File No: 2BE-PKR2126

September 29, 2021

David Frenette Environmental Coordinator Agnico Eagle Mines Limited C.P. 87-765 Chemin de la Mine Goldex Val-d'Or, QU J9P 7G4

Email: david.frenette@agnicoeagle.com

RE: NWB Renewal Water Licence No: 2BE-PKR2126

Dear Mr. Frenette:

Please find attached Licence No: **2BE-PKR2126** issued to Agnico Eagle Mines Limited by the Nunavut Water Board (NWB or Board) pursuant to its authority under Article 13 of the Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada (Nunavut Agreement). The terms and conditions of the attached Licence related to the use of Water and the deposit of Waste are an integral part of this approval.

If the Licensee contemplates the renewal of this Licence, it is the responsibility of the Licensee to apply to the NWB for its renewal. The past performance of the Licensee, new documentation and information, and issues raised during a public hearing, if the NWB is required to hold one, will be used to determine the terms and conditions of the Licence renewal. Note that if the Licence expires before the NWB issues a new one, then Water use and Waste disposal must cease, or the Licensee may be in contravention of the *Nunavut Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (Act)*. However, the expiry or cancellation of a licence does not relieve the holder from any obligations imposed by the licence. The NWB recommends that an application for the renewal of this Licence be filed at least **three (3) months** prior to the Licence expiry date. It should be noted that in accordance with Section 75(1)(a) of the *Nunavut Planning and Project Assessment Act (NuPPAA)*, the Board is not allowed to issue a permit or authorization for any project proposal that has not been submitted to the Nunavut Planning Commission (NPC) in accordance with Section 76 of *NuPPAA*.

If the Licensee contemplates or requires an amendment to this Licence, the NWB may decide, in the public's interest, to hold a public hearing. The Licensee should submit applications for amendment as soon as possible to give the NWB sufficient time to go through the amendment process. The process and timing may vary depending on the scope of the amendment; however, a minimum of **sixty (60) days** is required from time of acceptance by the NWB. It is the responsibility of the Licensee to ensure that all application materials have been received and are acknowledged by the Manager of Licensing.

Sincerely,	
Lootie Toomasie	
Nunavut Water Board	

Chair

LT/sk/rqd

Enclosure: Licence No: 2BE-PKR2126

Comments: CIRNA

Cc: Distribution List – Kivalliq

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I. BACKGROUND

The Parker Lake Project (Project) consists of the Parker Lake and the Cone Hills mineral properties. The Parker Lake mineral property is located on Inuit Owned Land between 120km and 160km north-west of the Rankin Inlet community and between 100km and 135km south-east of the Baker Lake community. The Cone Hill mineral property is located on Crown Land between 158km and 174km north-west of the Rankin Inlet community and between 85km and 105km east of the Baker Lake community. Agnico Eagle Mines Limited (Agnico Eagle or Applicant) is the Project operator and is responsible for maintaining the authorizations required to perform exploration activities on the property.

The current Water Licence is set to expire on October 30, 2021. To ensure continuation of its exploration activities or undertakings, Agnico Eagle has applied to the NWB to renew its Water Licence. In the current Application, Agnico Eagle notes that the scope of activities currently authorized under Water Licence No: 2BE-PKR1621 will remain unchanged, which includes camp operations, prospecting, geological mapping, rock sampling, ground and airborne geophysics, diamond drilling and other related activities at the Parker Lake and Cone Hill sites aimed at identifying and evaluating mineral deposits of interest.

The Parker Lake camp site can accommodate up to twenty (20) workers at a time and constitutes tents, sea cans, a core shack, a core splitting room, a medical room, a kitchen, shower spaces and toilets. Generator sets are utilized for camp electricity and the 400 fuel drums are stored on site, situated within bermed areas. When Parker Lake freezes, a small airstrip will be developed on the lake. In summer months, another strip can be developed on the esker located 23 km northeast of the proposed camp. The landing strips for otter planes and/or helicopters, when suitable, will be used to transport material, equipment and workers.

II. FILE HISTORY

Historically, the Parker Lake Project has been explored under the Licences outlined in Table 1.

