



September 27, 2023

Craig Simailak, MLA
Legislative Assembly of Nunavut
E-mail: csimailak@assembly.nu.ca

BY E-MAIL ONLY

Dear Mr. Simailak:

Re: Disclosure of tax information – Agnico Eagle

Thank you for your letter of September 22, 2023, about the disclosure of certain tax information connected to the Nunavut mining projects of Agnico Eagle.

You asked me to comment on the finance minister's letter to you of September 7, 2023, especially regarding his reference to section 23(2)(a) of the *Access to Information and Protection of Privacy Act* (ATIPPA). The minister referred to section 23(2)(a) as the reason why he must refuse to disclose the tax information you requested.

Three points of caution

I will begin with three important points of caution.

First, I do not give advance rulings. My decisions apply to specific cases under the ATIPPA, after I have gathered all the facts and after all interested parties have had a chance to make a submission. Everything that follows, then, should be understood as my informal observations. This is not a decision or recommendation under the ATIPPA, nor is it a pre-judgment of what I might decide if the matter comes before me on a review under the ATIPPA.

Second, the access provisions of the ATIPPA apply only to formal applications under the ATIPPA. You have not made a formal ATIPP application, and the minister's letter of September 7 is not a formal ATIPP response. My observations, then, are about what might happen if someone were to make an ATIPP application for the same tax records. You, as an MLA, may well have rights to information under the Assembly rules that non-MLAs do not have. On that point I respectfully suggest that you consult the Clerk.

Third, the ATIPPA gives me the authority only to make recommendations. A minister is not bound by my recommendations. Even if my observations below are sound, the finance minister is under no obligation to agree, whether under the ATIPPA or otherwise.

Your request and the minister's response

In your letter to the finance minister of June 13, 2023, you noted that the annual reports of Agnico Eagle Mines Limited under the federal *Extractive Sector Transparency Measures Act* give the total taxes paid by Agnico Eagle to the Government of Nunavut for each year from 2018 to 2022. You then ask for

...a detailed breakdown of these amounts in respect to the types of territorial taxes paid (i.e. corporate income tax, payroll tax, petroleum tax and property tax) and by active project in the territory (i.e. Amaruq, Meadowbank, Meliadine, Vault and Hope Bay).

In his letter of September 7, the minister responds as follows:

Agnico Eagle pays different taxes to the GN either directly, or in the case of fuel tax, through a tax collector. Agnico Eagle also remits payroll tax which it collects from its employees.

Section 23(2)(a) of the *Access to Information and Protection of Privacy Act* (ATIPP) specifically prohibits the GN from disclosing information which was obtained on a tax return or for the purposes

of collecting a tax. For this reason, I cannot provide you with a breakdown of taxes paid by project or tax type.

We now turn to an examination of the minister's response.

Section 23 of the ATIPPA

In denying your request, the minister refers to section 23(2)(a) of the ATIPPA. For several reasons, this is an error.

First, the reference to tax information is in section 23(2)(e), not section 23(2)(a). Sections 23(1) and 23(2)(e) reads as follows:

23. (1) The head of a public body shall refuse to disclose personal information to an applicant where the disclosure would be an unreasonable invasion of a third party's personal privacy.

(2) A disclosure of personal information is presumed to be an unreasonable invasion of a third party's personal privacy where

...

(e) the personal information was obtained on a tax return or gathered for the purpose of collecting a tax;

Second, section 23 applies only to "personal information". The word "person" is usually broad enough to include a corporation, but in the ATIPPA it does not include corporations. That is because "personal information" is defined in section 2 to mean "information about an identifiable individual". The phrase "identifiable individual" applies only to a human person. Therefore section 23 cannot apply to any information about Agnico Eagle. For the same reason, Part 2 of the ATIPPA (protection of privacy) does not apply to Agnico Eagle.

Third, the clauses of section 23(2) are not stand-alone exemptions anyway. They are factors to be weighed in a balancing of "all the relevant circumstances": section 23(3). This is a point I have made numerous times in my Review Reports: see, for example, *Department of Family Services (Re)*, 2023 NUIPC 13 (CanLII) at paragraph 18; *Department of Human Resources (Re)*, 2023 NUIPC 1 (CanLII) at

paragraph 30; *Department of Family Services (Re)*, 2022 NUIPC 18 (CanLII) at paragraph 22.

In sum: section 23 of the ATIPPA does not apply to Agnico Eagle, so section 23 cannot be a reason for the minister to refuse to disclose information about Agnico Eagle.

But that is not necessarily the end of the matter. Could the minister be right for other reasons?

