



Application for Water Licence Amendment

April 2010

P.O. BOX 119
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NUNAVUT IMALIRIYIN KATIMAYINGI
NUNAVUT WATER BOARD
OFFICE DES EAUX DU NUNAVUT

DOCUMENT MANAGEMENT

Original Document Date: April 2010

DOCUMENT AMENDMENTS

	Description	Date
(1)	AEM first draft of the amendment application	Oct 24, 2010
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		



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NUNAVUT WATER BOARD

NUNAVUT IMALIRIYIN KATIMAYINGI

OFFICE DES EAUX DU NUNAVUT

APPLICATION FOR WATER LICENCE AMENDMENT

The applicant is referred to the NWB's Guide 7: Licensee Requirements Following the Issuance of a Water Licence for more information about this application form.

EXISTING LICENCE NO: 2BE-MEP0813

1. LICENSEE CONTACT INFORMATION

Is the licensee the same as that referred to on the existing licence?

☒ Yes ☐ No

If No, a licence assignment must be completed and approved by the NWB. **A renewal will only be issued in the name of the current licensee in the absence of assignment of the licence.**

If the licensee is the same, but the name of the licensee has changed, attach a certificate of name change.

Name: Comaplex Minerals Corp. (Comaplex is a wholly owned subsidiary of Agnico-Eagle Mines Ltd.)

Address: 145 King St E., Suite 400
Toronto, ON M5C 2Y7

Phone: 416 947 1212

Fax: 416 367 4681

e-mail: larry.connell@agnico-eagle.com

2. LICENSEE REPRESENTATIVE CONTACT INFORMATION – If different from Block 1.

Name: John Witteman

Address: 601 -2 Street
Canmore, AB T1W 2K2

Phone: 819 277 5444

Fax: NA

e-mail: john.witteman@agnico-eagle.com

(Attach authorization letter.)

3. NAME OF PROJECT

Has the name of the project changed?

☒ Yes ☐ No

If Yes, indicate the name of the project including the name of the location: **Meliadine Gold Project. It was formerly known as Meliadine East.**

4. LOCATION OF UNDERTAKING

Does the proposed amendment change the location of the amended undertaking?

☐ Yes ☒ No

Provide the project extents and camp locations. Identify proposed changes.

Project Extents (See attached figure 1 for the location of the mineral leases on which drilling could occur.)

(maximum extent of the mineral leases)

NW: Latitude: (62 °57 '0 " N)

Longitude: (92° 04 ' 0 " W)

NE: Latitude: (62 ° 57 ' 0" N)

Longitude: (91 ° 12 ' 0 " W)

SE: Latitude: (62 ° 51 ' 0 " N)

Longitude: (91 ° 12 ' 0 " W)

SW: Latitude: (62 ° 51 ' 0 " N)

Longitude: (92 ° 04 ' 0 " W)

Camp Location(s)

Latitude: (62 ° 57 ' 36" N)

Longitude: (91° 55' 12" W)

The camp is largely reclaimed with the final loads of waste ready to be back hauled to the Rankin Inlet landfill when the winter road is open.

5. MAP

Does the proposed amendment change the locations of any of the main components of the undertaking?

☐ Yes ☒ No **See figure 1 attached**

Attach a topographical map, indicating the main components of the undertaking. Identify proposed changes.

NTS Map Sheet No.: 55J/13

Map Name: Falstaff Island

Map Scale: 1:50,000

6. NATURE OF INTEREST IN THE LAND

Does the proposed amendment change the nature of the interest in the land?

☐ Yes ☒ No

If Yes, indicate changes. _____

Check any of the following that are applicable to the proposed undertaking (at least one box under the 'Surface' header must be checked).

Sub-surface

☐ Mineral Lease from Nunavut Tunngavik Incorporated (NTI)

Date (expected date) of issuance: _____ Date of expiry: _____

☒ Mineral Claims and Concessions from Indian and Northern Affairs Canada (INAC)

Date (expected date) of issuance: (before NLCA signed) Date of expiry: varies – earliest 2017 for some claims, others later.

