

The South Grassy Lake Outwash Conservation Reserve

<https://www.ontario.ca/page/south-grassy-lake-outwash-conservation-reserve-management-statement>

South Grassy Lake Outwash Conservation Reserve Management Statement

e) Current land use activities

The Ontario Recreational Canoeing Association (ORCA) has identified the Misema River system, of which Grassy Lake is a part, as an existing canoeing destination. The Misema River and Grassy Lake are picturesque, calm and well suited for canoe travel.

Recorded data concerning the nature of fishing opportunities within Grassy Lake and Misema waterway is limited. Grassy Lake itself is a cool water, shallow lake that contains northern pike and walleye. Ice fishing may also occur here.

The *South Grassy Lake Outwash Conservation Reserve* was not identified in the Upper Beaver Gold Detailed Project Description and is downstream from the proposed project.

Table 1.0: Location data

- Name: South Grassy Lake Outwash Conservation Reserve
- Eco-Region & Eco-District (Hills; Crins & Uhlig): 3E-6 (Kirkland Lake) eco-district of the 3E (Lake Abitibi) eco-region
- MNR administrative region/District area: Northeast Region/ Kirkland Lake District in the Kirkland Lake/Claybelt Area
- Total area: 425 ha (includes 267 ha forest reserve)
- UTM co-ordinates: 794715 W, 480458 N
- Nearest town/municipality: Town of Larder Lake
- Township(s): McElroy & Herst
- OBM numbers: 590053300
- Topographical map name/number: Larder Lake 32D/4
- Wildlife management unit: 28
- Forest management unit: Timiskaming Forest

The South Grassy Lake Outwash Conservation Reserve

4.3 History of site

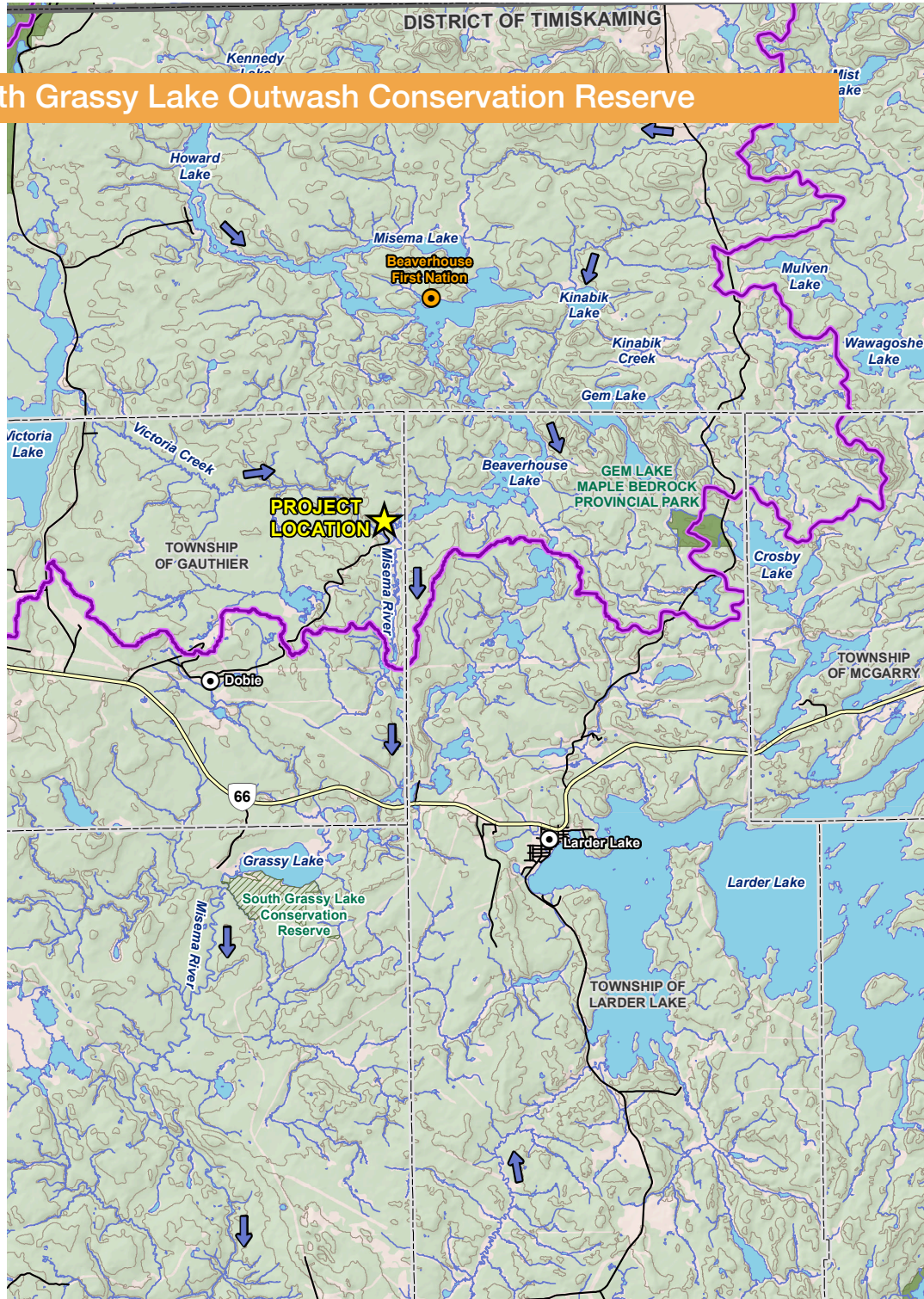
The vegetation and forest cover within this CR provide protective cover and food for many species of large and small mammals, suggesting historical use for hunting and trapping. These activities continue to the present day with two traplines (KL 077 & KL 071) and two Bear Management Areas (KL-28-020 & KL-28-023) within Conservation Reserve boundaries (Map 3a, Appendix #8). The lakes, rivers and wetlands within the site provide fishing and baitfish harvesting opportunities. Currently both McElroy and Hearst Townships have assigned baitfish harvesting licenses.

