



Water Resources Division
Resource Management Directorate
Nunavut Regional Office
P.O. Box 100
Iqaluit, NU, X0A 0H0

Your file - Votre référence
2BB-MEL1424
Our file - Notre référence
GCDOCS#121262061

January 19, 2024

Robert Hunter
Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0B 1J0
E-mail: licensing@nwb-oen.ca

Re: Crown-Indigenous Relations and Northern Affairs Canada's (CIRNAC's) Review of Renewal Amendment Application of the Water Licence No: 2BB-MEL1424 for the Meliadine Gold Project by Agnico Eagle Mines Limited.

Dear Robert Hunter,

Thank you for your December 08, 2023, invitation to review the renewal amendment application of the Water Licence No: 2BB-MEL1424 for the Meliadine Gold Project by Agnico Eagle Mines Limited.

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) examined the Application and its attachments pursuant to its mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Crown-Indigenous Relations and Northern Affairs Act*. Please find CIRNAC comments and recommendations in the attached Technical Memorandum for the Nunavut Water Board's consideration.

The applicant shall confirm to the Nunavut Water Board that all outstanding water license fees have been paid in full before approval of this application.

If there are any questions or concerns, please contact me at Aminul.Haque@rcaanc-cirnac.gc.ca or (867) 975-4282 or Andrew Keim at (867) 975-4550 or Andrew.Keim@rcaanc-cirnac.gc.ca.

Sincerely,

আমিনুল

Aminul Haque
Regional Water Management Coordinator



Technical Review Memorandum

Date: January 19, 2024

To: Robert Hunter, Licensing Administrator, Nunavut Water Board

From: Aminul Haque, Regional Water Management Coordinator, CIRNAC

**Subject: Crown-Indigenous Relations and Northern Affairs Canada's (CIRNAC's)
Review of Renewal Amendment Application of the Water Licence No:
2BB-MEL1424 for the Meliadine Gold Project by Agnico Eagle Mines
Limited.**

Region: Kitikmeot Kivalliq Qikiqtani

A. BACKGROUND

The Meliadine property is situated within the Meliadine greenstone belt in the Hearne subprovince of the Churchill Province. Rocks of the Meliadine belt are part of the Rankin Inlet Group. Comaplex Minerals Corp. (Comaplex) and its joint venture partners conducted mineral exploration in the Meliadine West area since June 1995. On July 6, 2010, pursuant to a plan of arrangement, Agnico Eagle Mines Limited (Agnico Eagle or Licensee) acquired all of the shares of Meliadine Holdings Inc. The lands in the exploration area are Inuit Owned Lands (IOL) pursuant to the Nunavut Land Claims Agreement (NLCA). Land use for exploration activities has been authorized by the Kivalliq Inuit Association (KivIA), the regional Inuit Association that holds title to IOL in the Kivalliq Region of Nunavut.

The Meliadine Camp is approximately 25 km northwest of Rankin Inlet (63°01'43" N latitude and 92°10'12" W longitude). The camp, with a capacity for up to 75 persons, is located approximately five metres above lake level on a peninsula surrounded on three sides by Meliadine Lake.

Various amendments and renewals have occurred since the 2BB-MEL Licence was first issued in 1999. The current advanced exploration (bulk sample) Licence was renewed as Licence No. 2BB-MEL1424 on July 22, 2014, to allow for the use of water (up to 290 m³ per day) and disposal of waste during exploration drilling, camp operations, maintenance of bulk sample infrastructure and conducting a feasibility study at the Meliadine West Gold Project. On November 03, 2015, the Nunavut Water Board (NWB) approved an amendment to allow the licensee an increase in total water use (i.e., up to 299 m³ per day), removal of the specific allocations of water quantities for the camp and for exploration purposes, and installation/operation of additional two "BIONEST Kodiak" Wastewater Treatment Systems at Meliadine advanced exploration camp.

The results from the Underground Exploration and Bulk sampling programs conducted by Comaplex in the fall of 2008 confirmed important aspects of the continuity and grade of gold



mineralization at the Tiriganiaq Gold Deposit, and a feasibility study was subsequently conducted. On October 10, 2014, the Nunavut Impact Review Board (NIRB) provided the Minister with the Final Hearing Report and recommended Terms and Conditions for the Meliadine Project. The Minister accepted the NIRB’s recommendation on January 27, 2015, and Project Certificate No.006 was issued on February 26, 2015. Subsequently, on May 19, 2016, Type A Water Licence 2AM-MEL1631 was approved to begin construction and operation of the Meliadine Mine.

On December 01, 2023, Agnico Eagle submitted a renewal amendment application of the Water Licence No: 2BB-MEL1424 to continue exploration activities for the Meliadine Gold Project. The current renewal amendment application to NWB has requested the following:

- To remove components of the current license related to landfill, incinerator, water monitoring locations, underground working and waste rock.
- To extend current licence boundaries and the licence terms for continuing exploration activities.
- To update the security estimate and the requirements of management plans.