Section 24 of the ATIPPA

Perhaps the minister was thinking of section 24(2)(d) of the ATIPPA. The relevant parts of section 24 read as follows:

24. (1) Subject to subsection (2), the head of a public body shall refuse to disclose to an applicant

...

(d) information about a third party obtained on a tax return or gathered for the purpose of determining tax liability or collecting a tax;

....

(2) A head of a public body may disclose information described in subsection (1)

(a) with the written consent of the third party to whom the information relates; or

(b) if an Act or regulation of Nunavut or Canada authorizes or requires the disclosure.

The phrase “third party” is broad to cover both humans and corporations, so section 24 does apply to Agnico Eagle.

Does section 24(1)(d) apply to the information you requested? I cannot say for sure. This is where it is important to repeat that I do not issue advance rulings. There is a reason why section 26 of the ATIPP provides for third-party notice in cases where business interests are affected under section 24. Agnico Eagle has a right to have their say, if they so choose. I must not pre-judge an issue that might come before me in the context of a formal ATIPP review in future.

Having said that, I observe that section 24(1)(d) does not appear to apply to the amount of tax that someone (including a corporation) has paid. According to the precedents from other Canadian jurisdictions, this provision applies to information about the third party, whether obtained from a return or gathered for the purpose of determining tax liability. It is not obvious that the liability itself (i.e. the amount of tax owing or paid) is covered.

If section 24(1)(d) does not apply, we might also consider section 24(1)(c) of the ATIPPA. That is an exemption for a corporation's financial information, provided some business-related prejudice could reasonably be expected to result from disclosure. That section is complicated, and analyzing it here would take us too far afield. I mention it as something that might come up in a formal review.

Finally, I draw section 24(2)(a) to your attention. I have quoted it above. If Agnico Eagle consents to disclosure of the details you have requested, the finance minister could provide that information to you.

Release of tax information – other laws

Everything I have written so far are my informal observations on how this request and this response might be handled under the ATIPPA, if the request and response had been written as part of a formal ATIPP exchange.

But of course you did not apply under the ATIPPA. The whole ATIPPA analysis is therefore potentially misleading. Part 1 of the ATIPPA is meant to give citizens a right of access to records, with only limited exemptions. It is not intended to be used by the GN as a shield against non-ATIPP requests for information, especially when coming from an elected representative such as yourself.

Outside the ATIPPA, the relevant taxation statutes contain a variety of provisions on release of information. Each statute says something a little different.

(a) Payroll tax

Payroll tax in Nunavut is paid under the *Payroll Tax Act, 1993*.

This Act is crystal-clear about the confidentiality of information. Sections 55(1) and (2) explicitly override the ATIPPA, and limit the information that can be released. None of the exceptions listed in section 55(2) would apply to your request.

As the minister points out in his letter, it is Agnico Eagle's employees who pay the payroll tax. Agnico Eagle collects the tax and remits it to the GN. In any event, section 55 of the *Payroll Tax Act* is broad enough to restrict both the release of information about Agnico Eagle (e.g. its total payroll or payroll by project) and about its individual employees.

(b) Corporate income tax

Territorial corporate income tax is paid under the *Income Tax Act*.

Section 53 of this Act creates an offence for "every person...while employed in the administration of this Act" who communicates information obtained for purposes of the Act. This offence is broad enough to cover the information you requested. On the other hand, the minister is not an employee so this provision may not apply.

Unlike section 55 of the *Payroll Tax Act, 1993*, section 53 of the *Income Tax Act* does not specifically override the ATIPPA. This raises the legal question of which law prevails in the case of a conflict. That is a technical question that would require a detailed analysis in a formal review.

I note that federal law more clearly prohibits the disclosure of any information about income tax, through the combined operation of section 24(1) of the federal *Access to Information Act* and section 241 of the federal *Income Tax Act*. We can only wish that Nunavut law were as clear.

(c) Petroleum tax

Fuel tax in Nunavut is paid under the *Petroleum Products Tax Act*.

This Act does not say anything about the confidentiality of information collected for purposes of the Act. Unlike section 53 of the *Income Tax Act*, the offence provision in section 21 does not mention the release of information.

However, as the minister points out in his letter, fuel tax is collected by a tax collector, not directly from a purchaser such as Agnico Eagle. It is not clear to me whether the GN would hold information about how much fuel tax has been paid by any one corporation such as Agnico Eagle.

(d) Property tax

Property tax in Nunavut is paid under the *Property Assessment and Taxation Act*.

