

NIRB File No. 10EA018

NWB File No.: 2BB-MEL0914 KIA File No.: KVCL102J168

June 26, 2012

Eric Lamontagne Project Manager Agnico-Eagle Mines Limited 2904-93 Rue Arsenault Quebec, QC J9P 0E9

Via email: eric.m.lamontagne@agnico-eagle.com

Re: Opportunity to Address Comments Received Regarding AEM's Application to Amend its Nunavut Water Board Type B Water Licence for the "Meliadine Bulk Sample" project

Dear Eric Lamontagne:

On May 4, 2012 the Nunavut Impact Review Board (NIRB or Board) received an application from the Nunavut Water Board (NWB) for an amendment to Agnico-Eagle Mines Ltd.'s (AEM or the Proponent) Type B water licence for the "Meliadine Bulk Sample" project (NWB File No. 2BB-MEL0914).

ORIGINAL PROJECT:

Please be advised that the original Meliadine Bulk Sample project proposal (NIRB File No. 10EA018) including applications for a Land Use Licence from the Kivalliq Inuit Association and a Type B Water Licence from the NWB, was received by the NIRB on February 25, 2012 Agnico-Eagle Mines Ltd. (AEM). On March 9, 2010 the NIRB received a positive conformity determination from the Nunavut Planning Commission (Keewatin Regional Land Use Plan) for this file and commenced screening the proposal in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA).

On May 5, 2010 the NIRB issued the enclosed NLCA 12.4.4(a) Screening Decision to the Minister of Indian and Northern Affairs Canada (INAC; now Aboriginal Affairs and Northern Development or AANDC), indicating the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

The NIRB's original screening considered the bulk sampling activities as specifically listed in Appendix A to this letter. As these activities have been previously screened by the NIRB, they are **not** being considered by the NIRB as a part of its current assessment.

CURRENT AMENDMENT:

AEM's **current application** to amend its Type B NWB Water Licence for the Meliadine Bulk Sample project (NWB File No. 2BB-MEL0914) includes the following *additional* project activities:

• The construction, operation and reclamation of a landfill for use during the Meliadine Bulk Sample program.

On May 17, 2012 the NIRB invited interested parties and municipalities potentially affected by AEM's Meliadine Bulk Sample project to provide comments directly to the NIRB by June 8, 2012.

On or before June 8, 2012 the NIRB received comments from the following interested parties:

- Government of Nunavut
- Environment Canada
- Fisheries and Oceans Canada

All comments and documents received pertaining to this project proposal can be obtained from the NIRB's ftp site at:

A summary of the main concerns raised relate to the following:

Government of Nunavut

- Concern with the landfill being proposed within the Tailings Impoundment Area that is a part of the Meliadine Gold Mine proposal (NIRB File No. 11MN034) currently undergoing Review by the Board. Concern regarding the life of the landfill and closure implications considering the current proposal relies upon additional activities not yet approved (i.e. Tailings Impoundment Area);
- Concern about lack of detail in the closure plan, request clarity and further information that would describe a more detailed closure plan not contingent on the approval of the proposed mine infrastructure;
- Concern that current proposal has not incorporated a liner into the landfill design;
- Concern about plans for leachate containment and collection; and,
- Clarification in regards to the disposal and containment of hazardous materials.

Environment Canada

- Concern that current proposal has not incorporated a liner into the landfill design;
- Clarification requested with regard to the disposal and containment of hazardous materials.

Further to these issues as raised by commenting agencies, on page 5 of AEM's Application for an amendment to its Type B Water Licence (March 30, 2012) with the NWB the NIRB has noted that AEM indicated that "the landfill would continue to be used during ongoing advanced exploration and, subject to the NIRB's approval of the Meliadine Gold Mine, during the construction phase of the mine". In the covering letter to NWB which accompanied its March 30, 2012 amendment application however, AEM stated that the landfill would "be used by the advanced exploration program" and that "this landfill would be in operation for a maximum of four years". The NIRB therefore requests that the Proponent clarify its planned operation of the landfill including a schedule for construction, use and decommissioning, as well as to provide confirmation regarding whether AEM proposes use of the landfill for proximal projects such as construction of the Meliadine Gold Mine (currently undergoing a review per NIRB File No. 11MN034) and/or the construction of the related Phase 1 All-Weather Road (allowed to proceed subject to the NIRB's February 20, 2012 12.10.2(b) determination).

Due to the issues as outlined above, the NIRB would like to provide AEM with an opportunity to address all comments received prior to the Board rendering its screening decision to the Minister. The NIRB requests that a response be provided directly to the NIRB by **July 10, 2012**.

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

If you have any questions or concerns, feel free to contact me at (867) 983-4619 or kgillard@nirb.ca.

Sincerely,

Kelli Gillard

Technical Advisor

Nunavut Impact Review Board

Distribution List cc:

> John Witteman, Agnico-Eagle Mines Ltd. Luis Manzo, Kivalliq Inuit Association Phyllis Beaulieu, Nunavut Water Board