

November 19, 2013

RE: Update to Meadowbank Spill – Report #13-379 – Assay Lab Road Seep

Good morning,

This letter is intended to give a resume of the spill report GN Spill Report 13-379 that was submitted on November 8, 2013

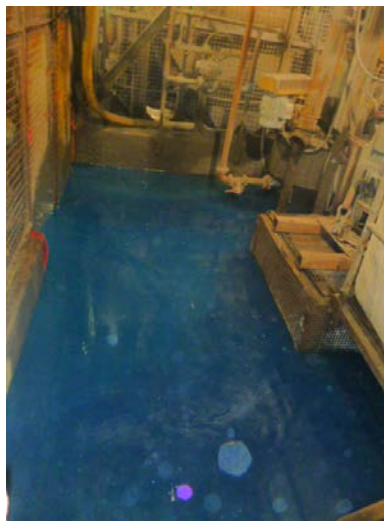
On October 8, 2014 a spill was reported to the GN Spill Line and to AANDC Inspector Christine Wilson.

- On November 4, 2013 a seepage was reported in area in front of Assay Lab, at the Meadowbank Mine site. Coordinates for spill North 14W 0637900 7213863 and South 14W 0637920 7213842. The distance to the lake from the spill location is approximately 165 meters. The rate of flow was estimated at ~2 Liter per minute. A meeting was held and decision made to go forward with an installation of containment to hold back any further seepage from migrating. A bermed area was erected around the area which had the frozen seepage fluid. Once the bermed area was created, all contaminated ice was removed from the area and was taken to the Tailings Storage Facility. The following areas were checked; leach pad (appeared to be no leakage), reclaim and tailings line. Many lines were sampled, all lines that ran through the area where the seepage was occurring no leaks were found on any of these. Environment sampled seepage for Copper, Iron, CN – to be submitted to AEM lab – results would indicate if it is leach pad water. AEM Lab results of Copper/Iron sampling Cu at 4+ ppm and Fe at 1.2 ppm – similar to tailings. CN is also present at average 12.6 ppm. A pressure test on fire protection line near freshwater tank at mill was performed, no leakage confirmed. Also, testing was performed on the freshwater line to camp. The freshwater line to camp was checked, no leakage found. A drilling program was then planned by Engineering and Environment to determine the source of the seepage and to possibly delineate any plume. At the same time the mill began checking sumps in the mill for seepage.

Update from November 10 –November 18, 2013.

- No process water has reached lake (contain in the berm area)
- Investigations took place through-out the mill area to determine where the source of process water was leaking from
- A drilling campaign took place Nov 15 – 17, with a total of 21 holes being drilled the seep location and the mill area (see figure 1). Out of the 21 holes,
 - 4 holes were wet and sample water was obtained (blue)
 - 4 holes were drilled and wet and no sample could be obtained
 - 13 holes were drilled dry (green)

- To try and determine the source of the leakage, water was added to the sumps with tracer dye within the Mill. By doing this, the location of the seepage was determined to be in the CIP sump.

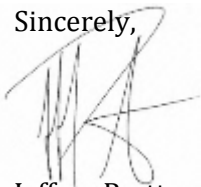


- The seepage area increased due to the testing of the sumps and water seeped out of the previous reported location as well as an adjacent area at the base of the assay lab road. Another containment berm was immediately constructed, this water was sampled (CN WAD taken at our on-site assay lab = 4.23ppm Copper = 2.55, Iron = 1.64). Please note the attached diagram for reference. Additional samples will be sent to our off site accredited lab on Monday Nov 18. Samples were also taken in Third Portage Lake using AEM's on site assay lab. Results to date indicate "no detect" in the lake. See attached table of sample results and location.
- Crews removed any build of ice in this area and continue to remove it on a regular basis.

- AEM is now working on a plan to properly seal the CIP sump, in the meantime all water has been removed from this sump to prevent any further seepage and allow for repairs.
- The bermed containment area is to prevent access to wildlife and unauthorized personnel.

Should you have any questions or concerns please feel free to contact me at (867) 793-4610 ext. 6728 or by email at jeffrey.pratt@agnicoeagle.com.