Table 1. Project Licensing History

Licence No.	Date Issued	Comments
2BE-PKR1621	March 7, 2016	Initial Licence issued to Agnico Eagle to allow for the use of 299 cubic metres of Water daily and the deposit of Waste in support of a Mining undertaking at the Parker Lake Property
Amendment No. 1 2BE-PKR1621	August 29, 2017	Licence amended to include Water use for exploration camp activities and drilling in the Cone Hill Exploration project area

III. PROCEDURAL HISTORY

On July 7, 2021, Agnico Eagle Mines Limited (Agnico Eagle or Applicant) submitted to the NWB an Application requesting to renew Water Licence No: 2BE-PKR1621. The following documents were included within the Application package:

- Water Licence Renewal Application Form;
- Non-technical Summaries in English and Inuktitut;
- NPC Determination, dated May 18, 2021;
- NIRB Screening Decision, dated January 18, 2016;
- Articles of Amalgamation, dated December 31, 2019; and
- Certificate of Status, dated June 1, 2021.

On July 19, 2021, following a preliminary internal technical review, the NWB concluded that the Application met the requirements of section 48(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSRTA or Act)* and forwarded Notice of the Application to interested parties. All parties were invited to make representations to the NWB by August 19, 2021.

On or before the deadline, the NWB received a submission from Crown-Indigenous and Northern Affairs (CIRNA)¹, where CIRNA indicated that they had no comments or recommendations.

Complete details on Interveners' submissions received as well as the information provided for the Application are available from the NWB File Transfer Protocol (FTP) site using the following link:

 $\frac{ftp://ftp.nwb-oen.ca/registry/2\%20MINING\%20MILLING/2B/2BE\%20-\%20Exploration/2BE-PKR2126\%20Agnico\%20Eagle/$

Based on the results of the detailed assessment of the Application, including consideration of any potential accidents, malfunctions, or impacts to Water that the overall Project might have in the area, the Board has approved the Application and has issued Water Licence No: 2BE-PKR2126.

IV. GENERAL CONSIDERATIONS

The Renewal Licence No: **2BE-PKR2126** will be effective on October 31, 2021 to allow Agnico Eagle for the continuation of activities approved under the existing Licence No: 2BE-PKR1621. Since the Project activities have remained the same as with the existing or previous Licence, all terms and condition in the Renewal Licence will remain the same.

¹ CIRNA Letter, Re: Crown-Indigenous Relations and Northern Affairs Canada's Review of the Agnico Eagle Mines Ltd. Licence Renewal Application for Parker Lake Project, Type B Water Licence No. 2BE-PKR1621, dated August 19, 2021

Term of the Licence

In accordance with Section 45 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, the NWB may issue a Licence for a term not exceeding twenty-five (25) years. The Applicant requested a five (5) year term, which the Board determined to be consistent with the nature of the Undertaking and has therefore granted. This term will provide the Licensee with a sufficient time for continuation of exploration work and planning of future project activities.

Annual Reporting

As a requirement of section 14(1) of the *Nunavut Waters Regulations* and similar to the terms and conditions generally included in all licences issued by the NWB, the Board has included under Part B, Item 2 of this Licence, requirements to submit Annual Reports for the purpose of ensuring that the NWB has an accurate annual update of the activities related to Water use and Waste disposal during each calendar year. This information is maintained on the Public Registry and is available to interested parties upon request. A "Standardized Form for Annual Reporting" is to be used by the Licensee and could be supplemented by additional monitoring documentation and Licensee's annual reporting forms. The NWB Standardized Form is available from the NWB's FTP site under the following Public Registry link at the NWB Website:

ftp://ftp.nwb-oen.ca/other documents/Standardized Forms/

Water Use

The previous Water Licence permitted the Licensee to use a total of two hundred and ninety-nine (299) cubic metres of freshwater *per* day, including Water use for exploration camp activities and drilling in the Cone Hill Project area. The Licensee has not requested any changes to the total allowable Water use as part of the Renewal Application. No concerns were expressed by the Intervener with respect to the requested freshwater amount, or to the manner, in which it is obtained or used. Therefore, the Water use condition imposed by previous Water Licence has been carried forward into the current Licence under Part C, Item 1. Water use for camp activities should be obtained from the lake adjacent to the camp, unless otherwise approved by the Board.

