

Ministry of the Environment,
Conservation and Parks

Ministère de l'Environnement, de la
Protection de la nature et des Parcs

Environmental Assessment and
Permissions Branch

Direction des évaluations et
des permissions environnementales

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August 6, 2019

Mr. Pascal Lavoie
Director, Environmental Management
Agnico Eagle Mines Ltd.
10 200 Route de Preissac
Rouyn-Noranda QC J0Y 1C0
Via email to: pascal.lavoie@agnicoeagle.com

Dear Mr. Lavoie:

Thank you for your July 16, 2019 letter in which you request an extension for submitting the Compliance Monitoring Program and first Annual Compliance Report, which are both required under conditions 4 and 5 of the Notice of Approval of the Hammond Reef Gold Mine Environmental Assessment, dated May 16, 2019.

As you know, the Notice of Approval requires that the Compliance Monitoring Program be submitted to the Ministry of the Environment, Conservation and Parks (ministry) within 60 days of the Date of Approval, this deadline thus being July 15, 2019. The first Annual Compliance Report is due one year following the Date of Approval, thus being due May 16, 2020. The Annual Compliance Report must outline the results of the Compliance Monitoring Program.

Condition 4.2 allows for the Director of the Environmental Assessment and Permissions Branch to provide, in writing, another deadline for submission of the Compliance Monitoring Program. Your letter requests a deadline of at least December 2020 or longer. You explain that Agnico Eagle has not budgeted for this project in 2019 and does not plan to start construction for the coming years as the company is evaluating the economic viability of the project and other project development schedules. Your letter further requests to submit the first Annual Compliance Report one year after the ministry's approval of the Compliance Monitoring Program.

I acknowledge that Agnico Eagle is not planning any project work in the coming year other than hydrology monitoring and local engagement. Since there is uncertainty about when Agnico Eagle will make progress toward the construction phase of the project, I am amending the deadline for submission of the Compliance Monitoring Program to **60 days prior to construction** (as "construction" is defined in the Notice of Approval). I

am also changing the deadline for submission of the first Annual Compliance Report to one year following the ministry's approval of the Compliance Monitoring Program.

My reasoning for this extension is that it is warranted given the relatively inactive status of the project. Since Agnico Eagle is uncertain whether this status will change by December 2020, I consider a further extension tied to the construction schedule to be reasonable. The Notice of Approval does not provide an explicit provision for the Director to extend the deadline for submission of the first Annual Compliance Report; however, I consider that as a result of the extension for the Compliance Monitoring Program, it is practical to extend the deadline for the first Annual Compliance Report, since this report must follow the format of the Compliance Monitoring Program.

The Notice of Construction condition 11 requires 90 days notice prior to the start of construction to the ministry and Indigenous communities. This notice should confirm that Agnico Eagle will be submitting the Compliance Monitoring Program per the extension above.

In granting this extension, I would like to remind Agnico Eagle of its ongoing responsibilities in fulfilling the conditions in the Notice of Approval.

As per condition 2.2, Agnico Eagle must continue to fulfill any commitments made during the environmental assessment process, including any commitments that may be relevant during this less active phase of the project.

The project website should be maintained throughout the life of the project in order to continue to provide the public with access to project information. This includes posting any documents required for the public record, as per condition 3.1.

It is Agnico Eagle's responsibility to ensure that all of the conditions are fulfilled and that any associated timelines are met.

Finally, the ministry requests that you post a copy of this letter to the Hammond Reef project website to inform the public about the deadline extensions.

Sincerely,



Annamaria Cross
Environmental Assessment and Permissions Branch

c.: Josee Brazeau, Environment Coordinator, Agnico Eagle Mines Ltd.
Frank Miklas, Northern Region Director, Ministry of the Environment, Conservation and Parks