Much of the regulated Conservation Reserve was harvested in the early 1980's, resulting in the large stand of white spruce conifer mix aged 0-29 years (Map 2c, Appendix #8). Mining is another activity which occurred on this site as evidenced by an abandoned mine shaft in the eastern section of the site.

- **This sensitive protected wetland has not been included in baseline studies.**

BEAVERHOUSE LAKE

The South Grassy Lake Outwash Conservation Reserve



- Contours (20 m intervals)
- Watercourse
- Waterbody
- Flow Direction

NOTES:
 - Waterbodies and watercourse extracted from LIO, NDMNRF and modified to match site plan layout provided by Agnico Eagle; to be field confirmed.
 - Watersheds extracted from LIO, NDMNRF and modified using the Ontario Flow Assessment Tool (OFAT), NDMNRF.



UPPER BEAVER GOLD PROJECT

Watershed Boundary

Datum: NAD83
 Projection: UTM Zone 17N

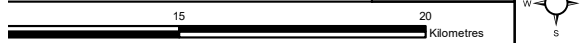


PROJECT N°: OMEMA2008

FIGURE: D.3

SCALE: 1:130,000

DATE: December 2021



Project Components not Identified

“Agnico Eagle expects to consolidate the results of various internal evaluations early in 2024 and report results through the first half of 2024. Any alternatives retained for the Project will be addressed in the Impact Statement.”

Statements by the proponent indicate it may be mid 2024 before a decision regarding alternatives not addressed in the Project Description or Tailored Guidelines is announced.

Which include the following.

- Mergers with Kirkland Lake Gold and Yamana Gold
- the public announcement of a regional development plan, the *Abitibi - Kirkland Lake Corridor*
- Opportunities along the Main Break where the Company now controls six past producing mines.
- Development of McBean and Upper Canada Mines, Anoki & Bidgood
- Integration of trans provincial facilities Ontario & Quebec
- Transportation of Ore and Tailings from Upper Beaver via truck or rail for regional processing in Quebec.
- Transportation of Ore to Upper Beaver for regional processing
- Possible rail line to Upper Beaver, loading and unload yard for ore and tailings
- Sourdough Lake Exploration