Property tax is not as confidential as other taxes. In principle, property tax equals the assessed value multiplied by the tax rate: for the general taxation area, see section 78(2). Assessment rolls, listing the assessed value of properties, are public documents: section 26(4). The tax rate is also public.

The Act does not say anything about the confidentiality of information collected for purposes of the Act. The offence provision in section 115 does not mention the release of information.

Of all the taxes mentioned in your letter (payroll tax, corporate income tax, fuel tax, property tax), the argument for release of the amounts paid in property tax, by project, is probably strongest.

Extractive Sector Transparency Measures Act

Your letter also mentions the federal *Extractive Sector Transparency Measures Act* (ESTMA). The ESTMA requires the disclosure, in a public database, of certain categories of payments made by oil, gas or mining companies. The purpose is to fight corruption, which has been a problem in the extractive sector around the world.

Under the ESTMA, a reporting entity such as Agnico Eagle must report “taxes, other than consumption taxes and personal income taxes”. There is no other definition of the word “taxes”. There is no requirement that the “taxes” category be further broken down into the component taxes. Therefore section 24(2)(b) of the ATIPPA (which I have quoted above) can probably not be used to support disclosure.

In my own examination of the ESTMA database, I could not find any “taxes” figures for Amaruq or Vault. There are figures for taxes paid to the Government of Nunavut, and for taxes paid in respect of Meliadine, Meadowbank and Hope Bay, but there does not appear to be any way to derive the figures for payments to the Government of Nunavut in respect of those three individual projects.

I note that the federal Department of Natural Resources FAQ page on ESTMA states that “Payments must be reported at the project level, when possible”. The same page notes that “some payments, such as corporate incomes taxes, may not be attributable to a specific project. Entities can report these payments at the payee level only.”

In my view, ESTMA reports are not particularly relevant to the question of whether Nunavut’s finance minister may lawfully give you the information you requested. The ESTMA does not require the kind of breakdown you have requested. The fact that Agnico Eagle is required by ESTMA to provide some basic taxation information might be a factor to consider under section 24(1)(c) of the ATIPPA, on the question of reasonable expectation of prejudice to Agnico Eagle’s business, but that is the only way I can see it being relevant.

Conclusion

This letter is probably longer than you were expecting, but I think it demonstrates that the question you have raised does not have a simple answer. The minister was mistaken to cite section 23(2)(a) of the ATIPPA, but he may have been right for other reasons.

To summarize my suggestions for next steps:

- You may wish to consult with the Clerk about your rights to information under the rules and customs of the Legislative Assembly. The ATIPPA does not apply to such requests.
- You may wish to consider filing a formal ATIPP request for the information. For the reasons given in this letter, there is no guarantee you will receive the requested information, but the formal process would be engaged and my answers could be more definitive. Remember two things: Agnico Eagle would be given an opportunity to be heard; and the minister is not bound to accept my recommendations.
- If you have not already done so, you may wish to ask Agnico Eagle if they will release some or all of the information to you, or to give their consent to the minister to release some or all of the information to you.

Thank you for being in touch. I would be happy to answer any follow-up questions you may have. You are welcome to table this letter in the Legislative Assembly.

Yours sincerely,

Graham Steele

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September 22, 2023

Mr. Graham Steele
Information and Privacy Commissioner of Nunavut
P.O. Box 1000, Station 270
607 Queen Elizabeth II Way
Iqaluit, NU
X0A 0H0

Dear Commissioner Steele:

I am writing to you in my capacity as the Member of the Legislative Assembly for Baker Lake to draw your attention to my recent exchange of correspondence with the Minister of Finance, a copy of which is attached for your ease of reference.

As you will note, the Minister's recent letter to me of September 7, 2023, indicates that section 23 of the *Access to Information and Protection of Privacy Act* precludes his being able to respond, in detail, to my request for information concerning territorial taxes paid by Agnico Eagle Mines Limited.

I note that the relevant provision of the legislation provides that:

"A disclosure of personal information is presumed to be an unreasonable invasion of a third party's personal privacy where ... the personal information was obtained on a tax return or gathered for the purpose of collecting a tax."

Although I fully appreciate the importance of such safeguards in respect to the personal privacy of individual residents of the territory, the extent to which this provision applies equally to corporate entities is unclear to me, especially in circumstances where other statutory provisions actually require the disclose of certain tax-related information, as in the case of the federal *Extractive Sector Transparency Measures Act*.

I would very much appreciate reviewing your observations and recommendations concerning this important issue.

I look forward to your reply, which I anticipate tabling in the House during the upcoming fall sitting.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Craig Simailak".

