



Huckleberry Exploration Project

Main Application Document and Project Description

**Supporting Document to Amend Authorizations
NPC:148281
NIRB: 16EN035**

And to obtain land use authorizations with KIA and INAC

December 2017

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1. Project summary

John Tugak signed a mineral exploration agreement with Nunavut Tunngavik Incorporated to obtain the rights on some mineral properties located mostly west of the Whale Cove community and North and Northwest of the Arviat Community.

John Tugak signed on June 30, 2017 an agreement with Agnico Eagle Mines Limited (Agnico Eagle) to continue exploration activities on one of his properties, the property Huckleberry-0001. This property is located on Inuit Owned Land surface and subsurface, approximately 65 km mostly west of the Whale Cove community. Exploration activities, such as prospecting, have already been authorized by Nunavut Planning Commission (NPC), Nunavut Impact Review Board (NIRB) and Kivalliq Inuit Association (KIA).

The present application is to permit the installation of an exploration camp on the Huckleberry-0001 property, to permit additional exploration activities including geophysical surveys (airborne and ground support), diamond drilling, rab drilling, trenching and to permit the use of a winter access from the Meliadine area and from Whale Cove up to the Huckleberry-0001 property. Agnico Eagle will manage the exploration activities on this property and will be responsible for its activities.

The exploration camp is planned to be installed in the same area where the former exploration camp was installed.

a. Huckleberry exploration camp

The planned exploration camp will accommodate up to 20 workers and will mainly be constituted of tents and sea cans. A core shack, a core splitting room, a medical room, a kitchen, a dry, showers and Pacto toilets will be included. Gensets for camp electricity, incinerator for domestic waste disposal, treatment for drinking water and berms for up to 420 fuel drums will also be installed. Activities are planned to be conducted periodically at the Huckleberry exploration project and this, between April and October.

b. Huckleberry airstrip

A small airstrip of approximately 400 meters long is already present on the property and could be used by the exploration team to service the project using a small plane, such as an Otter. Transport of workers, fuel, material, equipment, could be done using the plane or the helicopter.

c. Huckleberry exploration activities

Additional exploration activities are planned on this property and include prospection, geophysical surveys (airborne by helicopter and ground support), diamond drilling, rab drilling and trenching. The first drilling campaign is planned for 2000 meters of drilling from which approximately 1000 meters will be analyzed at the laboratory. Future exploration campaigns size will be adjusted depending on the results obtained during this first one.

These activities are planned to start in spring 2018 and continue periodically between April and October annually. A helicopter will be used for the transport of material, equipment and workers during the exploration season from the exploration camp up to the working areas.

d. Winter access

The winter access will allow transportation of material and equipment from the Meliadine area and from Whale Cove up to the exploration area during the winter, thus reducing the use of aerial transport during the exploration season. The winter access is planned to be used annually using tracked tractors (Challenger). The drills and dozer will be brought from the Meliadine project using the Challenger and are not planned to be transported back and forth annually.

At this time, a limited quantity of material and equipment is planned to be transported, since this exploration project is still at an early stage.

No winter access construction using dozer or any soil scraping is requested with this application. The winter access will be used by tracked tractors (Challenger), passing directly on the ice and snow with their loads. Snowmobiles could also use this access as needed. Width of the winter access will be less than 6 meters.

The figure 1 shows the winter access connecting Rankin Inlet as material and equipment from Meliadine would be brought to Rankin Inlet by the road and then transported on the winter access. A winter spur access is also planned to connect the Baker Lake – Meliadine winter

access to ensure land access between the proposed project and Agnico Eagle's other exploration projects located in this area (i.e. Cone Hill, Parker Lake, Fox Lake, Peter Lake).

e. Major equipment planned to be used

- 1 Diamond drill
- 1 Bulldozer D6
- 1 Rab drill
- 3 Tracked tractors
- 2 Helicopters
- 1 Plane Otter
- 1 Mini excavator
- 2 ATV
- 2 Snowmobiles

f. Fuel planned to have onsite

- 200 x 205-litre diesel drums
- 200 x 205-litre jet fuel drums
- 20 x 205-litre gas drums
- 4 x 600-litre diesel double wall tanks
- 4 x 4000-litre diesel double wall tanks

2. Proponent information

The Huckleberry exploration properties are owned by John Tugak. John Tugak is a prospector living in Arviat who acquired the Huckleberry mineral properties from Nunavut Tunngavik Incorporated in 2016. John Tugak conducted prospecting activities in the area in summer 2016. The option agreement signed with Agnico Eagle is related to the mineral property Huckleberry-0001 as shown on Figure 1. Agnico Eagle is Canadian publicly traded mining company listed on the Toronto and New York Stock Exchanges (NYSE:AEM, TSX:AEM) with head offices in Toronto, Ontario.