Deposit of Waste

All requirements pertaining to Waste management that were imposed by previous Water Licence have been carried forward into the current Licence. All domestic Waste suitable for incineration could be incinerated. All greywater should be disposed in a sump at least thirty-one (31) meters distance from the High Water Mark of any water body. Any ash generated from sewage incinerated in pacto toilet units should be sampled to evaluate, if it is suitable for disposal in a landfill. All contaminated soil, some sewage stored in drums, and Hazardous Waste (including ash deemed hazardous and not to be disposed in a landfill) should be transported off site to a licensed facility for treatment.

DECISION

LICENCE NUMBER: 2BE-PKR2126

This is the decision of the Nunavut Water Board (NWB) with respect to an application dated July 7, 2021 for a renewal of a Water Licence made by:

AGNICO EAGLE MINES LIMITED

to allow for the use of Water and the deposit of Waste during exploration activities including prospecting, geological mapping, rock sampling, ground and airborne geophysics, diamond drilling at the Parker Lake Project located within the Kivalliq Region, Nunavut, at the following general geographical coordinates:

Project Extents:	Latitude:	64° 00' 00" N	Longitude:	94° 50' 00" W
	Latitude:	64° 00' 00" N	Longitude:	93° 54' 00" W
	Latitude:	63° 27' 00" N	Longitude:	93° 54' 00" W
	Latitude:	63° 27' 00" N	Longitude:	94° 50' 00" W
Camp:	Latitude:	63° 35' 12" N	Longitude:	94° 07' 03" W

DECISION

After having received confirmation from the Nunavut Planning Commission (NPC)² that the Application is for a proposal that has been previously reviewed by the NPC and that the conformity determinations indicating its conformity with the Keewatin Regional Land Use Plan (KRLUP) issued on January 23, 2017, September 9, 2016, and October 21, 2015 still apply, and that the proposal is subject to the terms and conditions recommended in the Nunavut Impact Review Board's (NIRB) January 18, 2016 Screening Decision Report No: 15EN049, the NWB decided that the Application could proceed through the regulatory process. In accordance with S.55.1 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (Act)* and Article 13 of the *Nunavut Agreement*, public notice of the Application was given and interested persons were invited to make representations to the NWB.

After reviewing the submission of the Applicant and considering the representations made by interested persons, the NWB, having given due regard to the facts and circumstances, the merits of the submissions made to it and to the purpose, scope and intent of the *Nunavut Agreement* and of the *Act*, waived the requirement to hold a public hearing, and determined that:

Licence No: 2BE-PKR1621 be renewed as Licence No: 2BE-PKR2126 subject to the terms and conditions contained therein. (Motion #: 2021-B1-016)

Signed this 29th day of SEPTEMBER, 2021 at Gjoa Haven, NU.

Lootie Toomasie,	
Nunavut Water Board, Chair	
LT/sk/rqd	

² Nunavut Planning Commission (NPC) Conformity Determination, dated May 18, 2021.



NUNAVUT WATER BOARD RENEWAL WATER LICENCE

Licence No: 2BE-PKR2126

Pursuant to the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada*, the Nunavut Water Board, hereinafter referred to as the Board, hereby grants to

AGNICO EAGLE MINES LIMITED

(Licensee)

145, KING STREET EAST, SUITE 400, TORONTO, ONTARIO M5C 2Y7

(Mailing Address)

hereinafter called the Licensee, the right to alter, divert or otherwise use Water or dispose of Waste for a period subject to restrictions and conditions contained within this Licence:

Licence Number/Type: 2BE-PKR2126 / TYPE "B"

Water Management Area: BAKER LAKE WATERSHED (08) AND CHESTERFIELD

INLET WATERSHED (10)

Location: PARKER LAKE PROJECT

KIVALLIQ REGION, NUNAVUT

Classification: MINING UNDERTAKING

Purpose: **DIRECT USE OF WATER AND DEPOSIT OF WASTE**

Quantity of Water use

not to Exceed: TWO HUNDRED NINETY-NINE (299) CUBIC METRES

PER DAY

Effective Date: OCTOBER 31, 2021

Expiry of Licence: **OCTOBER 30, 2026**

This Licence renewal issued and recorded at Gjoa Haven, Nunavut, includes and is subject to the annexed conditions.