Sincerely,



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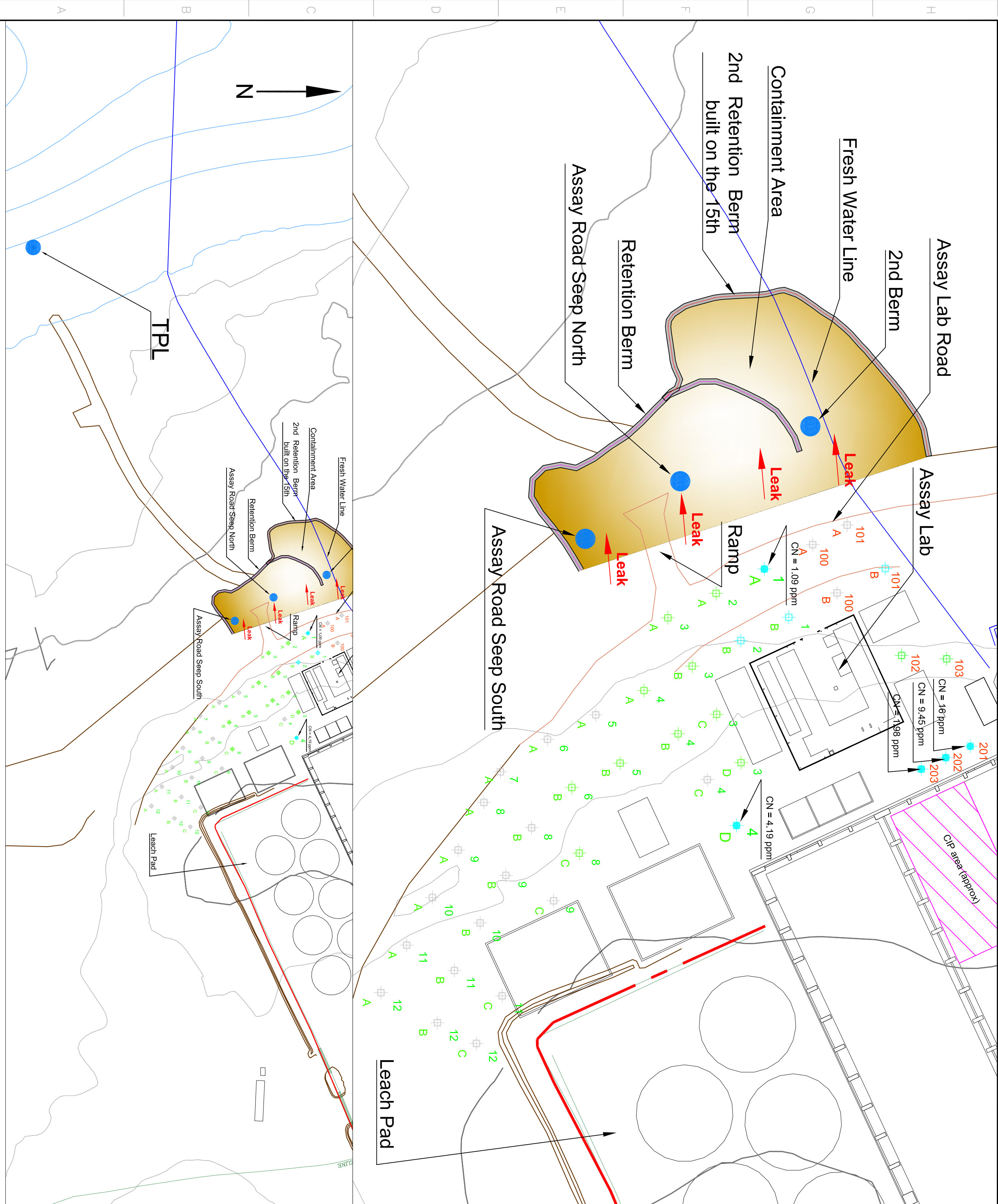
CN WAD Results from Drilling Campaign

Hole ID	1A	4D	201	202	203
Date	CN ppm	CN ppm	CN ppm	CN ppm	CN ppm
Nov 15	1.09	4.19			
Nov 16				7.45	0.967
Nov 17			16	9.45	1.98

Date	Assay lab results														
	Assay road seep North			Assay road seep South			Drinking Water Raw water			2nd Berm			TPL		
	CN WAD (ppm)	Cu (ppm)	Fe (ppm)	CN WAD (ppm)	Cu (ppm)	Fe (ppm)	CN WAD (ppm)	Cu (ppm)	Fe (ppm)	CN-WAD (ppm)	Cu (ppm)	Fe (ppm)	CN-WAD (ppm)	Cu (ppm)	Fe (ppm)
11/4/2013				8.94											
11/5/2013	8.77			17.9											
11/6/2013	6.73	3.68	20.1	17.6	4.05	1.68									
11/7/2013															
11/8/2013	39			36.1											
11/9/2013	47.2														
11/10/2013	28.9														
11/11/2013	43.8														
11/12/2013	17														
11/13/2013	17.1						<0.01								
11/14/2013	25.9														
11/15/2013	19.7	8.06	1.13				<0.01	0.02	0.04						
11/16/2013	4.78	2.24	1.27				<0.01	0.03	0.13	4.23	2.55	1.64	<0.01	0.04	0.06
11/17/2013	7.5	3.86	1.09				<0.01	<0.01	0.02						

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KEY PLAN

- Phase 1 and 2 - Drilled, Wet and CN
- Phase 1 and 2 - Drilled and Wet (No sample)
- Phase 1 and 2 - Drilled and Dry
- Phase 1 and 2 - Not Drilled
- Grab Sample

GENERAL NOTES

AGNICO-EAGLE
MEADOWBANK DIVISION

TITLE
AGNICO—EAGLE – MEADOWBANK DIVISION

Mill Leakage Investigation

DRAWN BY	DATE
CHECKED BY	
APPROVED BY	
SCALE N.T.S.	DATE
DRAWING NO.	
PROJECT NO.	REVISION 1 / 1

REV.	DATE	DESCRIPTION	BY	APP.	CLIENT
REVISIONS					
REFERENCE DRAWINGS					

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