



# UPPER BEAVER PROJECT

## Upper Beaver Gold Project Impact Statement

### Section 1: Introduction and Overview



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## Acronyms and Abbreviations

|              |                                      |
|--------------|--------------------------------------|
| AEX          | Advanced Exploration                 |
| Agnico Eagle | Agnico Eagle Mines Limited           |
| IAAC         | Impact Assessment Agency of Canada   |
| PA           | Project Area                         |
| Project      | Upper Beaver Gold Project            |
| Property     | Upper Beaver Property                |
| SAR          | Species at Risk                      |
| TISG         | Tailored Impact Statement Guidelines |

## 1.0 Introduction and Overview

### 1.1 Proponent Information

Agnico Eagle Mines Limited (Agnico Eagle) is a senior gold mining company that has produced precious metals since 1957. It operates eight mines globally, including in the Abitibi Region of Canada and has more than 10,000 employees. Agnico Eagle is committed to creating value for our shareholders while operating in a safe, socially responsible and environmentally responsible manner, as we contribute to the prosperity of our people, their families and the communities in which we operate. Further information is available at: <https://agnicoeagle.com>.

Agnico Eagle proposes to develop a gold and copper mine, the Upper Beaver Gold Project (Project), on the Upper Beaver Property (Property) located east of Kirkland Lake, Ontario (Figure 1.1-1), which is on the site of a former producing mine. Mining on the Property occurred periodically between 1912 and 1971. The main mining periods were from: 1912 to 1919, 1919 to 1935 and 1965 to 1971, although there were other periods of exploration activity including the current Advanced Exploration (AEX) Program which was initiated in 2024.

Agnico Eagle is committed to developing the Project as a responsible mining operation that delivers long-term value for employees, Indigenous Nations, local communities, and governments. Agnico Eagle's approach is guided by its four foundational objectives that include an emphasis on safe and healthy workplaces, respect for employees, environmental protection, and contributions to the long-term social and economic sustainability of communities. These considerations are integrated across all phases of the Project supported by corporate systems and practices aligned with internationally recognized standards and continuous improvement principles.

Agnico Eagle seeks to generate positive economic and social outcomes through the Project, with expenditures during construction, operations, and closure expected to stimulate economic activity across Ontario. The direct, indirect, and induced effects of the Project are estimated to contribute approximately \$4.7 billion to gross domestic product, 28,110 person-years of employment, \$2.9 billion in labour compensation, and \$2.1 billion in government revenues (Appendix N-2). These economic benefits are anticipated to support employment, income generation, and broader economic development in local and regional communities.

Workforce requirements for the Project will peak at more than 766 workers during the final year of construction (Year -1). During operations, the workforce is expected to reach approximately 797 workers when both the open pit and underground mines are active. Consistent with Agnico Eagle's commitment to community development and Indigenous participation, hiring strategies prioritize recruitment from local Indigenous Nations and communities.

Through this approach, Agnico Eagle aims to deliver sustained economic benefits while maintaining strong relationships with Indigenous Nations and local communities, and upholding its commitments to responsible mining, environmental stewardship, and social performance over the life of the Project.

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The primary Project contacts for this Impact Statement are:

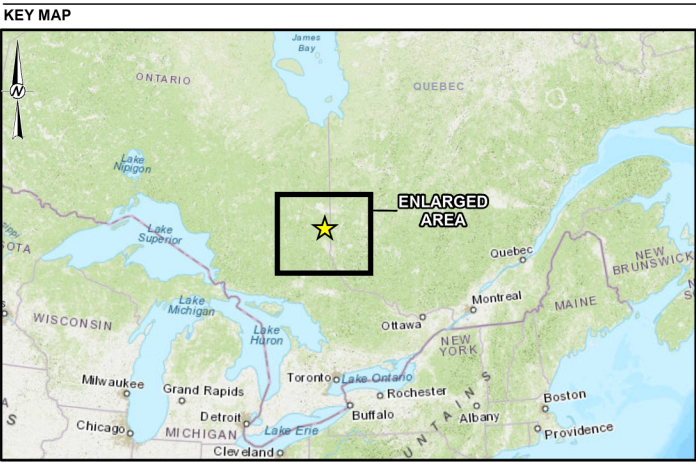
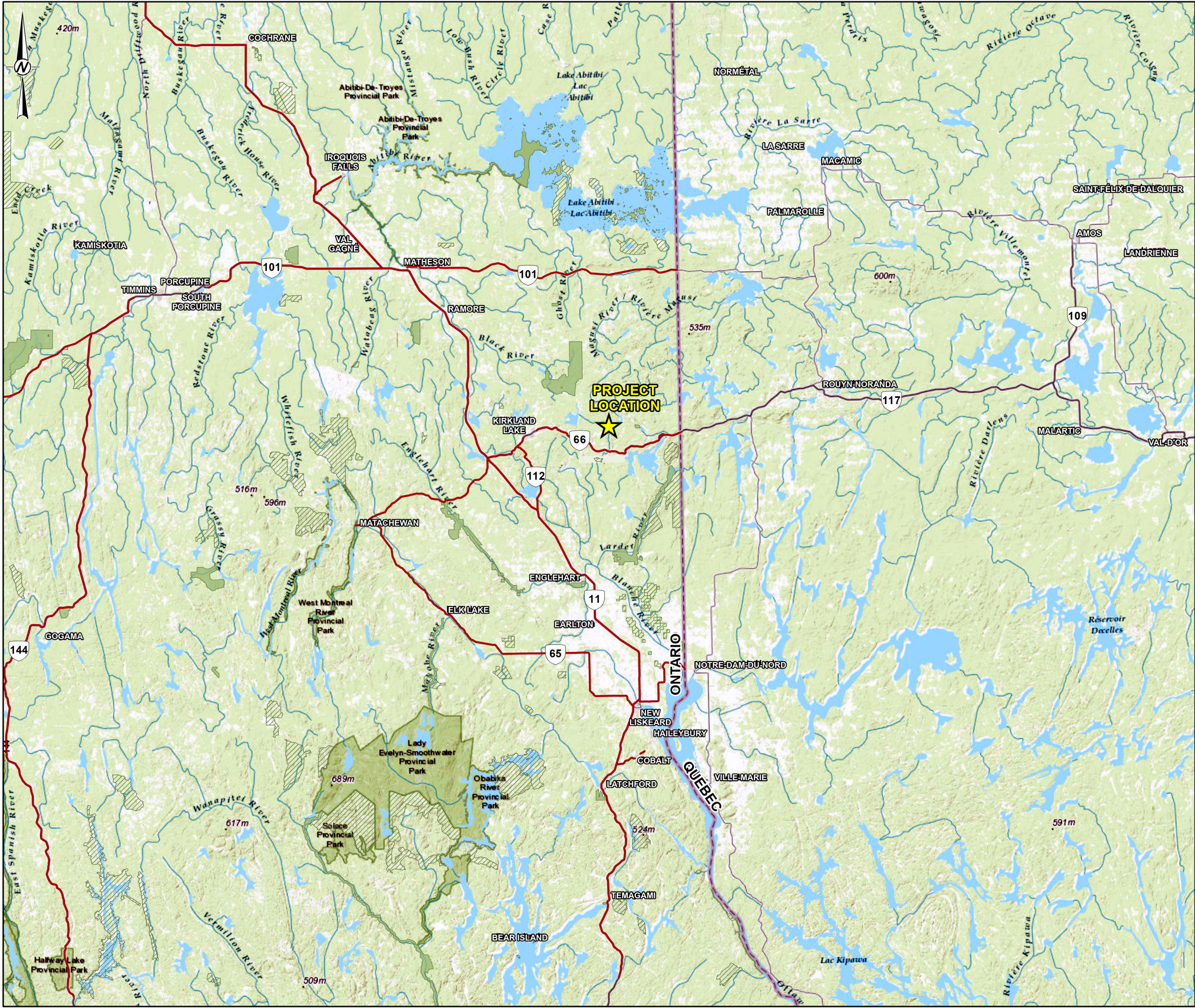
Principal Contact: Sarah Morin, Manager, Environmental Permitting, Major Projects  
Agnico Eagle Mines Limited  
823 Birch St S, Timmins, Ontario  
Canada P4N 7C2  
T: (819) 759-3700 M: (819) 277-8550  
Sarah.Morin@agnicoeagle.com

Supporting Consultant: Derrick Moggy, Technical Director, Impact Assessment  
WSP Canada Inc.  
6925 Century Avenue, Suite 600  
Mississauga, Ontario, L5N 7K2  
M: 416-524-5928  
Email: derrick.moggy@wsp.com

This document is intended to fulfill the requirements of the Tailored Impact Statement Guidelines (TISG) issued for the Project on April 20, 2022. A copy of the TISG and a table of concordance for this document is provided in Appendix A-1 and Appendix A-2, respectively.