Lootie Toomasie, Nunavut Water Board Chair

PART A: SCOPE, DEFINITIONS AND ENFORCEMENT

1. **Scope**

This Licence allows for the use of Water and the deposit of Waste for a Mining undertaking classified as per Schedule 1 of the *Regulations* at the Parker Lake Project, located between approximately 120km and 170km north-west of Rankin Inlet within the Kivalliq Region, Nunavut.

- a. This Licence is issued subject to the conditions contained herein with respect to the taking of Water and the depositing of Waste of any type in any Waters or in any place under any conditions, where such Waste or any other Waste that results from the deposits of such Waste may enter any Waters. Whenever new Regulations are made or existing *Regulations* are amended by the Governor in Council under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, or other statutes imposing more stringent conditions relating to the quantity or type of Waste that may be so deposited or under which any such Waste may be so deposited, this Licence shall be deemed, upon promulgation of such Regulations, to be subject to such requirements; and
- b. Compliance with the terms and conditions of this Licence does not absolve the Licensee from responsibility for compliance with the requirements of all applicable Federal, Territorial and Municipal legislation.

2. **Definitions**

"Act" means the Nunavut Waters and Nunavut Surface Rights Tribunal Act;

"<u>Addendum</u>" means the supplemental text that is added to a full plan or report usually included at the end of the document and is not intended to require a full resubmission of the revised report;

"<u>Amendment</u>" means a change to original terms and conditions of this Licence requiring correction, addition or deletion of specific terms and conditions of the Licence; modifications inconsistent with the terms of the set terms and conditions of the Licence;

"<u>Appurtenant Undertaking</u>" means an undertaking, in relation to which a use of Water or a deposit of Waste is permitted by a licence issued by the Board;

"Board" means the Nunavut Water Board established under the *Nunavut Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*;

"Engineer" means a professional engineer registered to practice in Nunavut in accordance with the Consolidation of Engineers and Geoscientists Act S. Nu 2008, c.2 and the Engineering and Geoscience Professions Act S.N.W.T. 2006, c.16 Amended by S.N.W.T. 2009, c.12;

- "Greywater" means all liquid Wastes from showers, baths, sinks, kitchens and domestic washing facilities, but does not include toilet Wastes;
- "<u>Hazardous Waste</u>" means Waste classified as "hazardous" by Nunavut Territorial or Federal legislation, or as "dangerous goods" under the *Transportation of Dangerous Goods Act*;
- "<u>High Water Mark</u>" means the usual or average level to which a body of Water rises at its highest point and remains for sufficient time so as to change the characteristics of the land (ref. Department of Fisheries and Oceans Canada, Operational Statement: Mineral Exploration Activities);
- "ICP Scan" means the laboratory method for determining trace metals in Water through Emission Spectroscopy using inductively coupled plasma (including from approximately 22 to 32 elements, depending on the laboratory performing the analysis);
- "Inspector" means an Inspector designated by the Minister under Section 85 (1) of the *Act*:
- "Licensee" means the holder of this Licence;
- "Modification" means an alteration to a physical work that introduces a new structure or eliminates an existing structure and does not alter the purpose or function of the work, but does not include an expansion;
- "Nunavut Agreement" means the "Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada", including its preamble and schedules, and any amendments to that agreement made pursuant to it;
- "Regulations" means the Nunavut Waters Regulations SOR/2013-69 18th April, 2013;
- "Spill Contingency Plan" means a Plan developed to deal with unforeseen petroleum and hazardous materials events that may occur during the operations conducted under the Licence;
- "Sump" means an excavation in impermeable soil for the purpose of catching or storing Water or Waste;
- "<u>Toilet Wastes</u>" means all human excreta and associated products, but does not include Greywater;
- "Waste" or "Wastes" means, as defined in S.4 of the *Act*, any substance that, by itself or in combination with other substances found in Water, would have the effect of altering the quality of any Water to which the substance is added to an extent that is detrimental to its use by people or by any animal, fish or plant, or any Water that would have that effect because of the quantity or concentration of the substances contained in it or because it has been treated or changed, by heat or other means.

"Water" or "Waters" means waters as defined in section 4 of the Act.

