



AGNICO EAGLE

MEADOWBANK RIVER, MEADOWBANK AND WHITE HILLS EXPLORATION PROJECTS

2017 Annual report

Screening decision

15EN050

Prepared by:

Agnico Eagle Mines Limited, Exploration Division

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Submitted to:

Nunavut Impact Review Board

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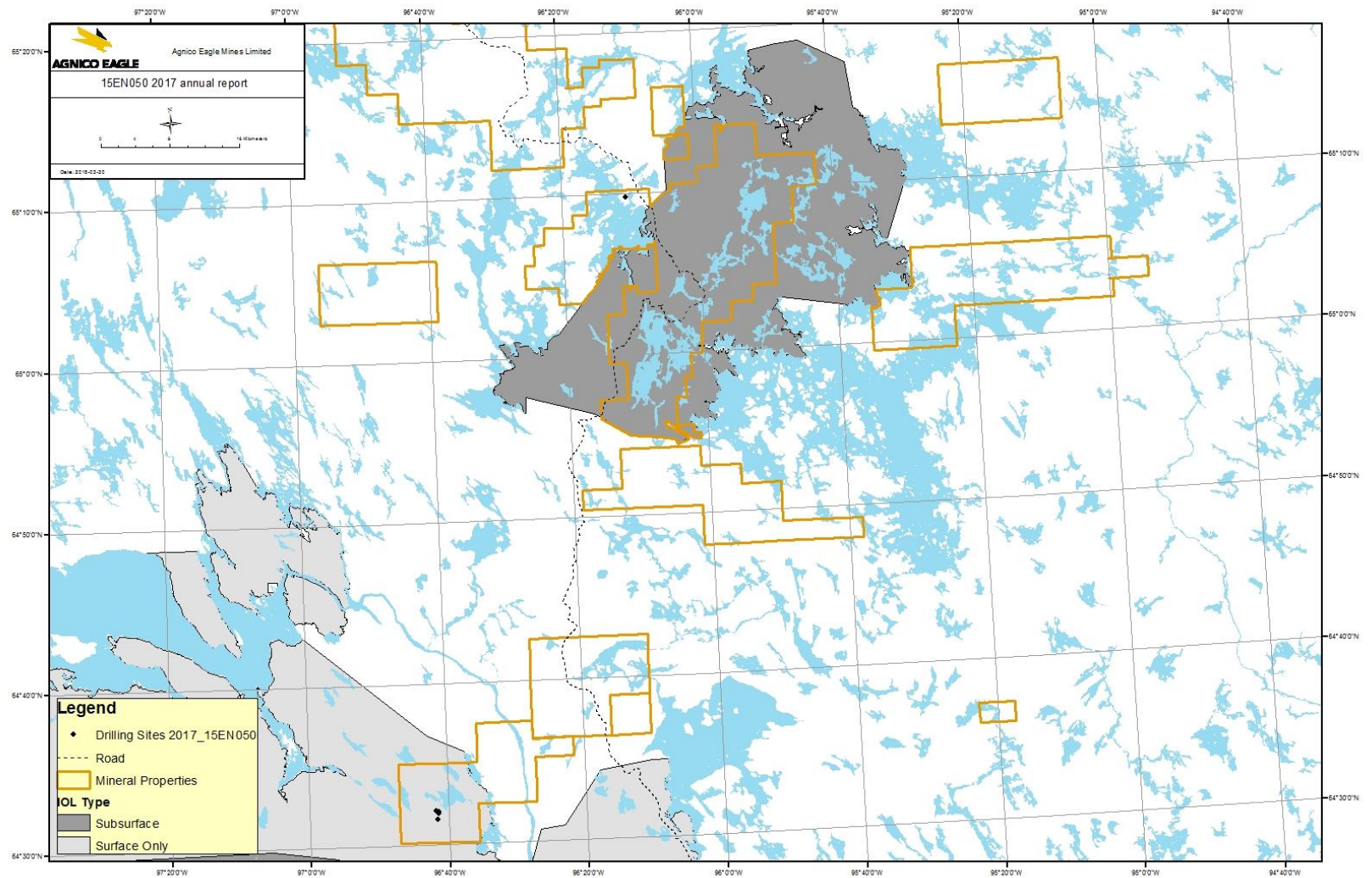
david.frenette@agnicoeagle.com**Annual Report**

1) The Proponent shall submit a comprehensive annual report with copies provided to the Nunavut Impact Review Board and Government of Nunavut – Department of Environment, by March 31st of each year of permitted activities beginning March 31, 2016. The annual report must contain at least the following information:

a) A summary of activities undertaken for the year, including:

- I. a map showing the approximate location of drill sites;
 - *Four drilling sites were used in 2017 in the White Hills area under land use licence KVL316C02 and water licence 2BB-MEA1318 and one drilling site in the Meadowbank area under land use permit N2016C0003 and water licence 2BB-MEA1318.*