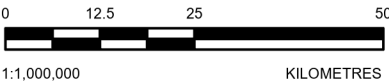
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LEGEND

- PROJECT LOCATION
- REGIONAL HIGHWAYS
- CONSERVATION RESERVE
- PROVINCIAL PARK



NOTE(S)

1. ALL LOCATIONS ARE APPROXIMATE

REFERENCE(S)

1. CONTAINS INFORMATION LICENSED UNDER THE OPEN GOVERNMENT LICENCE - ONTARIO
2. BASEMAP SOURCE: ESRI, HERE, GARMIN, INTERMAP, INCREMENT P CORP., GEBCO, USGS, FAO, NPS, NRCAN, GEOBASE, IGN, KADASTER NL, ORDANCE SURVEY, ESRI JAPAN, METI, ESRI CHINA (HONG KONG), (C) OPENSTREETMAP CONTRIBUTORS AND THE GIS USER COMMUNITY.
3. COORDINATE SYSTEM: NAD 1983 UTM ZONE 17N

CLIENT

AGNICO EAGLE MINES

PROJECT

UPPER BEAVER GOLD PROJECT

TITLE

PROJECT LOCATION

CONSULTANT



|            |            |
|------------|------------|
| YYYY-MM-DD | 2026-07-23 |
| DESIGNED   | ----       |
| PREPARED   | MD         |
| REVIEWED   | ----       |
| APPROVED   | ----       |

PROJECT NO.  
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FIGURE  
1.1-1

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## 1.2 Project Location

The Project is located in the Kirkland Lake – Larder Lake Mining District which has a long history of exploration and mining dating back over a century. The Project site is located approximately 5 km northeast of Dobie, Ontario, in the geographic townships of Gauthier and McVittie. The nearest larger communities are the town of Larder Lake and the town of Kirkland Lake, located about 8 km to the southeast and 19 km to the southwest, respectively (Figure 1.1-1). Unless otherwise noted, all distances provided in this document are straight-line distances.

The Project site is accessed by means of the McBean Property access road and Beaverhouse Road, which are connected to the Trans-Canada Highway (Highway 66).

The centroid of the proposed open pit at York Lake is located at coordinates:

- Universal Transverse Mercator (UTM) 5335489N, 591784E (NAD 83 Zone 17N)
- Longitude: 79° 45' 56.189" W; Latitude: 48° 9' 57.663" N.

The Property is located near the boundaries of the Treaty #9, 1905, Robinson – Huron Treaty, 1850, and James Bay and Northern Québec Agreement, 1977 lands. Regional Indigenous Nations are shown on Figure 1.2-1. The closest Indigenous Nation to the Project site is Beaverhouse First Nation which has a settlement on the Misema River approximately 5 km north of the Project site. This Nation was not included in Treaty #9 and does not have Reserve lands.

Relationships with local Indigenous Nations have been fostered on the Project for a number of years. The focus of Indigenous consultation and engagement activities with the Project to date has been with identified potentially affected Indigenous Nations. The following list shows Indigenous Nations that may be affected by the Project, as identified by Impact Assessment Agency of Canada (IAAC), with whom Agnico Eagle (and previous owners) has engaged with prior to and during preparation of the Impact Statement. The year Agnico Eagle began fostering relationships with each Indigenous Nation is provided to illustrate the long-lasting collaborative work:

- Apitipi Anicinapek Nation (AAN), previously known as Wahgoshig First Nation – since 2009
- Beaverhouse First Nation (BHFN) – since 2009
- Kebaowek First Nation – since 2022
- Long Point First Nation – since 2022
- Matachewan First Nation (MFN) – since 2010
- Taykwa Tagamou Nation – since 2022
- Temagami First Nation – since 2022
- Timiskaming First Nation (TFN) – since 2014
- Métis Nation of Ontario (Region 3; MNO) – since 2011.