(The mineral leases were obtained before the signing of the Nunavut Land Claims Agreement, and even though they are on IOL sub-surface land, the mineral leases remain with INAC.)

Surface

☐ Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC)

Date (expected date) of issuance: _____ Date of expiry: _____

☐ Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA)

Date (expected date) of issuance: _____ Date of expiry: _____

☒ IOL Authorization from Kivalliq Inuit Association (KivIA)

Date (expected date) of issuance: 13 June 2010 Date of expiry: 13 June 2011 (renewed annually)

☐ IOL Authorization from Qikiqtani Inuit Association (QIA)

Date (expected date) of issuance: _____ Date of expiry: _____

☐ Commissioner's Land Use Authorization

Date (expected date) of issuance: _____ Date of expiry: _____

☐ Other _____

Date (expected date) of issuance: _____ Date of expiry: _____

Is the name of the entity(s) holding authorizations the same as that considered in the existing water licence?

☒ Yes ☐ No

If No, a licence assignment must be completed and approved by the NWB.

Name of entity(s) holding authorizations: _____

7. NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION

Indicate the land use planning area in which the existing project is located.

- | | |
|---------------------------------------|--|
| <input type="checkbox"/> North Baffin | <input checked="" type="checkbox"/> Keewatin |
| <input type="checkbox"/> South Baffin | <input type="checkbox"/> Sanikiluaq |
| <input type="checkbox"/> Akunnig | <input type="checkbox"/> West Kitikmeot |

Does the proposed amendment change the land use planning area?

☐ Yes ☒ No

If yes, indicate the land use planning area in which the amended undertaking is located.

- | | |
|---------------------------------------|---|
| <input type="checkbox"/> North Baffin | <input type="checkbox"/> Keewatin |
| <input type="checkbox"/> South Baffin | <input type="checkbox"/> Sanikiluaq |
| <input type="checkbox"/> Akunnig | <input type="checkbox"/> West Kitikmeot |

Was a land use plan conformity determination required from NPC prior to the issuance of the existing water licence?

☒ Yes ☐ No

If Yes, indicate date issued and attach copy. **April 7, 2008, Please see attached copy**

Does the proposed amendment change the original NPC conformity determination or the need to obtain one?

☐ Yes ☒ No

If Yes, indicate date issued (or expected) and attach a copy. _____

If No, provide written confirmation from NPC confirming that a land use plan conformity review is not required.

8. NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION

Was a screening determination required from NIRB prior to the issuance of the existing water licence?

☒ Yes ☐ No **NIRB File 08EN043**

If Yes, indicate date issued and attach copy. **22 May 2008, Copy attached this application.**

Does the proposed amendment change the original NIRB screening determination or the need to obtain one?

☐ Yes ☒ No

If Yes, indicate date issued (or expected) and attach a copy. _____

If No, provide written confirmation from NIRB confirming that a screening determination is not required.

9. DESCRIPTION OF UNDERTAKING

Does the proposed amendment change the description of the undertaking?

☐ Yes X No

List and attach plans and drawings or project proposal. Identify proposed changes.

10. OPTIONS

Does the proposed amendment change any of the alternative methods and locations that were considered to carry out the project?

☐ Yes X No

Provide a brief explanation of the alternative methods or locations that were considered to carry out the project. Identify proposed changes.

11. CLASSIFICATION OF PRIMARY UNDERTAKING

Indicate the primary classification of undertaking for the existing licence by checking one of the following boxes:

- | | |
|--|--|
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Agricultural |
| X Mining and Milling (includes exploration/drilling/exploration camps) | |
| <input type="checkbox"/> Conservation | |
| <input type="checkbox"/> Municipal (includes camps/lodges) | <input type="checkbox"/> Recreational |
| <input type="checkbox"/> Power | <input type="checkbox"/> Miscellaneous (describe below): |

Does the proposed amendment change the classification of primary undertaking?