Craig Simailak, MLA
Baker Lake



June 13, 2023

The Honourable Lorne Kusugak, MLA
Minister of Finance
Office of the Minister
Legislative Assembly Precinct
Iqaluit, NU
X0A 0H0

Dear Minister Kusugak:

I am writing to you in my capacity as the Member of the Legislative Assembly representing the constituency of Baker Lake.

As you will appreciate, the sustainability and viability of the mining sector in Nunavut is an issue of paramount concern to my constituents, given the positive impact that projects in the region have had on our communities. An important element of the sector's impact is the revenue generated for the territorial government by way of taxes and other sources, which are used to fund essential public services to Nunavummiut.

During the previous Legislative Assembly, I exchanged correspondence with one of your predecessors concerning this subject. As you will note from the reply that I received on February 11, 2021, a copy of which I am attaching for your ease of reference, my office was provided with a useful description of the territorial tax regime as it applies to the mining sector. **I ask that your reply to my correspondence provide a detailed update** on changes to tax rates and tax administration activities made since that time.

In reviewing the 2018, 2019, 2020, 2021 and 2022 annual reports submitted by Agnico Eagle Mines Limited under the federal *Extractive Sector Transparency Measures Act*, I note that they indicate that the company paid taxes to the Government of Nunavut in the following amounts:

2022:	\$ 7,060,000
2021:	\$ 5,930,000
2020:	\$ 4,710,000
2019:	\$ 2,180,000
2018:	\$ 2,140,000
TOTAL:	\$22,020,000

I ask that your reply to my correspondence provide a detailed breakdown of these amounts in respect to the types of territorial taxes paid (i.e. corporate income tax, payroll tax, petroleum tax and property tax) and by active project in the territory (i.e. Amaruq, Meadowbank, Meliadine, Vault and Hope Bay).

I look forward to your reply.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Craig Simailak". The signature is stylized and cursive.

Craig Simailak, MLA
Baker Lake

c.c. Minister responsible for Mines

Extractive Sector Transparency Measures Act - Annual Report

Reporting Entity Name: Agnico Eagle Mines Limited

Reporting Year: From 2022-01-01 To: 2022-12-31 Date submitted: 2023-05-30

Reporting Entity ESTMA Identification Number: E946113

Original Submission
 Amended Report



Other Subsidiaries Included (optional field)

For Consolidated Reports - Subsidiary Reporting Entities Included in Report:
Kirkland Lake Gold Ltd (E936050), CANADIAN MALARTIC CORPORATION (E702970), CANADIAN MALARTIC GP (E278590), TMAC RESOURCES INC (E956762), St Andrew Goldfields Ltd (E246746), Fosterville Gold Mine Pty Ltd (E425485), NT Mining Operations Pty Ltd (E573013), Kirkland Lake Gold Australia Pty Ltd (E850329)

Not Substituted

Attestation by Reporting Entity

In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full Name of Director or Officer of Reporting Entity: David Smith Date: 2023-05-30
Position Title: Executive Vice-President – Finance Advisor

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year 2022-01-01 **From:** 2022-01-01 **To:** 2022-12-31 **Currency of the Report** CAD
Reporting Entity Name Agnico Eagle Mines Limited
Reporting Entity ESTMA Identification Number E946113
Subsidiary Reporting Entities (if necessary) Kirkland Lake Gold Ltd (E93850), CANADIAN MALARTIC CORPORATION (E70297), CANADIAN MALARTIC GP (E27859), TMAC RESOURCES INC (E95192), St Andrew Goldfields Ltd (E249746), Forterville Gold Mine Pty Ltd (E425485), NT Mining Operations Pty Ltd (E573015), Kirkland Lake Gold Australia Pty Ltd (E856328)

Payments by Payee

Country	Payee Name	Departments, Agency, etc. within Payee that Received Payments	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Australia	Government of Australia		192,340,000		430,000					192,340,000	
Australia	Northern Territory Government									430,000	
Australia	State Government of Victoria		100,000	28,020,000	290,000					29,910,000	
Canada - Quebec	Anchope de Kibisakik Community				750,000					750,000	The reported Fees include \$40,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Anchope de Kibisakik Community.
Canada - Ontario	Ajiji Anishnapek Nation			6,150,000	1,250,000					7,400,000	The reported Fees include \$316,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Ajiji Anishnapek Nation.
Canada - Ontario	Benehouse First Nation			180,000						180,000	
Canada - Quebec	City of Malartic		3,820,000							3,820,000	
Canada - Ontario	City of Timmins		140,000							140,000	
Canada - Quebec	City of Val-d'Or		610,000							610,000	
Canada - Quebec	Conseil de la Nation Anishnabé Lac Simon				720,000					720,000	The reported Fees include \$40,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Conseil de la Nation Anishnabé Lac Simon.
Canada - Quebec	Conseil Premières Nation Abitibiwinik				600,000					600,000	The reported Fees include \$40,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Conseil Premières Nation Abitibiwinik.
Canada	Federal Government of Canada		39,970,000	2,580,000	680,000					43,230,000	
Canada - Nunavut	Government of Nunavut		7,680,000							7,680,000	
Canada - Ontario	Government of Ontario		13,790,000		330,000					14,120,000	
Canada - Quebec	Government of Quebec		216,720,000	2,310,000	2,210,000					221,240,000	

