

Application for Water Licence Amendment

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kNK5 wmoEp5 vtmpq NUNAVUT IMALIRIYIN KATIMAYIT NUNAVUT WATER BOARD OFFICE DES EAUX DU NUNAVUT

DOCUMENT MANAGEMENT

Original Document Date: April 2010

DOCUMENT AMENDMENTS

	Description	Date
(1)	Updated for public distribution as separate document from NWB Guide 7	June 2010
(2)	Updated NWB logos and reformatted table to allow rows to break across page	May 2011
(3)	New NWB logo; request for background information; and change to Block 24	April 2013
(4)		
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GJOA HAVEN, NU X0B 1J0 NUNAVUT WATER BOARD

NUNAVUT IMALIRIYIN KATIMAYIT

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.

Where possible, provide background information regarding the original licence application or attach previously submitted information.

EXISTING LICENCE NO: 2BE-PKR1621
1. LICENSEE CONTACT INFORMATION
Is the licensee the same as that referred to on the existing licence?
X Yes No
If No, a licence assignment must be completed and approved by the NWB. An amendment 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 <u>name</u> of the licensee has changed, attach a certificate of name change.
Name: Agnico Eagle Mines Limited
Address: C.P.87, 765 chemin de la mine Goldex, Val-d'Or, Quebec, J9P4N9
Phone: (819) 874-5980 ext. 3622 Fax: (819) 874-3318 e-mail: david.frenette@agnicoeagle.com
2. LICENSEE REPRESENTATIVE CONTACT INFORMATION – If different from Block 1.
Name:
Address:
Phone: Fax: e-mail: (Attach authorization letter.)

3.	NAME OF PROJECT	
Has the	e name of the project changed?	
		X Yes No
-	indicate the name of the project includination projects	g the name of the location: Parker Lake and Cone hills
4.	LOCATION OF UNDERTAKING	
Does	the proposed amendment change the lo	ocation of the amended undertaking?
		X Yes
Provid	de the project extents and camp location	s. Identify proposed changes.
Projec	t Extents	
NW: NE: SE: SW:	Latitude: (64° 00' 00" N) Latitude: (64° 00' 00" N) Latitude: (63° 27' 00" N) Latitude: (63° 27' 00" N)	Longitude: (94° 50' 00" W) Longitude: (93° 54' 00" W) Longitude: (93° 54' 00" W) Longitude: (94° 50' 00" W)
Camp	Location(s)	
Latitue	de: (63° 35' 12" N)	Longitude: (94° 07' 03" W)
5.	MAP	
Does tl	ne proposed amendment change the loc	cations of any of the main components of the undertaking?
		X Yes No
Attach	a topographical map, indicating the mail	n components of the undertaking. Identify proposed changes.
NTS M	ap Sheet No.: 55M08, 55M09, 55M10, 5	55N12 Map Name: Map Scale: 1:50,000
Figures	s can be found in attachment of this ame	endment application.

	the proposed amendment change the nature of the interest in the land?	
If Yes	☐ Yes X No s, 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	
	X Mineral Lease from Nunavut Tunngavik Incorporated (NTI)	
	Date (expected date) of issuance: 2015-2016 Date of expiry: renewed as required	
	X Mineral Lease from Indian and Northern Affairs Canada (INAC) Date (expected date) of issuance: 2016 Date of expiry: renewed as required.	
	Surface	
	X Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC) Date (expected date) of issuance: permit amendment expected for April 2017 Date of	expiry: N
	X Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA) Date (expected date) of issuance: Date of expiry:	
	X IOL Authorization from Kivalliq Inuit Association (KivIA) Date (expected date) of issuance: permit amendment expected for April 2017	
	Date of expiry: NA	
	Date of expiry: NA IOL Authorization from Qikiqtani Inuit Association (QIA) Date (expected date) of issuance: Date of expiry:	
	☐ IOL Authorization from Qikiqtani Inuit Association (QIA)	
	☐ IOL Authorization from Qikiqtani Inuit Association (QIA) Date (expected date) of issuance: Date of expiry: ☐ Commissioner's Land Use Authorization	
	☐ 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:	
	☐ 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: ename of the entity(s) holding authorizations the same as that considered in the existing	
s the cence	☐ 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: ename of the entity(s) holding authorizations the same as that considered in the existing	
cence	☐ 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: ename of the entity(s) holding authorizations the same as that considered in the existing se?	

