AGNICO EAGLE
MELIADINE

MELIADINE DIVISION

2016 Annual Report

Type A Water License 2AM-MEL1631

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SECTION 1 • INTRODUCTION

As required under Part B Item 2 and Schedule B of Type A Water License 2AM-MEL1631, this report documents the water management and monitoring activities at the mine site for the year. The Type A water license was issued to Agnico Eagle – Meliadine Division on April 1, 2016.

The main activities conducted on site in 2016 and approved under water license 2AM-MEL1631 are:

- Dewatering of H17 into Meliadine Lake and use of Chemical Treatment Plant when needed.
- Construction of Channel 5.
- Construction of dikes D-CP1 and D-CP5. Work continues in 2017.
- Underground ramp advancement.
- Construction of industrial pad. Work continues in 2017.
- Construction of camp complex. Work continues in 2017.
- Pilling installation for Process Plant and Multi-Service building. Work continues in 2017.
- Construction of Semi-Mobile Batch Plant. Construction continues in 2017.
- Assembly of Freshwater Treatment and Sewage Treatment Plants. Commissioning to be completed in 2017.
- Construction of raise collar (east air intake).
- Construction of saline pond.
- Construction of site access roads and culverts.
- Construction of four containment structures (i.e. dikes) at P-Area. Discussed in more details in Water License 2BB-MEL1424 2016 Annual Report.

In order to have the required material for the construction of the above mentioned infrastructures, material from borrow pits and underground was used. There were no pre-development activities at Itivia (Rankin Inlet) in 2016.

SECTION 2 • CONSTRUCTION

This section is for structures constructed to withhold Water or Waste.

a. An overview of methods and frequency used to monitor deformations, Seepage and geothermal responses
and
b. A comparison of measured versus predicted performance
and
c. A discussion of any unanticipated observations including changes in risk and mitigation measures implemented to reduce risk

Thermal monitoring in the Meliadine area has been ongoing since 1998 in order to collect information relating to the permafrost regime at different site locations. Approximately 55 thermistors are installed at the site, in which approximately half installed by the project owners previous to Agnico Eagle Mines. Two types of thermistors exist in the area, whereby the cables extend to different vertical depths. Longer thermistor cables reach a vertical depth >100 m and measure the permafrost base and geothermal gradient. The shorter cables typically have a length of <25 m and provide useful information relating to the active layer on site. Many of the thermistors previously installed in the area have been damaged over time, or measurements are not being taken due to changing priorities or accessibility. Active measurements are being collected from approximately half of the originally installed thermistors. Temperature plots of the thermistor data up to July 2016, when the last site-wide measurements were collected, are presented in Appendix C (of Appendix D enclosed with this report). The locations of the installed thermistors in the Meliadine area, including the thermistors installed in 2016 at the P Containment Area, are shown in figures C-1, C-2, C-3 and C-4 of Appendix C (of Appendix A enclosed with this report).

The complete Annual Geotechnical Inspection report prepared by Golder can be found in Appendix A. Agnico Eagle responses to the recommendations from the inspection are available in Appendix A at the end of the report.

d. As-built drawings of all mitigation works undertaken

A saline water storage pond with a till core berm was required for temporary storage of excess saline water from underground operations from 2016-Q3 to 2017-Q4 before a long-term saline water treatment and disposal plan is finalized. Construction of the pond was completed on November 3, 2016 and the Construction Summary Report including as-built drawings was submitted to the Board on February 7, 2017.

e. Any changes in the design and/or as-built condition and respective consequences of any changes to safety, water balance and water quality

The saline pond and berm were generally constructed according to the designed construction drawings and specifications provided to the Board prior to construction, with the following two changes that were initiated by the construction team and approved by the design engineer of the saline pond and berm:

a) The as-built minimum pond bottom elevation was approximately 53.5 m, which is 2.0 m lower than the design pond bottom elevation of 55.5 m. This change was initiated to slightly increase the total volume of the rock to be excavated during the pond construction. The excavated rock was used as construction material for dike construction.
b) The design centerline of the till core berm was re-located outwards away from the pond during the construction to facilitate constructing a temporary access road around the pond for the pond construction. The as-built berm centerline was approximately 4 m to 7 m outside of the design berm centreline.

The final as-built maximum total storage capacity of the underground excess saline water is 25,371 m^3, which is 2,100 m3 greater than the designed capacity.

f. Data collected from instrumentation used to monitor earthworks and an interpretation of that data

Please refer to section 2 a, b, c above for more information on thermistors data collected and interpretation of the data.

g. A summary of maintenance work undertaken as a result of settlement or deformation of dikes, dams and berm

In 2016, Agnico Eagle did not complete any maintenance work as a result of settlement or deformation of dikes, dams and berms.

h. The daily, monthly and annual flow volumes of any watercourse diverted during Construction activities

The daily, monthly, and annual flow volumes in cubic meters (m^3) of any water course diverted during Construction activities during 2016 are summarized in Appendix B. The monthly and annual flow volumes are summarized in Table 2.1 below.

