

Appendix H1

Document: *Inspection Reports*



WATER USE INSPECTION REPORT

Date: July 5 & 6, 2011	Licensee Rep. (Name/Title): Ryan VanEngen & Jeffrey Pratt
Licensee: Agnico Eagle Mines Ltd. (Agnico)	Licence No.: 2AM-MEA0815

WATER SUPPLY

Source(s): Third Portage Lake		Quantity Used: 509,576 cubic meters (m³)	
Owner:/Operator: Agnico Eagle Mines Ltd.			
Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected			
Intake Facilities: A	Storage Structure: A	Treatment Systems: A	Chemical Storage: NI
Flow Meas. Device: A	Conveyance Lines: NI	Pumping Stations: A	Screen : NI

Comments: Water for the camp is treated with Chlorine and UV. The pumping and treatment stations appear to be well maintained and log records of treatment and usage are up to date and onsite. Water usage to June 30 is 509,576 m³; the allowable water usage permitted in the licence is 700,000 m³.

Bay Goose Dike is scheduled to be completed on Aug 1st and at that time Agnico hope to start dewatering that area. Approximately 3 million m³ of water will have to be discharged over a two month period.

WASTE DISPOSAL

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

Natural Water Body: Tear Drop Lake	Continuous Discharge (land or water): Continuous	
Seasonal Discharge: NA	Wetlands Treatment: NA	Trench: NA

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected		
Discharge Quality:	Decant Structure: A	Erosion: A
Discharge Meas. Device:	Dyke Inspection:	Seepages: A
Dams, Dykes: A	Freeboard: A	Spills: NA
Construction: NA	O&M Plan: A	A&R Plan:
Discharge: NA	Effluent Discharge Rate: Unknown	

Comments: All treated sewage is discharged to Tear Drop Lake (Storm Water Management Pond). Sludge is removed and placed in the tailings storage facility. Water from Tear Drop Lake is reclaimed and used in the processing plant.

On Jun 30th a 92 m³ spill of slurry occurred on the mill floor near the CIP tank. The spill was contained with absorbent booms, peat moss, and earthen berms and then eventually cleaned up and transferred back to the tailings containment facility. The spill was cleaned up prior to the inspection.

Solid Waste:

Owner/Operator: Agnico Eagle Ltd.

Landfill: Completed	Burn & Landfill: NA	Other:
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Comments: All food wastes and organics/paper products are incinerated onsite. All other wastes including wood, metals etc are transferred to the landfill. The incinerator appeared to be working properly at the time of the inspection; ash from the incinerator is transferred to the tailings storage facility for disposal.

FUEL STORAGE:

Waste Oil Storage: Hazardous Waste Transfer Area **Owner/Operator:** Agnico Eagle Ltd.

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected		
Berms & Liners: A	Water within Berms: U	Evidence of Leaks: A
Drainage Pipes: A	Pump Station & Catchments Berm: A	
Pipeline Condition: A	Condition of Tanks: A	

Comments: Agnico has six 10 Million Litre Tanks at the staging area next to Baker Lake and one 10 Million Litre tank and the mine site. The dips show that there is approximately 20,115,783 L available at both locations. The fuel is transferred to the Meadowbank mine by way of fuel tanker trucks that supply the mine daily. All berms and tanks seem to be in good condition. Water from the berms was being discharged during the inspection. Agnico will try to determine volumes or

otherwise install meters for future discharges. There is also water in this secondary containment structure that will be discharged eventually. A two million Litre Jet A fuel tank is also being considered at Baker Lake, but at the time of the inspection this has not been constructed.

Hazardous wastes are separated accordingly and all wastes are stored in sealift containers. There are quite a few sealift containers containing hazardous wastes onsite. Agnico has contracted a consultant that will package and determine the quantities of hazardous wastes onsite and these wastes will be shipped out for proper disposal. The exact quantities of hazardous wastes were not available during the inspection, but were provided in electronic form later on.

SURVEILLANCE NETWORK PROGRAM (SNP)

Samples Collected		Owner /Operator: Agnico Eagle Ltd.	
		INAC:Raw Water Intake, TSS dewatering discharge point	
Signs Posted	SNP: A		Warning: Posted
Records & Reporting: Monthly summary reports up to date.			
Geotechnical Inspection: NI			

Comments: Samples were collected in two locations and sent to Taiga Labs for analysis.

Non-Compliance of Act or Licence:

- Agnico-Eagle is meeting all of the water licence terms and conditions at the time of the inspection. However, the water usage was 509,576 m³ at the time of the inspection and the total water usage permitted under the licence is 700,000 m³. Agnico was made aware of this issue in previous inspections, therefore the necessary actions must be taken to resolve this issue.
- There are signs of minor spills around the mine site and general clean up is needed at the storage area behind the large white canvass storage structures. The green waste oil storage tank behind these structures also had a noticeable spill and should be cleaned up and disposed off properly.
- Spill/absorbent booms are still located at the location of the tanker spill (40000 L) from January 2010. Water is pumped through a treatment system creating a negative pressure to prevent residue fuel from entering the river. There is a slight sheen at different locations around the spill. Monitoring is ongoing and is a requirement until the site has been remediated fully.
- Many of the containments berms contained water. All water discharged from these berms must be tested, treated if required and a 10 day notice to the Inspector prior to any discharges.

Ian Rumbolt

Inspector’s Name

Sent by E-mail

Inspector’s Signature