



NIRB File No.: 11EN010

Associated NIRB File Nos.: 03MN107, EX160 & EX211

KIA File Nos.: KVRW1501 & KVCA15Q02

Associated KIA File Nos.: KVCL314C01, KVL312C03, KVCL305H305 & KVRW11F01

NWB File No.: 8BC-AEA----

Associated NWB File Nos.: 2BE-MEA0813 & 2BE-MEA1318

AANDC File No.: N2015F0026

Associated AANDC File Nos.: N2013F0030 & N2011C0010

July 22, 2015

Ryan Vanengen, Environment Superintendent – Nunavut
Agnico Eagle Mines Ltd.
10200, Route De Preiessac, Rouyn-Noranda
Quebec, J0Y 1C0

Sent via email: ryan.vanengen@agnicoeagle.com

Re: Application Acknowledgement for Agnico Eagle Mines Ltd.’s Requests with the Nunavut Water Board and the Kivalliq Inuit Association for the “Amaruq Exploration Access Road” Project Proposal

Dear Ryan Vanengen:

On March 18, 2015 the Nunavut Impact Review Board (NIRB or Board) received Agnico Eagle Mines Ltd.’s (AEM) Type B Water Licence Application for the “Amaruq Exploration Access Road” project proposal directly from your office and on April 24, 2015 received applications from AEM for Aboriginal Affairs and Northern Development Canada’s (AANDC) a Land Use Permit and a Quarrying Permit for this project proposal. On April 16, 2015 the NIRB received a referral from the Nunavut Water Board (NWB) for a Type B Water Licence. On April 28, 2015 the NIRB issued correspondence to AEM advising that a conformity determination from the Nunavut Planning Commission (NPC) and a referral from an authorizing agency would be required for the Board to screen the project proposal in accordance with Article 12, Part 4 of the Nunavut Land Claims Agreement (NLCA).

On July 16, 2015 the NIRB received a positive conformity determination (Keewatin Regional Land Use Plan) from the NPC and on July 17, 2015 the NIRB received a referral to screen the above mentioned project from the Kivalliq Inuit Association (KIA). Further, on July 21, 2015 the NIRB received a referral to screen the above mentioned project from AANDC.

Please be advised that the NIRB initially received a positive conformity determination (Keewatin Regional Land Use Plan) for the originally named “Pipe Dream Winter Road and Mining

Exploration” project proposal (NIRB File No.: 11EN010) from the NPC on March 10, 2011 and a request for screening from Indian and Northern Affairs Canada (INAC, now AANDC) on March 15, 2011. The proposal was screened by the Board in accordance with Part 4, Article 12 of the NLCA and on April 21, 2011 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB’s recommended project-specific terms and conditions.

Additional authorization and extension requests associated with the “Amaruq Exploration” project have also been reviewed by the NIRB following screening of the original project proposal (File No. 11EN010). In each instance where the NIRB received applications up to and including June 2014, the NIRB confirmed that the application was exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA and that the activities therein remained subject to the terms and conditions recommended in the original April 21, 2011 Screening Decision Report. On February 10, 2015, after receiving an application for additional activities at site, the NIRB issued additional terms and conditions associated with the “Amaruq Winter Access” project. A summary of the previously screened project activities can be found in **Appendix A**.

CURRENT APPLICATION

AEM is currently proposing to develop a private single lane exploration access road linking the Meadowbank mine site to the Amaruq exploration project site to facilitate year round exploration operations including transport of fuel equipment and personnel to site. The construction activities are proposed to take place from September 2015 to January 2018 with the road to be used for several years after construction. For these new activities, AEM has applied for a Right of Way Agreement (No. KVRW15F01), and a new commercial lease and quarry permit (No. KVCA15Q02) with the KIA, a new Type B Water Licence (No. 8BC-AEA----) with the NWB and a new Land Use Permit (No. N2015F0026) and quarry permit with AANDC.

The additional activities and components for this project proposal include:

- Development and operation of an access road that is 62.5 kilometres (km) long and 6.5 metres wide and include:
 - Development of three (3) bridges;
 - Development of eight (8) large open bottomed arch culverts;
 - Development of twenty eight (28) corrugated round culverts to pass watercourse crossings;
 - Development of six (6) short spur roads to access 6 of the 7 eskers to be used for borrow pits;
 - Development of pullouts approximately every 400 ± 50 m to accommodate two road traffic;
 - Approximately 40 km of the road would be located on Crown Land;
- Use of non-potentially acid generating (NPAG) waste rock from the Vault Pit as a quarry material to construct first 17 km of road;
- Use of seven (7) eskers for borrow material to build remainder of road;
- Transportation of materials, equipment and fuel for construction activities;
- Storage and use of fuel in double-walled tanks along the road to distribute fuel to equipment;

- Construction crew to be accommodated at existing and approved AEM facilities;
- Additional archaeological studies to be conducted prior to construction of road; and
- Winter road not expected to continue to be used once the single lane access road has been developed.

