

April 26, 2023

*Jason Postma*

Mineral Development Office (Northeast),  
Ontario Government Complex  
5520 Highway 101 East  
PO Box 3060  
South Porcupine, ON P0N 1H0

Dear Mr. Postma,

Re: Response to proposal to issue an exploration permit in northern Timiskaming, ERO  
019-6854, which pertains to claim numbers: 115063, 127558, 153461, 196314, 276755,  
333905

With regard to the above proposal, the Misema-Blanche River Alliance (MBRA) would like to submit the same comments as submitted early March 2023 for 8 exploration permit applications by the same proponent. These comments are attached below.

We thank you in advance for your consideration and trust that these comments will become part of the public record.

Sincerely,

Maria Lelie

Misema-Blanche River Alliance

Attached: Response to 8 proposals to issue exploration permits in northern Timiskaming -  
March 7, 2023

March 7, 2023

Jason Postma

Mineral Development Office (Northeast),  
Ontario Government Complex  
5520 Highway 101 East  
South Porcupine, ON P0N 1H0

Dear Mr. Postma,

Re: Response to Proposals to Issue Multiple Exploration Permits in northern Timiskaming - ERO no. 19-6611, 19-6613, 19-6615, 19-6616, 19-6679, 19-6680, 19-6681, 19-6682 - 90 claims in total

The Misema-Blanche River Alliance (MBRA) has reviewed the numerous above-mentioned proposals to issue permits for mineral exploration activities located in the Townships of Gauthier, Lebel, and Teck, northern Timiskaming, and provides the following comments.

As posted on the Environmental Registry of Ontario (ERO), the Ministry of Energy, Northern Development and Mines (MECP) has invited comments on the exploration activities proposed by Agnico Eagle Limited (the proponent) and the 90 claims they encompass. The locations of these claims are shown in **Appendix 1**.

MBRA is a group of area residents concerned about the generational and environmental impacts of the magnitude of the proposed Upper Beaver Gold Project combined with all other existing and future regional mining activities of the proponent in northeast Ontario.

**In light of the following, we request that the Ministry pause any decision making on these exploration permits until the Impact Assessment Agency of Canada (IAAC) has made a decision with regard to the proponent's Upper Beaver Gold Project.**

#### **Press Release February 16, 2023**

The proponent's February 16, 2023, press release indicates that the proponent is evaluating several significant changes to the Upper Beaver Project and other active and to be developed mining activities in the region. This evaluation will lead to a Technical Report that will be finalized towards the end of 2023. It is expected that this Technical Report will inform the Impact Statement the proponent will submit to the IAAC at the latest in April 2024 (see below).

The press release states the following (see **Appendix 3**):

*"At the Canadian Malartic Complex, the Company expects to have up to 40,000 tpd of excess mill capacity starting in 2028..."*

*"The Company expects that production resulting from this mill optimization will begin at a moderate rate in 2024 and has the potential to increase up to approximately 500,000 ounces of gold per year by 2030".*

*"Potential future sources of ore may include:*

- Macassa near surface deposits and the AK deposit*
- Upper Beaver*
- Other Kirkland Lake satellite deposits (Upper Canada and Anoki-McBean)"*

*"With the potential excess mill capacity at Canadian Malartic, the Company is now evaluating the potential to transport ore from Upper Beaver to Canadian Malartic (approximately 5,000 tpd) starting in 2030."*

We ask you to consider that the Upper Beaver Gold Project is part of the larger, regional Kirkland Lake Project that includes both pre-merger Agnico Eagle lands and activities and, post-merger, KL Gold's Macassa complex and other mines/lands in the region.

We also ask you to consider that increased mining and exploration activities in the northern Timiskaming region and transporting ores from this regional project to Quebec will lead to cumulative effects on the environment.