Figure 1, Drilling Locations 2017



- II. a map showing the location of the fuel cache;
 - *No fuel caches were installed in the area covered by this decision in 2017.*

- III. a description of local hires, contracting opportunities and initiatives;
 - *In 2017, AEM operation employed 841 people at Meadowbank and Meliadine – including 315 Inuit Beneficiaries (~37% of workforce).*
 - *In 2017, AEM exploration hired up to 17 Inuit Beneficiaries to work at the Amaruq exploration camp site and on the field at different exploration areas.*

- IV. flight altitudes, frequency of flights and anticipated flight routes;
 - *For long-range transportation flights, we ask all pilots to follow a practice that sees the aircraft fly at a minimum of 610m above ground level. Exceptions may exist during takeoff and landing, low-level ceiling conditions, high winds, or other risks to flight safety.*
 - *Transport between Amaruq, Meadowbank and the exploration areas were done daily during the summer period.*

- V. site photos;
 - *Please find in attachment photographic records for the White Hills and Meadowbank exploration projects for the areas covered by the present decision.*

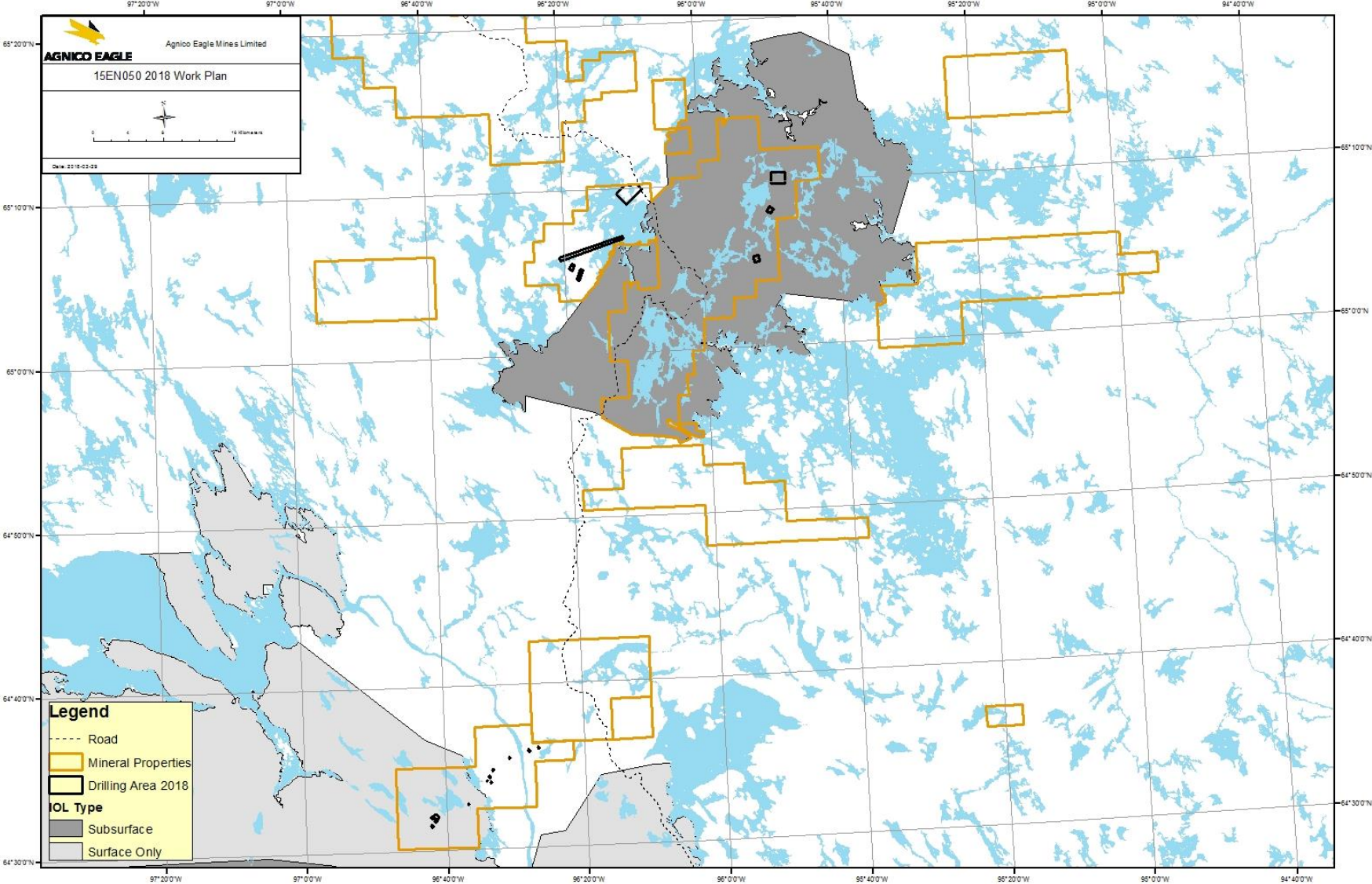
- b) A summary of the overview assessment conducted of the exploration areas;
 - *Archaeologists conducted field visits in summer 2016 and 2017 to ensure archaeological sites protection during exploration activities. Reports are submitted to the Government of Nunavut by the archaeologists.*
 - *The project geologist did site visits before mobilizing the diamond drill to ensure that no sensitive sites were located in the vicinity of the exploration areas*

