



NIRB File No.: 03MN107

November 1, 2011

Stéphane Robert
Environment Superintendent
Agnico-Eagle Mines Limited - Meadowbank Division
P.O. Box 540
Baker Lake, Nunavut
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Sent via email: stephane.robert@agnico-eagle.com

Re: The Nunavut Impact Review Board's 2010 – 2011 Annual Monitoring Report for the Meadowbank Gold Project and Board's Recommendations

Dear Stéphane Robert:

The Nunavut Impact Review Board (NIRB or Board) is releasing the *2010 – 2011 Annual Monitoring Report for the Meadowbank Gold Mine Project* (Monitoring Report). The enclosed Monitoring Report is based on the NIRB's monitoring activities pursuant to the Project Certificate [004] and Sections 12.7.1 and 12.7.2 of the Nunavut Land Claims Agreement. This report provides an annual summation of monitoring activities occurring from October 2010 to September 2011.

Based upon the Board's review of the monitoring report, the Board has issued the following recommendations in order to assist the Proponent in achieving compliance with the Meadowbank Project Certificate [004] and other project-related commitments. The Board requests that for items requiring immediate follow-up action by the Proponent that a response be provided within 30 days of receiving the recommendations. These items have been marked with an asterisk (*).

Groundwater Quality Monitoring

Regarding Condition 8, the groundwater quality monitoring program appears to have only one operational groundwater well. The Board has previously recommended that the defective wells be replaced in order to provide more robust groundwater quality data. The Proponent indicated during the 2011 site visit to the Monitoring Officer that it has been working on an on-going basis to replace these wells and further, that it is still awaiting further direction from the NIRB regarding inconsistencies found between the NWB water licence and Condition 8 of the NIRB's Project Certificate regarding the sampling frequency. The Board plans to give consideration to

addressing the issue of inconsistency found in the required sampling frequency and to any potential solutions.

Recommendation #1: The Board requests that AEM continue to replace the defective wells in order to collect the robust groundwater quality data intended by, and required for the comprehensive monitoring program as designed by parties during the review and licensing stages of the Project.

Recommendation #2: It is requested that AEM provide a summary of the number of wells installed for the 2011 year to the NIRB*.

Spills and Clean-up at Site

With respect to Condition 26, hydrocarbon odours were noted by the Monitoring Officer during the 2011 site visit at both the site of a fuel spill near kilometre 22 of the access road, and at the Meadowbank fuel tank farm. It was also noted that during the 2010 period, 7 spills were reported by AEM to have occurred along the access road.

NIRB staff had been advised during the 2011 site visit that the Proponent intends to conduct further follow up work pertaining to the 3,000 litre (L) fuel spill that occurred near kilometre 22 of the access road in October 2010. Approximately 5,050 tonnes of contaminated soil were taken to Quarry 5 and remain there until such time as the Proponent has developed and is prepared to implement a management plan that addresses the issue of the contaminated soil. AEM also indicated that booms deployed in the watercourse nearby are checked weekly and are changed when required to ensure that contaminated water does not enter the water body. Follow-up action for this spill site will be completed in the spring of 2012.

Recommendation #3: The Proponent is requested to prepare a plan of action and adaptive management designed to prevent future spills from occurring along the access road, as well as to provide a description of the remaining follow up action that will be undertaken at the site of the fuel spill near kilometre 22. This description should also include AEM's plans for ongoing soil remediation as well as its intention to address the hydrocarbon odours at both sites (i.e. removal or possible treatments)*.

Air Quality Monitoring

Condition 71 requires that the Proponent install an atmospheric monitoring station and report the results of the air quality monitoring to the NIRB annually. To date, this condition has not been met and has been included as a recommendation by the Board following the 2008, 2009 and 2010 monitoring reports. Data required from Condition 71 is important to the assessment of project related impacts, especially as relating to different project phases. The absence of this data may mean AEM is unable to make accurate comparisons to predictions regarding the project's development, which may in turn, hinder the success of the air quality monitoring program in future years. The Proponent has indicated that a station would be established in the fall of 2011.

Recommendation #4: AEM is requested to provide the NIRB with a description of the type and location of the atmospheric monitoring station, including an updated map showing where the station has been installed in relation to other project components and in proximity to water bodies.

Surface Road Dust

Condition 74 directs the Proponent to employ environmentally protective techniques to suppress any surface road dust. It was noted by the Monitoring Officer that no suppressant techniques have been applied to the access road from Baker Lake to the Meadowbank site but that the Proponent is actively using water as a dust suppression technique at the site itself.

Recommendation #5: Dust control for the access road be addressed by the Proponent*.

The Board also notes that AEM's 2010 Annual Report to the NIRB did not meet the Board's previous recommendation to provide a Dust Monitoring Report. A Dust Monitoring Report had previously been described in AEM's *Air Quality and Noise Management Plan* (submitted to the NIRB October 2005, addendum May 2008).

Recommendation #6: The Board requests that in AEM's future annual reporting to the NIRB, it demonstrate its familiarity with all annual reporting commitments as outlined in the FEIS and supporting material such as plans and programs, and that these are submitted with the subsequent years' report. With specific regard to Condition 74, and to the its 2010 recommendation to the Proponent, the Board requires that AEM compile and submit to the NIRB, the required Dust Monitoring Report for the 2010 year*.

Security at the Baker Lake Storage Facility and Marshalling Area

Condition 81 requires that AEM provide 24 hour security including surveillance cameras and a security office at the Baker Lake storage facility and marshalling area. AEM has indicated that it does maintain a 24 hour presence at the storage and marshalling facility during the active barge season. Further, all hazardous and/or explosive components that are brought to the facility are trucked directly to the Meadowbank site and are not stored within the boundaries of the hamlet Baker Lake.

Recommendation #7: AEM is requested to provide the NIRB with a summary of the security measures put into place at the Baker Lake storage facility and marshalling area during the barge season and specifically indicate whether any surveillance or security is in place during the remainder of the year as per Condition 81*. The NIRB further requests that this information be provided in future annual reports to the NIRB as well.

Again, the Board requests that for items requiring follow-up action by the Proponent that a response be provided within 30 days of receiving the recommendations. If you have any questions or require further clarification related to the NIRB's monitoring of the Meadowbank project, please do not hesitate to contact me directly at (867) 793-4633 or sgranchinho@nirb.ca.

Sincerely,



Sophia Granchinho
Technical Advisor and Monitoring Officer for the Meadowbank Gold Project
Nunavut Impact Review Board

cc: Meadowbank Distribution List

Enclosure: The Nunavut Impact Review Board's *2010 – 2011 Annual Monitoring Report for the Meadowbank Gold Mine Project*