3. **Enforcement**

- a. Failure to comply with this Licence will be a violation of the *Act*, subjecting the Licensee to the enforcement measures and the penalties provided for in the *Act*;
- b. All inspection and enforcement services regarding this Licence will be provided by Inspectors appointed under the *Act*; and
- c. For the purpose of enforcing this Licence and with respect to the use of Water and deposit or discharge of Waste by the Licensee, Inspectors appointed under the *Act*, hold all powers, privileges and protections that are conferred upon them by the *Act* or by other applicable law.

PART B: GENERAL CONDITIONS

- 1. The Water use fees for the right to the use of Water shall be paid in accordance with Section 12 of the *Regulations*.
- 2. The Licensee shall file an Annual Report on the Appurtenant Undertaking with the Board no later than March 31st of the year following the calendar year being reported, containing the following information:
 - a. Summary report of Water use and Waste disposal activities for the reporting period including the following:
 - i. quantity of Water (in cubic metres/year) obtained for domestic and other purposes from sources on, in or flowing through Inuit-Owned Lands;
 - ii. quantity of Water (in cubic metres/year) obtained for domestic and other purposes from sources on, in or flowing through Crown Lands;
 - iii. quantity of Waste disposed of at on-site Waste disposal facility; and
 - iv. quantity of Waste backhauled to approved facility for disposal;
 - b. List of unauthorized discharges and a summary of follow-up actions taken;
 - c. Any revisions to the Spill Contingency Plan and Abandonment and Restoration Plan, as required by Part B, Item 7, submitted in the form of an Addendum;
 - d. Description of all progressive and/ or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;
 - e. Report all artesian flow occurrences as required under Part F, Item 3;
 - f. Details pertaining to location of sump(s) and drill holes;
 - g. Summary of all information requested and results of the Monitoring Program;
 - h. Summary of public consultation/participation, describing consultation with local organizations and residents of the nearby communities, if any were conducted; and

- i. Any other details on Water use and Waste disposal requested by the Board by the 1st of November of the year being reported.
- 3. The Licensee shall notify the NWB of any changes in operating plans or conditions associated with this Project at least thirty (30) days prior to any such change.
- 4. The Licensee shall install flow meters or other such devices, or implement suitable methods required for the measuring of Water volumes as required under Part J, Item 1.
- 5. The Licensee shall, for all Plans submitted under this Licence, include a proposed timetable for implementation. Plans submitted, cannot be undertaken without subsequent written Board approval and direction. The Board may alter or modify a Plan, if necessary to achieve the legislative objectives, and will notify the Licensee in writing of acceptance, rejection or alteration of the Plan.
- 6. The Licensee shall, for all Plans submitted under this Licence, implement the Plan as approved by the Board in writing.
- 7. The Licensee shall review the Plans referred to in this Licence, as required by changes in operation and/or technology, and modify the Plan accordingly. Revisions to the Plans shall be submitted in the form of an Addendum to be included with the Annual Report.
- 8. Every Plan to be carried out pursuant to the terms and conditions of this Licence shall become a part of this Licence, and any additional terms and conditions imposed upon approval of a Plan by the Board become part of this Licence. All terms and conditions of the Licence should be contemplated in the development of a Plan where appropriate.
- 9. The Licensee shall ensure a copy of this Licence is maintained at the site of operations at all times. Any communication with respect to this Licence shall be made in writing to the attention of:

(a) Manager of Licensing:

Nunavut Water Board P.O. Box 119

Gjoa Haven, NU X0B 1J0 Telephone: (867) 360-6338 Fax: (867) 360-6369

Email: licensing@nwb-oen.ca

(b) Inspector Contact:

Manager of Field Operations, CIRNA Nunavut District, Nunavut Region P.O. Box 100

Iqaluit, NU X0A 0H0

Telephone: (867) 975-4284 Fax: (867) 979-6445

- 10. The Licensee shall submit one electronic copy of all reports, studies, and plans to the Board. Reports or studies submitted to the Board by the Licensee shall include a detailed executive summary in Inuktitut.
- 11. The Licensee shall ensure that any document(s) or correspondence submitted by the Licensee to the NWB is received and acknowledged by the Manager of Licensing.
- 12. This Licence is assignable as provided for in Section 44 of the *Act*.

