.agnico-eagle.com/English/Our-Company/Officers-AEM/SrVPOfficers/default.aspx										
Is the Certificate of Incorporation or evidence of registration of the company name the same?										
X Yes										
Attach a copy of the Certificate of Incorporation or evidence of registration of the company name.										
AEM is a publically traded company listed on both the TSX and NYSE under the symbol AEM. Its head office is in Toronto, and has mines in Quebec, Nunavut, Finland and Mexico.										
23. STUDIES UNDERTAKEN TO DATE										
List and attach updated studies, reports, research etc.										
A draft Environmental Impact Statement was prepared for the Project. The EIS contains many baselines reports, management plans and assessment reports. These documents can be found on the NIRB ftp site at the following address: ftp://ftp.nirb.ca/02-REVIEWS/ACTIVE%20REVIEWS/11MN034-AEM%20MELIADINE/										
Provide a compliance assessment and status report including a response to any inspector's reports. The licensee must contact the NWB for licence specific direction in completing the assessment and report.										
A July 8, 2013 inspector's report was received by AEM and is attached. AEM was found to be in compliance with the terms and conditions of the licence. However, as the Project changes and AEM looks to employ enhanced environmental methods, the Inspector found that the proposed landfarm was not approved in the water licence. This amendment seeks to use the old fuel bladder farm to treat soils contaminated with petroleum hydrocarbons. The containment berm for this area has an impervious liner.										
If in non-compliance, a licence may not be issued until compliance is achieved. If in non-compliance, attach plans/reports for consideration. Application will not be processed if significant issues of non-compliance exist.										

24.	PROPOSEI	D TIME SCH	EDULE							
When are proposed amendments scheduled to be undertaken: The inspector requested this amendment be submitted to the NWB by March 1, 2014. AEM is hoping to store contaminated materials in the old bladder farm containment area as soon as it is practical.										
	Does the proposed amendment change the time schedule considered in the existing licence for any phase of development?									
				☐ Yes	X No					
Indicate the start and completion dates for each applicable phase of development (construction, operation, closure, and post closure). Identify proposed changes.										
	Construction: No construction will be required for the landfarm. It will use the existing old fuel bladder containment area. This area has containment berms on all sides and an impervious liner.									
	Operation: The landfarm will be used for the life of the licence. This would include all renewals.									
	<u>Closure:</u> The landfarm would be closed following the successful treatment of the contaminated soil it holds. This is likely to be 2 years following AEM's decision to close the landfarm. Once AEM makes the decision to close the landfarm, no new contaminated soil or snow will be added.									
<u>Post – Closure:</u> The contaminated soil in the landfarm will be monitored annually. Once the contaminated soil in the landfarm meets GN remediation guidelines, the facility will closed and there would not be any further monitoring.										
For each applicable phase of development indicate which season(s) activities occur.										
	Constructio Winter	<u>n</u> ☐ Spring	X Summer	Fall	All season					
	Operation Winter	Spring	X Summer	Fall	All season					
	Closure Winter	Spring	X Summer	☐ Fall	All season					
	Post - Closu Winter	<u>ure</u> ☐ Spring	X Summer	☐ Fall	All season					

25.	PROPOSED TERM OF LICENCE										
On w	On what date does the existing licence expire? July 31, 2014										
Is the	Is the Licensee applying for a combined renewal and amendment of the existing licence?										
☐ Yes X No											
If Yes	If Yes, indicate the proposed term of the renewal (maximum of 25 years):										
Requ	ested date of renewal issuance: Requested Expiry Date: (month/year) (month/year)										
	(month/year) (month/year)										
(The requested date of renewal issuance must be <u>at least</u> three (3) months from the date of application for a type B water licence and <u>at least</u> one (1) year from the date of application for a type A water licence, to allow for processing of the water licence application. These timeframes are approximate and do not account for the time to complete any pre-licensing land use planning or development impact requirements, time for the applicant to prepare and submit a water licence application in accordance with any project specific guidelines issued by the NWB, or the time for the applicant to respond to requests for additional information. See the NWB's <i>Guide 5: <u>Processing Water Licence Applications</u> for more information)</i>											
26.	ANNUAL REPORTING										
Will the	e proposed amendment change the content of annual reports or the annual report template?										
	X Yes										
If Yes, report.	provide details regarding the content of annual reports and a proposed outline or template of the annual										
The quantity of contaminated added to the landfarm will be reported annually as well as the quantity of soil and water successfully treated. The analytical results in testing contaminated soil will be reported.											

27.	CHECKLIST										
The foll	The following must be included with the application for Amendment for the water licensing process to begin.										
	Completed Application for Water Licence Amendment form.										
	X Yes	□No	If no, date exp	pected							
	Information addressing Supplement Information Guideline (SIG), where applicable (see Block 11)										
	X Yes	□No	If no, date expected								
	Compliance Assessment / Status Report (see Block 23).										
	X Yes	□No	If no, date exp	pected	·						
	Indication of Renewal Requirement (see Block 26)										
	X Yes	□No	If no, date exp	pected							
	English Summary of A	mendment Applica	tion.								
	X Yes										
	Inuktitut and/or Inuinnaqtun Summary of Amendment Application.										
	X Yes (Located in App	pendix C)	□No	If no, date exped	eted						
	Application fee of \$30.00 CDN (Payee Receiver General for Canada).										
	Yes X No If no, date expected <i>To follow by Canada Post</i> Water Use Fee Deposit of \$30.00 CDN (Payee Receiver General for Canada). The actual water use fee will be calculated by the NWB based upon the amount of water authorized for use in accordance with the Regulations at the time of issuance of the licence.										
	Yes	X No If no,	date expected	The total quantity of water	used will not change.						
28.	SIGNATURE										
Stephane Robert		Manager, Re Affairs Nu	gulatory navut 🧷	I toghen help	28 February 2014						
	Name (Print)	Title (Pr	rint)	Signature	Date						