



NIRB File No.: 11EN010
NIRB Application No.: 125071
NPC File No.: 148399

February 14, 2017

Ryan Vanengen
Agnico Eagle Mines Ltd.
93 rue Arseneault, Suite 202
Val d'Or, QC J9P 0E9

Sent via email: ryan.vanengen@agnicoeagle.com

Re: Notice of Screening for Agnico Eagle Mines Ltd.'s "Pilot study – Hovercraft Implementation in Nunavut" project proposal

Dear Ryan Vanengen:

On December 23, 2016 the Nunavut Impact Review Board (NIRB or Board) received a referral to screen Agnico Eagle Mines Ltd.'s (Agnico Eagle) "Pilot study – Hovercraft Implementation in Nunavut" project proposal from the Nunavut Planning Commission (NPC or Commission) with an accompanying positive conformity determination with the Keewatin Regional Land Use Plan. The NPC noted that the previous conformity determinations issued on March 10, 2011 and March 27, 2014 for the activities associated with the current proposal continues to apply and has determined that the project proposal is a significant modification to the project because it involves resupply transport not previously considered.

Pursuant to Article 12, Sections 12.4.1 and 12.4.4 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* (Nunavut Agreement) and section 87 of the *Nunavut Planning and Project Assessment Act* (NuPPAA), the NIRB has commenced screening this project proposal. Due to the proposal containing activities that are sufficiently related to previously assessed activities under NIRB file number **11EN010**, the NIRB views this project proposal as an amendment to the previously screened project and has assigned this proposal with this previous file number. Please reference this file number in all future related correspondence. A summary of the previously screened project activities can be found in **Appendix A**.

Please note that the NIRB is also currently screening an amendment to another component of the same NIRB File No. 11EN010 that involves the establishment of additional quarry sites for the development of the Amaruq Exploration Access Road (NIRB Application No.: 125036, NPC File No. 148394). As the additional quarries and hovercraft pilot study project proposals are

both related to the ongoing Amaruq Exploration project, the applications are currently being assessed under the same file number, however the NIRB would note that the amendments are not integrally linked to the undertaking of the other and as such the NIRB is expecting to screen the proposals independently and parties should provide feedback on each of the proposals separately.

INFORMATION REQUEST

Following a preliminary completeness check, the NIRB determined that the proposal as submitted did not contain the necessary information for the NIRB to carry out its screening. On January 13, 2017 the NIRB issued correspondence to Agnico Eagle requesting that additional information in support of this proposal be provided to the NIRB on or before January 27, 2017. On February 10, 2017 the NIRB received the requested additional information and commenced the screening pursuant to Part 3 of the NuPPAA.

PROJECT OVERVIEW

Project Scope:

The proposed “Pilot study – Hovercraft Implementation in Nunavut” project is located within the Kivalliq region, approximately 150 kilometres (km) north-northwest from the community of Baker Lake. The Proponent intends to conduct a pilot program to determine the feasibility of the usage of hovercrafts to transport personnel and light cargo on the Amaruq Exploration Access Road and potential usage in search and rescue activities. The program is proposed to take place from July 2017 to December 2018, with potential of extension if the pilot study proves to be successful.

According to the project proposal, the scope of the project includes the following undertakings, works or activities:

- Transport two (2) hovercraft units with three (3) tonnes capacity each to the Meadowbank Gold Mine site during the third quarter of the 2017 summer sealift season;
- Testing of hovercrafts to ensure low environmental impact which include the use of the hovercrafts to transport personnel and light cargo (no fuel or explosives) from the Meadowbank Gold Mine site on the Amaruq Exploration Access Road, on the approved winter roads and designated trails to drilling properties on the Amaruq property on a year round basis;
- Travel route(s) to typically follow interconnecting lakes and streams similar to the existing previous winter road alignment;
- Use of existing facilities including fuel supplies at the Meadowbank and Amaruq fuel storage facilities; and
- Generation of wastes oils from engines.

At this time, the NIRB has identified no additional works or activities in relation to the project proposal. As a result, the NIRB will proceed with screening the project based on the scope as described above.