- c) A map with details of the winter travel routes that would be used for equipment transportation;
 - *No winter travel routes were used in the area covered by this decision.*

d) A work plan for the following year, including any progressive reclamation work undertaken;

- *10 drillings are planned to be made inside the areas covered by the land use permit N2016C0003 and 6 in the areas covered by land use licence KVL316C02. Prospecting, mapping and geophysical surveying could also be conducted on the entire mineral properties.*

Figure 2, Drilling areas 2018



e) A summary of community consultations undertaken throughout the year, providing copy of materials presented to community members, a description of issues and concerns raised, discussions with community members and advice offered to the company as well as any follow-up actions that were required or taken to resolve any concerns expressed about the project proposal;

- *Discussion with the hamlet of Chesterfield was conducted in February 2017 including the exploration program subject.*
- *Meeting with the Baker Lake Hunters and Trappers Organization was conducted in March 2017 concerning exploration projects.*
- *Meeting with the community of Rankin Inlet was conducted in March 2018 to share information concerning the exploration projects.*
 - *In attachment, the presentation shown.*

f) A log of instances in which community residents occupy or transit through the project area for the purpose of traditional land use or harvesting. This log should include the location and number of people encountered, activity being undertaken (e.g., berry picking, fishing, hunting, camping, etc.), date and time, and any mitigation measures or adaptive management undertaken to prevent disturbance;

- *No community residents occupying or transiting through the project area were encountered in 2017 during the exploration activities.*

g) A discussion of issues related to wildlife and environmental monitoring, including the number of cease-work orders required as a result of proximity to caribou;

- *No issue related to wildlife and environmental monitoring in the area during exploration activities.*

h) A brief summary of Wildlife Monitoring and Mitigation Plan (WMMP) results as well as any mitigation actions that were undertaken. In addition, the Proponent shall maintain a record of wildlife observations while operating within the project area and include it as part of the summary report. The summary report based on wildlife observations should include the following:

(1) Locations (i.e., latitude and longitude), species, number of animals, a description of the animal activity, and a description of the gender and age of animals if possible.

- *In 2017, no wildlife was seen or noted during the exploration activities period in the area covered by this decision.*

(2) Prior to conducting project activities, the Proponent should map the location of any sensitive wildlife sites such as denning sites, calving areas, caribou crossing sites, and raptor nests in the project area, and identify the timing of critical life history events (i.e., calving, mating, denning and nesting).

- *A visual inspection of the winter access, the working sites and surrounding areas were conducted to ensure that no sensitive sites were present. No sensitive sites were inventoried in the working areas.*

(3) Additionally, the Proponent should indicate potential impacts from the project, and ensure that operational activities are managed and modified to avoid impacts on wildlife and sensitive sites.

- *Spill Contingency Plan, Wildlife Protection and Response Plan, archaeological field investigations and other good practices are in place to reduce potential impacts.*
- *Drilling activities started only on July 21st to avoid potential interaction with caribous.*

i) An analysis of the effectiveness of mitigation measures for wildlife as proposed in the WMMP;

- *No issues related to wildlife occurred during the exploration activities and no interaction with caribou occurred. Should wildlife seen during exploration activities it is noted.*

j) Summary of any heritage sites encountered during the exploration activities, any follow-up action or reporting required as a result and how project activities were modified to mitigate impacts on the heritage sites;

- *The archaeologist found archaeological sites during the field investigation in 2016 and 2017. These sites are described in the reports submitted to the Government of Nunavut by the archaeologists, and protection buffers are respected during exploration activities.*

k) Summary of its knowledge of Inuit land use in/near the project area and explain how project activities were modified to mitigate impacts on Inuit land use;

- *The archaeologists found archaeological sites during the field investigation in 2016 and in 2017. These sites are described in the reports submitted to the*

Government of Nunavut by the archaeologists. Protection buffers are respected during exploration activities.

l) A summary of how the Proponent has complied with conditions contained within this Screening Decision, and all conditions as required by other authorizations associated with the project proposal.

- *Procedures and plans were created to ensure the respect of the conditions associated to this decision and other licenses and permits. The Spill Contingency Plan and the Wildlife Protection and Response Plan describe mitigation measures applied in certain defined situations to ensure prompt actions. Annual reports including details on Agnico Eagle's compliance with obligations are submitted to regulators, including Nunavut Water Board, Indigenous and Northern Affairs Canada and Kivalliq Inuit Association. Inspections by the Kivalliq Inuit Association and by INAC are normally conducted annually in the area where exploration activities are conducted.*