Please note that reference in the project proposal to future expansion of AEM's exploration program to construct an exploration decline in 2018 and to go underground beyond 2019 and year-round advanced exploration activities are not included as part of the current scope of assessment.

The NWB, KIA and AANDC applications, as well as the original NIRB screening file (No. 11EN010) are available from NIRB's online public registry at the following link: <http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2011/11EN010-AEM-Amaruq/>.

REQUEST FOR COMMENT

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or*
- (b) its inclusion would significantly modify the project.”*

The NIRB has identified that the proposed works or activities may constitute a significant modification to the original project and may result in a change to the original scope of the approved project. Therefore the NIRB is *proposing* to re-issue the same terms and conditions as those in the attached February 10, 2015 Screening Decision, along with any new terms and conditions the NIRB considers appropriate.

The NIRB is copying parties and municipalities potentially affected by this project, and we invite interested persons to provide comment directly to the NIRB by date comments are due **August 12, 2015**. In particular, please provide comments on the following considerations:

- Whether the inclusion of the additionally proposed component(s) and/or activity(ies) would significantly modify the project;
- Whether the project is likely to cause significant adverse impacts on wildlife habitat or Inuit harvest activities; if so, why;
- Any additional mitigation measures that are appropriate; and
- Any other matter of importance to the Party related to the project proposal.

Please send your comments directly to the NIRB at info@nirb.ca or via fax to **(867) 983-2594**.

If you have any questions or require clarification, please contact the undersigned at (867) 793-4480 or sgranchinho@nirb.ca.

Sincerely,



Sophia Granchinho, M.Sc., EP
Senior Technical Advisor
Nunavut Impact Review Board

cc: Distribution List
Stéphane Robert, Agnico Eagle Mines Ltd.
Phyllis Beaulieu, Nunavut Water Board
Luis Manzo, Kivalliq Inuit Association
Tracey McCaie, Aboriginal Affairs and Northern Development Canada

Enclosures (3): Comment Forms (English and Inuktitut)
NIRB Screening Decision Report, File No.: 11EN010 (February 10, 2015)

Appendix: Appendix A: Previously-Screened Project Proposal

APPENDIX A: PREVIOUSLY-SCREENED PROJECT PROPOSAL

As previously screened by the NIRB (File No. 11EN010), AEM's original "Pipe Dream Winter Road and Mining Exploration" project was located within the Kivalliq region, on two properties: the Meadowbank Exploration Project area, approximately 90 kilometers (km) north of the Hamlet of Baker Lake; and the Greyhills Exploration Project area, approximately 43 km northeast of the Hamlet of Baker Lake. The Proponent indicated that it intended to conduct exploration activities, and construct and operate a winter road network near the Meadowbank project area.

These proposed activities were located near the Meadowbank Exploration Camp, which was included within the scope of the NIRB's Review of the Meadowbank Gold Mine project (File No. 03MN107) that had been permitted to proceed pursuant to the NIRB's Project Certificate No. 004 issued December 30, 2006. Following an evaluation of the project scope, the NIRB determined that the "Pipe Dream Winter Road and Mining Exploration" project activities were not included within the scope of the Board's previous Review of the Meadowbank Gold Mine Project and as such, these activities were treated as a new project subject to screening in accordance with Article 12 of the NLCA.

The activities and/or components associated with the original proposal screened under 11EN010, included:

- Construction and operation of winter road network, approximately 26.5 km in length:
 - Originating at the Meadowbank Exploration Camp at km 100 of the Meadowbank All Weather Private Access Road,
 - Maximize passage over frozen lakes,
 - Preparation include removal of snow from lake ice without flooding;
- Approximately 13,000 metres (m) total on land and on ice diamond (exploration) drilling on Inuit Owned Land and Crown land at the Meadowbank and Greyhills Exploration Projects:
 - Approximately 78 drilling sites located within 19 different areas (areas to be connected via proposed winter road);
- Geological mapping, prospecting, some trenching, geophysical surveying;
- Access via winter road, supported by helicopter;
- Project personnel based out of the Meadowbank Exploration Camp (NIRB File No. 03MN107); and,
- Transportation of fuel and chemical materials on an as-needed basis to support drilling activities.

The activities and components associated with the previous August 10, 2011 NWB Type B Water Licence (No. 2BE-MEA0813) amendment application included:

- Conducting drilling activities within the 30 m high water mark of proximal water bodies; and
- Disposal of all drill waste a minimum of 30 m from the ordinary water mark of proximal water bodies.

The Proponent's March 22, 2012 application to amend its AANDC Land Use Permit (No. N2011C0010) included a request to conduct exploration activities on additional Crown land from April 2012 to August 2014 and included the following components:

- Approximately 30 drill sites per year for a total of 60 sites;
- Drilling to be conducted on land and on ice, with sites located approximately 15 kilometres northwest and up to 20 kilometres northeast of the previously permitted exploration sites (NIRB File No. 11EN010).

