



AGNICO EAGLE

PARKER, PETER AND FOX LAKES EXPLORATION PROJECTS

2017 Annual report

Screening decision

15EN049

Prepared by:

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Submitted to:

Nunavut Impact Review Board

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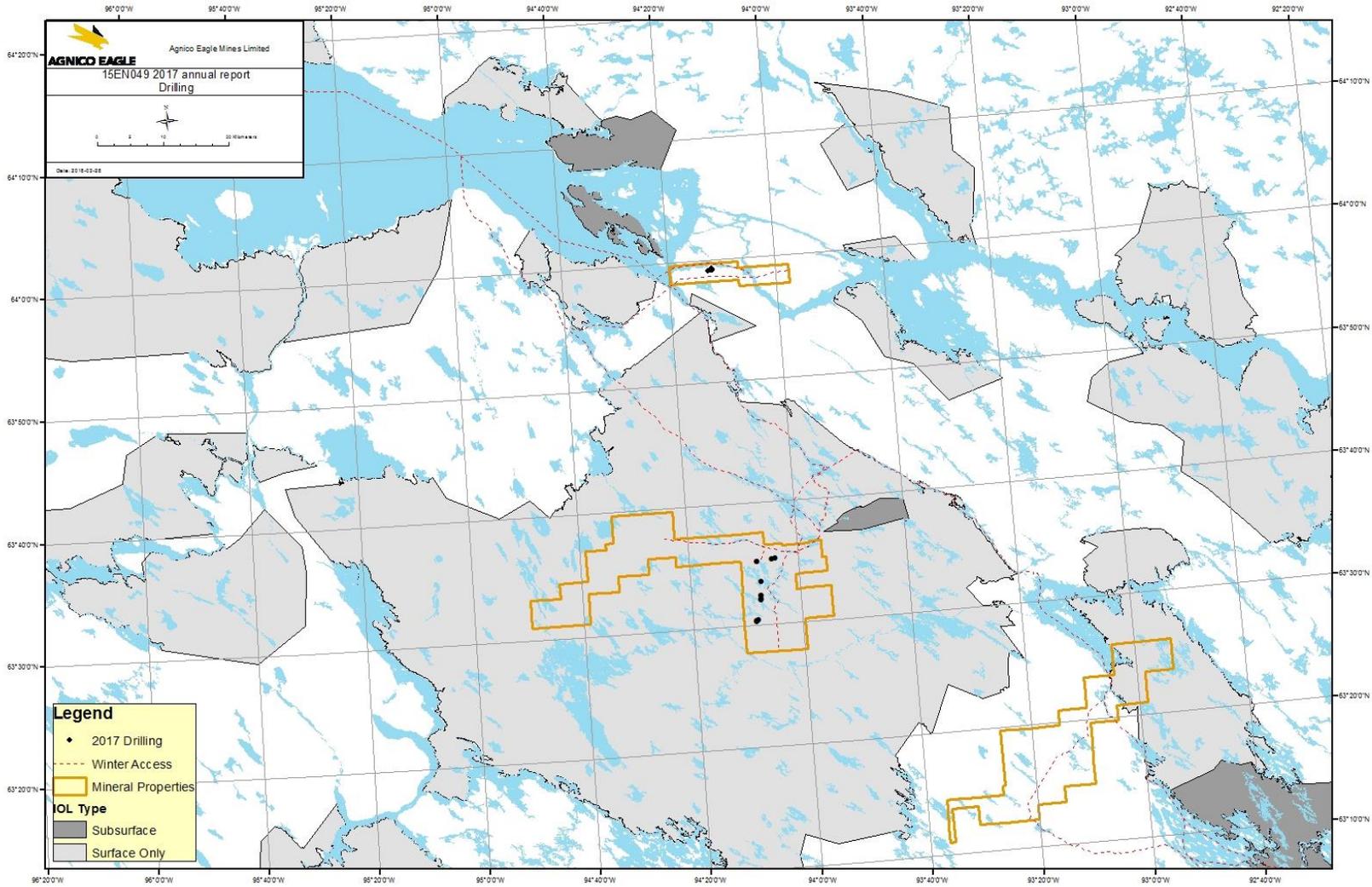
Annual Report