7. N	UNAVUT PLANNING COMMISSION (NPC) DET	ERMINATION
Indicate t	the land use planning area in which the	existing p	roject is located.
] North Baffin] South Baffin] Akunniq	X Keewat ☐ Sanikilı ☐ West K	
Does the	proposed amendment change the land	d use planr	ning area?
		Yes	X No
If yes, inc	dicate the land use planning area in wh	ich the am	ended undertaking is located.
] North Baffin] South Baffin] Akunniq	☐ Keewa ☐ Sanikilı ☐ West K	
Was a la licence?	and use plan conformity determination r	equired fro	om NPC prior to the issuance of the existing water
If Yes, in	dicate date issued and attach copy. Oc	X Yes [etober 21 st ,	□ No 2015. A copy is attached.
Does the	e proposed amendment change the orig	inal NPC	conformity determination or the need to obtain one?
		X Yes [□No
			by. <i>January 23, 2017. A copy is attached.</i> at a land use plan conformity review is not required.
8. N	UNAVUT IMPACT REVIEW BOARD (NIRB) DE	TERMINATION
Was a so	creening determination required from N	IRB prior t	o the issuance of the existing water licence?
		X Yes [No
If Yes, in attached		RB File # 1	15EN049, Issued January 18 th , 2016. A copy is
Does the one?	e proposed amendment change the orig	inal NIRB	screening determination or the need to obtain
		X Yes [No
			by. The amendment is currently on screening. nat a screening determination is not required.

9. DESCRIPTION OF UNDERTAKING
Does the proposed amendment change the description of the undertaking?
X Yes
List and attach plans and drawings or project proposal. Identify proposed changes.
An exploration area is added, a temporary exploration camp is added, 2 airstrips are added.
10. OPTIONS
Does the proposed amendment change any of the alternative methods and locations that were considered to carry out the project?
X Yes No
Provide a brief explanation of the alternative methods or locations that were considered to carry out the project. Identify proposed changes.
Instead of staying at the Meliadine camp site, the workers will stay at the Parker Lake exploration camp. A new exploration area is added.
11. CLASSIFICATION OF PRIMARY UNDERTAKING
Indicate the primary classification of undertaking for the existing licence by checking one of the following boxes:
☐ Industrial X Mining and Milling (includes exploration/drilling/exploration camps) ☐ Conservation ☐ Municipal (includes camps/lodges) ☐ Power ☐ 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 (<i>The completed form is attached.</i>) ☐ 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.
☐ To obtain water for camp/ municipal purposes ☐ To obtain water for industrial purposes ☐ To cross a watercourse ☐ To alter the flow of, or store water X Other: To obtain water for drilling
Does the proposed amendment change the type(s) of water use(s)?
X Yes
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.
☐ To obtain water for camp/ municipal purposes ☐ To obtain water for industrial purposes ☐ To cross a watercourse ☐ To alter the flow of, or store water ☐ X Other: To obtain water for an exploration camp
13. QUANTITY OF WATER INVOLVED
Does the proposed amendment change the source of water?
Indicate the water source(s). Identify proposed changes:
The water source locations continue to be proximal lakes and ponds from drilling sites and will be a proximal lake for the temporary exploration camp. Rivers could also be used as a water source.
(show location(s) on map).
Does the proposed amendment change the quality of the water source and/or its available capacity?
☐ Yes X No
Describe the quality of the water source(s) and the available capacity(s). Identify any changes.:The water used at camp will become greywater that will be disposed of in a natural depression located at least 31 meters from any water body.
Does the proposed amendment change the overall quantity of water to be used?
Yes X No Provide the overall estimated quantity to be used. Identify proposed changes. Water for all uses will continue to be under the license limit.