### **Objective of the Kirkland Lake Project**

"We're more focused on regions, and deals where we can surgically extract specific assets that make sense," said Sean Boyd, executive chair of Agnico. "That's our preference rather than just to sort of smash companies together without any sort of regional consolidation benefits or synergies." (Financial Post, February 7, 2023)

### **Impact Assessment Act and Guidelines**

The proponent's Upper Beaver Gold Project in the Township of Gauthier is currently undergoing an Impact Assessment led by the IAAC. The IAAC announced the decision to hold this Impact Assessment on December 20, 2021. The proponent and Kirkland Lake Gold Ltd. announced their merger of equals on February 8, 2022.

Because of the Impact Assessment, the Upper Beaver Gold Project is subject to the IAAC's Tailored Impact Statement Guidelines (published April 20, 2022), which are based on the Impact Assessment Act. The Guidelines can be accessed here: <https://iaac-aeic.gc.ca/050/evaluations/proj/82960>.

Section 1.3 of the IAAC's Guidelines states that the proponent should provide information to the IAAC regarding any changes made to the Upper Beaver Project as originally proposed in the Detailed Project Description submitted to the IAAC.

Section 3.4 of the Guidelines also requires the proponent to describe all project components including any changes made to the Upper Beaver Project as originally proposed in the Detailed

Project Description, and the reasons for these changes. The Impact Statement must describe the potential effects of the Upper Beaver Project that the proponent intends to pursue, that is, taking into account any project changes. It seems that the proponent will inform the IAAC of these changes via the above-mentioned Impact Statement.

For projects that are undergoing an Impact Assessment, the Impact Assessment Act, Section 7 states: "*the proponent of a designated project must not do any act or thing in connection with the carrying out of the designated project, in whole or in part, if that act or thing may cause any of the following effects: ...*" - see **Appendix 2**.

In the Detailed Project Description submitted to the IAAC, page 17, the proponent has indicated that "*The Upper Beaver Gold project is not part of a larger project that is not listed on the Project List*". This statement was made pre-merger and even though the proponent had no producing mines/mills in the region at that time, the proponent does now.

Additionally, section 7.6 of the Guidelines requires the proponent to consider potential cumulative effects of the Upper Beaver Project in combination with existing and future mining activities in the region, including an explicit consideration of future mining activities resulting from the merger with Kirkland Lake Gold.

In light of all the above, we ask you to consider that the potential changes to and cumulative effects of the regional Kirkland Lake Project that includes ore deposits/mining activities at (at minimum) Upper Beaver, Macassa, AK Deposit, Upper Canada, Anoki-McBean, and also includes all regional exploration activities, must be shared by the proponent with the IAAC as part of the Impact Assessment Process.

### **Piecemeal Approach**

Each of the above referred to 8 early exploration permit applications is presented separately on the ERO website. This gives the impression that those applications are not connected. However, these applications are all part of the proponent's Kirkland Lake Project that encompasses 1,917 mining titles that spread over an area of approximately 35 km long x 17 km wide and are interconnected via the 21 active permits (580+ claims) that have already been granted.

**Appendix 1** shows many of the early exploration permit areas in the northern Timiskaming area (the proponent's 21 active permits (580+ claims) are outlined in teal, and the 8 new applications (90 claims) are shown in dark blue, active permits of other companies (yellow field/outline), expired exploration permits are shown in grey). The map at the top of the page is generated with the Ministry of Mines MLAS Mapping Tool. The map at the bottom shows the proponent's post-merger mining claims in northern Timiskaming (Press Release February 16, 2023).

Because of the presentation of individual permit applications, the public gets the impression that such an application is a standalone permit. However, as the map shows, this is not the case. Unfortunately, systematic exploration activities such as these come with their own

cumulative effects and impacts on the landscape, but those are not made visible via the present piecemeal approach.

It also seems to be assumed that mineral exploration activities are low impact activities and pose low risk to the environment, but this may only be true when we consider activities such as mapping of an area regardless of size, or exploration consisting of a small number of claims.