2) 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, 2017. 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;
 - *14 drilling sites were used in 2017 in the Parker Lake area under land use licence KVL315C02 and water license 2BE-PKR1621. 14 drilling sites were also used in the Cone Hill area under land use permit N2017C0008 and water licence 2BE-PKR1621. No drilling was done in the Fox Lake area under land use permit N2016C0002 and water license 2BE-PTR1621.*

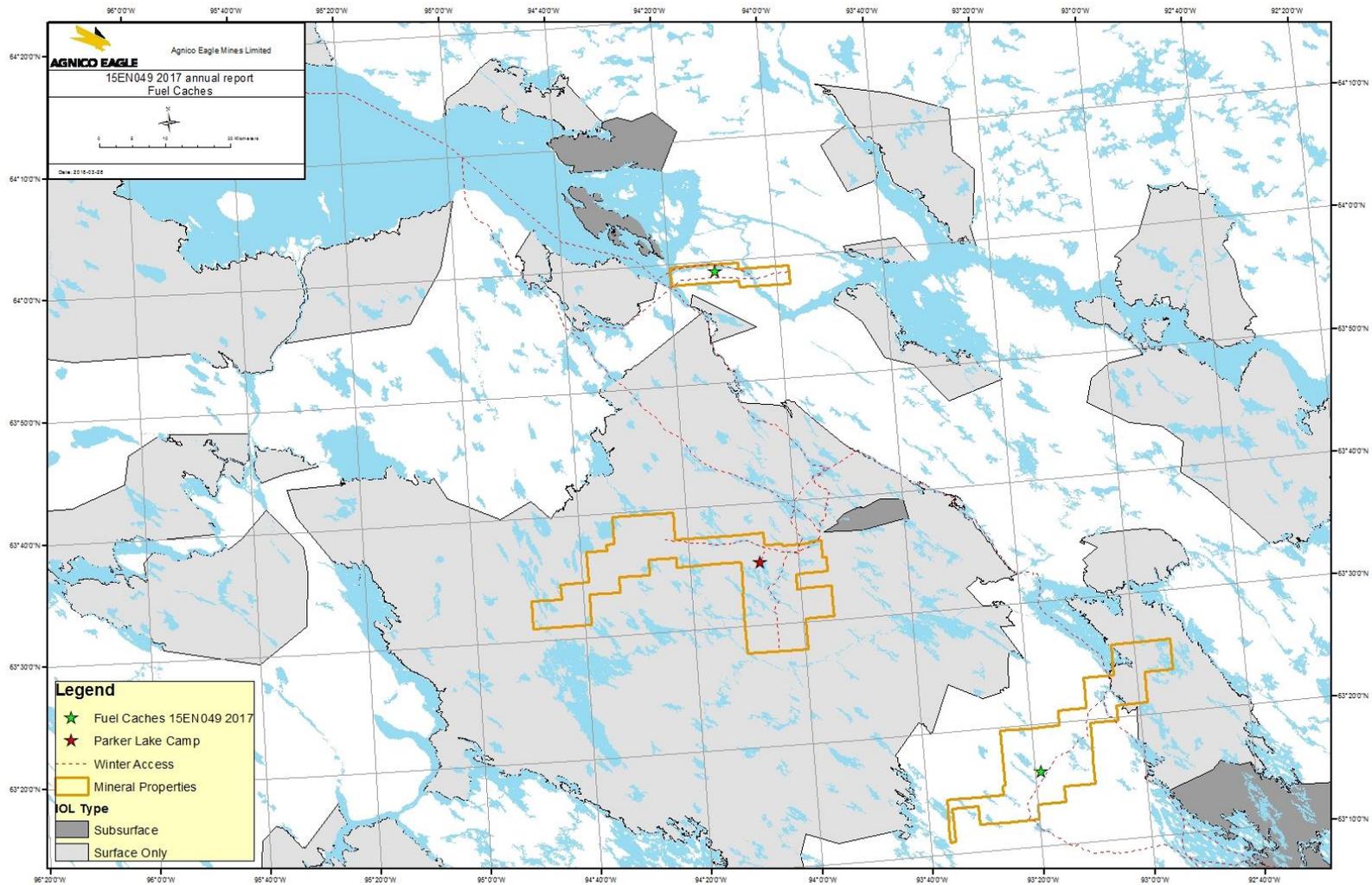
Figure 1, Drilling Locations 2017



ii) a map showing the location of the fuel caches;