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year From: 2022-01-01 To: 2022-12-31 **Currency of the Report** CAD
Reporting Entity Name Agnico Eagle Mines Limited
Reporting Entity ESTMA Identification Number ES46113
Subsidiary Reporting Entities (if necessary) Kirkland Lake Gold Ltd (ES36950), CANADIAN MALARTIC CORPORATION (E702970), CANADIAN MALARTIC GP (E276560), TMCAC RESOURCES INC (E59782), St Andrew Goldfields Ltd (E246746), Forterville Gold Mine Pty Ltd (E425485), NT Mining Operations Pty Ltd (E572013), Kirkland Lake Gold Australia Pty Ltd (E550329)

Payments by Payee

Country	Payee Name	Departments, Agency, etc. within Payee that Received Payments	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Canada - Nunavut	Kilmeest Inuit Association			180,000	1,600,000					1,780,000	The reported Fees include \$280,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Kilmeest Inuit Association.
Canada - Nunavut	Kivalliq Inuit Association			21,970,000	11,240,000					33,210,000	The reported Fees include \$7,890,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Kivalliq Inuit Association.
Canada - Quebec	Long Point First Nation				600,000					600,000	The reported Fees include \$40,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Long Point First Nation.
Canada - Ontario	Matachewan First Nation			1,360,000	560,000					1,940,000	The reported Fees include \$41,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Matachewan First Nation.
Canada - Ontario	Misis Nishon of Ontario				170,000					170,000	The reported Fees include \$84,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Misis Nishon of Ontario.
Canada - Ontario	Moose Cree First Nation				8,130,000					8,130,000	The reported Fees include \$374,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Moose Cree First Nation.
Canada - Quebec	Municipality of Pessico		790,000		920,000					1,710,000	
Canada - Nunavut	Nunavut Tungasvik Inc.			16,100,000						16,100,000	
Canada - Ontario	Rainy River First Nation			240,000						240,000	

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year: 2022-01-01 To: 2022-12-31
 Reporting Entity Name: Agnico Eagle Mines Limited Currency of the Report: CAD
 Reporting Entity ESTMA Identification Number: E946113
 Subsidiary Reporting Entities (if necessary): Kirkland Lake Gold Ltd (E936550), CANADIAN MALARTIC CORPORATION (E12970), CANADIAN MALARTIC GP (E278590), TMC RESOURCES INC (E95162), St Andrew Goldfields Ltd (E246746), Fosterville Gold Mine Pty Ltd (E425465), NT Mining Operations Pty Ltd (E573013), Kirkland Lake Gold Australia Pty Ltd (E950329)

Payments by Payee

Country	Payee Name ¹	Departments, Agency, etc. within Payee that Received Payments ²	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes ³
Canada -Ontario	Taylors Tagamou Nation				1,860,000					1,860,000	The reported Fees include \$292,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Taylors Tagamou Nation.
Canada -Ontario	Town of Coburne		100,000		1,060,000					1,160,000	
Canada -Ontario	Town of Kirkland Lake		4,460,000							4,460,000	
Canada -Quebec	Town of Robyn Normand		340,000		110,000					450,000	
Colombia	Antioquia Department				120,000					120,000	
Finland	Government of Finland			8,140,000					210,000	8,350,000	
Finland	Kittilä Municipality				120,000					120,000	
Mexico	Government of Mexico		55,500,000	5,400,000						60,900,000	
Mexico	Municipality of Ocampo		100,000		400,000				100,000	600,000	The reported Fees and Infrastructure Improvement payments are comprised of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited.
Mexico	Municipality of Sahuaripa				100,000					100,000	The reported Fees payments are comprised of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited.
Mexico	Municipality of Temascalchi				200,000					200,000	The reported Fees payments are comprised of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited.
Mexico	State of Chihuahua		100,000							100,000	
United States of America	Government of the United States of America				480,000					480,000	
United States of America	State of Alaska				280,000					280,000	