Agnico Eagle is a senior Canadian gold mining company that has produced precious metals since 1957. Its main operations are located in Canada, Finland, and Mexico, with exploration

and development activities in each of these regions as well as in the United States. Agnico Eagle began exploring for minerals in Canada in 1953 and has been active in the Kivalliq Region since 1990. Agnico Eagle owns and operates the Meadowbank mine, which is located 70 km north of Baker Lake and approximately 50 km south-east of the Amaruq exploration project. In addition, Agnico Eagle owns the rights of the Meliadine gold project, which is located approximately 25 km north of Rankin Inlet, and 80 km south-west of Chesterfield Inlet.

Agnico Eagle has a proven reputation for sustainability and economic success wherever it operates. Its success is based on grassroots exploration and successful mining in politically stable countries. Agnico Eagle maintains strong relationships with the NPC, the NIRB, the KIA, the Nunavut Water Board (NWB), Indigenous and Northern Affairs Canada (INAC) and other regulators in advancing its projects. These relationships are built on thorough monitoring, transparent reporting, and presentation of information to the regulators and stakeholders, and are backed by successful and accomplished operations.

Agnico Eagle will manage the exploration activities on the property Huckleberry-0001 and will be responsible for its activities.

3. Contacts for the exploration activities

John Tugak

PO box 14

Arviat, Nu X0C 0E0

Agnico Eagle Mines Ltd – Exploration Division:

CP 87, 765 Chemin de la mine Goldex

Val-d'Or (Qc) J9P 4N9

Ph. 819-874-5980

Environmental Coordinator:

David Frenette

Ph: 819-874-5980 ext. 3622

Email: david.frenette@agnicoeagle.com

Nunavut Project Manager

Jérôme Lavoie

Ph: 819-874-5980 ext. 3608

Email: jerome.lavoie@agnicoeagle.com

Exploration Manager:

Denis Vaillancourt

Ph: 819-874-5980 ext. 3605

Email: denis.vaillancourt@agnicoeagle.com

4. Required authorizations**a. Land use**

Agnico Eagle has the responsibility for the new components of the proposed project and related activities and has the responsibility for the reclamation and closure related to its activities once completed. When its exploration program is complete, Agnico Eagle will clean up its activities and restore the site to baseline conditions – that is, to conditions of the site when Agnico Eagle began its program. All drilling casings will be removed or cut at ground level. Agnico Eagle could also gradually remove historic wastes that are present in the area.

b. Land use planning

All project proposals, in the Keewatin Planning Region, that require a licence or authorization from a land use authorizing agency must be assessed by the NPC for conformity with the Keewatin Regional Land Use Plan. The proposed exploration camp, the new additional exploration activities and the winter access are entirely within the Kivalliq (Keewatin) region of Nunavut. Since land use licence and permit and water licence are needed, conformity determination is needed from NPC. It should be noted that the Nunavut Planning Commission

(file #148281) referred the initial exploration project to NIRB on June 1st, 2016 and a NIRB screening decision was emitted on August 24th, 2016 (#16EN035).

c. Inuit Owned Land

Land and environmental management of Inuit Owned Land (IOL) in this area are administered by KIA. INAC is the administrator for the Crown Land.

The area described in this application is located both on Inuit Owned Land and on Crown Land. Agnico Eagle will have to apply for land use licences and permits with KIA and INAC to begin exploration activities proposed. A valid land use licence with KIA, the KVL116B02, authorizes staking and prospection on the Huckleberry property.

d. Water licence

Water is needed to conduct the proposed exploration activities and to operate an exploration camp in the area. These water uses and waste generation associated to these activities trigger the need for a water licence application.

5. Environmental screening

The information provided in this main application document has been compiled to meet the information requirements established by the various organizations. We understand that a positive environmental screening decision for this application is required before any other agency can issue any permits, leases, or authorizations that would allow us to commence the works described in this document.

a. Public consultation

Agnico Eagle conducts public consultations in regard to different Nunavut Exploration projects and will include the information related to this project in the future consultations that will be conducted in the communities.

