

NIRB File No.: 03MN107 NWB File No.: 2AM-MEA1525 DFO File No.: 03-HCAA-CA7-00191

October 23, 2015

Mark Dahl Ocean Disposal Specialist Environmental Protection Operations Directorate Environment Canada Suite 150-123 Main Street Winnipeg, MB R3C 4W2

Sent via email: mark.dahl@ec.gc.ca; ec.ea.nu@ec.gc.ca

Re: <u>The Nunavut Impact Review Board's 2014-2015 Annual Monitoring Report for the Meadowbank Gold Project</u> and Board's Recommendations

Dear Mark Dahl:

The Nunavut Impact Review Board (NIRB or Board) issued the enclosed 2014-2015 Annual Monitoring Report for Agnico Eagle Mines Ltd.'s Meadowbank Gold Project (Monitoring Report), along with the 2015 Site Visit Report for the NIRB's monitoring of the Meadowbank Gold Project (NIRB File No. 03MN107) to Agnico Eagle Mines Ltd. (AEM or the Proponent) under a separate cover earlier today. The Monitoring Report is based on the NIRB's monitoring activities as set out within the Meadowbank Project Certificate [No. 004] and pursuant to Sections 12.7.1 and 12.7.2 of the Nunavut Land Claims Agreement (NLCA). This report provides findings that resulted from monitoring of this Project that took place from October 2014 to September 2015.

Please note that the Monitoring Report, Project Certificate and other materials pertaining to the NIRB's ongoing Monitoring program for the Meadowbank Gold Project are also available from the NIRB's online public registry at: http://ftp.nirb.ca/03-MONITORING/03MN107-MEADOWBANK%20GOLD%20MINE/.

Based upon the Board's review of the AEM's 2014 Annual Report and other materials related to the Meadowbank Gold Project, by way of motion carried during its regular meeting held in October 2015, the Board has issued the following recommendation to ensure the NIRB has all information necessary to adequately discharge its mandate with respect to provisions within section 12.7 of the NLCA as such pertain to the Meadowbank Gold Project.

On-site Incinerators – Condition 72

Condition 72 requires that the Proponent conducts annual stack testing of the on-site incinerators to demonstrate that they are operating in compliance with the required standards. In review of AEM's 2012 and 2013 Annual Reports, the NIRB noted that the incinerator temperature in the secondary chamber was below the recommended 1000°C temperature on several occasions. In response to the Board's 2014 recommendation, AEM indicated that corrective actions would be put in place to ensure the temperature set point in the secondary chamber would always reach the average recommended temperature and an alarm on the sites services computer would be set up to notify staff when the temperature of the secondary chamber falls below 1000°C. In review of the available 2014 Incinerator Daily Report Logbook, the NIRB notes that the incinerator temperature in the secondary chamber was below the recommended 1000°C temperature on several occasions following the summer of 2014 when a representative of the burner manufacturer came to site to provide training and maintenance of the burner. Based on the information provided, it appears that the corrective actions put in place for the incinerator for late 2014 is not reaching the goal of ensuring the temperature of the secondary chamber remains above 1000°C.

AEM further noted that during the 2014 stack testing the incinerator exceeded the Canada-wide Standards (CWS) for mercury emissions with values being three times above the guideline values. Laboratory testing was also completed which confirmed the stack testing results. AEM noted that it conducted an investigation with Meadowbank's site services department to determine the potential sources of the mercury exceedance and revealed that the source may have been significant volumes of batteries disposed of along with regular solid waste destined for the onsite incinerator. As a result, AEM implemented a comprehensive site wide information program to reinforce the requirements of the battery recycling program. Furthermore, AEM committed to conduct additional confirmatory stack testing in the summer of 2015.

Furthermore, the Board, in 2014, requested that Environment Canada (EC) provide comments on the information contained within AEM's 2013 Incinerator Daily Report Logbook and whether it agreed to the continuation of biennial incinerator stack testing, given the reported instances of lower than optimal secondary chamber burn temperatures and the number of daily log insertions that were missed within AEM's 2013 Incinerator Daily Report Logbook. In its response to the Board, EC noted that the CWS for Dioxins and Furans and the CWS for mercury emissions states that "where five years' data has been accumulated with all results reported below the Level of Quantification (emission standard), the stack testing frequency may be revised to a biennial schedule" so long as all subsequent test results remain below the emission standards. Except for noting CWS' requirement, no indication was provided within EC's response on whether it agreed on the continuation of biennial incinerator stack testing given the reported exceedances that was observed in the previous years' stack testing.

As carried by way of a motion at its recent October 2015 board meeting, the Board via recommendation #11 recommends that Environment Canada provide comments on the results of AEM's 2014 Incinerator Daily Report Logbook, the results from the 2014 stack testing and to provide confirmation that it agrees (or disagrees) to the continuation of biennial incinerator stack testing. Comments on these items are requested given the reported instances of exceedances that were observed in the 2014 stack testing and the continued lower than optimal secondary chamber burn temperatures observed in 2014.

The Board respectfully requests that Environment Canada provide a response to this request to our office within 30 days' receipt of this correspondence.

If you have any questions or require further clarification regarding these recommendations in particular or relating to the NIRB's monitoring program for the Meadowbank project, please contact the undersigned directly at (867) 857-2052 or sgranchinho@nirb.ca.

Sincerely,

Sophia Granchinho, M.Sc., EP

Senior Technical Advisor & Meadowbank Project Monitoring Officer

Nunavut Impact Review Board

cc: Kevin Buck, Agnico Eagle Mines Ltd.

Jeffrey Pratt, Agnico Eagle Mines Ltd. Ryan Vanengen, Agnico Eagle Mines Ltd.

Meadowbank Distribution List

Enclosure (1): The Nunavut Impact Review Board's 2014-2015 Annual Monitoring Report for the Meadowbank

Gold Project