REQUEST FOR COMMENTS

All documents received and pertaining to this project proposal can be obtained from the NIRB's online public registry at www.nirb.ca by using any of the following search criteria:

- Project Name: Pilot study - Hovercraft Implementation in Nunavut
- NIRB File No.: 11EN010
- Application No.: 125071

The documents received include:

- *NPC Screening Referral and Conformity Determination*
- *NPC Application and Conformity Questionnaire*
- *NIRB's Online Application Form (formerly the NIRB Part 1 form in English)*
- *NIRB Part 1 Summary Form in Inuktitut*
- *Non-technical Project Proposal summary in English, French, and Inuktitut*
- *Main Application Document – Pilot Study – Hovercraft Implementation in Nunavut*
- *Screening Level Assessment – Pilot Study – Hovercraft Implementation in Nunavut*
- *Figure denoting Hovercraft Pilot Study area and routes*

The NIRB will copy you on screening process related correspondence and upload related documents to the NIRB's online registry for public access. The NIRB may request additional information at any time during the process.

The NIRB is copying parties and municipalities potentially affected by Agnico Eagle project proposal with this letter, and we invite interested parties to comment directly to the NIRB by **March 7, 2017**.

The NIRB would like parties to provide comments regarding:

- Whether the project proposal is likely to arouse significant public concern; and if so, why;
- Whether the project proposal is likely to cause significant adverse eco-systemic or socio-economic effects; and if so, why;
- Whether the project proposal is likely to cause significant adverse impacts on wildlife habitat or Inuit harvest activities; if so, why;
- Whether the project proposal is of a type where the potential adverse effects are highly predictable and mitigable with known technology, (please provide any recommended mitigation measures); and
- Any matter of importance to the Party related to the project proposal.

CONTACT INFORMATION

Please send your comments to the NIRB via email at info@nirb.ca, via fax at (867) 983-2594 or via the individual project dashboard for this assessment on the NIRB's online public registry at www.nirb.ca by using any of the following search criteria:

- Project Name: Pilot study - Hovercraft Implementation in Nunavut
- NIRB File No.: 11EN010
- Application No.: 125071

If you have any questions or require additional clarification, please contact the undersigned directly at 867-857-4829 or sgranchinho@nirb.ca.

Sincerely,



Sophia Granchinho, M.Sc., EP
Manager, Impact Assessment
Nunavut Impact Review Board

cc: Distribution List
 Manon Turmel, Agnico Eagle Mines Ltd.
 Stéphane Robert, Agnico Eagle Mines Ltd.
 Jamie Quesnel, Agnico Eagle Mines Ltd.
 Karén Kharatyan, Nunavut Water Board
 Luis Manzo, Kivalliq Inuit Association
 Maria Serra, Kivalliq Inuit Association
 Brenda Osmond, Kivalliq Inuit Association
 Tracey McCaie, Indigenous and Northern Affairs Canada
 Transport Canada

Attachments: Appendix A: Previously-Screened Project Proposals

Enclosures (4): Public Notice of Screening (English and Inuktitut)
 Comment Forms (English and Inuktitut)

APPENDIX A: PREVIOUSLY-SCREENED PROJECT PROPOSALS

The original project proposal (NIRB File No. 11EN010), was received by the NIRB from Agnico-Eagle Mines Ltd. (now Agnico Eagle Mines Ltd.; Agnico Eagle) for a Class A Land Use Permit (LUP) with Indian and Northern Affairs Canada (INAC; now Indigenous and Northern Affairs Canada) for the “Pipe Dream Winter Road and Mining Exploration” project proposal. On March 10, 2011 the NIRB received a positive conformity determination (Keewatin Regional Land Use Plan) from the Nunavut Planning Commission (NPC) for this file. Finally, on March 15, 2011 INAC referred Agnico Eagle’s “Pipe Dream Winter Road and Mining Exploration” project proposal to the NIRB for screening. The project proposal was screened by the Board in accordance with Part 4, Article 12 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* (Nunavut Agreement). On April 21, 2011 the NIRB issued a Nunavut Agreement 12.4.4(a) screening decision to the Minister of Indian and Northern Affairs which indicated that the proposed project could proceed subject to the NIRB’s recommended project-specific terms and conditions.

Agnico Eagle’s original “Pipe Dream Winter Road and Mining Exploration” project was located within the Kivalliq region, on two (2) 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 continue conducting 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 Nunavut Agreement.

