

# General Water Licence Application (Application for a new Water Licence)

Document Date: April 2013

| Application Submission Date: |                |
|------------------------------|----------------|
| • •                          | Month/Day/Year |

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### **DOCUMENT MANAGEMENT**

Original Document Date:

April 2010

### **DOCUMENT AMENDMENTS**

|      | Description  | Date       |
|------|--|------------|
| (1)  | Updated for public distribution as separate document from NWB Guide 4      | June 2010  |
| (2)  | Updated NWB logos and reformatted table to allow rows to break across page | May 2011   |
| (3)  | Update NWB logo  | April 2013 |
| (4)  |  |            |
| (5)  |  |            |
| (6)  |  |            |
| (7)  |  |            |
| (8)  |  |            |
| (9)  |  |            |
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## GENERAL WATER LICENCE APPLICATION (APPLICATION FOR NEW WATER LICENCE)

The applicant is referred to the NWB's Guide 4: <u>Guide to Completing and Submitting a Water Licence Application for a New Licence</u> for more information about this application form.

| LICENCE NO.  |                                  |  |  |
|--|----------------------------------|--|--|
| LICENCE NO:<br>(for NWB use only)  |                                  |  |  |
|  |                                  |  |  |
| 1. APPLICANT (PROPOSED LICENSEE)   | 2. APPLICANT REPRESENTATIVE      |  |  |
| CONTACT INFORMATION (name, address)  | CONTACT INFORMATION if different |  |  |
|  | from Block 1 (name, address)     |  |  |
| Agnico Eagle Mines Ltd.  | (manne, audinoss)                |  |  |
| C.P. 87, 765 chemin de la mine Goldex  |                                  |  |  |
| Val-d'Or, Quebec   |                                  |  |  |
| J9P4N9   | Dhana                            |  |  |
| 13P4N9   | Phone:                           |  |  |
|  | Fax:                             |  |  |
|  | e-mail:                          |  |  |
| Phone: 819-874-5980  | (Attach authorization letter.)   |  |  |
| Fax:   |                                  |  |  |
| e-mail: david.frenette@agnicoeagle.com   |                                  |  |  |
|  |                                  |  |  |
| 3. NAME OF PROJECT (including the name of the  | e project location)              |  |  |
| TABLE OF TROOLOT (moldaling the name of the  | e project location)              |  |  |
| Parker lake  |                                  |  |  |
| rainel lane  |                                  |  |  |
|  |                                  |  |  |
| 4. LOCATION OF UNDERTAKING   |                                  |  |  |
|  |                                  |  |  |
|  |                                  |  |  |
| Project Extents  |                                  |  |  |
|  |                                  |  |  |
| NW: Latitude: (63°40'00" N) Longitude: (94°50'0  | 00" W)                           |  |  |
| NE: Latitude: (63°40'00" N) Longitude: (93°54'0  |                                  |  |  |
| SE: Latitude: (63°27'00" N) Longitude: (93°54'0  |                                  |  |  |
|  |                                  |  |  |
| SW: Latitude: (63°31'00" N) Longitude: (94°50'00" W)   |                                  |  |  |
| O Location (-)   |                                  |  |  |
| Camp Location(s)   |                                  |  |  |
|  |                                  |  |  |
| Latitude: ( ° ' " N) Longitude: ( ° ' " W)   |                                  |  |  |
|  |                                  |  |  |
| <ol><li>MAP - Attach a topographical map, indicating the main components of the undertaking.</li></ol> |                                  |  |  |
|  |                                  |  |  |

| NTS Map Sheet No.: 55M08, 55M09, 55M10, 55N05, 55N<br>Map Name: Map Scale:                               | 12   |  |  |  |
|--|--|--|--|--|
|  | NATURE OF INTEREST IN THE LAND - 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  |  |  |  |  |
| X Mineral Lease from Nunavut Tunngavik Incorpor<br>Date (expected date) of issuance:                     |  |  |  |  |
| ☐ Mineral Lease from Indian and Northern Affairs Date (expected date) of issuance:                       |  |  |  |  |
| Surface  |  |  |  |  |
| ☐ Crown Land Use Authorization from Indian and Date (expected date) of issuance: Pending Date            |  |  |  |  |
| ☐ Inuit Owned Land (IOL) Authorization from Kitik Date (expected date) of issuance:                      |  |  |  |  |
| X IOL Authorization from Kivalliq Inuit Association<br>Date (expected date) of issuance: Pending Date of |  |  |  |  |
| ☐ IOL Authorization from Qikiqtani Inuit Association Date (expected date) of issuance:                   |  |  |  |  |
| ☐ Commissioner's Land Use Authorization Date (expected date) of issuance:                                | Date of expiry:  |  |  |  |
| Other:   | Detections   |  |  |  |
| # N  |  |  |  |  |
| Name of entity(s) holding authorizations:  |  |  |  |  |
| 7. NUNAVUT PLANNING COMMISSION (NPC) DE  | FERMINATION  |  |  |  |
| Indicate the land use planning area in which the pr  | roject is located.   |  |  |  |
| □ North Baffin       X Keewa         □ South Baffin       □ Saniki         □ Akunniq       □ West H      |  |  |  |  |
| Is a land use plan conformity determination require  | ed?  |  |  |  |
| X Yes  |  |  |  |  |
| If Yes, indicate date issued and attach copy: Pend If No, provide written confirmation from NPC confi    |  |  |  |  |

