

NIRB File No.: 08EN005 INAC File No.: N2007C0041

March 14, 2011

Honourable John Duncan Minister of Indian and Northern Affairs Canada c/o Jeff Mercer Manager, Land Administration Indian and Northern Affairs Canada Iqaluit, NU

Via email: jeff.mercer@inac-ainc.gc.ca; landsmining@inac-ainc.gc.ca

Re: <u>Application exempt from Screening pursuant to Section 12.4.3 of the NLCA:</u>
<u>Agnico-Eagle Mines Ltd.'s "CWM Claim Group – Mining Exploration" project</u>

Dear Jeff Mercer:

On February 17, 2011 the Nunavut Impact Review Board (NIRB or Board) received an application from Indian and Northern Affairs Canada (INAC) for an extension to INAC Land Use Permit N2007C0041 for Agnico-Eagle Mines Ltd.'s (AEM) "CWM Claim Group – Mining Exploration" project proposal.

Please be advised that the original project was received with a positive conformity determination (Keewatin Regional Land Use Plan) from the Nunavut Planning Commission on January 8, 2008. On January 16, 2008 the NIRB received applications for Land Use Permit to replace permit N2005C0014 (N2007C0041), a Quarry Permit to replace N2005Q0001 (N2007Q0040), as well as an extension request for Land Use Permit N2006X0012 for project-related overland resupply and fuel caching activities (previously screened under NIRB File No. 06RN050). These permit requests were included within NIRB File No. 08EN005 and were screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On March 27, 2008 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC indicating the proposed project could proceed subject to NIRB's recommended project-specific terms and conditions.

On April 6, 2010 the NIRB received an extension request from INAC for Land Use Permits N2007C0041 and N2006X0012 associated with this project proposal. After a thorough assessment of the extension request, the NIRB determined that the applications were exempt from further screening as per Section 12.4.3 of the NLCA, and reissued the June 27, 2006 (NIRB File No. 06RN050) and March 27, 2008 (NIRB File No. 08EN005) screening decision reports on April 21, 2010.

On April 16, 2010 the NIRB received an extension request from INAC for Quarry Permit N2007Q0040. After a thorough assessment of the extension request, the NIRB determined that the application was exempt from further screening as per Section 12.4.3 of the NLCA and reissued the June 27, 2008 and March 27, 2008 screening decision reports on May 13, 2010.

The NIRB notes that on July 7, 2010 AEM completed its purchase of Comaplex Mineral Corp., the previous proponent for the "CWM Claim Group – Mining Exploration" project, making it a wholly owned subsidiary.

On October 19, 2010 the NIRB received an extension request from INAC for Quarry Permit N2007Q0040 as well as an application for a new Quarry Permit, to continue quarrying activities related to this project. After a thorough assessment of the extension request, the NIRB determined that applications were exempt from further screening as per Section 12.4.3 of the NLCA and reissued the March 27, 2008 screening decision report on October 25, 2010.

The INAC applications, the original NIRB screening file and Screening Decision report for 08EN005 is available from the NIRB's ftp site at the following links:

http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2008/08EN005-Comaplex%20Minerals/

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No. 08EN005), the "Quarry/Mining Exploration, Meliadine Lake" project was located within the Kivalliq region, approximately 40 kilometres (km) north of Rankin Inlet. The Proponent indicated that it intended to replace expiring INAC Land Use Permit N2005Q0001 and Quarry Permit N2005C0014 and an extension request for Land Use Permit N2006X0012 for AEM's overland resupply and fuel caching activities; the proposed mining exploration period was planned from the year 2008 to 2010.

The activities/components associated with this proposal included:

- Diamond drilling;
- Prospecting and Mapping;
- Ground and/or airborne geographical surveys;
- Claim staking and trenching; and
- Quarrying.

On April 6, 2010 the NIRB received an extension request from INAC for Land Use Permits N2007C0041 and N2006X0012. No new activities were associated with this application.

On April 16, 2010 the NIRB received an extension request from INAC for Quarry Permit N2007Q0040. No new activities were associated with this application.

On October 19, 2010 the NIRB received an extension request from INAC for Quarry Permit N2007Q0040 as well as an application for a new Quarry Permit, to continue quarrying activities related to this project. No new activities were associated with these applications.

CURRENT APPLICATION:

AEM has applied with INAC to extend the period of authorization for Land Use Permit N2007C0041 for an additional year to allow for continued exploration activities in the project area.

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 extension 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 screening as per Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original June 27, 2006 and March 27, 2008 Screening Decision Reports.

If you have any questions or require clarification, please contact Kelli Gillard, Technical Advisor, at (867) 983-4619 or kgillard@nirb.ca.

Sincerely,

Stephanie Autut Executive Director

cc: John Witteman, AEM
David Frenette, AEM
Phyllis Beaulieu, NWB
John Craig, INAC

Luis Manzo, KIA

Ralph Ruediger, GN-CGS

Enclosures (2): NIRB Screening Decision Report, File No: 06RN050 (June 27, 2006)

NIRB Screening Decision Report, File No: 08EN005 (March 27, 2008)