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year From: 2022-01-01 To: 2022-12-31 Currency of the Report: CAD
Reporting Entity Name Agnico Eagle Mines Limited
Reporting Entity ESTMA Identification Number ESM6113
Subsidiary Reporting Entities (if necessary) Kirtland Lake Gold Ltd (E336550), CANADIAN MALARTIC CORPORATION (E72970), CANADIAN MALARTIC GP (E278590), TMC RESOURCES INC (E35752), St Andrew Goldfields Ltd (E246746), Forterville Gold Mine Pty Ltd (E425465), NT Mining Operations Pty Ltd (E573013), Kirtland Lake Gold Australia Pty Ltd (E650329)

Payments by Payee

Country	Payee Name	Departments, Agency, etc. within Payee that Received Payments	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
		1) Amounts are reported in Canadian dollars. For Mexico, Finland, Australia, and United States local currencies have been converted using average annual rates provided by the Bank of Canada. The reporting currency for the Australian entities was in USD, hence USD exchange rate was used. For Colombia, local currency has been converted using average annual rate provided by Investing.com. The exchange rate used in the conversion of local currency to the reporting currency was: Mexican Peso - 0.09472 United States Dollar - 1.3013 Colombian Peso - 0.00039 Euro - 1.3699									
		2) Agnico Eagle Mines Limited completed its merger with Kirtland Lake Gold Ltd. (KLG - E336550), including its associated subsidiaries as mentioned on the cover page, on February 8, 2022. This report encompasses all relevant payments made by KLG from January 1 to December 31, 2022.									
		3) Initially, Agnico Eagle Mines Limited possessed a 50% ownership interest in Canadian Malartic Corporation (CMC). However, on March 31, 2023, Agnico Eagle Mines Limited successfully concluded the acquisition of the remaining 50% shares previously held by Yamana Gold Inc. The present report encompasses all reportable payments made by CMC throughout the period from January 1 to December 31, 2022. It is important to note that Canadian Malartic General Partnership (E278590), a subsidiary of CMC, also had its reportable payments for the same time frame included in this report.									

Additional Notes:

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year 2022-01-01 **From:** 2022-01-01 **To:** 2022-12-31 **Currency of the Report** CAD
Reporting Entity Name Agnico Eagle Mines Limited
Reporting Entity ESTIMA Identification Number E946113

Subsidiary Reporting Entities (if necessary)
 Kirkland Lake Gold Ltd (E936550), CANADIAN MALARTIC CORPORATION (E702970), CANADIAN MALARTIC GP (E278590), TMC RESOURCES INC (E956762),
 St Andrew Goldfields Ltd (E236746), Fosterville Gold Mine Pty Ltd (E425485), NT Mining Operations Pty Ltd (E572013), Kirkland Lake Gold Australia Pty Ltd
 (E930329)

Payments by Project										
Country	Project Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes ^a
Australia	Fosterville	100,000	28,620,000	290,000					28,010,000	
Australia	Kirkland Lake Australia	192,340,000							192,340,000	
Australia	Northern Territory Government			430,000					430,000	
Canada - Quebec	Alaska West			10,000					10,000	
Canada - Ontario	Amalgamated Kirkland	20,000		50,000					70,000	
Canada - Nunavut	Amsoq		14,150,000	300,000					14,450,000	
Canada - Quebec	Bouquet			10,000					10,000	
Canada - Quebec	Canadian Malartic	116,600,000	2,310,000	3,560,000					122,470,000	The reported fees include \$150,000 of in-kind payments valued based on cost under agreement with various First Nations.
Canada - Ontario	Cobalt	20,000							20,000	
Canada - Quebec	CSD	10,000		270,000					280,000	
Canada - Ontario	Debur Lake Mine	100,000	5,980,000	11,500,000					17,680,000	The reported Fees include \$1,044,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with various First Nations.
Canada - Quebec	Dooy			10,000					10,000	
Canada - Quebec	El Coco			50,000					50,000	
Canada - Quebec	Goldex	28,550,000		460,000					29,010,000	
Canada - Ontario	Hammond Relief		760,000						760,000	
Canada - Ontario	Holt Mine Complex	80,000	40,000	160,000					280,000	

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year 2022-01-01 **From:** 2022-01-01 **To:** 2022-12-31
Reporting Entity Name Agnico Eagle Mines Limited **Currency of the Report** CAD
Reporting Entity ESTIMA Identification Number E946113