Table 2.1. 2016 Monthly and Annual Flow Volumes of Any Water Course Diverted During Construction Activities

Month	A54 to H17 Flow Volume (m^3)	H6 to H17 Flow Volume (m^3)	H13 to H17 Flow Volume (m^3)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0

September	0	0	0
October	27,600	23,460	42,000
November	0	0	0
December	0	0	0
Annual Flow Volume (m^3)	27,600	23,460	42,200

i. The daily, monthly and annual quantities of Seepage from dikes, dams and other structures in cubic metres

In 2016, four containment pond dikes (DP1-A, DP1-B, DP2-A, and DP3-A) were constructed between March 25 and May 10th. Daily inspections were conducted and seepage occurrences or indication of seepage were visually observed along the dikes, downstream at DP1-B and DP3-A. Seepage was visually estimated as 1 - 2 liters per second at DP1-B. Based on the visual observations, the daily seepage rates are estimated to be between 86 – 173 m^3/day at each dike between June and October 2016.

To capture seepage and to provide a more accurate seepage rate, trenches were constructed (November 4 - 6, 2016) downstream of DP1-B and DP3-A. In 2017, the seep water collected in the trenches will be pumped back to the associated containment pond and flow volumes will be measured and recorded daily.

Currently there are no dams or other structures where seepage flow was observed in 2016.

SECTION 3 • WATER

2. Monthly and annual volume of fresh Water obtained from Meliadine Lake.
In 2016, no water was obtained from Meliadine Lake under this License.

3. Monthly and annual volume of fresh Water transferred to Meliadine Lake as a result of dewatering activities.
Dewatering of pond H17 started on August 21 and continued until October 1. Water was discharged into Meliadine Lake via a diffuser. The below table 3.1 illustrates monthly and annual volumes transferred.

Table 3.1. Volume of fresh Water transferred to Meliadine Lake in 2016.

	Volume (m^3)
August	48,406*
September	124,920
October	4,050
Total 2016	177,376

*Amount provided in August Monthly Monitoring Summary Report was adjusted.

4. Monthly and annual volume of fresh Water obtained from Meliadine River for road dust suppression activities.
In 2016, no water was obtained from the Meliadine River for road dust suppression activities.

5. Summary of reporting results for the Water Balance and Water Quality model as required in Part E Items 11-12.
The Water Balance and Water Quality model can be found in the Water Management Plan (Appendix I).

SECTION 4 • WASTE

6. Geochemical monitoring results including:

a. Geochemical monitoring results including Operational acid/base accounting and paste pH test work used for waste rock designation (PAG and NPAG rock)

Results of geochemical analyses and geochemical monitoring can be found in Appendix C. In 2016, samples were collected at the Saline Pond (Appendix C1), Meliadine Esker (Appendix C2), dike DP3-A (Appendix C3), and underground waste rock (Appendix C4). All rock tested was identified as NPAG.

b. As-built volumes of waste rock used in construction and sent to the Waste Rock Storage Facilities with estimated balance of acid generation to acid neutralization capacity in a given sample as well as metal toxicity

No waste rock was placed in the waste rock storage facility until December, as rock mined underground for ramp advancement was used for construction purposes (e.g. road, dikes, etc). A total of 100,271 m^3 of run-of-mine rock was used for construction in 2016. In December, 11,852 m^3 of rock was placed in the waste rock storage facility. Based on analysis conducted during the Final Environmental Impact Statement process and samples collected in 2016, 100% of the waste rock is NPAG.

c. All monitoring data with respect to geochemical analyses on site and related to roads and quarries

Results of geochemical analyses and geochemical monitoring can be found in Appendix C. In 2016, samples were collected at the Saline Pond, Meliadine Esker, dike DP3-A, and underground waste rock. All rock tested was NPAG.

Metal leaching tests were completed in 2016 with rock from the waste rock pile that was collected underground. Rock samples WR1, WR2, 1000, and 1100 were collected previous to 2016 and are used on an ongoing basis for leachate testing. Rock samples TWR3 and TWR4 were collected in 2016. A portion of water taken from Meliadine Lake (i.e. Sample “Leachate Water”) was also sent directly to the lab for analysis without going through the leachate cell. Results are presented in Appendix D.

d. Leaching observations and tests on pit slope and dike exposure

No leaching was observed on pit slope in 2016 as no open pit development has occurred yet. No leaching was observed on dike exposure in 2016 at the P-Area structures. No Type A Water License dikes have been built yet.

e. Any geochemical outcomes or observations that could imply or lead to environmental impact

Throughout the 2016 year all material for construction purposes was excavated from quarries or eskers approved under Quarry Permits from the Kivalliq Inuit Association (KIA). All areas of excavation were tested for Acid Rock Drainage (ARD) potential. This material was used for the construction of foundation pads for the Meliadine site

facilities. All results received for SGS depicted the material to have no potential for ARD.