☐ Yes X No

If Yes, indicate the primary undertaking of the amendment: _____

Information in accordance with applicable Supplemental Information Guidelines (SIG) must be updated and submitted with an Application for Amendment. Indicate which SIG(s) are applicable to your application.

- ☐ Hydrostatic Testing
- ☐ Tannery
- ☐ Tourist / Remote Camp
- ☐ Landfarm & On-Site Storage of Hydrocarbon Contaminated Soil
- ☐ Onshore Oil and Gas Exploration Drilling
- X Mineral Exploration / ~~Remote Camp~~
- ☐ Advanced Exploration
- ☐ Mine Development
- ☐ Municipal
- ☐ General Water Works
- ☐ Power

12. WATER USE

Indicate, using the boxes below, the types of water use(s) approved in the existing licence.

- | | |
|---|---|
| <input type="checkbox"/> To obtain water for camp/ municipal purposes | <input type="checkbox"/> To divert a watercourse |
| X To obtain water for industrial purposes | <input type="checkbox"/> To modify the bed or bank of a watercourse |
| <input type="checkbox"/> To cross a watercourse | <input type="checkbox"/> Flood control |
| <input type="checkbox"/> To alter the flow of, or store water | |
| <input type="checkbox"/> Other: _____ | |

Does the proposed amendment change the type(s) of water use(s)?

☐ Yes X No

If Yes, indicate using the boxes below, the proposed change(s) to the type(s) of water use(s) noting any water use(s) that are to be added, continued, or removed.

- | | |
|---|---|
| <input type="checkbox"/> To obtain water for camp/ municipal purposes | <input type="checkbox"/> To divert a watercourse |
| <input type="checkbox"/> To obtain water for industrial purposes | <input type="checkbox"/> To modify the bed or bank of a watercourse |
| <input type="checkbox"/> To cross a watercourse | <input type="checkbox"/> Flood control |
| <input type="checkbox"/> To alter the flow of, or store water | |
| <input type="checkbox"/> Other: _____ | |

13. QUANTITY OF WATER INVOLVED

Does the proposed amendment change the source of water?

☐ Yes ☒ No

Indicate the water source(s). **Water would be obtained from ponds and lakes on the Meliadine East claims**
Identify proposed changes: (show location(s) on map) **See attached figure 1**

Does the proposed amendment change the quality of the water source and/or its available capacity?

☐ Yes ☒ No

Describe the quality of the water source(s) and the available capacity(s). Identify any changes.: _____

Does the proposed amendment change the overall quantity of water to be used?

☒ Yes ☐ No

Provide the overall estimated quantity to be used. Identify proposed changes. : **change from 30 m³/day to 299 m³/day.**

Does the proposed amendment change the quantity of water to be used from each source?

☒ Yes ☐ No

Provide the estimated quantity(s) of water to be used from each source. Identify proposed changes. : **The water will be used solely for diamond drilling and be drawn from unnamed ponds or lakes close to the drill sites. The pump supplying water to the drill will have a screen to prevent fish impingement. Each drill uses 53 m³/day and up to 5 drills will be active at any one time. (Water conservation measures are to be instituted to reduce the quantity of water used per drill thereby allowing more than 5 drills to operate on the MEL East claims and leases at any one time.)**

Does the proposed amendment change the quantity of water to be used for each purpose?

☒ Yes ☐ No

Provide the estimated quantities to be used for each purpose (camp, drilling, etc.). Identify proposed changes:

The change will see water use restricted to only diamond drilling. No water is required for the camp as it is being reclaimed. All personnel will reside at the Meliadine Gold Project camp.

Does the proposed amendment change the method(s) of extraction?

☐ Yes ☒ No

Describe the method(s) of extraction. Identify proposed changes. : **Water Pump from local lakes, proximal to the drilling targets. No changes are proposed from the present practices.**

Does the proposed amendment change the quantity(s) of water returned to source(s)?