Subsidiary Reporting Entities (if necessary)
 Kirkland Lake Gold Ltd (E936650), CANADIAN MALARTIC CORPORATION (E702870), CANADIAN MALARTIC GP (E278590), TIMAC RESOURCES INC (E566782),
 St Andrew Goldfields Ltd (E246746), Fosterville Gold Mine Pty Ltd (E124246), NT Mining Operations Pty Ltd (E573015), Kirkland Lake Gold Australia Pty Ltd (E693029)

Payments by Project

Country	Project Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes ²⁾
Canada-Nunavut	Hope Bay	230,000	510,000	2,240,000					2,980,000	The reported Fees include \$285,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Kirkland Lake Gold Association.
Canada-Quebec	LeRonde	77,220,000	610,000						77,830,000	
Canada-Ontario	Macassa Mine	46,320,000	1,150,000	1,580,000					48,050,000	The reported Fees include \$48,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with various First Nations.
Canada-Nunavut	Meadowbank	9,080,000	12,900,000	5,700,000					27,680,000	The reported Fees include \$4,220,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Kivalliq Inuit Association.
Canada-Nunavut	Meladine	20,000	11,630,000	6,140,000					17,790,000	The reported Fees include \$3,670,000 of in-kind payments valued based on the cost incurred by Agnico Eagle Mines Limited under agreement with the Kivalliq Inuit Association.
Canada-Ontario	Shared Services	90,000						7,180,000	7,270,000	
Canada-Quebec	Talbot & Engle			30,000					30,000	
Canada-Ontario	Upper Beaver			40,000					40,000	

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year		From:	To:	Currency of the Report						
Reporting Entity Name		2022-01-01	2022-12-31	CAD						
Reporting Entity EST/MA Identification Number		Agrico Eagle Mines Limited								
Subsidiary Reporting Entities (if necessary)		E946113								
		Kirkland Lake Gold Ltd (E936650), CANADIAN MALARTIC CORPORATION (E702970), CANADIAN MALARTIC GP (E278590), TMC RESOURCES INC (E956782), St Andrew Goldfields Ltd (E236746), Fosterville Gold Mine Pty Ltd (E425485), NIT Mining Operations Pty Ltd (E573013), Kirkland Lake Gold Australia Pty Ltd (E950329)								
Payments by Project										
Country	Project Name ¹	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes ²
Canada-Nunavut	Vault (Meadowbank Complex)		1,620,000						1,620,000	
Colombia	Aruza Project			120,000					120,000	
Finland	Kittila	46,780,000	8,140,000	1,920,000				210,000	57,030,000	
Mexico	La India	18,100,000		100,000					18,200,000	The reported Fees payments are comprised of in-land payments valued based on the cost incurred by Agrico Eagle Mines Limited.
Mexico	Proso Altos & Creston Mesocota	30,300,000	5,400,000	600,000				100,000	36,400,000	The reported Fees and Infrastructure Improvement payments are comprised of in-land payments valued based on the cost incurred by Agrico Eagle Mines Limited.
Mexico	Regional	7,300,000							7,300,000	
United States of America	Delta			270,000					270,000	
United States of America	Git Edge			70,000					70,000	
United States of America	Golden Gryphon			280,000					280,000	
United States of America	Helm Bay			150,000					150,000	

1) Amounts are reported in Canadian dollars. For Mexico, Finland, Australia, and United States, local currencies have been converted using average annual rates provided by the Bank of Canada. The reporting currency for the Australian entities was in USD, hence USD exchange rate was used. For Colombia, local currency has been converted using average annual rate provided by Investing.com. The exchange rate used in the conversion of local currency to the reporting currency was:

Mexican Peso - 0.06472
 United States Dollar - 1.3013
 Colombian Pesos - 0.00030

Euro - 1.3696

2) Agrico Eagle Mines Limited completed its merger with Kirkland Lake Gold Ltd (KLG - E936650), including its associated subsidiaries as mentioned on the cover page, on February 8, 2022. This report encompasses all relevant payments made by KLG from January 1 to December 31, 2022.

3) Initially, Agrico Eagle Mines Limited possessed a 50% ownership interest in Canadian Malartic Corporation (CMC). However, on March 31, 2023, Agrico Eagle Mines Limited successfully concluded the acquisition of the remaining 50% shares previously held by Yamana Gold Inc. The present report encompasses all reportable payments made by CMC throughout the period from January 1 to December 31, 2022. It is important to note that Canadian Malartic General Partnership (E278590), a subsidiary of CMC, also had its reportable payments for the same time frame included in this report.