b. Inuit heritage

To ensure Inuit heritage protection Agnico Eagle conducts annual archaeological works on various exploration sites and these investigations are permitted by the Government of Nunavut. These works include office and field investigations conducted by archaeologists to find, identify

and report archaeological sites. Annual reports are submitted to the Government of Nunavut and include details of the completed investigations. These investigations are required for Agnico Eagle to protect archaeological sites during exploration activities. Archaeological sites identified by the archaeologist will have protection buffers established to ensure their protection. The report associated to the 2017 archaeological works will be submitted to the Government of Nunavut. Archaeologists could return on the field in summer 2018 to expand and complete the areas investigated as needed. Protection buffers will be established by the archaeologist in compliance with the regulations for any archaeological sites found.

c. Caribou protection

To limit the impact on the caribou, Agnico Eagle will apply the protection measures that are described in the Keewatin Regional Land Use Plan and also in the Agnico Eagle Wildlife Protection and Response Plan developed for its exploration projects. The protection measures include, among others, avoidance of some areas during defined periods, and the Wildlife Protection and Response Plan includes, among others, procedures to apply when caribous are approaching a working area. The plan describes also the situations when the right of way must be provided to caribous and muskoxen during the use of the winter access.

d. Spill Contingency Plan

A Spill Contingency Plan that will respect the new water licence will be developed for this exploration project. It will designate lines of authority and responsibility, and establish proper reporting and detailed action plans in the event of a spill. This plan will be applicable to all employees and to any contractors working at the exploration project.

