



Water Resources Division
Resource Management Directorate
Nunavut Regional Office
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Your file - Votre référence
2BB-MEL1424
Our file - Notre référence
GCDOCS#122593568

February 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) Reply to Agnico Eagle's Response to the 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 February 6, 2024, invitation to review Agnico Eagle's response to the technical review comments regarding 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 Agnico Eagle's response and the 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's reply in the attached Technical Memorandum for the Nunavut Water Board's consideration.

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,

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Aminul Haque
Regional Water Management Coordinator



Technical Review Memorandum

Date: February 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) Reply to Agnico Eagle's Response to the 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

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.

Agnico Eagle's Response:

As per Agnico Eagle's March 23, 2023 Meliadine Water Licence Inspection Follow-up memo issued to CIRNAC on August 8, 2023, the two functioning incinerators are being stored for use; therefore, the incineration site is still being retained. There are also two non-functional incinerators currently in the planning stages of being backhauled.

CIRNAC's Reply:

As per the applicant's response, "the two functioning incinerators are being stored for use; therefore, the incineration site is still being retained." Therefore, CIRNAC recommends that



the components related to the camp incinerator should not be removed from the 2BB-MEL licence as requested in the renewal application.

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.

Agnico Eagle's Response:

The Bermed Fuel Containment Facilities was decommissioned after transferring all fuel to the Meliadine Mine Site fuel farm, which was fully operational in January 2019. This area is now under the waste rock storage facility (WRSF3) footprint (see Figure 1). The latest monitoring results for the Bermed Fuel Containment Facilities was completed in 2021; the sampling locations are shown in Figure 2. All borehole soil sampling results were below Canada Wide Standards for Petroleum Hydrocarbons in Soil (CCME 2008) and provided as Appendix B.

CIRNAC's Reply:

CIRNAC has no further comments on this.

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.

Agnico Eagle's Response:

Agnico Eagle had a discussion with CIRNAC (Andrew Keim) on January 24, 2024 (Vancouver, BC) where both parties mutually agreed that conditions relating to waste rock and ore can be excluded from the licence and that the licence type will revert to a "BE type" licence. The scope required under this licence renewal would be exploratory activities (e.g., geological mapping, prospecting, etc.).

CIRNAC's Reply:

CIRNAC (Andrew Keim) and Agnico Eagle discussed the renewal application on January 24, 2024 (Vancouver, BC). In that discussion, CIRNAC indicated no objection to changing the current licence type from "BB type" to "BE type." In such a case, a Waste Rock and Ore Storage Plan will not be required for the "BE type" licence. CIRNAC is unaware if the applicant has requested NWB to change the licence type. Therefore, a Waste Rock and Ore Storage Plan should be required under the current amendment application if NWB approves it as a "BB type" license.

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.



Agnico Eagle's Response:

The licence extent includes a portion of land that is currently under Agnico Eagle's Licence 2BE-PTR2227 (shown in red on the map below). The 2BE-PTR2227 licence will be abandoned by Agnico Eagle; however, as this licence boundary is split (e.g., not one large polygon), Agnico Eagle is requesting to extend the 2BB-MEL licence slightly to capture a portion of the property that would be lost in cancelling the 2BE-PTR licence. Agnico Eagle is requesting lease boundaries beyond the necessary limit to streamline the boundary definitions (e.g., simple polygon). The cancellation of the 2BE-PTR licence will be submitted following the conclusion of this review by the Exploration division.

CIRNAC's Reply:

The requested extension of the current licence boundary will include lands beyond what is currently under 2BE-PTR2227. Therefore, Agnico Eagle should clarify and provide details of the activities it intends to conduct in the proposed extended areas and proof of their right of access to any lands not currently covered under the authority of an 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.

Agnico Eagle's Response:

Detailed RECLAIM cost estimate spreadsheets are provided in Appendix A. Agnico Eagle looks forward in collaborating with interested parties and will address questions as they arise.

CIRNAC's Reply:

CIRNAC thanks Agnico Eagle for the cost estimate. CIRNAC proposes that all interested parties meet in the new fiscal year to discuss the 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.

Agnico Eagle's Response:

Agnico Eagle has been in extensive collaboration with parties in developing Meliadine Mine Wildlife Protection and Response Plan, which includes the extent of the 2BB-MEL licence. The latest approved plan is included in Appendix C.

As detailed in Section 2.1 of the "Amendment Request of Water Licence 2BB-MEL1424", the exploration camp landfill is not in operation; the landfill under the 2AM-MEL Licence is being used for solid waste. Similarly, the exploration camp incinerator is also not in operation and all putrescible waste is being incinerated at the main camp incinerator under 2AM-MEL Licence. Therefore, there is no requirement for a Waste Management Plan under 2BB-MEL licence.

Similarly, a Used Water Management Plan is no longer required for the 2BB-MEL licence, as treated water from the exploration STP is trucked to the Main Meliadine Mine site, which is covered under 2AM-MEL management plans. Agnico Eagle clarifies that all other activities would be covered under the Water Management Plan that was submitted as part of the 2BB-MEL licence renewal.

See also response to CIRNAC-R-03 in regard to the Waste Rock and Ore Storage Plan.



CIRNAC's Reply:

In the response for R-01, Agnico Eagle mentioned, "two functioning incinerators are being stored for use; therefore, the incineration site is still being retained." Therefore, the Waste Management Plan should still be part of the 2BB-MEL licence until the incinerators are decommissioned and the site is reclaimed.

The submitted Water Management Plan did not mention what happens to the treated water from the exploration STP (i.e., whether it is trucked to the Main Meliadine Mine site). CIRNAC recommends that the applicant update the submitted Water Management Plan to include components of the Used Water Management Plan.

Please refer to CIRNAC's reply to R-03's response regarding the Waste Rock and Ore Storage Plan.

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.

Agnico Eagle's Response:

Agnico Eagle thanks CIRNAC for their comment and would like to highlight that the exact wording of the proposed condition is also included in our Meadowbank 2BB-MEA1828 licence. Agnico Eagle will make every effort to drill on land; however, it is not always possible to achieve the targeted area strictly on land, especially during the installation of the diamond drill. Agnico Eagle has developed a Drilling on Ice Action Plan (Action Plan) in collaboration with CIRNAC officers in October 2022.



CIRNAC's Reply:

If Agnico Eagle intends to follow the Drilling on Ice Action Plan referenced above, it should be part of the current renewal amendment application. Therefore, CIRNAC recommends that Agnico Eagle submit the Drilling on Ice Action Plan for review and approval to ensure that it meets the conditions of the license.

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.

Agnico Eagle's Response:

Agnico Eagle agrees with CIRNAC's recommendation and added a line item to the reclamation and closure costs of the 2BB-MEL1424 Water Licence renewal, in the amount of \$34,126 for the Meliadine East Camp (as per 2BE-MEP1828 Approved Reclamation and Closure Plan). This has been adjusted in the RECLAIM file provided in Appendix A.

CIRNAC's Reply:

CIRNAC thanks Agnico Eagle for the updated reclamation and closure costs. CIRNAC proposes that all interested parties meet in the new fiscal year to discuss the reclamation and closure costs.