|                  | is not required.   |  |  |
|------------------|--|--|--|
| 8.               | NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION   |  |  |
|                  | Is an Article 12 Part 4 screening determination required?  |  |  |
|                  | X Yes  |  |  |
|                  | If Yes, indicate date issued and attach copy: Pending If No, provide written confirmation from NIRB confirming that a screening determination is not required.   |  |  |
|                  | <b>DESCRIPTION OF UNDERTAKING</b> – List and attach plans and drawings or project proposal. orks planned include prospecting, geophysical surveying (ground and air) and diamond drilling. or p is planned to be constructed   |  |  |
| <b>10.</b><br>NA | OPTIONS – Provide a brief explanation of the alternative methods or locations that were considered to carry out the project.   |  |  |
| 11.              | CLASSIFICATION OF PRIMARY UNDERTAKING - Indicate the primary classification of undertaking by checking one of the following boxes.   |  |  |
|                  | ☐ Industrial       ☐ Agricultural         X Mining and Milling (includes exploration/drilling/exploration camps)         ☐ Conservation       ☐ Municipal (includes camps/lodges)       ☐ Recreational         ☐ Power       ☐ Miscellaneous (describe below):   |  |  |
|                  | See Schedule II of Northwest Territories Waters Regulations for Description of Undertakings.  Information in accordance with applicable Supplemental Information Guidelines (SIG) must be submitted with a New Water Licence Application. Indicate which SIG(s) are applicable to your application.  |  |  |
|                  | <ul> <li>Hydrostatic Testing</li> <li>Tannery</li> <li>Tourist / Remote Camp</li> <li>Landfarm &amp; On-Site Storage of Hydrocarbon Contaminated Soil</li> <li>Onshore Oil and Gas Exploration Drilling</li> <li>X Mineral Exploration / Remote Camp</li> <li>Advanced Exploration</li> <li>Mine Development</li> <li>Municipal</li> <li>General Water Works</li> <li>Power</li> </ul> |  |  |
| 12.              | WATER USE - Check the appropriate box(s) to indicate the type(s) of water use(s) being applied for.  |  |  |
|                  | ☐ To obtain water for camp/ municipal purposes ☐ To obtain water for industrial purposes ☐ To divert a watercourse   |  |  |

|   | To alter th   | watercourse<br>e flow of, or store wa<br>otain water for diamo | ter 🔲                                      | To modify the bed or bar<br>Flood control   | nk of a watercourse                            |
|---|---|--|--|---|--|
| 13.   | Block 12, prothe estimated  | vide the source of wa  | iter, the quality of<br>in cubic meters pe | For each type of wate<br>the water source and ava-<br>er day, method of extracti<br>urce. | ailable capacity,                              |
|   | Name of water source(s) (show location(s) on map):  The water use for the drilling will be drawn from proximal lakes and ponds. |  |  |   |  |
|   |   |  |  | vailable capacity: the qua  | ality of these water                           |
|   | Provide the ov  | erall estimated quan   | tity of water to be                        | used: Maximum 299 m³/   | day  |
|   | Provide the es  | timated quantity(s) o  | f water to be used                         | from each source:   |  |
|   | Indicate the es   | stimated quantities to   | be used for each                           | purpose (camp, drilling,  | etc.)  |
|   | Describe the n  | nethod of extraction(s   | s): By pumping.                            |   |  |
|   | Estimated qua   | ntity(s) of water retur  | ned to source(s) _                         |   | m³/day   |
| Describe the quality of water(s) returned to source(s):   |   |  |  |   |  |
|   |   |  |  |   |  |
| 14. WASTE – Check the appropriate box(s) to indicate the types of waste(s) generated and deposited. |   |  |  | erated and  |  |
|   | Sewage  |  | X Waste oi                                 |   |  |
|   | X Solid Wast<br>X Hazardous   |  | ☐ Greywat<br>X Sludges                     |   |  |
|   | ☐ Bulky Item ☐ Animal Wa ☐ Other (des   |  | ∐ Contami                                  | nated soil and/or water   |  |
| 15.   |   | cribe its composition  |  | – For each type of wast<br>meters/day, method of tr                                       |  |
|   | ype of<br>Vaste   | Composition  | Quantity<br>Generated                      | Treatment<br>Method   | Disposal<br>Method                             |
|   | waste   | Domestic<br>waste, scrap<br>wood                               | <1m³/day                                   | Segregated<br>and<br>transported  | Disposed at<br>AEM facilities                  |
| Used<br>Oil/ha  | azardous  | Motor/<br>hydraulic oil  | <200<br>liters/week                        | Transported to AEM facilities   | Shipped to a southern facility for disposition |
|   |   |  |  |   |  |