The Property (as of July 31, 2026) comprises a portfolio of patented mining claims with surface rights or surface and mining rights, and mining leases with surface and mining rights. The Project facilities are planned to be placed on patented lands having both mining and surface rights.

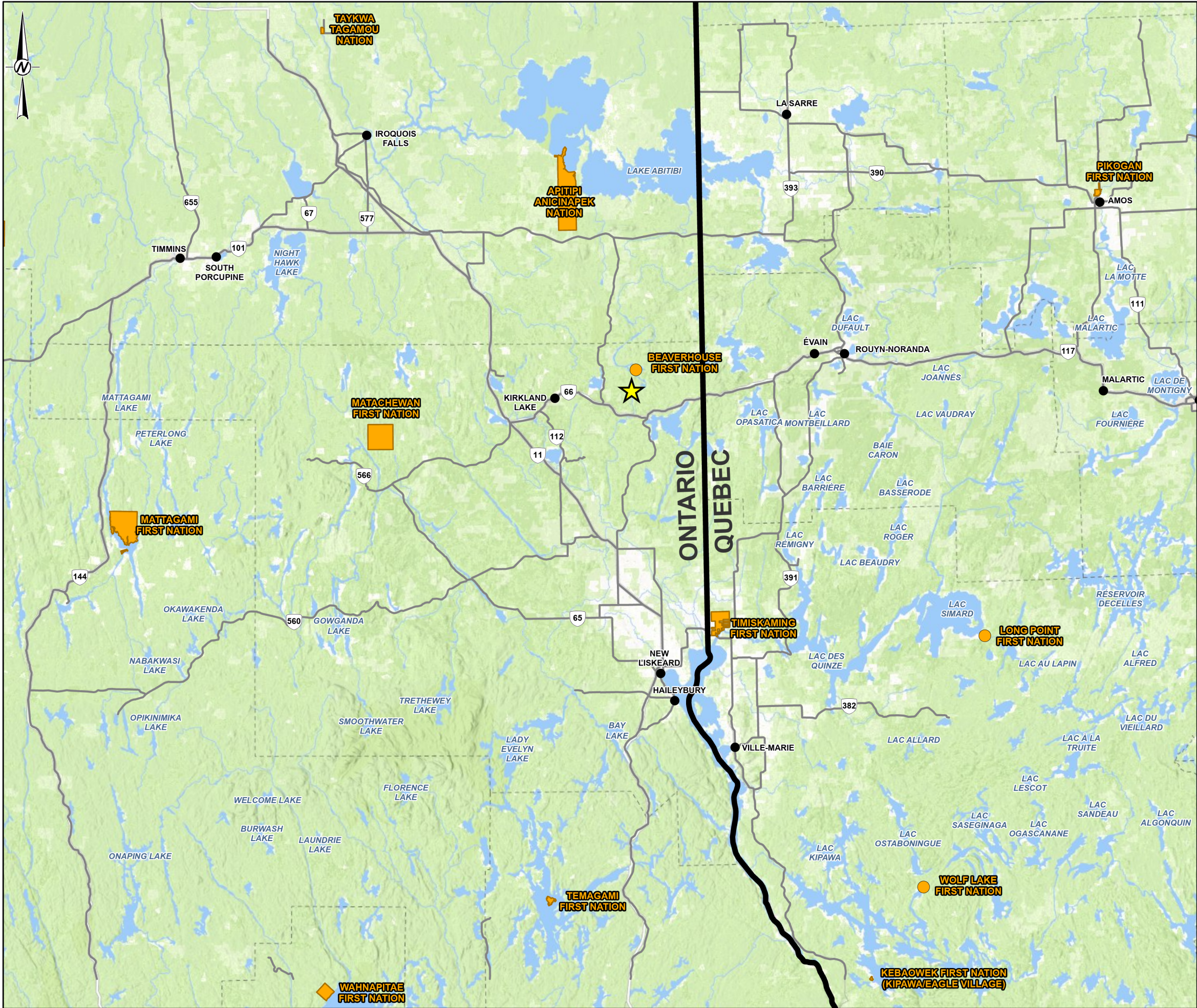
Agnico Eagle and its predecessors have been conducting environmental baseline and other investigations on the Property since 2018. A summary of the Project setting is as follows:

- The Project site is located at an elevation of about 290 to 310 masl, on a plateau above local waterbodies and watercourses. The overall landscape is glaciated bedrock terrain, with an undulating overall topography with occasional flat areas.
- The Project site is located immediately adjacent to three small lakes which are in line with the Misema River: Beaverhouse Lake, Ava Lake and York Lake. York Lake contains residual tailings from historic mining operations. The Misema River flows southward approximately 60 km, eventually into the Blanche River, which drains into Lake Timiskaming a further 40 km downstream, and further south to the Ottawa River and St. Lawrence River.
- Fish communities within the region have been identified as generally diverse with cool water game fish species dominating larger lakes and river systems, and a variety of commonly occurring small bodied species found within small creeks and beaver ponds.
- The site and lands immediately around the Property are representative of Boreal Forest, with most forests having a mix of coniferous and deciduous trees. The most common tree species present are Black and White Spruce, Jack Pine, Balsam Fir, Tamarack, White Birch and Trembling Aspen. The forests are of variable age, and some are very young due to recent logging. Anthropogenic influences from rotational forestry, and recreational and periodic mine exploration or mining activities is also evident in the local area.
- Wildlife that are common to the region and boreal forests have been identified on the Property, such as: moose, beaver, Northern River Otter, Black Bear, Great Lakes-Boreal Wolf, skunk, raccoon, Red Fox and bats. Over 100 different bird species have been observed in or near the Property, mainly common boreal bird species.
- Mammal and bird Species at Risk (SAR) having federal or provincial status (per Schedule 1 of federal *Species at Risk Act* and/or provincial *Species Conservation Act*) have been identified as present on the Property, including the following species having endangered or threatened status (Canada Warbler, Common Nighthawk, Eastern Meadowlark, Eastern whip-poor-will, Eastern Wood pewee, Evening Grosbeak, Lesser Yellowlegs, Little Brown myotis, Northern myotis, Olive-sided Flycatcher, Rusty Blackbird and Yellow Rail).
- Northeastern Ontario in which the Project site is located, covers an area of about 400,000 km<sup>2</sup> with a total population of 557,220 (Statistics Canada 2023) and density of 1.4 people per km<sup>2</sup>. Of that population, 30.2% live in a rural area, and 50% in small and medium-sized population centres, compared to the Ontario overall, where 69.3% of the population lives in a large urban centre and 14.1% lives in a rural area.
- The regional economy has been traditionally reliant upon mining and forestry industries, although mining has been the primary economic driver with the decline of the forestry industry over the last decade and longer.

- 
- There are no federal parks nearby. The closest lands managed by Ontario Parks is the Gem Lake Maple Bedrock Park (nature reserve class) located approximately 7 km away from the Project site.
  - There are no federal lands in the area or proposed to be used for the Project. The closest federal lands are First Nation Reserve lands located more than 40 km away.

Further information regarding the Project setting is provided in Section 2.





**LEGEND**

★ PROJECT LOCATION

NAME ● CITY / TOWN

NAME ■ FIRST NATION RESERVE / COMMUNITY

▬ PROVINCIAL BORDER

▬ HIGHWAYS

0 12.5 25 50

1:1,000,000 KILOMETRES

**NOTE(S)**

1. ALL LOCATIONS ARE APPROXIMATE

**REFERENCE(S)**

1. CONTAINS INFORMATION LICENSED UNDER THE OPEN GOVERNMENT LICENCE - ONTARIO  
2. BASE MAP: SOURCES: ESRI, HERE, GARMIN, INCREMENT P, NPS, NRCAN, ORDNANCE SURVEY, © OPENSTREETMAP CONTRIBUTORS, USGS, NGA, NASA, CGIAR, N ROBINSON, NCEAS, NLS, OS, NMA, GEODASTYRELSEN, RIJKSWATERSTAAT, GSA, GEOLAND, FEMA, INTERMAP AND THE GIS USER COMMUNITY  
3. COORDINATE SYSTEM: NAD 1983 UTM ZONE 17N

CLIENT

**AGNICO EAGLE MINES**

PROJECT

**UPPER BEAVER GOLD PROJECT**

TITLE

**REGIONAL COMMUNITIES AND INDIGENOUS NATIONS**

|            |            |            |
|------------|------------|------------|
| CONSULTANT | YYYY-MM-DD | 2026-07-23 |
| DESIGNED   | ----       |            |
| PREPARED   | MD         |            |
| REVIEWED   | ----       |            |
| APPROVED   | ----       |            |

