WATER USE INSPECTION REPORT

Date: August 9,2009	Licensee Rep. (Name/Title): Denis Gourde - General Manager, Stephane Robert – Env. Superintendent, Sylvain Doire – Env. Coordinator	
Licensee: Agnico Eagle		Licence No: 2AM-MEA0813 -Construction

WATER SUPPLY

Source(s): Third Portage Lake	Quantity used: 20,743 cubic meters to date
Owner:/Operator: Agnico-Eagle Ltd.	

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Intake Facilities: NI	Storage Structure: A	Treatment Sys: NA	Chemical Storage: NA
Flow Meas. Device: NA	Conveyance Lines: NA	Pumping Stations: NA	Screen : NA

Comments: Water for the camp is currently treated using filters and UV. All found to be in good order with records kept daily and on site.

WASTE DISPOSAL

Sewage: Sewage Treatment System (Prim./Sec/Ter.): Primary - Discharge to Tear drop Lake

Natural Water Body: Mine site	ter Body: Mine site Continuous Discharge (land or water): Continu	
Seasonal Discharge: NA	Wetlands Treatment: NA	Trench: NA

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Discharge Quality: NA	Decant Structure: NA	Erosion: A	
Discharge Meas. Device: NA	Dyke Inspection: NA	Seepages: A	
Dams, Dykes: A	Freeboard: A	Spills: A	
Construction: NI	O&M Plan: A	A&R Plan: A	
Periods of Discharge: NA.	Effluent Discharge Rate: NA – not recorded		

Comments: Sewage wastes treated and discharged to water retention area in Tear drop Lake. Once completed, effluent will be discharged to tailings impoundment area. Runoff water and waste water (including grey water) from camp is directed to Tear drop Lake. Water was sampled during inspection.

Solid Waste:

Landfill: Constructed	Burn & Landfill: NA	Other: Incinerator & backhaul of Hazardous materials
-----------------------	---------------------	--

Comments: Kitchen and paper wastes are incinerated on site. Construction of the land fill is complete although not to the full size as outlined and approved. Bulk waste is no longer transported to Baker Lake. Metal wastes were noted in stockpiles around the mine site. Hazardous materials are segregated and manifested for shipment off site to Licensed and approved management center.

FUEL STORAGE:.

Waste Oil Storage: Stored in Haz Mat area

Owner/Operator: Agnico-Eagle Ltd

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Berms & Liners: A	Water within Berms: A	Evidence of Leaks: NI
Drainage Pipes: NI	Pump Station & Catchments Berm: NI	
Pipeline Condition: NI	Condition of Tanks: A- Unregistered at this time.	

Comments: Construction of a new 5.6 million litre tank on site completed. 4 10 million litre tanks have been constructed in Baker Lake. Samples of water in containment area were collected. Secondary containment and spill kits were noted at fuel transfer area.

SURVEILLANCE NETWORK PROGRAM (SNP)

Control in the contro			
Samples Collec	Owner /Operator: Agnico-Eagle Ltd.		gnico-Eagle Ltd.
4	INAC: Potable water, Effluent, Tank farm sump, water within silt curtain at East Dyke.		Effluent, Tank farm sump, water within silt curtain at
Signs Posted	SNP: None Warning: Present		Warning: Present
Records & Reporting: Annual reporting (sampling and analysis) is required, Reports are to be filed with Inspector when available			
Geotechnical Inspection: N/A			

Indian and Northern Affa Affairs Canada et de

Affaires Indiennes Page 2 et du Nord Canada

Non-Compliance of Act or Licence: Construction activities are on-going throughout the site. The site covers a large footprint. Currently, because of the level of activity it is impossible to determine accurately if instances of non-compliance exist. No obvious issues were noted during the inspection. Deficiencies noted by the inspector were addressed on site to the satisfaction of the inspector

It is recommended that at an inspection of the site be conducted at monthly to keep up with the rapid and dramatic changes on-going at the site especially during the construction phase. This may be revisited once the mine is into production.

A.Keim	Sent by E-mail
Inspector's Name	Inspector's Signature