PART C: CONDITIONS APPLYING TO WATER USE

- 1. The Licensee shall obtain all Water for domestic camp use from a pond or water body proximal to the camp facility, not to exceed five (5) cubic metres per day. Water use for exploration and drilling activities (drill water and other related industrial uses) shall be obtained from Water source(s) proximal to drilling targets in the Parker Lake and Cone Hills Exploration Projects areas to a maximum of two hundred and ninety-four (294) cubic meters per day. Total Water use for all the purposes under this Licence shall not exceed two hundred and ninety-nine (299) cubic metres per day.
- 2. The use of Water from streams or any water bodies not identified in <u>Part C, Item 1</u> is prohibited unless authorized or approved by the Board in writing.
- 3. The withdrawal of Water from any stream shall not exceed ten (10) per cent of the low flow of that stream unless approved by the Board in writing.
- 4. The Licensee shall submit to the Board for approval in writing, at least thirty (30) days prior to the use of Water of a sufficient volume that the source water body may be drawn down, a request for the use of Water containing the following information: volume required, hydrological overview of the water body, details of impacts and proposed mitigation measures.
- 5. The Licensee shall equip all Water intake hoses with a screen of an appropriate mesh size to ensure that fish are not entrained and shall withdraw Water at a rate such that fish do not become impinged on the screen.
- 6. The Licensee shall not remove any material from below the ordinary High Water Mark of any water body unless authorized by the Board in writing.
- 7. The Licensee shall not cause erosion to the banks of any water body and shall provide necessary controls to prevent such erosion.
- 8. Sediment and erosion control measures shall be implemented prior to and maintained during the undertaking to prevent entry of sediment into Water.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

- 1. The Licensee shall locate areas designated for Waste disposal at a minimum distance of thirty-one (31) metres from the ordinary High Water Mark of any water body such that the quality, quantity or flow of Water is not impaired, unless otherwise approved by the Board in writing.
- 2. The Licensee shall not practice on-site land filling of domestic Waste, unless otherwise approved by the Board in writing.
- 3. The Licensee is authorized to dispose of all acceptable food Waste, paper Waste and untreated wood products in an incinerator designed for this purpose.
- 4. The Licensee shall not open burn plastics, wood treated with preservatives, electric wire, styrofoam, asbestos or painted wood to prevent the deposition of Waste materials of incomplete combustion and/or leachate from contaminated ash residual, from impacting any surrounding Waters, unless otherwise approved by the Board in writing.
- 5. The Licensee shall provide to the Board documented authorization from all communities in Nunavut receiving Wastes from the Parker Lake Project prior to any backhauling and disposal of Wastes to those communities.
- 6. The Licensee shall backhaul and dispose of all Hazardous Wastes, Waste oil and non-combustible Waste generated through the course of the operation at a licensed Waste disposal site.
- 7. The Licensee shall maintain records of all Waste backhauled and records of confirmation of proper disposal of backhauled Waste. These records shall be made available to an Inspector or the Board upon request.
- 8. The Licensee shall contain all Greywater in a Sump located at a distance of at least thirty-one (31) metres above the ordinary High Water Mark of any water body, at a site where direct flow into a water body is not possible and no additional impacts are created, unless otherwise approved by the Board in writing.
- 9. The Licensee shall contain all Toilet Wastes in latrine pits or use incineration, chemical, portable or composting toilets. Incinerators used for the incineration of toilet Wastes shall be specifically designed to handle this type of Waste.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS

1. The Licensee may establish a temporary exploration camp in support of the Mining Undertaking of this Licence.

- 2. The Licensee shall conduct all activities in such a way as to minimize impacts on surface drainage and the Licensee shall immediately undertake corrective measures in the event of any impacts on surface drainage.
- 3. The Licensee shall not erect camps or store material on the surface of frozen streams or lakes including the immediate banks except what is for immediate use. Camps shall be located such as to minimize impacts on surface drainage.
- 4. The Licensee shall construct all winter lake and stream crossings, including ice bridges, entirely of Water, ice or snow. The Licensee shall minimize disturbance by locating ice bridges in an area that requires the minimum approach grading and the shortest crossing route. Stream crossings shall be removed or the ice notched prior to spring break-up.
- 5. With respect to access road, pad construction or other earthworks, the deposition of debris or sediment into or onto any water body is prohibited. These materials shall be disposed a distance of at least thirty-one (31) metres from the ordinary High Water Mark in such a fashion that they do not enter the Water.
- 6. The Licensee shall not mobilize heavy equipment or vehicles for any activities unless the ground surface is capable of fully supporting the equipment or vehicles without rutting or gouging. Overland travel of equipment or vehicles shall be suspended if rutting occurs.