| -      |  |                          |  |  |  |  |
|--------|--|--------------------------|--|--|--|--|
| 16.    | OTHER AUTHORIZATIONS – In addition to the sub-surface and surface land use author provided in Block 6, indicate any other authorizations required in relation to the proposed undertaking. For each provide the following:   |                          |  |  |  |  |
|        | Authorization:   |                          |  |  |  |  |
|        | Administering Agency:  |                          |  |  |  |  |
|        | Project Activity:  |                          |  |  |  |  |
|        | Date (expected date) of issuance: Date of expiry:  |                          |  |  |  |  |
| explor | PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES - Describe direct, indirect, and cumulative impacts related to vand waste.  Inned exploration work to be carried out under this permit is for grassroots exploration. The ons are intended to be low scale, using existing facilities to support the works, so the imparent are considered low.  | ese                      |  |  |  |  |
| 18.    | WATER RIGHTS OF EXISTING AND OTHER USERS OF WATER  Provide the names, addresses and nature of use for any known persons or properties to adversely affected by the proposed undertaking, including those that hold licences for work precedent to the application, domestic users, in-stream users, authorized waste deposited property, occupiers of property, and/or holders of outfitting concessions, register holders, and holders of other rights of a similar nature. | vater use in ors, owners |  |  |  |  |
|        | Advise the Board if compensation has been paid and/or agreement(s) for compensation reached with any existing or other users.  | have been                |  |  |  |  |
| 19.    | INUIT WATER RIGHTS   |                          |  |  |  |  |
|        | Advise the Board of any substantial affect of the quality, quantity or flow of waters flow nuit Owned Land (IOL), and advise the Board if negotiations have commenced or an ago compensation for any loss or damage has been reached with one or more Design Organization (DIO).   | greement to              |  |  |  |  |
| 20.    | <b>CONSULTATION</b> – Provide a summary of any consultation meetings including when the were held, where and with whom. Include a list of concerns expressed and measures to concerns.   |                          |  |  |  |  |
|        | ting was conducted related to this specific exploration project, but Agnico Eagle Mines pa<br>ent meetings with the communities and government organisms regarding their projects ar   |                          |  |  |  |  |
| 21.    | SECURITY INFORMATION   |                          |  |  |  |  |
|        | Provide an estimate of the total financial security for final reclamation equal to the total reclamation liability for land and water combined sufficient to cover the highest liability over  |                          |  |  |  |  |

the undertaking. <u>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</u>. The estimate must also include contingency factors appropriate to the particular work to be undertaken.

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.

If the project eventually needs the installation of buildings or other infrastructures, a reclamation and closure plan will have to be submitted with an amendment to the licence.

#### 22. FINANCIAL INFORMATION

Provide a statement of financial responsibility.

AEM is a publically traded company listed on both the TSX and NYSE under the symbol AEM. Its head office is in Toronto, and the company has mines in Quebec, Nunavut, Finland and Mexico. Its latest annual financial report can be found at the following web address:

http://www.agnico-eagle.com/English/Investor-Centre/Financial-Reporting/default.aspx

If the applicant is a business entity, provide a list of the officers of the company.

http://www.agnico-eagle.com/English/Our-Company/Officers-AEM/SrVPOfficers/default.aspx

If the applicant is a business entity attach a copy of the Certificate of Incorporation or evidence of registration of the company name.