The Proponent's May 29, 2012 application for a new KIA Land Use Licence (No. KVL312C03) proposed additional exploration activities associated with its "IVR property" to take place on Inuit Owned Lands, approximately 50 kilometres northwest of the Meadowbank Mine site. The activities and components were determined to be related to the NIRB's 11EN010 screening, and included:

- Prospecting, geophysical work, and soil sampling;
- Trenching to enhance surface rock exposure for geological mapping and channel sampling (4 to 8 trenches);
- On-land and on-ice drilling of approximately 30 or more holes per year (dependent upon results obtained);
- Short term storage of fuel and chemicals at drill sites, including diesel, gasoline and propane;
- Transportation of personnel, fuel and equipment to exploration sites via helicopter;
- Use of water for drilling activities as permitted under the amended Type B Water Licence; and,
- Backhaul of any waste produced to the Meadowbank mine site for disposal (NIRB File No. 03MN107); and
- Use of Meadowbank Exploration Camp (NIRB File No. 03MN107).

The activities and components associated with the previous January 21, 2013 Type B Water licence (*associated* NIRB File No. EX160; NWB File No. 2BE-MEA0813) amendment included a request to add two exploration areas to the licence: "IVR Exploration" and "south Meadowbank area".

The Proponent requested a two year extension to its AANDC Land Use Permit (No. N2011C0010) in the May 23, 2013 extension application, to continue land use operations.

The Proponent's March 27, 2014 application for an amendment to its project and a new AANDC Land Use Permit (No. N2013F0030) included additional activities and components:

- Development and operation of a winter access road, approximately 53 kilometres in length from the Meadowbank mine site to the IVR Exploration site;
 - Winter road mostly located on lakes with 9 km located on land;
 - No use of water for preparation of winter road;
- Use of winter access road to transport material, equipment and fuel for exploration activities;
- Archaeological investigation to be conducted in the summer of 2014.

In addition, AEM's June 27, 2014 Type B Water Licence (*associated* NIRB File No. EX211; NWB File No. 2BE-MEA1318) amendment application included the establishment of a 50 person temporary exploration camp consisting of 12 tents.

The Proponent's November 18, 2014 applications for an amendment to its project and its Land Use Licence (No. KVCL314C01) included the following additional activities and components:

- Amendments under AEM's Land Use Permit (No. N2013F0030) with AANDC included:
 - Development and operation of an alternative winter access road, approximately 79 kilometres in length and 5 metres (m) wide, from the Meadowbank mine site to the Amaruq (IVR) exploration area to transport materials, equipment and fuel for exploration activities;
 - Winter road mostly located on lakes with 7 km located on land with a total area of 3.5 hectares;
 - Winter access road to be used from February to May with approximately 4 trips per day;
 - No use of water for preparation of winter road;
 - Archaeological investigation of the proposed winter access route to be completed in the summer of 2015.
- Amendments under AEM's NWB Water Licence (No. 2BE-MEA1318) included:
 - Potential installation of an airstrip approximately 15 m wide and 500 m long at the south side of the proposed exploration camp using gravel from an esker near proposed location;
 - Potential transportation of materials, drills and personnel between the Meadowbank and Amaruq sites via airplane;
 - Installation of accommodations trailers for up to 60 personnel;
 - Storage of fuel (diesel, gasoline, aviation fuel and propane) and hazardous materials and chemicals (oil, glycol, and grease) in double-walled tanks and/or drums stored in lined berms;
 - Installation of a "Bonest" water treatment system to treat sewage and grey water before discharge into the environment;
 - Accumulated sludge (solid materials) to be disposed of in a pit near the site biennially (every 2 years) and treated with lime and covered with a minimum of 30 centimetres (cm) of compacted soil;
 - Potential alternative disposal of grey water in a sump to be released to the environment following treatment;
 - Incineration of combustible solid waste;
 - Non-combustible solid waste including scrap metal, hazardous waste, contaminated soil and snow to be transported to an approved facility;
 - Empty barrels to be reused or transported to a recycling facility via barge;
 - Total water consumption of 299 m³/day for all project related activities (including camp and drill activities).
 - Additional water consumption of 30 cubic metres per day (m³/day) to be used for drilling activities for a total 280 m³/day; and

- Additional water consumption for domestic use of 10 m³/day to be used for a total of 19 m³/day.
- The new Commercial Lease with the KIA (No. KVCL314C01) included the following activities:
 - Camp construction, including installation of accommodations trailers, construction of a garage and gravel pad, and installation of a Bionest waste water treatment system;
 - Camp to be re-opened February 2015;
 - Use and construction of 2 gravel pits;
 - Construction of gravel roads to support exploration, approximately 5 m wide and 0.40 m thick, within the KIA commercial lease area;
 - Drilling activities to commence March 2015, with up to 6 drills anticipated to be in operation for the 2015 season;
 - Storage capacity of 400,000 Litres (L) with tanks to be refilled during the winter season;
 - Installation of 9 - 55,000 Litre (L) and 2 – 100,000 L double-walled tanks;
 - Continuation of archaeological investigations in the Amaruq region;
 - Additional water use for drilling activities as permitted under the amended NWB Type B water licence.