<u>PART F:</u> <u>CONDITIONS APPLYING TO DRILLING OPERATIONS</u>

- 1. The Licensee shall not conduct any land based drilling within thirty-one (31) metres of the ordinary High Water Mark of any water body, unless otherwise approved by the Board in writing.
- 2. The Licensee shall dispose of all drill Waste, including Water, chips, muds and salts (CaCl₂) in any quantity or concentration, from land-based and on-ice drilling, in a properly constructed sump or an appropriate natural depression located at a distance of at least thirty-one (31) metres from the ordinary High Water Mark of any adjacent Water body, where direct flow into a Water body is not possible and no additional impacts are created.
- 3. If artesian flow is encountered, drill holes shall be immediately sealed and permanently capped to prevent induced contamination of groundwater or salinization of surface Waters. The Licensee shall report all artesian flow occurrences within the Annual Report, including the location (GPS coordinates) and dates.
- 4. Drilling additives or mud shall not be used in connection with holes drilled through lake ice unless they are re-circulated or contained such that they do not enter the Water, or are demonstrated to be non-toxic.
- 5. For "on-ice" drilling, where drill additives are not being used, return Water released must be nontoxic and must not result in an increase in total suspended solids in the immediate

- receiving Waters above the *Canadian Council of Ministers for the Environment*, *Guidelines for the Protection of Freshwater Aquatic Life* (i.e. 10 mg/L for lakes with background levels under 100 mg/L, or 10% for those above 100 mg/L).
- 6. The Licensee shall establish water quality conditions prior to and upon completion of any drilling program through lake ice.

PART G: CONDITIONS APPLYING TO MODIFICATIONS

- 1. The Licensee may, without written approval from the Board, carry out Modifications to the Water supply facilities and Waste disposal facilities provided that such Modifications are consistent with the terms of this Licence and the following requirements are met:
 - a. the Licensee has notified the Board in writing of such proposed Modifications at least sixty (60) days prior to beginning the Modifications;
 - b. such Modifications do not place the Licensee in contravention of the Licence or the *Act*;
 - c. such Modifications are consistent with the NIRB Screening Decision;
 - d. the Board has not, during the sixty (60) days following notification of the proposed Modifications, informed the Licensee that review of the proposal will require more than sixty (60) days; and
 - e. the Board has not rejected the proposed Modifications.
- 2. Modifications for which all of the conditions referred to in Part G, Item 1 have not been met can be carried out only with written approval from the Board.
- 3. The Licensee shall provide as-built plans and drawings of the Modifications referred to in this Licence within ninety (90) days of completion of the Modification. These plans and drawings shall be stamped by an Engineer.

PART H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING

- 1. The Licensee shall implement the Plan entitled "Agnico Eagle Parker Lake, Peter Lake, Fox Lake and Cone Hill Exploration Projects Spill Contingency Plan," dated September 2017, that was previously approved by the Board.
- 2. The Licensee shall prevent any chemicals, petroleum products or Wastes associated with the project from entering Water. All sumps and fuel caches shall be located at a distance of at least thirty-one (31) metres from the ordinary High Water Mark of any adjacent water body and inspected on a regular basis.
- 3. The Licensee shall conduct any equipment maintenance and servicing in designated areas and shall implement special procedures (such as the use of drip pans) to manage motor fluids and other Waste and contain potential spills.

- 4. If during the term of this Licence, an unauthorized discharge of Waste occurs, or if such a discharge is foreseeable, the Licensee shall:
 - a. Employ the approved Spill Contingency Plan;
 - b. Report the spill immediately to the 24-Hour NWT/NU Spill Line at (867) 920-8130 and to the Inspector at (867) 975-4284; and
 - c. For each spill occurrence, submit to the Inspector, no later than thirty (30) days after initially reporting the event, a detailed report that will include the amount and type of spilled product, the GPS location of the spill, and the measures taken to contain and clean up the spill site.
- 5. The Licensee shall, in addition to <u>Part H, Item 4</u>, regardless of the quantity of releases of harmful substances, report to the 24-Hour NWT/NU Spill Line, if the release is near or into a water body.