Once exploration takes place on hundreds of claims, the impact changes because of the cumulative effects of activities such as the removal of the overburden, line cutting, mechanized drilling, and so forth, on very large areas will be evident for many years to come - see, for example: Joan Kuyek's book '*Unearthing Justice*' and <https://www.cbc.ca/news/canada/thunder-bay/mining-exploration-causing-permanent-damage-in-ring-of-fire-wildlands-league-says-1.3129705>. These issues do not seem to be monitored or followed up on by MECP or the Ministry of Mines.

We ask you to consider that the proponent's 8 early exploration permit applications (90 claims) are part of a systematic approach to exploration that at present already involves 21 permits (580+ claims) throughout the Kirkland Lake Project.

We also ask you to consider that the 8 permits will add to the cumulative effects of all existing and future mining activities in Kirkland Lake Project area, including the already active 21 other permits, and that all these combined must be considered by the IAAC in light of the requirements set out in the Guidelines and the Impact Assessment Act.

### **Insufficient Information via ERO**

We recommend that applications on the ERO website show a direct link to other applications by the same proponent or show a map that shows all other active permits and new applications in a region. Providing the link to the MLAS mapping tool is not sufficient, and the mapping tool is very cumbersome to use to obtain an overview of a group of permits.

We recommend that sufficient information about each permit application is shared with the public via the ERO website, including the submitted application form and especially the map that exploration/mining companies provide to the Ministry. The pdf that is attached to ERO no. 019-5890 is a good example of what is useful for the public to see prior to commenting. It is our understanding that this information is already made available to municipalities for commenting.

In the context of this letter, we also recommend that information about active Impact Assessment processes is taken into consideration by ministries such as MECP and the Ministry of Energy, Northern Development and Mines, and is included with the information provided with the applications on the ERO website.

### **Retroactive comment to: ERO no. 019-5890 - 40 claims**

The 40 claims that are included in this permit are located immediately south of the Upper Beaver site and straddle the Misema River. Because of its proximity to the Upper Beaver site, this permit cannot be considered to not be connected to the Upper Beaver Project.

Although the commenting period for this application ended in September 2022, this exploration permit was granted after the Impact Assessment of the IAAC started. Thus, all the points made above about the 8 permit applications apply to this permit as well. We do not know whether you can revisit this permit, but we ask you to reconsider this permit in light of all the above.

### **Gold not on Canada's Critical Mineral List**

On March 1, 2023, Ontario's Premier Doug Ford announced that his government wants to speed up mining permits in Ontario to boost production of critical minerals, essential for EV batteries, <https://www.cbc.ca/news/canada/toronto/ontario-mining-act-amendments-1.6764906>.

No gold projects are listed on the included map that shows Critical Minerals Early Exploration Projects in Ontario because gold is not part of Canada's Critical Mineral List, <https://www.canada.ca/en/campaign/critical-minerals-in-canada/canadian-critical-minerals-strategy.html>. The Upper Beaver Gold Project is only included on the map because this project will produce copper as secondary ore.

When the IAAC was asking for initial comments about the Upper Beaver Project from federal ministries, First Nations, and the Public, one ministry commented 'do we need another gold mine?' With gold not being included on Canada's Critical Mineral List, the answer to this question is clear. Where northern Ontario will see an explosion of early exploration projects geared toward critical minerals that will potentially lead to operating mines, the environment will be impacted significantly, also from all these early exploration activities. It will become increasingly important to regulate which mining projects are given the green light and which ones are not. This regulating will take into consideration the Critical Mineral List but also has to consider Ontario's Environmental Bill of Rights (1994). A balance will have to be sought between the mining of essential minerals and maintaining a healthy environment with healthy communities. Continuous exploring and future mining of gold deposits may not fit in with that balance.