☒ Yes ☐ No

Estimated quantity(s) of water returned to source(s). Identify proposed changes. : **294 m³/day. Some water, up to 5 m³/day, out of the original 299 m³/day will be lost down the holes upon the completion of drilling.**

Does the proposed amendment change the quality(s) of water returned to source(s)?

☒ Yes ☐ No **CaCl₂ will be used in drilling resulting in higher Ca and Cl in receiving water.**

Describe the quality(s) of water(s) returned to source(s). Identify any changes. : _____

14. WASTE

Check the appropriate box(s) to indicate the types of waste(s) approved in the existing licence.

- | | |
|--|---|
| <input checked="" type="checkbox"/> Sewage | <input checked="" type="checkbox"/> Waste oil |
| <input checked="" type="checkbox"/> Solid Waste | <input checked="" type="checkbox"/> Greywater |
| <input checked="" type="checkbox"/> Hazardous | <input type="checkbox"/> Sludges |
| <input type="checkbox"/> Bulky Items/Scrap Metal | <input type="checkbox"/> Contaminated soil and/or water |
| <input type="checkbox"/> Animal Waste | |
| <input checked="" type="checkbox"/> Other (describe): non-combustible waste | |

Does the proposed amendment change the type(s) of waste(s) to be generated or deposited?

☐ Yes ☒ No

If Yes, indicate using the boxes below, the proposed change(s) to the type(s) of waste(s) to be generated and/or deposited noting the addition, removal or continued generation and/or disposal of waste(s).

- | | |
|--|---|
| <input type="checkbox"/> Sewage | <input type="checkbox"/> Waste oil |
| <input type="checkbox"/> Solid Waste | <input type="checkbox"/> Greywater |
| <input type="checkbox"/> Hazardous | <input type="checkbox"/> Sludges |
| <input type="checkbox"/> Bulky Items/Scrap Metal | <input type="checkbox"/> Contaminated soil and/or water |
| <input type="checkbox"/> Animal Waste | |
| <input type="checkbox"/> Other (describe): | |

15. QUANTITY AND QUALITY OF WASTE INVOLVED

Does the proposed amendment change the quantity(s) of the types of wastes involved?

☒ Yes ☐ No

Does the proposed amendment change the composition(s) of the types of wastes involved?

☐ Yes ☒ No

Does the proposed amendment change the method(s) of treatment for the types of waste involved?

☐ Yes ☒ No

Does the proposed amendment change the method(s) of disposal for the types of waste involved?

☐ Yes ☒ No

If Yes to any of the above, describe the proposed changes: **More waste water will be produced each day at the drills.**

For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.

Type of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method
Drill water & cuttings	CaCl ₂ & drill cuttings	294 m ³ /day of waste water plus drill cuttings	Water at the drills will be recycled with the drill cuttings being collected.	A small amount of waste water with drill cuttings will be disposed of in a natural depression close to drill.
Grey water		None		
Waste oil		Limited amounts	Returned to Meliadine Camp	
Hazardous		Limited amounts	Returned to the Meliadine Camp	
Solid waste		Limited quantities	Hauled back to Meliadine Camp	Removal to Rankin Inlet landfill or burned in incinerator
Non-combustible waste		None		
Sewage			Outhouse	Outhouse

16. OTHER AUTHORIZATIONS

Does the proposed amendment change the need for other authorizations in addition to the sub-surface and surface land use authorizations provided in Block 6?

☐ Yes ☒ No

If Yes, indicate any additional authorizations required, which authorizations are no longer required, and which authorizations continue to be required.

For each provide the following:

Authorization: _____

Administering Agency: _____

Project Activity: _____

Date (expected date) of issuance: _____ Date of expiry: _____

17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES

Does the proposed amendment change the predicted environmental impacts of the undertaking and the proposed mitigation measures?