Additional Notes³:



As a special note, mining projects are capital intensive (they need significant up-front investments before they generate revenue through commercial production), relatively risky (firms and shareholders invest significant funds up front without being sure of a return) and cyclical (mining firms can experience significant swings in their revenues and profits from year-to-year as global commodity prices can fluctuate significantly).

To recognize these factors, Canadian income tax systems (including Nunavut's) allow mining firms to recover most of the initial capital investment before they need to pay significant taxes. Firms can also shift in-year financial losses to different years to soften the negative impacts of fluctuating prices reducing taxes payable.

So, although Nunavut's mining firms are subject to federal and territorial corporate income tax they may not actually be required to pay taxes until several years into a project.

Petroleum Tax

Pursuant to the *Petroleum Products Tax Act* the GN charges a direct duty on petroleum products imported, consumed, or sold in Nunavut.

The government taxes these products depending on fuel type (e.g. gas, diesel, aviation) and how it is used (e.g. heating, in vehicles, etc.). The table at right shows the territory's current fuel tax rates.

Many mining firms choose to import their own fuel directly from the south, though they may also purchase fuel from suppliers already in Nunavut. Mining firms are responsible for paying taxes based on when and how they use the fuel and must report accordingly.

Fuel Type	¢/L
Gasoline	6.4
Aviation fuel	1.0
Motive diesel	9.1
Non-motive diesel	3.1
Other petroleum	3.1
Heating	0.0

The Department of Finance administers this tax internally.

Property Tax

Under the *Property Assessment and Taxation Act (PATA)*, the GN imposes property taxes based on the assessed value of the property. The City of Iqaluit administers its own property taxes. The GN administers them everywhere else, including the 'hinterland' (outside municipal boundaries).

The GN, through the Department of Community and Government Services, assigns a value to each property in Nunavut. This assessed value is based on the land and any improvements to it (buildings, airstrip, warehouse, etc.). CGS then sends a Notice of Assessment to the assessed owner of that property. The GN, through the Department of Finance, calculates a tax based on the assessed value.



Specifically, the Department calculates the property tax by multiplying the assessed value by the established tax rate for that class of property. The Class 4 (mining) mill rate is currently 11.17 mills. For every \$100,000 a mining property is assessed, the property tax for the year is \$1,117.

The full list of current mill rates by property class is at right. The Minister has an opportunity to update these rates each year through an Order (regulation).

In Nunavut, many properties used by mining firms are located on Inuit Owned Lands (IOL). Article 22 of the Nunavut Agreement establishes that Inuit do not pay property tax on their lands outside municipalities unless there are commercial improvements present. So, mining properties on IOL only become taxable under the Nunavut Agreement once commercial buildings or other improvements are constructed.

Although the Nunavut Agreement confirms properties with commercial improvements are taxable, the Agreement itself does not clarify who is to be the "assessed owner." Without additional clarity the Designated Inuit Organization receives the Notice of Assessment and can pass it on to the mining firm to pay through the commercial land lease. Agreeing to pay property taxes would be part of the lease agreement between mining firms (as commercial tenant) and the DIO (as landowner).

The Minister of CGS has introduced Bill 55 to help clarify the situation further. Specifically, the Bill proposes to amend PATA to establish that in cases where Inuit only own the surface rights (and do not own the resources underneath) the GN would send the Notice of Assessment directly to the mining firm as owners of the improvements. Where Inuit own rights to both the surface *and* the resources, the current practice of sending the Notice of Assessment to the DIO (and then having the DIO pass it on to the mining firm through their commercial lease) would remain in place. Bill 55 also adds an option where the assessed owner (like the DIO) can ask the GN to send the Notice of Assessment directly to the mine to streamline payment.

The Department of Finance administers this tax based on the assessments and other land management activities that CGS leads.

Property Class	Mill Rate
Class 3 (oil/gas)	11.17 mills
Class 4 (mining property)	11.17 mills
Class 5 (pipelines)	22.18 mills
All other (houses, etc.)	4.62 mills
Education (schools)	0.00 mills

Payroll Tax

Mining firms do not directly bear the cost of the territory's payroll tax. However, we often associate this tax with mining (and mining firms often claim it as part of what they pay) because it is based on the earnings that mining firms pay their employees and because employers help collect the tax.

Specifically, pursuant to the *Payroll Tax Act*, every employer in Nunavut collects a payroll tax from their employees at a rate of 2% of all gross remuneration (wages, salaries, and other earnings). Employers, including mining firms, usually collect this tax by deducting it from an employee's pay. Employers themselves remit the tax directly to the GN Department of Finance.