Figure 1, Location of the proposed activities

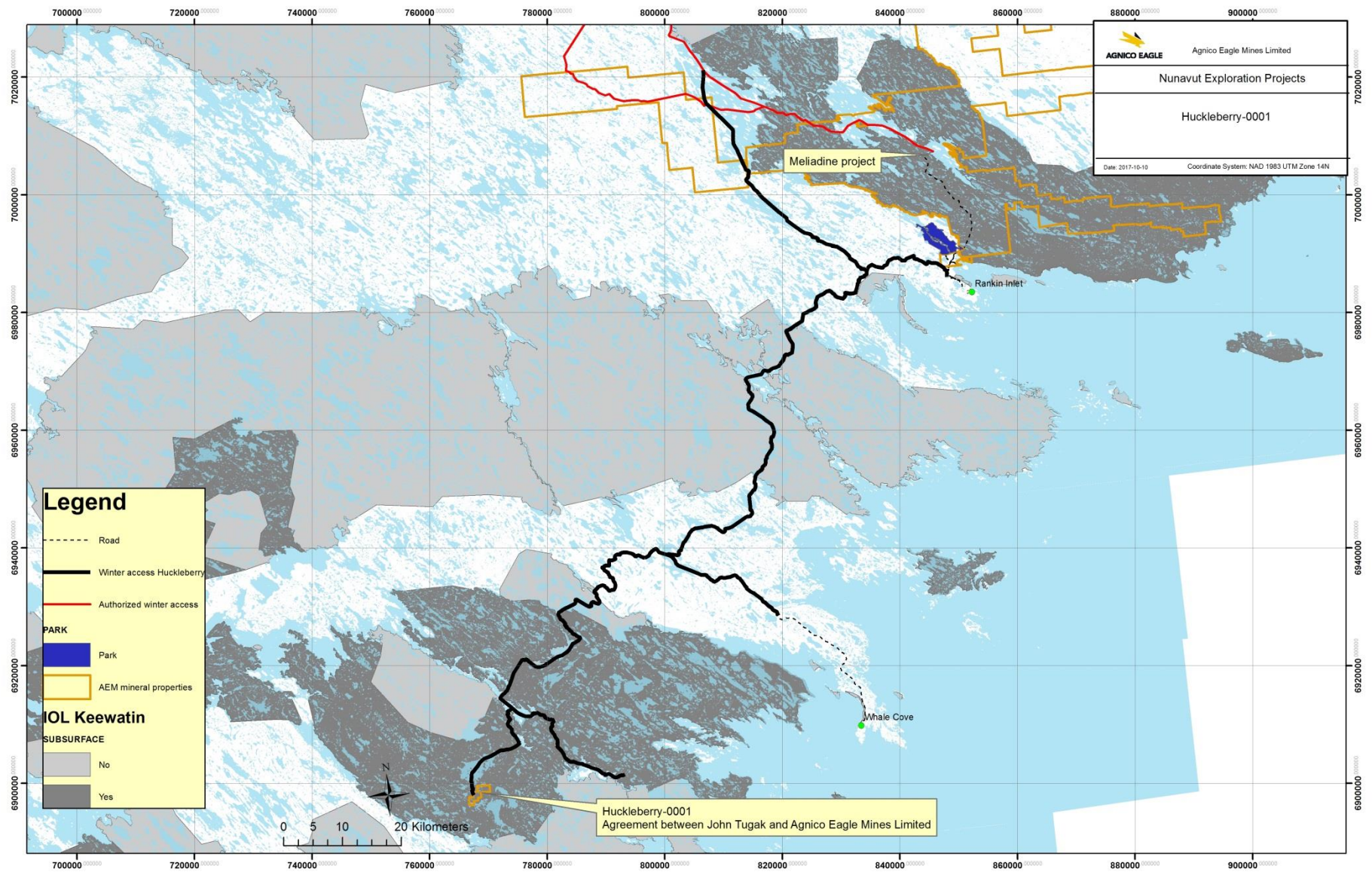


Figure 2, Proposed exploration camp location

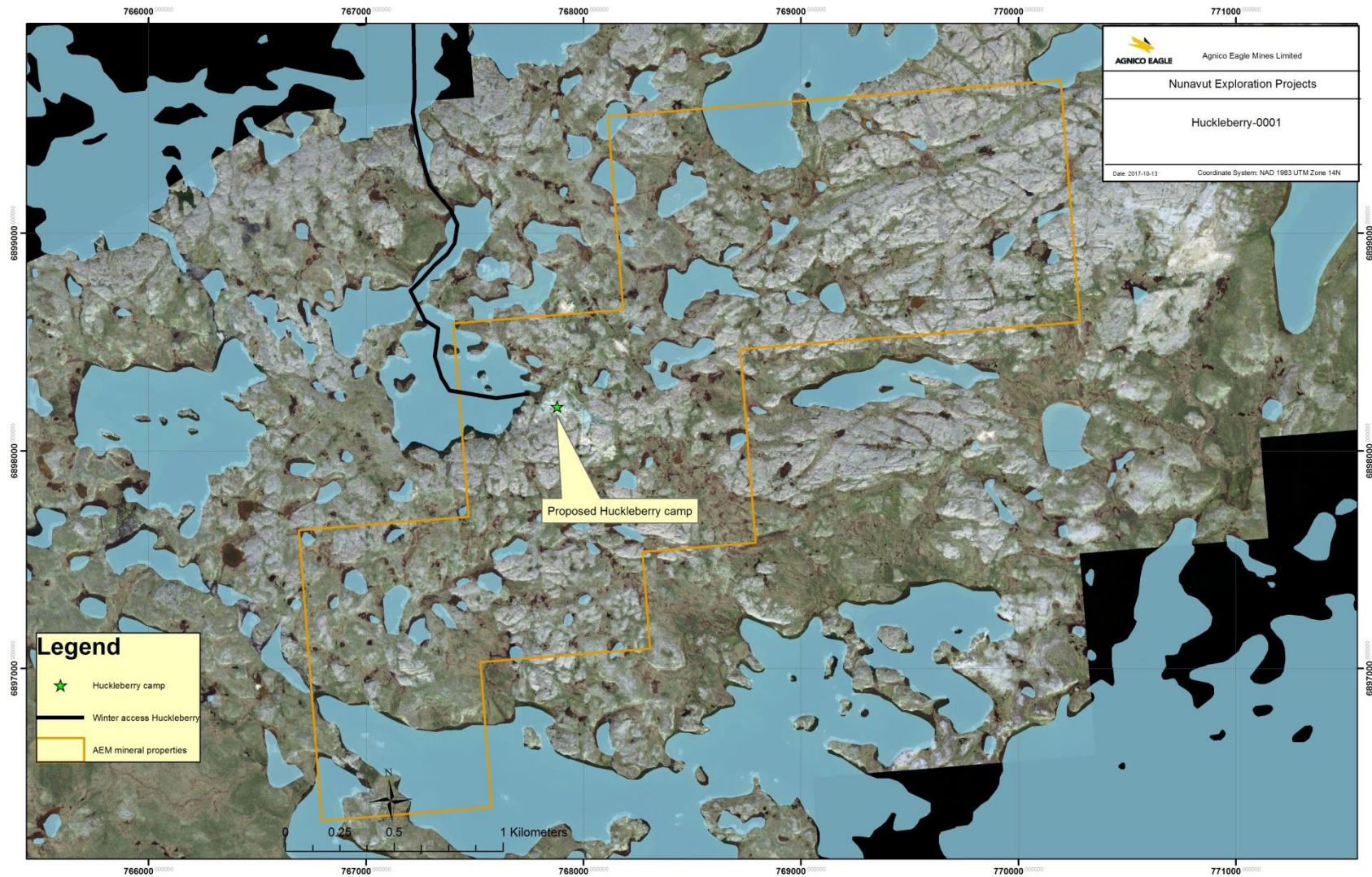


Figure 3, Former camp/portal area