☐ Yes ☒ No

Describe direct, indirect, and cumulative impacts related to water and waste. Identify any changes. **Little to no wastes will be generated on site other than drill cuttings and waste water from drilling. Any other waste will be hauled back to the Meliadine camp for disposal and/or treatment.**

18. WATER RIGHTS OF EXISTING AND OTHER WATER USERS

Was compensation paid and/or an agreement(s) for compensation been entered into with any existing or other users of water during consideration of the existing licence?

☐ Yes ☒ No

If Yes, provide the names, addresses and the nature of water use by those persons or properties.

Does the proposed amendment adversely affect any known persons or property including those that hold licences for water use in precedence to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature?

☐ Yes ☒ No

If Yes, provide the names, addresses and the nature of water use of those persons or properties.

Advise the Board if compensation has been paid and/or an agreement(s) for compensation has been reached with any existing or other water users with respect to the proposed amendment.

19. INUIT WATER RIGHTS

Was compensation paid/ or an agreement(s) for compensation been entered into with any Designated Inuit Organization (DIO) during consideration of the existing licence?

☐ Yes X No

If Yes, which DIO(s) _____

Does the proposed amendment substantially affect the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL)?

☐ Yes X No

If Yes, advise the Board if negotiations have commenced or an agreement to pay compensation for any loss or damage has been reached with one or more DIO(s) with respect to the proposed amendment.

20. CONSULTATION - Provide a summary of any consultation meetings including when the meetings were held, where and with whom. Include a list of concerns expressed and measures to address concerns.

Attached is a record of recent consultations.

21. SECURITY INFORMATION

Does the proposed amendment change the financial security assessment?

☐ Yes X No

Does the proposed amendment change the estimate of the total financial security for final reclamation?

☐ Yes X No Reclamation of the camp should be completed in early 2011 with the last of the inert camp waste removed to Rankin Inlet landfill.

Provide an estimate of the total financial security for final reclamation equal to the total outstanding reclamation liability for land and water combined sufficient to cover the highest liability over the life of the undertaking. Estimates of reclamation costs must be based on the cost of having the necessary reclamation work done by a third party contractor if the operator defaults. The estimate must also include contingency factors appropriate to the particular work to be undertaken. Identify any changes in the financial security assessment resulting from the proposed amendment.

The estimated sum to back haul the remaining waste to the Rankin Inlet landfill is \$6,000. All other reclamation activities have been completed. The core shack, core racks, storage shed, an emergency shelter and an outhouse will remain on site. To remove the core shack, emergency shelter and outhouse would cost in the order of \$25,000 as they are wood structures and could be burned to reduce the volume to be hauled to the Rankin Inlet landfill. The core racks would remain on site.

Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the *Mine Site Reclamation Policy for Nunavut*, Indian and Northern Affairs Canada, 2002.

22. FINANCIAL INFORMATION

Is the statement of financial security the same as that considered in the existing water licence?

☐ Yes ☒ No

Provide an updated statement of financial security. Please refer to financial reports found on the web:
<http://www.agnico-eagle.com/English/Investor-Centre/Financial-Reporting/default.aspx>

If the applicant is a business entity please answer the questions below:

Is the list of the officers of the company the same as those considered in the existing water licence?

☒ Yes ☐ No

Provide a list of the officers of the company. Please refer to page 31 in the 2009 annual report.
http://www.agnico-eagle.com/Theme/Agnico2/files/pdf/AEM_2009AR_20F.pdf

Is the Certificate of Incorporation or evidence of registration of the company name the same?

☒ Yes ☐ No

Attach a copy of the Certificate of Incorporation or evidence of registration of the company name. Agnico-Eagle Mines Limited is listed on both the Toronto and New York stock exchanges under symbol AEM.

23. STUDIES UNDERTAKEN TO DATE

List and attach updated studies, reports, research etc. See Bibliography attached to the end of the "Exploration – Remote Camp Questionnaire".