### **Conclusion**

Considering that

- the Upper Beaver Project is currently undergoing an Impact Assessment,
- the Guidelines require the proponent to provide information to the IAAC regarding any changes made to the Upper Beaver Project as originally proposed in the Detailed Project Description submitted to the IAAC,

- the Guidelines require the proponent to consider potential cumulative effects of the Upper Beaver Project in combination with existing and future mining activities in the region, including an explicit consideration of future mining activities resulting from the merger with Kirkland Lake Gold,
- all regional activities, including the Upper Beaver Project and all exploration activities, are part of the Kirkland Lake Project,
- the proponent is preparing a post-merger Technical Report that will evaluate significant changes to the Upper Beaver Project and other regional activities that are part of the Kirkland Lake Project,
- this Technical Report will inform the Impact Statement required by the IAAC,
- current and future cumulative effects of all regional activities are at present unknown and thus cannot be submitted to the IAAC,
- the Impact Assessment Act states that 'the proponent of a designated project must not do any act or thing in connection with the carrying out of the designated project, in whole or in part ...',
- early exploration activities have their own long term, cumulative impacts on the environment, especially when performed over large areas,
- the 8 new exploration permit applications alone encompass 90 mining claims,
- if these permits would be granted, the total number of claims to be impacted by the proponent's early exploration activities would be 670+, which is more than 35% of the proponent's claims held in the Kirkland Lake Project and would cover an area of more than 100 square kilometers,
- gold is not included on Canada's Critical Mineral List,

**the Misema-Blanche River Alliance requests that the Ministry pause any decision making on these exploration permits until the Impact Assessment Agency of Canada has made a decision with regard to the proponent's Upper Beaver Gold Project in conjunction with all other existing and future mining activities of the Kirkland Lake Project.**

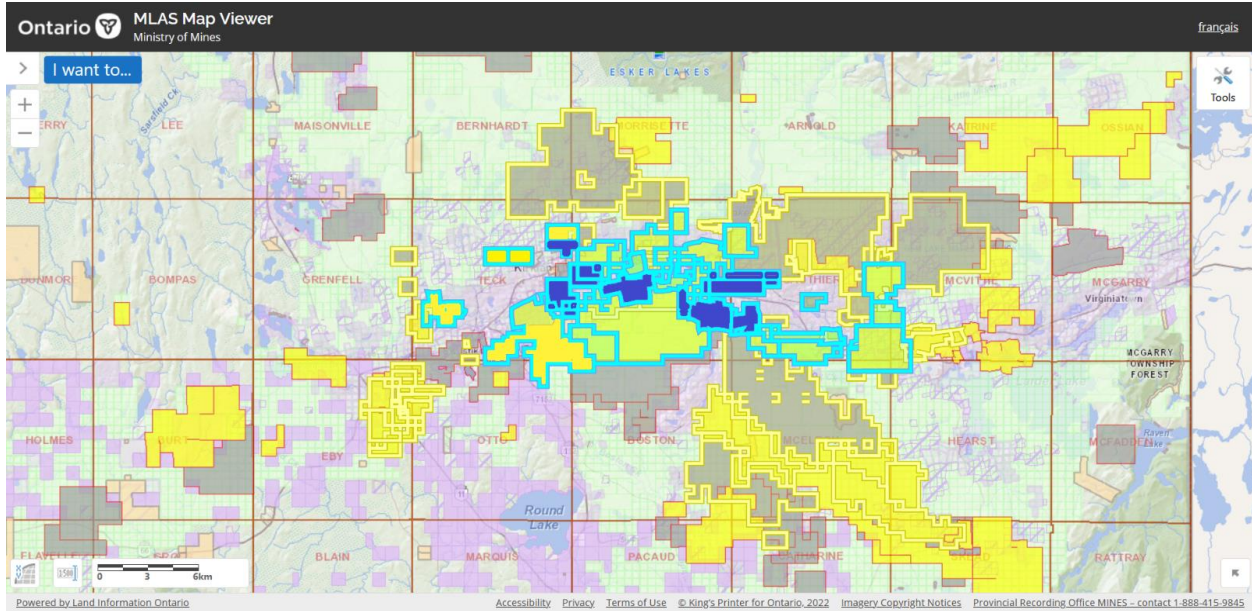
We trust that our comments on these applications will be considered and acted upon by the Ministry. Thank you for your consideration of our submission.