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### 1.3 Project Overview

Agnico Eagle is planning to develop, operate and eventually decommission and close a new open pit and underground, gold and copper mine and an onsite processing facility at the Property. The underground mine and associated surface facilities are proposed to be placed on lands held by Agnico Eagle. The placement of proposed facilities for the Project (as was the case for the AEX facilities), fully considers the location and stability of historic underground workings. Agnico Eagle will continue to assess the ongoing hazards and potential for accidents and malfunctions related to the historic and proposed operations at the site during future activities. Where appropriate, AEX facilities will be utilized and/or expanded on, as practical, to minimize environmental effects. AEX facilities not required or modified for the mine are anticipated to be reclaimed during the mine operation phase.

The underground and open pit mines are proposed to operate year-round on a continuous (24-hour) basis, except for periodic maintenance and similar disruptions. Extracted ore from the mine will be transported to the surface for processing in onsite facilities. The pit will be in operation for only the first four or five years of operation. Based on the proposed processing rate and current information regarding the ore body, the life of the mine could extend 14 years or more.

The Project will extract ore from the open pit and/or underground mine at an average annual mining rate of 10,000 tpd, with peak mining rates of up to 15,000 tpd. Ore processing will occur onsite at a nominal rate ranging from 5,200 to 8,000 tpd, with an estimated plant utilization of 92%. Unconsolidated surface materials (overburden) and mine rock will also need to be removed from the open pit and underground workings to access the ore. There may be periods when the rate of mining ore is higher during the years of open pit operation. Overburden and mine rock will be re-used in Project construction and reclamation, as appropriate, or stored in surface facilities on the Property.

Processing of mined ore to produce gold (doré) bars and copper concentrate will occur on the Property in a conventional process plant designed with a high level of water recycle. The primary by-product of ore processing is tailings. Agnico Eagle is planning to store tailings in an onsite dry stacked tailings storage facility on the Property. Contact water within the Project Area (PA) will be collected and managed. Excess water from the PA would be treated prior to discharge to the environment in accordance with applicable regulatory requirements.

Mining and processing operations will be supported by other onsite buildings, including mine office and maintenance complex, cold and warm storage buildings, fuel storage, effluent treatment plant, laboratory and explosives storage facilities. These will be supported by related roads, power, tankage and piping infrastructure as needed. Solid and liquid wastes will be collected and managed in accordance with regulatory requirements.

Subject to completion of the impact assessment process and receipt of applicable approvals, the preliminary schedule for the Project has construction commencing in 2028. Operations are planned to start in 2030 and continue for approximately 14 years, to be followed by a decommissioning and closure phase.

The stages envisioned for overall Project development are as follows:

| Development Phase / Activity                            | Timing         |
|---------------------------------------------------------|----------------|
| Impact Assessment and Environmental Approvals Processes | Years -8 to -3 |
| Construction Phase                                      | Years -2 to -1 |
| Operations Phase                                        | Years 1 to 14  |
| Decommissioning and Closure Phase                       | Years 15 to 16 |

The primary construction phase physical activities will include:

- Site preparation activities in the PA including clearing, grubbing and bulk earthworks
- Development of aquatic habitat compensation features
- Development of stockpiles for overburden
- Establishment and operation of water management and treatment facilities
- Construction of buildings and onsite infrastructure
- Construction of Misema River diversion system (dykes and channels) and dewatering of York Lake
- Removal of lake sediment and overburden within the open pit
- Underground development in preparation for operations phase
- Stockpiling of mine rock and ore
- Employment and expenditures
- Commissioning of the process plant.

The operations phase will follow and will last approximately 14 years. It will include the following physical activities along with other related activities:

- Operation of the process plant including the processing of ore and production of tailings
- Operation of the underground mine including use of explosives underground, extraction of mine rock and ore with heavy equipment, transport of mine rock and ore to surface by truck on the ramp and by shaft, ongoing dewatering of underground workings and management of contact water
- Operation of the open pit including in-pit blasting, the removal of overburden, mine rock and ore with haul trucks and construction equipment, ongoing dewatering and management of contact water
- Management of overburden, mine rock and ore in designated facilities
- Management of tailings in the tailings storage facility
- Operation of the integrated water management system for the mine site, including the operation of the collection ditches, sumps and ponds as well as water treatment facilities
- Operation and maintenance of mine site infrastructure and mobile equipment



- Transport of copper concentrate and doré bars off site
- Progressive reclamation activities.