BEAVERHOUSE LAKE

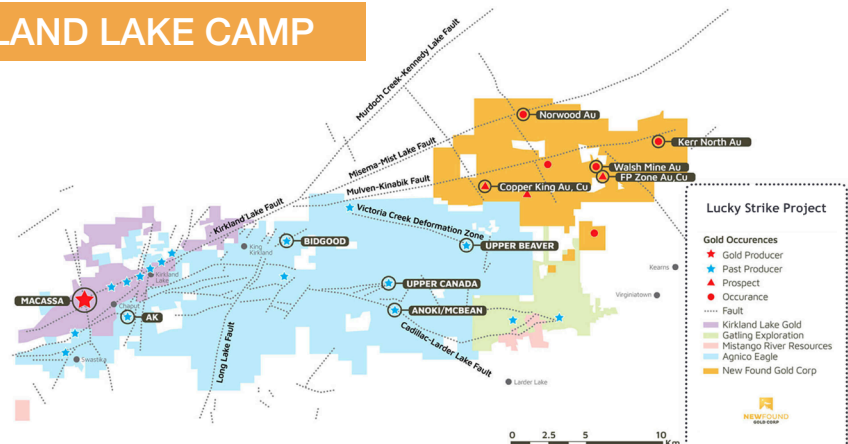
Toronto (February 16, 2023) – Agnico Eagle Mines Limited today reported financial and operating results **for the fourth quarter and full year of 2022**, as well as future operating guidance.

- The **Upper Canada** property currently hosts 722,000 ounces of gold in **measured and indicated** mineral resources (10.4 million tonnes grading 2.15 g/t gold) and an additional 1.86 million ounces of gold in inferred mineral resources (18.6 million tonnes grading 3.11 g/gold).
- **Anoki-McBean** currently hosts 320,000 ounces of gold in **measured and indicated** mineral resources (1.87 million tonnes grading 5.33 g/t gold) and an additional 382,000 ounces of gold in inferred mineral resources (2.53 million tonnes grading 4.7 g/t gold).
- \$7.9 million for 15,800 metres of drilling at the Upper Beaver and Upper Canada deposits and other targets in the Kirkland Lake camp; and \$8.7 million for the Taylor, Hislop, Holloway West and other properties in the Kirkland Lake and Timmins areas that are joint ventures with Melkior Resources, Mistango River Resources, OreFinders Resources and Wallbridge Mining.

MBRA COMMENT

- **The Town of Dobie sits between the Upper Canada and McBean Mines.** The Project Description does not address impacts or cumulative effects of the Upper Beaver Project or the potential development of the Upper Canada and McBean Mines on the residents and town of Dobie.
- **It should be noted that** the proponent has referenced Upper Canada mineral resources as of December 31, 2021. Yet the *Detailed Project Description* submitted to the IAAC in December of 2021 made no references to potential development and impacts on the Town of Dobie.

KIRKLAND LAKE CAMP

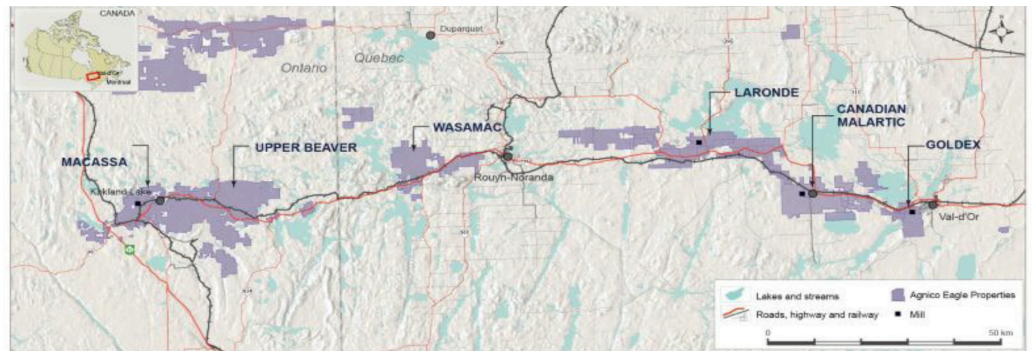


PROJECT ALTERNATIVES NOT IDENTIFIED

The Detailed Project Description and *Tailored Impact Statement Guidelines* do not reference the proponents current proposed project alternatives.