CIRNAC provides the following comments and recommendations for reviewing the renewal amendment application of the Water Licence No: 2BB-MEL1424 for the Meliadine Gold Project by Agnico Eagle Mines Limited. A summary of the subjects of recommendations can be found in Table 1. Documents reviewed as part of this submission can be found in Table 2 of Section B. Detailed technical review comments can be found in Section C.

Table 1: Summary of Recommendations

Recommendation Number	Subject
R-01	Camp Incinerator
R-02	Water Monitoring Locations
R-03	Waste Rock and Ore
R-04	Licence Extent
R-05	Security Estimate
R-06	Management Plans
R-07	Terms in the Licence
R-08	Security for 2BE-MEP1828 Licence

B. DOCUMENTS REVIEWED AND REFERENCED



The following table (Table 2) lists the documents reviewed under the submission and references during the review.

Table 2: Documents Reviewed and Referenced

Document Title	Author/Date
Application for Water Licence Amendment & Cover Letter	Agnico Eagle, 01 Dec 2023
2BB-MEL1424 Main Application Document	Agnico Eagle, 01 Dec 2023
2BB-MEL1424 Landfarm Management Plan V5	Agnico Eagle, Dec 2023
2BB-MEL1424 NWB Amendement Description	Agnico Eagle, 01 Dec 2024
2BB-MEL1424 Reclamation and Closure Plan	Agnico Eagle, Dec 2023
2BB-MEL1424 Water Management Plan V7	Agnico Eagle, Dec 2023
Water Licence No. 2BB-MEL1424	NWB, 22 July 2014
Amended No.1, Water Licence No: 2AM-MEL1631	NWB, 12 Nov 2015
2BB-MEL0914 Used Water Management Plan	Agnico Eagle, May 2013
2BB-MEL0914 Landfill Design and Management Plan	Agnico Eagle, Mar 2012
2BB-MEL0914 Waste Management Plan	Agnico Eagle, Nov 2013
Water Licence No. 2BE-MEP1828	NWB, 29 Oct 2018
2BE-MEP1828 Updated Reclamation and Closure Plan	Agnico Eagle, Nov 2018
Interim Reclamation and Closure Plan Water Licenses 2BE-MEP1318 and 2BB-MEL0914	Agnico Eagle, Aug 2013



C. RESULTS OF REVIEW

1. Camp Incinerator

Comment:

In the Scope Description documents, Agnico Eagle requested that the components related to the camp incinerator be removed from the 2BB-MEL licence. The document stated, “The exploration camp incinerator is no longer in operation, and all putrescible waste is now being incinerated at the main camp incinerator under 2AM-MEL Licence”.

There is no information regarding whether the exploration camp incinerator is being reused for the main camp or being salvaged. There is no information that the incineration site has been cleaned up and reclaimed. Did Agnico Eagle clean up the site and provide any report to NWB?

Recommendation:

(R-01) CIRNAC recommends that Agnico Eagle updates NWB regarding what procedure was followed to decommission the discovery camp incineration site and confirm if any cleanup was done after decommissioning.

2. Water Monitoring Locations

Comment:

Agnico Eagle requested that the MEL-5 water monitoring site be removed from the 2BB-MEL licence. The current licence requires MEL-5 water sampling as the point of discharge for the Bermed Fuel Containment Facilities for the exploration camp. The Scope Description documents for the renewal application stated, “Since it was decommissioned, sampling is no longer required.”

Agnico Eagle provided no information on when the Bermed Fuel Containment Facilities were decommissioned. There is no information on whether the reclamation was completed, the site had been inspected, or any post-monitoring program was in place after the decommissioning of the Bermed Fuel Containment Facilities for the exploration camp.

Recommendation:

(R-02) CIRNAC recommends that Agnico Eagle confirm the completion of reclamation and restoration of the Bermed Fuel Containment Facilities for the exploration camp, including photos and any work orders and engineering reports and provide post-closure monitoring results before NWB considers removing MEL-5 from the licence.



3. Waste Rock and Ore

Comment:

In the Scope Description documents, Agnico Eagle requested that the conditions related to waste rock and ore be removed from the 2BB-MEL licence as the 2AM-MEL licence covers waste rock and ore activities.

CIRNAC understands that the 2BB-MEL and 2AM-MEL licences include waste rock and ore processing activities and wants to highlight that these two licences' purpose and allowed activities are not the same. Moreover, the current 2BB-MEL1424 licence allows advanced exploration (bulk sample) activities beyond the 2AM-MEL licence boundaries, and the licensee has requested further to extend the exploration area under the current 2BB-MEL licence renewal. Reporting on waste and ore activities is a critical component of the annual report. Therefore, CIRNAC believes that waste rock and ore conditions should not be removed from the 2BB-MEL licence, and the licensee should submit an updated Waste Rock and Ore Storage Plan as part of the current renewal amendment application.