- *The fuel caches were removed and transported back when drilling activities were completed.*

Figure 2, Fuel Caches Locations



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 610 m above ground level. Exceptions may exist during takeoff and landing, low-level ceiling conditions, high winds, or other risks to flight safety.*
- *Transport between the Parker Lake camp site and the exploration areas was done daily.*

v) site photos;

- *Please find in attachment photographic records for the Parker Lake and the Cone Hill exploration projects.*

b) A summary of the overview assessment conducted of the exploration areas;

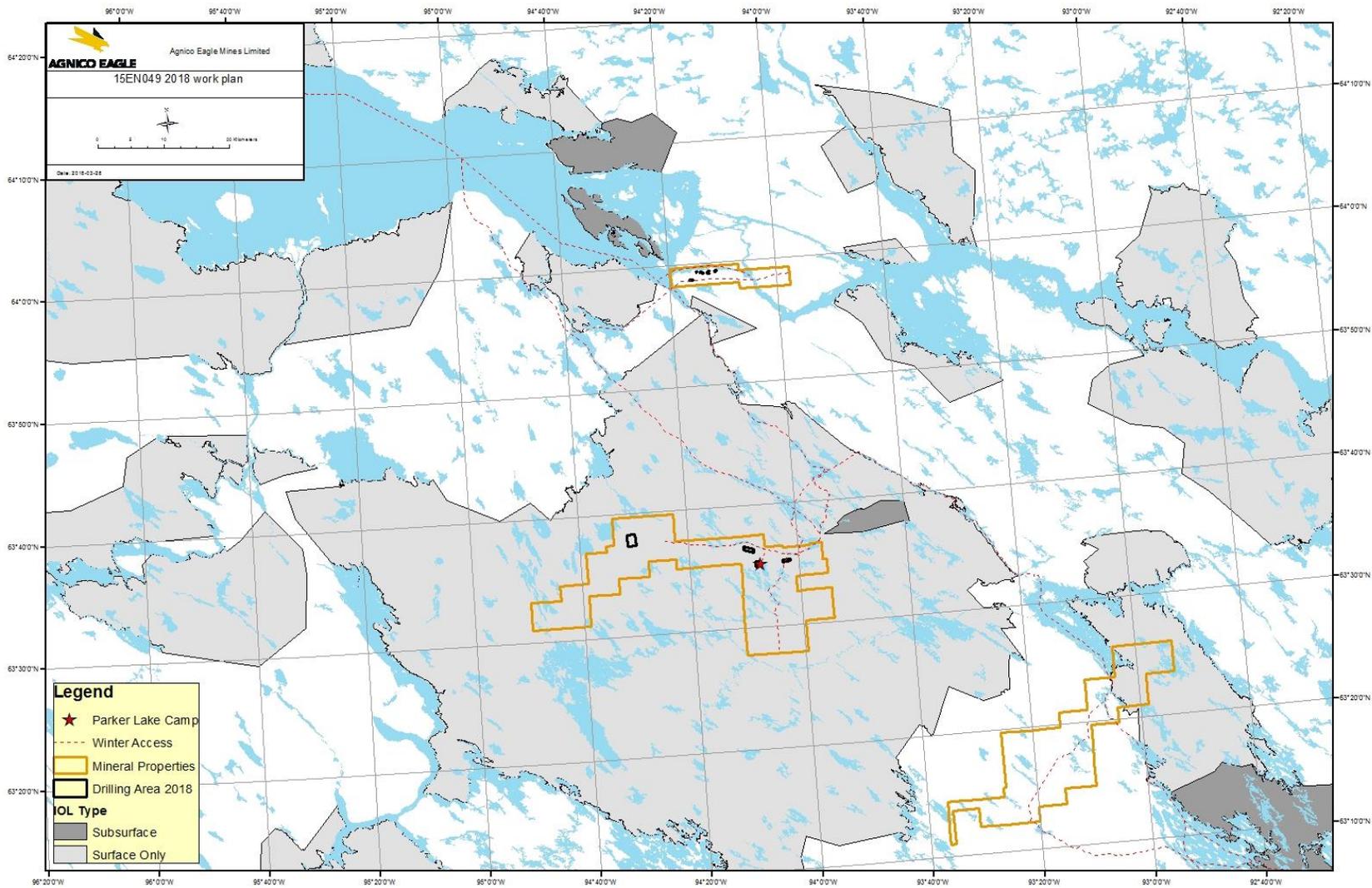
- *Archaeologists conducted field visits in summer 2016 and 2017 to ensure archaeological site protection during exploration activities. Reports are submitted to the Government of Nunavut by the archaeologists.*
- *The project geologist did site visits before mobilizing the diamond drill to ensure that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