Provide a compliance assessment and status report including a response to any inspector's reports. The licensee must contact the NWB for licence specific direction in completing the assessment and report.

The last inspection report is attached. What was recommended by the inspector was secondary containment for fuel storage. This was addressed at the time through the use of instaberms. With the reclamation of the camp site almost complete, all drummed fuel and the instaberms have been removed to the Meliadine camp where the drummed fuel has been placed in a bermed area having secondary containment.

If in non-compliance, a licence may not be issued until compliance is achieved. If in non-compliance, attach plans/reports for consideration. Application will not be processed if significant issues of non-compliance exist.

24. PROPOSED TIME SCHEDULE

Does the proposed amendment change the time schedule considered in the existing licence for any phase of development?

☐ Yes ☒ No

Indicate the start and completion dates for each applicable phase of development (construction, operation, closure, and post closure). Identify proposed changes.

Construction

Proposed Start Date: _____ Proposed Completion Date: _____
(month/year) (month/year)

Operation

Proposed Start Date: Feb 2011 Proposed Completion Date: Ongoing
(month/year) (month/year)

Operations would continue well beyond the renewal of the licence in October 2013. There is no set completion date as the property is relatively unexplored, operations are likely to continue for many years.

Closure

Proposed Start Date: _____ Proposed Completion Date: _____
(month/year) (month/year)

The camp is being reclaimed and should be complete in early 2011.

Post - Closure

Proposed Start Date: _____ Proposed Completion Date: _____
(month/year) (month/year)

For each applicable phase of development indicate which season(s) activities occur.

Construction

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

Operation

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☒ All season

Closure

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

Post - Closure

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

25. PROPOSED TERM OF LICENCE

On what date does the existing licence expire? 31 October 2013

Is the Licensee applying for a combined renewal and amendment of the existing licence?

☐ Yes X No

If Yes, indicate the proposed term of the renewal (maximum of 25 years):

Requested date of renewal issuance: _____ Requested Expiry Date: _____
(month/year) (month/year)

(The requested date of renewal issuance must be at least three (3) months from the date of application for a type B water licence and at least one (1) year from the date of application for a type A water licence, to allow for processing of the water licence application. These timeframes are approximate and do not account for the time to complete any pre-licensing land use planning or development impact requirements, time for the applicant to prepare and submit a water licence application in accordance with any project specific guidelines issued by the NWB, or the time for the applicant to respond to requests for additional information. See the NWB's *Guide 5: Processing Water Licence Applications* for more information)

26. ANNUAL REPORTING

Will the proposed amendment change the content of annual reports or the annual report template?

☐ Yes X No

If Yes, provide details regarding the content of annual reports and a proposed outline or template of the annual report.

27. CHECKLIST

The following must be included with the application for Amendment for the water licensing process to begin.

Completed Application for Water Licence Amendment form.

X Yes ☐ No If no, date expected _____

Information addressing Supplement Information Guideline (SIG), where applicable (see Block 11)

☐ Yes X No If no, date expected SIG are only draft at this point and the NWB staff recommended not using the form as of yet.

Compliance Assessment / Status Report (see Block 23).

X Yes ☐ No If no, date expected _____

Indication of Renewal Requirement (see Block 26)

X Yes ☐ No If no, date expected _____

English Summary of Renewal Application.

X Yes ☐ No If no, date expected _____

Inuktitut and/or Inuinnaqtun Summary of Renewal Application.

X Yes ☐ No If no, date expected _____

Application fee of \$30.00 CDN (Payee Receiver General for Canada).

X Yes ☐ No If no, date expected _____

Water Use Fee Deposit of \$30.00 CDN (Payee Receiver General for Canada). The actual water use fee will be calculated by the NWB based upon the amount of water authorized for use in accordance with the Regulations at the time of issuance of the licence.

X Yes ☐ No If no, date expected _____

28. SIGNATURE

Guy Gosselin

**Exploration
Directeur**

Name (Print)

Title (Print)

Signature

Date