Recommendation:

(R-03) CIRNAC recommends that NWB does not remove the conditions related to waste rock from the 2BB-MEL licence and requires the Waste Rock and Ore Storage Plan as part of the renewal amendment application.

4. Licence Extent

Comment:

Agnico Eagle has requested to extend the current licence boundaries to the west of the existing license extent. The renewal amendment application did not specify the type of activities that will be conducted in the extended areas.

Recommendation:

(R-04) CIRNAC recommends that Agnico Eagle clarify and provide details of the activities it intends to conduct in the proposed extended areas, as well as provide proof of their right of access to any lands not currently covered under the authority of the existing license.

5. Security Estimate

Comment:

Agnico Eagle has submitted a revised security estimate (i.e., December 2023) of \$359,491 (\$186,414 water liability) under the current application as opposed to \$1,489,082 (\$965,051 water liability) in the previous estimate (i.e., August 2023). The security estimate difference between the Reclamation and Closure plan versions is manifold. Agnico Eagle did not



provide enough information and explanation to reconcile the difference. Therefore, CIRNAC can not comment on the security estimate at this moment. CIRNAC will require a detailed explanation of the units' rates, lump sum costs, allowances, and other rates and underlined assumptions to better understand the revised security estimate and provide comments.

Recommendation:

(R-05) CIRNAC recommends that Agnico Eagle work cooperatively with all interested parties to address reclamation security for this undertaking.

6. Management Plans

Comment:

The renewal amendment application did not submit any Used Water Management Plan and Wildlife Protection and Response Plan that are part of the current licence. Moreover, Agnico Eagle requested that the requirement of the Waste Rock and Ore Storage Plan and Waste Management Plan be removed from the 2BB-MEL licence as the activities are covered under the 2AM-MEL licence.

CIRNAC believes the Used Water Management Plan and Wildlife Protection and Response Plan should remain part of the 2BB-MEL licence and be updated as required. As mentioned in R-04, the extent of the 2BB-MEL licence is beyond the boundaries of the 2AM-MEL licence. Activities under the 2BB-MEL will likely happen in areas not covered under the 2AM-MEL licence. Therefore, the 2BB-MEL licence should include a Waste Rock and Ore Storage Plan, its own Waste Management Plan, and the Used Water Management Plan and Wildlife Protection and Response Plan.

Recommendation:

(R-06) CIRNAC recommends that NWB require submission of Waste Rock and Ore Storage Plan, Waste Management Plan, Used Water Management Plan and Wildlife Protection and Response Plan as part of the current renewal amendment application.

7. Terms in the Licence

Comment:

Agnico Eagle is requesting the following condition be added to Part F: Conditions Applying to Drilling Operations and Trenching:

“The Licensee is authorized to conduct land-based drilling within thirty-one (31) metres of the ordinary High Water Mark of any water body during winter conditions within the project area, as identified in the Amendment Application.”



Inclusion of this term should not mean that the licensee is allowed to drill on ice, and any waste, including drill cuttings or wastewater from the drilling operations, should be stored/deposited more than 31 meters from the ordinary High Water Mark of any water body.

Recommendation:

(R-07) CIRNAC recommends that NWB clarify in the licence that the proponent is not allowed to drill on ice, and any waste, including drill cuttings, should be stored/transported/deposited more than 31 meters above the ordinary High Water Mark of any water body.

8. Security for 2BE-MEP1828

Comment:

As per current licence 2BB-MEL1424, the “Interim Reclamation and Closure Plan Water Licenses 2BE-MEP1318 and 2BB-MEL0914” dated August 2013 included estimates of reclamation liability for different components of the Project under both of the listed licenses. The reclamation and closure costs for the Meliadine Project and Meliadine East Camp (under 2BE-MEP1828) were calculated at \$1,489,082 and \$34,126, respectively. An updated Reclamation and Closure Plan was submitted to the NWB on November 26, 2018, specifically for the 2BE-MEP1828 licence, as \$33,681. The plan addresses the requirements of Part I, Item 1 of the 2BE-MEP1828 licence.

In the past, security estimates for 2BB-MEL and 2BE-MEP licences were discussed together. CIRNAC does not hold separate security for the 2BE-MEP licences, and its activity is not covered under the 2AM-MEL licence security. Agnico Eagle is required to fulfill the conditions of Part I for the 2BE-MEP1828 licence, which requires the licensee to complete restoration and progressive reclamation work. Therefore, in CIRNAC’s view, reclamation and closure costs for the 2BE-MEP licence should be factored in when discussing the security estimate for this renewal application.

Recommendation:

(R-08) CIRNAC recommends that reclamation and closure costs associated with the 2BE-MEP1828 license not be dropped but continued factored in during the security discussion for 2BB-MEL licence renewal.