According to the previously screened project proposal, the scope of the project included the following undertakings, works or activities:

- 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.

Additional authorization and extension requests associated with the “Amaruq Exploration” project previously known as “Pipe Dream Winter Road and Mining 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 Nunavut Agreement 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. On November 4, 2015 after receiving an application for additional activities at site, the NIRB issued additional terms and conditions associated with the “Amaruq Exploration Access Road” project. The following is a summary of the previously screened project activities:

The scope of the activities and components associated with the previous August 10, 2011 Nunavut Water Board (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 (Aboriginal Affairs and Northern Development Canada; now renamed INAC) 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 km northwest and up to 20 km 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 (2) exploration areas to the licence: “IVR Exploration” and “south Meadowbank area”.

The Proponent requested a two (2) 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 km 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, Agnico Eagle’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 a Land Use Licence (No. KVCL314C01) included the following additional activities and components:

- Amendments under Agnico Eagle’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 Agnico Eagle'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 "Bionest" 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 two (2) years) and treated with lime and covered with a minimum of 30 centimeters (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 cubic metres (m³/day) for all project related activities (including camp and drill activities).
 - Additional water consumption of 30 cubic 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 two (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.

The Proponent’s July 16, 2015 applications for amendments and new permits to its project included new AANDC LUP (No N2015F0026), new KIA Land Use Licence (Nos. KVRW1501 & KVCA15Q02) and new NWB Type “B” water licence (NWB File No.: 8BC-AEA1525) and included the following additional activities and components:

- Development of a private single lane, all-season 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 and include the items listed below. The road will traverse approximately 40 km on Crown Land with the remaining 22.5 km on Inuit Owned Land (IOL).
 - All-season access road to be 62.5 kilometres (km) long and 6.5 metres wide;
 - Installation of three (3) bridges;
 - Installation of eight (8) large open bottomed arch culverts;
 - Installation of twenty-eight (28) corrugated round culverts;
 - Development of six (6) spur roads to access six (6) of the seven (7) eskers to be used for borrow pits;
 - Development of pullouts approximately every 400 ± 50 m to accommodate two (2) road traffic;
- Use of non-potentially acid generating (NPAG) waste rock from the Vault Pit as 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 Agnico Eagle 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.

The Proponent’s May 12, 2016 project proposal included the following additional activities and components:

- Construction of the new infrastructure in late 2016 with underground work on the ramp to continue through 2017, and operations then planned to occur year round from 2018 to 2020;
- Develop a portal and access ramp 5.2 m wide x 5.2 m high, up to 5,200 m in length and 340 m in depth;
- Develop a rock quarry with surface area up to 27,307 square metres (m^2) for extraction of 150,000 to 350,000 tonnes of rock material for construction purposes;
 - Use of quarry material for construction of a services pad (1.5 to 2.0 m depth and surface area up to 31,716 m^2) and an operations pad (1.5 to 2.0 m depth and surface area up to 42,506 m^2) located near the portal;
- Develop a waste rock storage pad to store up to 319,800 m^3 (612,400 tonnes) waste rock adjacent to the portal;
 - Use of waste rock material for construction of the underground development and/or elsewhere on the exploration site;

- Develop a storm water storage pond (AP-5);
- Develop a ramp laydown area with offices, a warehouse, and a garage constructed next to the portal;
- Advanced mineral exploration including underground drilling and ongoing surface drilling;
- Collect 9,000 to 15,000 tonnes bulk ore sample(s) from underground to explore deep sections of the gold ore body at Amaruq;
- Storage and use of explosives with two (2) cap and four (4) explosive magazines to be established;
- Use of fuel for equipment;
- Use of water for development of ramp;
- Use of calcium chloride for underground dust control and drilling with brine collected in small sumps for the brine re-circulation system for reuse;
- Amaruq modular camp facilities adapted to accommodate up to 200 personnel from 140 with the addition of two (2) new wings to the camp;
- Increase in sewage and grey water treatment capacity by adding one (1) Bionest with capacity to treat 13,500 litres/day and a second Bionest with a capacity to treat 6,000 litres/day) at the Amaruq camp;
- Increase on site fuel storage by addition of four (4) – 50,000 litre double-walled bulk fuel storage tanks at the Amaruq property; and
- Use of existing infrastructure including airstrip at the Amaruq property.