The closure of the Project will be completed in accordance with Ontario Regulation 35/24: Rehabilitation and Remediation of Lands under Part VII of the *Mining Act* (or as amended). The closure phase will include the following activities if not completed progressively during the operations phase:

- Removal of assets that can be salvaged and hazardous materials off site
- Removal and disposal of non-hazardous demolition-related wastes according to regulatory requirements
- Reclamation of disturbed areas, such as by re-grading, placement of cover and revegetation
- All openings to the underground from surface will be secured, including new and historical accesses and raises
- Filling of the open pit and underground workings with water.

Monitoring will continue over the life of the mine followed by close out monitoring to confirm physical and chemical stability, and reclamation success.

Further information regarding the alternatives considered in designing the Project, and the proposed Project are provided in Section 3 and Section 4, respectively.

#### 1.4 Regulatory Framework and Role of Government

It was determined by IAAC that a federal Impact Assessment is required for the Project. The decision was based in part on the Initial Project Description and Detailed Project Description that Agnico Eagle submitted to IAAC, as the Project met the following provisions of the Physical Activities Regulations (SOR/2019-285) pursuant to the *Impact Assessment Act*:

- 18 The construction, operation, decommissioning and abandonment of one of the following:
  - (c) a new metal mine,..., with an ore production capacity of 5,000 tpd or more
  - (d) a new metal mill, other than a uranium mill, with an ore input capacity of 5,000 tpd or more.
- 60 The construction, operation, decommissioning and abandonment of a new structure for the diversion of 10,000,000 cubic metres per year (m<sup>3</sup>/yr) or more of water from a natural water body into another natural water body.

In addition to completing a federal Impact Assessment process, the Project will need to meet other applicable federal and provincial legislation and regulatory requirements. Further information regarding anticipated approval requirements is provided in Section 16.

At the time of submission, there are no known ongoing or completed regional assessments under Section 92 and 93 of the *Impact Assessment Act* applicable to this Project. Relevant government policies, management plans, land use plans, objectives, standards or guidelines are discussed within individual sections of the Impact Statement as pertinent.

## 1.5 Valued Components

The Impact Statement is required to identify valued components (VCs) that will serve as the focal points for the Impact Assessment and characterization of changes to the environment. Valued components are components of the natural and human environment that are of particular concern or value to participants and that may be affected by the Project. The VCs include components within federal jurisdiction (federal VCs) as well as those that provide a pathway (pathway VCs) through which the Project may affect federal VCs. This framework allows for an integration of environmental aspects under both federal and provincial jurisdiction, with other components of interest to better accommodate an ecosystem approach.

Based on the TISG (Appendix A-1) and feedback Agnico Eagle received through engagement and consultation, the pathway VCs identified for assessment in the Impact Statement are:

- Air quality
- Sound and vibration
- Groundwater Quantity
- Surface water (flows and levels)
- Water quality (Surface and Groundwater)
- Vegetation communities and wetlands
- Moose
- Other wildlife
- SAR
- Cultural heritage
- Social conditions
- Economic conditions.

The selected federal VCs for this Impact Statement are:

- Fish and fish habitat
- Migratory birds
- Indigenous Peoples, including traditional land use, physical and cultural heritage, social, economic and health conditions.

Figure 1.5-1 provides a schematic of the interrelationships between the selected federal VCs and pathway VCs for the Impact Statement. Further information regarding the selection of valued components is provided in Section 7.