Does the proposed amendment change the quantity of water to be used from each source?				
X Yes				
Provide the estimated quantity(s) of water to be used from each source. Identify proposed changes: Around 5m³/day will be used for the camp, but AEM would like to continue to have a global volume allocation for both uses, drilling and camp, to avoid the need to amend the license in case of minor modifications to the project. Water for drilling will be pumped from proximal lakes, rivers and ponds.				
Does the proposed amendment change the quantity of water to be used for each purpose?				
X Yes No				
Provide the estimated quantities to be used for each purpose (camp, drilling, etc.). Identify proposed changes:				
Around 5m³/day will be used for the camp.				
Does the proposed amendment change the method(s) of extraction?				
Describe the method(s) of extraction. Identify proposed changes. : Continues to be by pumping				
Does the proposed amendment change the quantity(s) of water returned to source(s)?				
X Yes No				
No water is directly returned to sources. Water used is disposed in natural depressions located at least at 31 meters from any water body.				
Estimated quantity(s) of water returned to source(s). Identify proposed changes. :				
Does the proposed amendment change the quality(s) of water returned to source(s)?				
☐ Yes X No				
No water will be directly returned to sources. All used water will be disposed of, at least at 31 meters from any water body, where direct flow to the water body is not possible.				
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.				
Sewage X Waste oil X Solid Waste ☐ Greywater X Hazardous ☐ Sludges X Bulky Items/Scrap Metal ☐ Contaminated soil and/or water ☐ Animal Waste ☐ Other (describe):				
Does the proposed amendment change the type(s) of waste(s) to be generated or deposited?				
X 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).				

X Sewage (pacto toilets waste will be incinerated)
15. QUANTITY AND QUALITY OF WASTE INVOLVED
Does the proposed amendment change the quantity(s) of the types of wastes involved?
X Yes
X Yes
X Yes
X Yes
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 (tons/year)	Treatment Method	Disposal Method
Sewage	Pacto toilets waste	1	No treatment	Incineration at the exploration camp or transported and incinerated at the Meliadine camp.
Combustible domestic waste	Food packaging, food waste, paper, cardboard	7	Incineration	Incineration at the exploration camp or transported and incinerated at the Meliadine camp.
Incinerator Ash	Ash, cans, glass	1	No treatment	Landfilled at an authorized landfill or shipped to a southern certified waste management facility for treatment and disposal
Hydrocarbon Contaminated Soil	Soil having diesel, gasoline, oil	Varies annually based on the number of spills	Transport to a southern treatment facility or treated at the Meliadine landfarm.	Southern facility or Meliadine landfarm.
Greywater	Used kitchen and shower waters.	Estimated at 5m³/day	No treatment	Disposed of in a natura depression located at least at 31 meters from any water body.

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?
$$\rm X~Yes~\square~No$$ If Yes, indicate any additional authorizations required, which authorizations are no longer required, and which authorizations continue to be required.
Administering Agency: INAC
Project Activity: An amendment to the existing exploration land use permit (INAC) or a new permit is required to include the Cone hill exploration project area and to include the construction and use of a small airstrip.
Date (expected date) of issuance: April 2017 Date of expiry: NA
Administering Agency: KIA
Project Activity: An amendment to the existing exploration land use permit (KIA) or a new permit is required for the temporary exploration camp and associated activities.
Date (expected date) of issuance: April 2017 Date of expiry: NA
17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES
Does the proposed amendment change the predicted environmental impacts of the undertaking or the mitigation measures?
Yes X No Describe direct, indirect, and cumulative impacts related to water and waste. Identify any changes.
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 X 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 X 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.
Consultations regarding this amendment have not been conducted yet. Meetings regarding the Parker Lake exploration project and other Nunavut exploration projects were held in Rankin Inlet on June 6 th , 2016 and in Baker Lake on June 7 th , 2016. Consultations will continue to be held in 2017.
1. SECURITY INFORMATION
Does the proposed amendment change the financial security assessment?
X Yes
Does the proposed amendment change the estimate of the total financial security for final reclamation?
X Yes
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.
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 <i>Mine Site Reclamation Policy for Nunavut</i> , Indian and Northern Affairs Canada, 2002.
Reclamation security presently furnished to KIA under land use permit KVL315C02 is a total of \$35,000.