- The Upper Beaver Project is now identified as a component of a Regional Development plan “*Abitibi-Kirkland Lake corridor*” with alternate ore processing and transportation options (rail & truck) under consideration.
- The Proponent has not identified potential cumulative effects of the 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, Yamana, and other undisclosed partnerships.

ABITIBI — KIRKLAND LAKE CORRIDOR



The Potential to Transport Ore from Upper Beaver to Canadian Malartic.

Oct. 26, 2023 Ammar Al-Joundi Agnico Eagle's President and Chief Executive Officer states:

“What we’ve concluded is it’s doable.”

- The Company is assessing the potential economic benefits of transporting and processing the ores from the Upper Beaver and Wasamac projects at either the LaRonde or Canadian Malartic processing facilities.
- We are in discussions with the rail operators to assess costs.
- A preliminary analysis of additional infrastructure that would be required to load, transport and unload ore for processing and the tailings required for paste backfill was completed in the third quarter of 2023.

OPTIMIZATION OF ASSETS AND INFRASTRUCTURE IN THE ABITIBI REGION

Toronto (July, 2023) - Agnico Eagle Mines Limited

During the third quarter of 2023, the Company continued to advance the internal studies to assess potential production opportunities at the Macassa Near Surface ("NSUR") and Amalgamated Kirkland ("AK") deposits, and the **Upper Beaver** and Wasamac projects.

Among the alternatives considered:

- the Company is evaluating the potential to transport ore via rail or truck to the LaRonde and Canadian Malartic processing facilities, which are expected to have excess mill capacity in the future.
- Leveraging existing regional infrastructure has the potential to support regional production growth at lower capital costs and with a reduced environmental footprint, which could also be beneficial to future permitting activities.

The Company is assessing the potential economic benefits of transporting and processing the ores from the **Upper Beaver** and Wasamac projects at either the LaRonde or Canadian Malartic processing facilities.

- Both mill complexes are close to existing road and rail infrastructure.
- A preliminary analysis of additional infrastructure that would be required to load, transport and unload ore for processing and the tailings required for paste backfill was completed in the third quarter of 2023.
- The Company initiated discussions with the rail operator to evaluate the operational feasibility and operating costs of this scenario.
- Both Upper Beaver and Wasamac have the potential to be low-cost mines with annual production of 150,000 to 200,000 ounces of gold with moderate capital outlays and initial production potentially commencing in approximately 2030 and 2029, respectively.

SOURDOUGH LAKE

The year will conclude with a drone geophysics survey at the Sourdough area, east of Upper Beaver, weather conditions permitting. Otherwise, the survey will take place early in the new year

PROJECT SPLITTING

The **Canadian Environmental Law Association** in their submission on the Upper Beaver Project to the IAAC state the following:

Section 3.1 also requires that if the project is part of a larger sequence of projects, the IA must set out the larger context.

- CELA submits it is critical that IA take into account the impacts of the proposed project as a whole and ensure the proponent does not divide the project into separate entities, wherein individual elements would escape IA review for virtue of being below an IA threshold.
- The Agency must ensure the TIS Guidelines **prevent the potential for project splitting to occur**. Project splitting should also be expressly listed and prohibited within section 3.1 of the TIS Guidelines.
- Project splitting can result when a project is split up into homogeneous or heterogeneous parts.¹⁵ Homogeneous splitting is when a project is divided into similar but smaller parts (ie. dividing one mining project into multiple, smaller mining projects) while heterogeneous splitting is when one project is separated on the basis of activity (ie. production operations at a mine site and a reprocessing facility).

August 11, 2022 Agnico Eagle states:

- “The objective is to develop additional mill feed for a future Upper Beaver mining operation, which includes target areas such as Upper Canada, Anoki-McBean, Munro and Bidgood.”
- “The Company’s assets within the camp include the Macassa mine, the adjacent AK deposit, the Upper Beaver and Upper Canada deposits farther east as well as several other occurrences and adjacent joint venture interests.”

The Company plans to evaluate the potential to integrate a number of satellite deposits with the existing infrastructure in the region. The significant 100%-owned opportunities in the Kirkland Lake camp include:

- AK deposit
- Upper Beaver deposit
- Other regional deposits – Upper Canada, Anoki-McBean and Bidgood
- Opportunities along the Main Break where the Company now controls six past producing mines.