



July 14, 2017

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Re: NIRB File No. 16MN056 Application No: 124683/ NWB File No. 2AM WTP ---- : Clarification regarding Agnico Eagle's June 15, 2017 Type B Water License Application ("Type B Application")

Dear Ms. Granchinho and Mr. Karen Kharatyan,

Agnico Eagle thanks the Nunavut Impact Review Board ("NIRB") and Nunavut Water Board ("NWB") for their input, clarification and patience regarding the Whale Tail Pit Project Type B Predevelopment Application.

In follow-up to the clarification email Agnico Eagle sent to the NIRB and NWB on June 20th, 2017, this letter formally requests the NIRB to consider exempting predevelopment activities for the Whale Tail Pit Project. Attached to this letter you will find Agnico Eagle's revised Type B Predevelopment Application, supporting documentation and NWB and NIRB conformity review.

Nunavut Planning and Project Assessment Act ("NuPPAA")

The *Nunavut Planning and Project Assessment Act* ("NuPPAA") includes several exceptions to the general requirement at section 74(b) that, *"A regulatory authority is not authorized to issue a licence, permit or other authorization in respect of a project if (b) the assessment of the Project under this Part has not been completed"*:

154 (1) Despite paragraph 75 (1)(b), the Nunavut Water Board may issue licences to use waters or deposit waste for an interim, short-term period under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, in respect of exploration or developmental activities that relate directly to a project that is subject to a review under this Part.

(2) Despite paragraph 74(b) and subject to paragraph 74(f) and to obtaining the licence referred to in subsection (1) and any other licence, permit or other authorization required by or under any other Act of Parliament or any territorial law and to complying with any other requirements set out in such an Act or law, the proponent may undertake or carry out activities described in subsection (1).

(3) Licences referred to in subsection (1) are not to be renewed or amended and their period of validity is not to be extended if the responsible Minister has come to a decision under this Part that the project to which the activities relate either could be modified and an amended project proposal submitted to the Commission or is not to proceed.



155 (1) Despite paragraph 75(1)(b), a regulatory authority may issue a licence, permit or other authorization in respect of exploration or development activities that relate directly to a project that is subject to a review under this Part if

(a) each activity belongs to a class of exempt activities set out in items 1 to 6 of Schedule 12-1 to the Agreement or in Schedule 3 and does not belong to a class of non-exempt activities prescribed by regulation; or

(b) the activities may, in the Board's opinion, proceed without such a review.

(2) Despite paragraph 74(b) and subject to paragraph 74(f) and to obtaining any licence, permit or other authorization required by or under any other Act of Parliament or any territorial law and to complying with any other requirements set out in such an Act or law, the proponent may undertake or carry out activities described in subsection (1).

(3) Licences, permits or other authorizations referred to in subsection (1) are not to be renewed or amended and their period of validity is not to be extended if the responsible Minister has come to a decision under this Part that the project to which the activities relate either could be modified and an amended project proposal submitted to the Commission or is not to proceed.

Proposed Scope of Predevelopment/Site Preparation Work

Following discussions with NIRB and Nunavut Water Board ("NWB") staff as well as internal review, Agnico Eagle withdrew the June 15, 2017 Type B Application and have revised the associated proposed application and supporting documentation for the predevelopment/site preparation scope of work to include the following:

- Pre-delivery of material;
- Construction of a pad, which under pre-development will be used as a laydown area for pre-delivery of material (the future site of the camp);
- Construction of some service roads around the Whale Tail Pit site including the temporary bridge crossing;
- Expansion of the exploration access road to a haul road to ensure the safe pre-delivery of material and equipment (such as Vault Pit 777 haul trucks);
- Quarrying at Quarry 2 (for construction); and
- Construction of the waste rock berm.

These activities are currently proposed to occur between November 2017 and June 2018. Please refer to the Main Application Document and supporting documents for additional details.

The scale of the proposed activities would be small and the activities are important steps towards achieving our objective to minimize unforeseen delays in the development of the Whale Tail Project. For clarity, no mining activities are included in the application, and while some of the proposed infrastructure could be characterized as "permanent", the proposed facilities and activities would be used to support exploration at Whale Tail Pit should the NIRB (and the Minister) determine that project should not proceed to permitting at this time. The activities would occur in an area with no particular



identified ecosystemic sensitivity such as parks or protected areas, or historical, cultural or archeological significance. Agnico Eagle has not identified any potential for significant negative ecosystemic impacts should these activities proceed.

With respect to socio-economic impacts, proceeding with the work in the proposed time frame would significantly address the projected gap in Nunavummiut employment that will occur as a result of the timing of the completion of mining at Meadowbank and projected issuance of the Whale Tail Project Certificate (subject to the NIRB process and Ministerial approval). This would be a positive socioeconomic impact.

With respect to process and timing related to this application, Agnico Eagle anticipates this application will be considered by the NIRB in tandem with the current Whale Tail Project review and a decision may not be available until shortly after the NIRB makes its recommendation to the Minister with respect to its review of the Whale Tail Project (currently projected to occur during November 2017). The proposed predevelopment activities are important steps towards minimizing any unforeseen delays in the development of the Whale Tail Project. The timing of this decision and issuance of the NWB Type B Water License is ideal as, Agnico Eagle would be able to commence the predevelopment activities outlined in the Application as early as November 2017.

Should you have any questions or require further information, please contact the undersigned Jamie Quesnel at Jamie.quesnel@agnicoeagle.com or, Ryan Vanengen at ryan.vanengen@agnicoeagle.com.

Regards,

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cc. Ryan Barry, NIRB; Stephanie Autut, NWB; David Hohnstein, NWB; Luis Manzo, KIA; Tineka Simmons, NPMO