PART I: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION OR TEMPORARY CLOSING

- 1. The Licensee shall implement the Plan entitled "Conceptual Reclamation and Closure Plan," dated July 12, 2017, that was previously approved by the Board.
- 2. The Licensee shall complete all restoration work prior to the expiry of this Licence.
- 3. The Licensee shall carry out progressive reclamation of any components of the project no longer required for the Licensee's operations related to Water use, deposition of Waste to Water and/or Appurtenant Undertakings, subject to the *Act* and *Regulations*.
- 4. The Licensee shall backfill and restore all sumps to the pre-existing natural contours of the land.
- 5. The Licensee shall remove from the site, all infrastructure and site materials, including all fuel caches, drums, barrels, buildings and contents, docks, Water pumps and lines, material and equipment prior to the expiry of this Licence.
- 6. All roads and airstrip, if any, shall be re-graded to match natural contour to reduce erosion.
- 7. The Licensee shall remove any culverts and restore the drainage to match the natural channel. Measures shall be implemented to minimize erosion and sedimentation.
- 8. In order to promote growth of vegetation and the needed microclimate for seed deposition, all disturbed surfaces shall be prepared by ripping, grading, or scarifying the surface to conform to the natural topography.
- 9. Areas that have been contaminated by hydrocarbons from normal fuel transfer procedures shall be reclaimed to meet objectives as outlined in the *Government of Nunavut's Environmental Guideline for Site Remediation*, 2010. The use of reclaimed soils for the

- purpose of back fill or general site grading may be carried out only upon consultation and approval by the Government of Nunavut, Department of Environment and an Inspector.
- 10. The Licensee shall restore all drill holes and disturbed areas to natural conditions immediately upon completion of the drilling. The restoration of drill holes must include the removal of any drill casing materials and if having encountered artesian flow, the capping of holes with a permanent seal. Where drill casings cannot be removed the Licensee shall cut off the casings at ground level and identify with signage.
- 11. The Licensee may leave the casings on site, if it intends to continue drilling in existing casings, but shall add signaling to keep the area safe for the other territory users. The drill casings left cannot stay on the field for more than 2 years after the drilling.
- 12. The Licensee may store drill cores produced by the appurtenant undertaking in an appropriate manner and location at least thirty-one (31) metres above the ordinary High Water Mark of any adjacent water body, where any direct flow into a water body is not possible and no additional impacts are created.
- 13. The Licensee shall contour and stabilize all disturbed areas to reduce erosion and sedimentation to Water upon completion of work at the undertaking and as per Part I, Item 3.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

- 1. The Licensee shall measure and record, in cubic metres, the daily quantities of Water utilized for drilling and other purposes.
- 2. The Licensee shall provide the GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of all locations where sources of Water are utilized for all purposes.
- 3. The Licensee shall determine the GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of all locations where Wastes associated with drilling operations and exploration activities are deposited.
- 4. The Licensee shall obtain representative samples of the Water column below any ice where required under <u>Part F, Item 5</u> and <u>Part F, Item 6</u>. Monitoring shall include but not be limited to the following:

Total Suspended Solids

рН

Electrical Conductivity,

Total Trace Metals as determined by a standard ICP Scan (to include at a minimum, the following elements: Al, Sb, Ba, Be, Cd, Cr, Co, Cu, Fe, Pb, Li, Mn, Mo, Ni, Se, Sn, Sr, Tl, Ti, U, V, Zn), and

Trace Arsenic and Mercury

- 5. All sampling, sample preservation and analyses shall be conducted in accordance with methods prescribed in the current edition of *Standard Methods for the Examination of Water and Wastewater*, or by such other methods approved by the Board in writing.
- 6. All analyses shall be performed in a laboratory accredited according to ISO/IEC Standard 17025. The accreditation shall be current and in good standing.
- 7. The Licensee shall include in the Annual Report required under <u>Part B, Item 2</u> all data, monitoring results and information required by this Part.
- 8. An Inspector may impose additional monitoring requirements.