22. FINANCIAL INFORMATION
Is the statement of financial security the same as that considered in the existing water licence?
X Yes No
Provide an updated statement of financial security.
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: https://www.agnicoeagle.com/English/investor-relations/financial-information/sec-filings/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?
X Yes No
Provide a list of the officers of the company.
Officers for the company can be found at the following web address: https://www.agnicoeagle.com/English/about-agnico/default.aspx
Is the Certificate of Incorporation or evidence of registration of the company name the same?
X Yes No
Attach a copy of the Certificate of Incorporation or evidence of registration of the company name.
AEM is a publically traded company listed on both the TSX and NYSE under the symbol AEM. Its head office is in Toronto, and it has mines in Quebec, Nunavut, Finland and Mexico.
23. STUDIES UNDERTAKEN TO DATE
List and attach updated studies, reports, research etc.
Archaeological investigations were conducted in these exploration areas to ensure the protection of archaeological sites. Reports will be submitted to the Government of Nunavut by the archaeologist.
24. PROPOSED TIME SCHEDULE
When are proposed amendments scheduled to be undertaken: As soon as it is practical after receiving approval from the Nunavut Water Board.
Does the proposed amendment change the time schedule considered in the existing licence for any phase of development?
X Yes No

Indicate the start and completion dates for each applicable phase of development (construction, operation, closure, and post closure). Identify proposed changes.							
Construction: The camp construction is planned to be started in May 2017.							
Operation: Temporary exploration camp is planned to be used for 3-4 years.							
Closure: Closure of the camp will be done when the exploration in the areas is completed. Removal of infrastructures on the camp site will be done and site will be restored to its more original state.							
Post – Closure: Not applicable.							
For each applicable phase of development indicate which season(s) activities occur.							
Construction ☐ Winter X Spring X Summer ☐ Fall ☐ All season							
<u>Operation</u> ☐ Winter X Spring X Summer X Fall ☐ All season							
Closure ☐ Winter ☐ Spring X Summer ☐ Fall ☐ All season							
Post – Closure (not applicable) ☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season							
25. 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.							
☐ Yes ☐ No If no, date expected							
Information addressing Supplement Information Guideline (SIG), where applicable (see Block 11)							
☐ Yes ☐ No If no, date expected							
Compliance Assessment / Status Report (see Block 23).							
Yes No If no, date expected							
Indication of Renewal Requirement (see Block 26)							
Yes No If no, date expected							
English Summary of Amendment Application.							
☐ Yes ☐ No If no, date expected							

Inuktitut and/or Inuinnaqtun Summary of Amendment Application.						
	∐Yes	☐ No	If no,	date expected		
	Application fee of \$30.00 CDN (Payee Receiver General for Canada).					
	Yes	□No	If no,	date expected To follow by Canada	Post	
	Water Use Fee Deposit of \$30.00 CDN (Payee Receiver General for Canada).					
	Yes	□No	If no, date ex	rpected.		
26.	SIGNATURE					
26.	SIGNATURE				×	
David Frenette			Environment Coordinator	and the state	2017-03-06	
	Name (Print)		Title (Print)	Signature	Date	

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