et du Nord Canada

Water Resources Nunavut Regional Office P.O. Box 100 Igaluit, NU, X0A 0H0

June 13, 2017

INAC reference CIDM# 1153581

NWB reference #2BE-PKR1621

Karén Kharatyan A/Manager of Licencing **Nunavut Water Board** Gjoa Haven, NU, X0E 1J0

Re: INAC's Technical Review of Agnico Eagle Mines Ltd.'s Amendment #1 Application for Water Licence, Licence No. 2BE-PKR1621

Dear Mr. Kharatyan,

Thank you for your email on May 10, 2017, concerning the above mentioned water licence amendment application process.

A memorandum is provided for the consideration of the Nunavut Water Board (Board or NWB). Comments have been provided pursuant to the Department's mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Department of Indian Affairs and Northern Development Act.

Please do not hesitate to contact me by telephone at 867-975-4282 or email at ian.parsons@aandc-aadnc.gc.ca for further comments or any questions.

Sincerely,

Ian Parsons, B.Sc Regional Coordinator Indigenous Affairs and Northern Development Canada P.O. Box 100 Igaluit, NU, X0A 0H0

c.c.: Erik Allain, Manager of Field Operations, NRO, INAC Christine Wilson, Water Resource Officer, Field Operations, NRO, INAC



Re: INAC's Technical Review of Agnico Eagle Mines Ltd.'s Amendment #1 Application for Water Licence No. 2BE-PKR1621

Applicant: Agnico Eagle Mine Ltd.

Project: Parker Lake Region: Kivalliq

A. BACKGROUND

On May 10, 2017 the Nunavut Water Board (NWB or Board) provided notification to interested parties that Agnico Eagle Mines Limited (AEM or the applicant) had submitted an amendment application for water licence # 2BE-PKR1621.

The applicant plans to develop a 20 person camp at Parker Lake which would include facilities to accommodate up to 20 workers constituted mainly of tents and sea cans. A core shack, a core splitting room, a medical room, a kitchen, a dry, showers and Pacto toilets will also be included in this temporary exploration camp.

Gensets for camp electricity, incinerator for domestic waste disposal, treatment for drinking water and berms for up to 400 fuel drums will also be installed at this camp site.

As well, a small airstrip on the lake near the camp and one on the esker located 23 kilometers north-east of the camp will be used to transport material, equipment and workers using an Otter plane. The airstrip on the lake will be used during the ice period and the airstrip on the esker will be used during the summer season to bring material and equipment from Meliadine or Baker Lake closer to Parker Lake.

Interested parties were asked to review the water licence application and provide technical comments by February 29, 2016.

B. RESULTS OF REVIEW

On behalf of INAC's Water Resources Division, comments and recommendations are provided for the NWB's consideration.

1) Winter Access Road to Cone Hill

Source: Water Licence Application

Comment: The applicant has indicated that they are planning on having a winter access road to Cone Hill. No further details are provided.

Recommendation: INAC would like more details on this road, including but not limited to, dates of use, stream crossings, if any water use is intended, and type of vehicles using this road.

INAC advises that the applicant record any water use for road development, as this water use will fall under the water licence. The applicant is also reminded to take measures to ensure water use exceedances are not incurred.

2) Abandonment and Reclamation (A&R) Plan

Source: Water Licence Application

Comment: The applicant has not included an A&R plan.

The applicant had previously not included an A&R plan in its original water licence application because no infrastructure was planned to be developed under the current licence.

Through this amendment application there are now plans to have camp facilities at Parker Lake adequate enough for a 20 person work force, warranting an A & R plan.

Recommendation: The applicant is required to submit to the NWB an A&R plan for review and approval.