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| 23.     | STUDIES UNDERTAKE               | EN TO DATE - List ar    | nd attach copies of studies, reports | s, research, etc.       |
|---------|---------------------------------|-------------------------|--------------------------------------|-------------------------|
| No stud | dy related to this applicati    | on has been undertal    | ken until now.                       |                         |
|         |                                 |                         |                                      |                         |
|         |                                 |                         |                                      |                         |
|         |                                 |                         |                                      |                         |
|         |                                 |                         |                                      |                         |
|         |                                 |                         |                                      |                         |
|         |                                 |                         |                                      |                         |
|         |                                 |                         |                                      |                         |
|         |                                 |                         |                                      |                         |
| 24.     |                                 |                         | e proposed start and completion d    |                         |
|         | applicable phase of dev         | elopment (construction  | on, operation, closure, and post clo | osure).                 |
|         | Construction                    |                         |                                      |                         |
|         | Proposed Start Date:            |                         | Proposed Completion Date:            |                         |
|         |                                 | (month/year)            |                                      | (month/year)            |
|         | Operation  Draw and Start Date: | 05/0046                 | Dranged Completion Date              | 10/2021                 |
|         | Proposed Start Date:            | 05/2016<br>(month/year) | Proposed Completion Date:            | 10/2021<br>(month/year) |
|         | Closure                         |                         |                                      |                         |
|         | Proposed Start Date:            | (month/year)            | Proposed Completion Date:            | (month/year)            |
|         | Post - Closure                  | (month, year)           |                                      | (monthly our)           |

|   | Proposed Start Date:   |   | Dranged Completion Date:  |  |
|---|--|---|---|--|
|   | Proposed Start Date:   | (month/year)  | Proposed Completion Date:   | (month/year)   |
|   | For each applicable phase  | e of development in   | dicate which season(s) activities   | occur.   |
|   | Construction ☐ Winter ☐ Spring   | Summer Fa   | all   |  |
|   | Operation ☐ Winter X Spring >  | X Summer X Fall   | ☐ All season  |  |
|   | Closure ☐ Winter ☐ Spring  | Summer Fa   | all   |  |
|   | Post - Closure ☐ Winter ☐ Spring   | Summer Fa   | all All season  |  |
|   |  |   |   |  |
| 25.                                     | PROPOSED TERM OF L   | ICENCE  |   |  |
|   | Number of years (maximu  | m of 25 years): 5 y   | ears  |  |
|   | Requested Date of Issuan   | nce: 02/2016<br>month/year)   | Requested Expiry Date: 1  | 10/2021<br>nonth/year)   |
| water licensing<br>license a<br>respond | and <u>at least</u> one (1) year from<br>cence application. These tim<br>g land use planning or develo<br>application in accordance with | n the date of applicati<br>reframes are approxing<br>pment impact require<br>a any project specific g | (3) months from the date of applic on for a type A water licence, to all nate and do not account for the tirments, time for the applicant to prejuidelines issued by the NWB, or the NWB's Guide 5: <u>Processing Water</u> | low for processing of the<br>me to complete any pre-<br>pare and submit a water<br>time for the applicant to |
| 26.                                     |  |   | B's <u>Standardized Form for Annu</u><br>s and a proposed outline or temp   |  |
| AEM co                                  | ould use the Standardized f  | form for annual repo  | orting for this licence.  |  |
|   |  |   |   |  |
|   |  |   |   |  |
|   |  |   |   |  |
|   |  |   |   |  |
|   |  |   |   |  |
|   |  |   |   |  |
|   |  |   |   |  |

| 27. | CHECKLIST – The following begin.  | owing must be incl                       | uded with the application for the water licensing process to |
|-----|---|--|--|
|     | Written confirmation fro conformity have been a   | om the NPC confirm<br>addressed.         | ning that NPC's requirements regarding land use plan         |
|     | ☐Yes  | □No                                      | If no, date expected   |
|     | Written confirmation fro impact assessment have   | m the NIRB confirm<br>re been addressed. | ning that NIRB's requirements regarding development          |
|     | Yes   | □No                                      | If no, date expected   |
|     | Completed General Wa  | iter Licence Applica                     | ation form.  |
|     | Yes   | □No                                      | If no, date expected   |
|     | Information addressing  | Supplemental Info                        | rmation Guideline (SIG) , where applicable (see Block 11)    |
|     | Yes   | □No                                      | If no, date expected   |
|     | English Summary of Ap   | plication.                               |  |
|     | Yes   | □No                                      | If no, date expected   |
|     | Inuktitut and/or Inuinnad   | qtun Summary of A                        | pplication.  |
|     | Yes   | □No                                      | If no, date expected   |
|     | Application Fee of \$30.0   | 00 CDN (Payee Re                         | ceiver General for Canada).                                  |
|     | 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. |  |  |
|     | Yes   | ☐ No                                     | If no, date expected   |
| 28. | SIGNATURE   |  | /  |
|     | DTRENETTE E   | Title (Print)                            | Signature Date   |
|     |   | Washington A 2 Chippens                  | Duto   |