Sincerely,

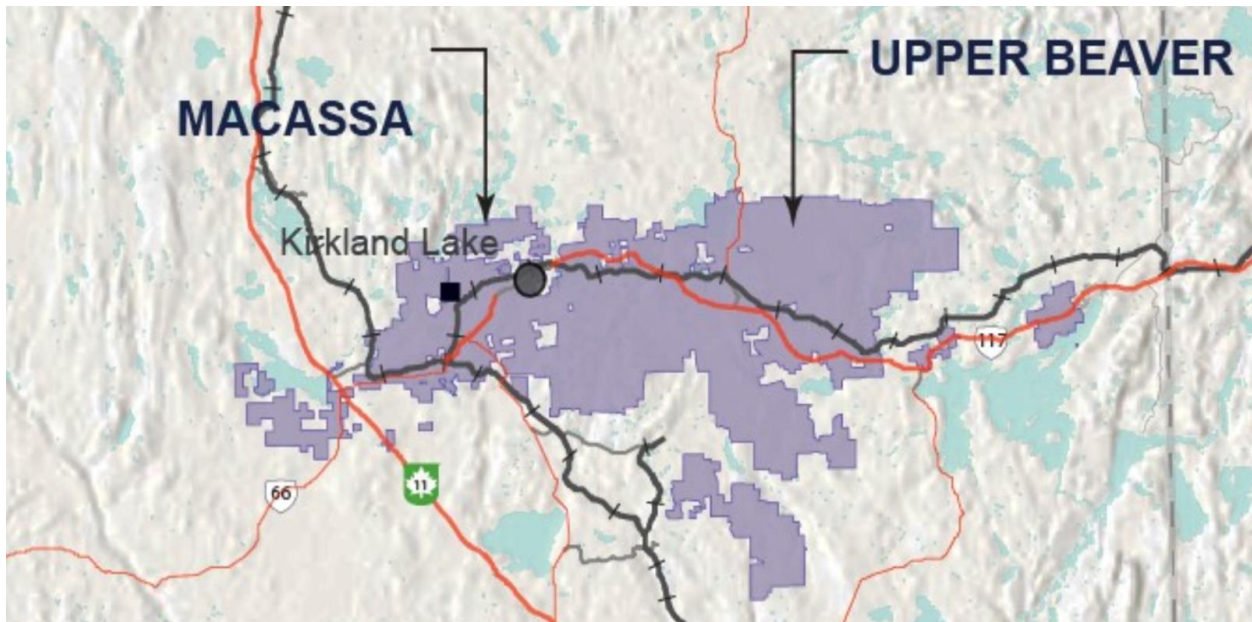
Maria Lelie  
Misema-Blanche River Alliance

## Appendix 1 - Exploration Permits in northern Timiskaming - March 6, 2023

Agnico Eagle's current exploration permits (teal outline), Agnico Eagle's permit applications (dark blue fields), current exploration permits of other companies (yellow fields), expired permits (grey fields).



Agnico Eagle's post-merger mining claims in northern Timiskaming:



(Agnico Eagle's Press Release, February 16, 2023)



## Appendix 2 - Impact Assessment Act, section 7

### Prohibitions

#### Proponent

**7 (1)** Subject to subsection (3), the proponent of a designated project must not do any act or thing in connection with the carrying out of the designated project, in whole or in part, if that act or thing may cause any of the following effects:

- (a) a change to the following components of the environment that are within the legislative authority of Parliament:
  - (i) fish and fish habitat, as defined in subsection 2(1) of the *Fisheries Act*,
  - (ii) aquatic species, as defined in subsection 2(1) of the *Species at Risk Act*,
  - (iii) migratory birds, as defined in subsection 2(1) of the *Migratory Birds Convention Act, 1994*, and
  - (iv) any other component of the environment that is set out in Schedule 3;
- (b) a change to the environment that would occur
  - (i) on federal lands,
  - (ii) in a province other than the one in which the act or thing is done, or
  - (iii) outside Canada;
- (c) with respect to the Indigenous peoples of Canada, an impact — occurring in Canada and resulting from any change to the environment — on
  - (i) physical and cultural heritage,
  - (ii) the current use of lands and resources for traditional purposes, or
  - (iii) any structure, site or thing that is of historical, archaeological, paleontological or architectural significance;
- (d) any change occurring in Canada to the health, social or economic conditions of the Indigenous peoples of Canada; or
- (e) any change to a health, social or economic matter within the legislative authority of Parliament that is set out in Schedule 3

### **Appendix 3 - From Agnico Eagle's February 16, 2023, press release, pages 46 to 48/143:**

"At the Canadian Malartic Complex [Quebec], **the Company expects to have up to 40,000 tpd of excess mill capacity starting in 2028** as processing of open pit ore and low-grade stockpiles begins to wind down and processing transitions to the higher grade Odyssey mine. At the LaRonde Complex [Quebec], the Company expects **to have approximately 2,000 tpd of excess mill capacity starting the second quarter of 2023** as the LZ5 mill circuit is idled in connection with the new mine plan at the LaRonde mine.

By **optimizing the mill capacity in the region**, the Company believes there is potential to significantly increase future gold production at lower capital costs and with a reduced environmental footprint, which could also be beneficial to future permitting activities.

The Company expects that production resulting from this mill optimization will begin **at a moderate rate in 2024** and has the potential to increase up to approximately 500,000 ounces of gold per year by 2030.

#### **Potential future sources of ore may include:**

- **Macassa near surface deposits and the AK deposit**
- **Upper Beaver**
- **Other Kirkland Lake satellite deposits (Upper Canada and Anoki-McBean)**
- Wasamac project

#### Macassa Near Surface Deposits and the AK Deposit

At the Macassa mine, the near-term focus is on optimizing the mill with high-grade ore from the South Mine Complex. **As a result, the Company is evaluating the potential to transport ore from the AK deposit at Macassa to the LaRonde Complex (a distance of approximately 130 kilometres) to utilize the excess mill capacity at the LaRonde Complex mill.** These ore zones are currently accessible via a shallow ramp system and the Company believes that they could initially provide up to 350 tpd of ore starting in 2024 and gradually ramp up to 500 tpd.

#### Upper Beaver and Other Kirkland Lake Satellite Deposits

In 2022, the Company carried out approximately 15,600 metres of drilling at Upper Beaver in order to infill and upgrade the existing mineral resource base.

With the potential excess mill capacity at Canadian Malartic, **the Company is now evaluating the potential to transport ore from Upper Beaver to Canadian Malartic (approximately 5,000 tpd) starting in 2030.** Various scenarios are being evaluated by the Company to potentially truck ore to **the main rail line** (a distance of approximately 7.0 kilometres) and then transport it by train to the Canadian Malartic mill for processing (a distance of approximately 130 kilometres). The Canadian Malartic mill is located less than 5.0 kilometres south of the main rail line.

### **Appendix 3 - continued**

**The current proposed mining plan at Upper Beaver uses paste backfill to fill underground stopes. Studies are underway to evaluate using existing tailings deposits in the region (i.e. from the Upper Canada mine) as material for paste backfill at Upper Beaver or transporting tailings from Canadian Malartic by rail to provide material for paste fill.**

**A new technical evaluation** is being carried out at Upper Beaver to incorporate recent exploration results and assess various processing options. **This is expected to be completed by year-end 2023.**

**The Company is also evaluating the potential to utilize the excess mill capacity to process ore from other properties in the Kirkland Lake region, including Upper Canada and Anoki-McBean."**