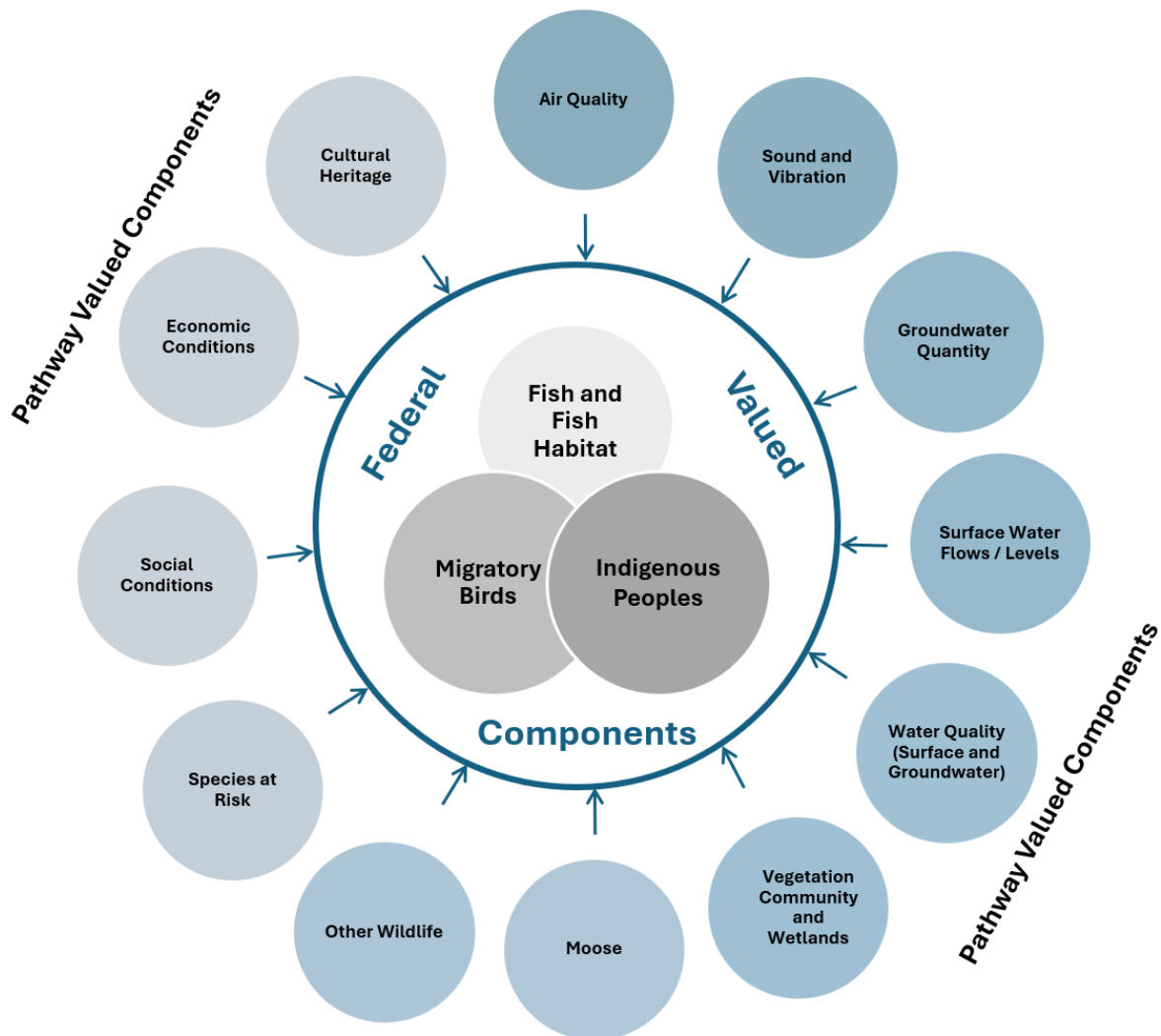


Figure 1.5-1: Schematic of Selected Pathway and Federal Valued Components

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## 1.6 Impact Statement Structure

The Impact Statement generally follows the flow of the TISG as recommended by IAAC, in order to facilitate the review of the Impact Statement and participation in the process:

- Background information (Sections 1 and 2)
- Alternatives assessment (Section 3)
- Description of Project (Section 4)
- Public Participation and Engagement (Sections 5 and 6)
- Characterization of changes to the environment (Sections 7 to 15)
- Framework for confirming assessment of effects (Sections 16 and 17)
- Conclusions and author qualifications (Sections 18 and 19).

Appendices provide further information, including background information and technical documents such as modelling and assessment reports.



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## 1.7 References

Statistics Canada. 2023. (table). *Census Profile*. 2021 Census of Population. Statistics Canada Catalogue no. 98-316-X2021001. Ottawa. Released November 15, 2023. Accessed from: <https://www12.statcan.gc.ca/census-recensement/2021/dp-pd/prof/index.cfm?Lang=E> (accessed May 22, 2026).