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

- *For the Fox Lake area, mineral prospection and geophysical surveys are planned to be conducted on the property, but no drilling is planned.*
- *A temporary fuel cache could be installed to store 205-litre fuel drums in the Fox Lake area during the exploration season to service exploration activities in the vicinity. The cache will be removed after.*

- *The winter access from Baker Lake to Meliadine is planned to be used by the tracked tractors “Challenger” from March to May. Material and equipment related to exploration activities will be transported from and to Baker Lake and up to 25 loads are planned to be transported.*
- *For the Parker Lake area, exploration camp operations and drilling are planned to start in April and continue until May. 10 holes are planned to be drilled. Prospecting, mapping and geophysical surveying could be conducted on the entire property.*
- *For the Cone Hill area, mineral prospection and geophysical surveys are planned to be conducted on the property in 2018. 10 holes are planned to be drilled in May.*

Figure 3, Drilling Areas 2018



d) 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.*
 - *See attachement for the Presentation.*

e) 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;

Date	Time	Number	Location (X,Y)	Activity being undertaken by residents	Observer Name	Mitigation measures or adaptative management undertaken
2017-04-29	22:00	1	531539, 6990791	Skidoo	André Beaulieu	Skidoo was passing in the area.
2017-06-23	14:00	2	542768, 6970759	Fishing	Catherine Jalbert	Stayed far as possible of the boat, at least 500m.

f) 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 issues related to wildlife and environmental monitoring in the area during exploration activities.*

g) 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.

Date	Wildlife species	Number	Location	Behavior	Mitigation actions taken
2017-06-29	Fox	1	Parker Lake camp	Running away	none
Many time in August	Siksik	4	Parker Lake camp	Digging	none
Many time in August	Ptarmigan	30	Parker Lake camp	Eating	none
2017-09-24	Siksik	1	Parker Lake camp	Eating	none
2017-09-25	Fox	1	Parker Lake camp	Walking	none
Many time in September	Rabbit	2	Cone Hill area	Trying to hide in a hole	none
Many time in September	Siksik	4	Parker Lake camp	Digging	none
Many time in September	Ptarmigan	30	Parker Lake camp	Eating	none

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.*
- *Since Parker Lake is located near a calving area, drilling activities started only on July 21st.*

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.*

h) 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. Wildlife seen during exploration activities is noted.*

i) 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 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, and protection buffers are respected during exploration activities.*

j) 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; and

- *Some of the areas covered by this decision are used by hunters. No interference with hunters occurred during the 2017 exploration activities.*

k) 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.*

3) In addition to annual reporting requirements previously recommended on January 18, 2016 the Proponent shall include the following information in its annual report:

a) A record of wildlife-vehicle collisions and wildlife mortality along the winter access.

- *No wildlife-vehicle collision occurred and no wildlife mortality along the winter access was seen.*

b) A summary measures taken to mitigate, monitor and/or analyze impacts to wildlife Including any seasonal alterations to the winter access route implemented to avoid Wildlife denning sites.

- *An aerial survey was conducted before the start of activities on the winter access, reducing the risk of creating issues with wildlife.*

4) In addition to annual reporting requirements previously recommended on January 18, 2016 and on December 23, 2016 the Proponent shall include the following information in its annual report:

- a) A summary of mitigation measures undertaken to protect archaeological resources in the project area.
 - *Field investigations were conducted by archaeologists 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.*
- b) A summary of incineration activities for waste and results of stack tests conducted.
 - *No incineration done at the Parker Lake camp site in 2017, all the waste was transported to the Meliadine camp site where it was segregated and disposed of according to the Waste Management Plan.*
- c) A summary of community consultation conducted specific to the “Parker Lake”
 - *During consultations described in item 2d) the information on all the exploration projects was given, including the Parker Lake temporary exploration camp and Cone Hill exploration projects. Please find attached the presentation shown during these meetings.*