

GOT Exploration Project

Main Application Document and Project Description

Related to Authorizations

NPC: 148143 NIRB: 15EN050

Application to obtain land use authorization and water

licence for mineral exploration activities

February 2019

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1. Project summary

Agnico Eagle Mines Limited (Agnico Eagle) possesses mineral properties located on Crown and Inuit Owned Lands located north and northwest of the Amaruq property at a distance between 130km to 150km of the Baker Lake community. The exploration activities planned on these properties include prospection, till sampling, geophysical surveys and drilling.

The present application has been prepared with the objective to obtain a water license and a land use permit authorizing mineral exploration activities on the mineral properties.

a. Exploration camp

The workers associated to the exploration activities in this area will be accommodated at the Amaruq camp site as for the other exploration activities in the vicinity.

b. Exploration activities

Exploration activities planned on these properties include prospection, till sampling, geophysical surveys (airborne and ground) and diamond drilling. The first drilling campaign is planned for 2000 meters of drilling and the scope of future exploration campaigns will be adjusted depending on the results obtained during previous activities.

Exploration activities are planned to start in summer 2019 and continue annually during the summer. A helicopter will be used for the transport of material, equipment and workers from the camp site up to the work areas.

c. Major equipment planned to be used

- 1 Diamond drill
- 1 Mini excavator
- 1 Helicopter

Most of the equipment planned to be used in the proposed areas will be the same as that used at the Amaruq project. Transport of the equipment during the exploration season will be done using helicopters.

d. Fuel planned to be cached on these properties

A limited volume of fuel is planned to be brought on these properties since they are located in the relative vicinity of the Amaruq camp site, between 5km and 37 km.

10 x 205-litre diesel drums

10 x 205-litre jet fuel drums

4 x 600-litre diesel double wall tanks

2. Proponent information

Agnico Eagle is a Canadian publicly traded mining company listed on the Toronto and New York Stock Exchanges (NYSE:AEM, TSX:AEM) with head offices in Toronto, Ontario and is a senior Canadian gold mining company that has been producing precious metals since 1957. Its main operations are located in Canada, Finland, and Mexico, with exploration and development activities in each of these regions as well as in the United States. Agnico Eagle began exploring for minerals in Canada in 1953 and has been active in the Kivalliq Region since 1990. Agnico Eagle owns and operates the Meadowbank mine, which is located 70km north of the Baker Lake Community. In 2017, the company approved the construction of the Amaruq and Meliadine mines. Amaruq is located around 50km northwest of the Meadowbank mine and Meliadine is located 25km mostly north of the Rankin Inlet community. Both operations are planned to start gold production in 2019.

Agnico Eagle has a proven reputation for sustainability and economic success wherever it operates. Its success is based on grassroots exploration and successful mining in politically stable countries. Agnico Eagle maintains strong relationships with the Nunavut Planning Commission (NPC), the Nunavut Impact Review Board (NIRB), the Kivalliq Inuit Association (KIA), the Nunavut Water Board (NWB), Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) and other regulators in advancing its projects. These relationships are built on thorough monitoring, transparent reporting, and presentation of information to the regulators and stakeholders, and are backed by successful and accomplished operations.

3. Contacts for the exploration activities

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4. Required authorizations

a. Land use

Agnico Eagle has the responsibility for the proposed activities and for the reclamation and closure once completed. When its exploration program is completed, Agnico Eagle will clean up its sites. All drilling casings will be removed or cut at ground level.

b. Land use planning

All project proposals, in the Keewatin Planning Region, that require a licence or authorization from a land use authorizing agency must be assessed by the NPC for conformity with the Keewatin Regional Land Use Plan. The proposed exploration activities are entirely within the Kivalliq (Keewatin) region of Nunavut. Since a land use permit and a water licence are needed, conformity determination is needed from NPC. It should be noted that the NPC, under file

#148143, referred the "Amaruq regional exploration project" to NIRB on October 21, 2015 which project included a mineral exploration area located on Crown Land which is contiguous to the areas included in this application. The related NIRB screening decision 15EN050 was issued on January 15, 2016. The Amaruq property on Inuit Owned Land, screened under decision 11EN010, is also a contiguous area to the present proposal, but accounting for the stage of the Amaruq project, and since the proposal is located on Crown Land, it is proposed that the submitted project be screened under an amendment to 15EN050.

c. Inuit Owned Land

Land and environmental management of Inuit Owned Land (IOL) in this area are administered by KIA. CIRNAC is the administrator for the Crown Land.

The exploration areas described in this application are located on Crown Land and Agnico Eagle will have to apply for a land use permit with CIRNAC to begin the proposed exploration activities.

d. Water licence

Water will be needed to conduct exploration activities in the proposed area. The water uses and waste generation associated to these activities trigger the need for a water licence application which will be submitted to the Nunavut Water Board.

5. Environmental screening

The information provided in this main application document has been compiled to meet the information requirements established by the various organizations. We understand that a positive environmental screening decision for this application is required before any other agency can issue any permits, leases, or authorizations that would allow Agnico Eagle to commence the works described in this document.

a. Public consultation

Agnico Eagle conducts public consultations in regard to its various Nunavut Exploration projects. Consultation meetings concerning exploration activities are conducted over the year and future meetings will also include information on the new exploration areas and activities described in this proposal.

b. Inuit heritage

To ensure Inuit heritage protection, Agnico Eagle plans annual archaeological works on various exploration sites and these investigations must be permitted by the Government of Nunavut. These works include office and field investigations conducted by archaeologists to find, identify and report archaeological sites. Annual reports are then submitted to the Government of Nunavut and include details of the completed investigations. These investigations are required for Agnico Eagle to protect archaeological sites during exploration activities. Archaeological sites identified by the archaeologist will have protection buffers determined by the archaeologist to ensure their protection. Archaeologists are planned to return on the field in summer 2019 and to start investigations in the proposed exploration areas.

c. Caribou protection

To limit the impact on the caribou, Agnico Eagle will apply the protection measures that are described in the Keewatin Regional Land Use Plan and also in the Agnico Eagle Wildlife Protection and Response Plan developed for its exploration projects.

d. Spill Contingency Plan

The Spill Contingency Plan designates lines of authority and responsibility and establishes proper reporting and a detailed action plan in the event of a spill. This plan is applicable to all employees and to any contractors working on the exploration activities.

e. Waste management

Combustible waste will be brought to the Amaruq camp site where it will be segregated and disposed of as planned by the waste management plan.

Hazardous waste will be brought to the Amaruq camp site and temporarily stored in appropriate containers located in a seacan. The final preparation of these wastes will be conducted by a hazmat waste specialist before being transported south for final disposal or recycling in authorized facilities.

Drill cuttings will be disposed of in natural depressions located at a distance of at least thirty-one (31) metres from the ordinary High Water Mark of any adjacent water body and where direct flow into a water body is not possible.

Non-combustible waste will be segregated at the Amaruq camp site and disposed of according to the waste management plan in place.

f. Fish protection during water withdrawal

To ensure fish protection during water withdrawal, water intakes with appropriate intake mesh sizes will be used as described in the "Freshwater intake End-of-Pipe fish screen guideline" published by the Department of Fisheries and Oceans. To ensure protection of water bodies, including fish habitat, protection buffers are applied around water bodies during exploration activities. Drilling waste (cutting) has to be disposed of at least thirty-one metres above the ordinary High Water Mark of any water body, at a site where direct flow into a water body is not possible.

Figure 1, Location of the area under application