To date no material showing potential for ARD or metal leaching was excavated or used based on ARD/ML tests completed.

f. Geochemical data associated with tailings, cyanide leach residue, and bleed from the cyanide destruction process including an interpretation of the data

Not applicable as there are no tailings, cyanide leach residue or bleed from the cyanide destruction process produced in 2016 on site.

g. Results related to the Borrow pits/ Quarries and roads, including the All-weather Access Road.

Results are presented in section 6.c.

Please refer to sections 6a, b and c of Chapter 4 for more information.

7. An update on the current capacity of the Tailings Storage Facility.

The Tailing Storage Facility has not been built yet.

8. Summary of quantities and analysis of Seepage and runoff monitoring from the Landfill, Landfarm, Waste Rock Storage Facilities, Borrow pits and Quarries.

Landfill, Landfarm and Waste Rock Storage Facility infrastructures approved under water license 2AM-MEL1631 have not been built yet. No seepage was observed around operating quarries and borrow pits located on site and along the AWAR as per regular inspections completed by the Environment Department.

9. A summary report of all general waste disposal activities including monthly and annual quantities in cubic metres of waste generated and locations of disposal.

Waste management was one of the major focuses in 2016 for the Meliadine site. With an increase of personnel on site and more pre-development actions being undertaken, proper segregation of waste was a key focus.

Below in Table 4.1 is a summary of the general waste produced at the Meliadine site in 2016.

Table 4.1. Quantity of general waste produced on site in 2016

Recyclable Waste Generated (tonnes)	215.00
Total Hazardous waste generated (tonnes)	1272.20
Construction/Inert waste (garbage) sent to an off-site landfill (tonnes)	176.85
Domestic waste (garbage) sent to the on-site incinerator (tonnes)	181.50
TOTAL WASTE PRODUCED (TONNES)	1845.55

i) Construction / Inert Waste

All Construction/Inert waste was shipped off site and sent south via sea lift to the Port of Bécancour. After reaching the port, this waste was taken to an approved landfill for disposal.

Hazardous waste generated on site can be further broke into two (2) major groups;

Hazardous waste shipped to and off-site disposal facility (tonnes)	101.30
Contaminated soil produced during the year (tonnes)	1170.9
Total Hazardous waste generated (tonnes)	1,272.20

Contaminated soil produced on site is stored within the Type B landfarm located on the Meliadine site.

Hazardous waste items such as used batteries, empty hydrocarbon containers, oily rags, sewage sludge, spent fluorescent tubes, etc. were segregated for transport throughout the year. All hazardous waste was sent off site and shipped south via sea lift to Solva-Rec Environnement located at:

Solva-Rec Environnemnet
795 Lucien-Beaudin
St-Jean-sur-Richelieu, QC
G6L 2Y6

All documentation for the transfer and disposal of the hazardous waste sent off site can be found in Appendix E.

ii) Recycling

Recyclable materials can be broke into 2 groups; used tires and scrap metal.

Tires sent to recycling (tonnes)	4.25
Metals sent to recycling (tonnes)	206.50
Total Recyclable Waste (tonnes)	215

Used tires were shipped to Faida Recyclage. Faida Recyclage received, processed, and recycled the used tires according to all applicable federal laws and provincial and territory laws as per regulations.

10. Report of Incinerator test results including the materials burned and the efficiency of the Incinerator as they relate to Water and the deposit of Waste into Water.

The incinerator approved under Water License 2AM-MEL1631 has not been built yet. Construction will be completed in 2017.

SECTION 5 • SPILLS

11. A list and description of all unauthorized discharges including volumes, spill report line identification number and summaries of follow-up action taken.

In 2016, there were two (2) reportable spills. On October 4, 1188 L of diesel was spilled at the exploration fuel farm due to tanker truck overfilling. The spill was immediately contained and cleaned. A trench was dug south of the road to intercept any migrating fluid. Any excavated material that was contaminated was stored at the Meliadine NWB water licence 2BB-MEL1424 landfarm. A bypass road was completed on October 8 to complete the spill cleanup. Soil samples were collected and provided to the GN for confirmation of soil cleanup. Agnico Eagle is awaiting a response from the GN to backfill the area. Following this event, Agnico Eagle conducted an investigation and the results were provided to INAC and the KIA. The spill report line identification number for this spill is 2016368.

On December 5, 2.13 kg of oil and grease was discharged in Meliadine Lake when an exceedance to the oil and grease limit for the STP effluent, set forth in the NWB Water License 2BB-MEL1424, occurred. The analytical result was received at 75 mg/L which exceeds the 5 mg/L threshold. The subsequent sample to this exceedance was found to be below the 5 mg/L threshold. An investigation was completed and results were provided to the NWB with the January 2016 Monitoring Summary Report

A list of all 2016 non-reportable spills can be found in Appendix F. In 2016, the Environment Department raised awareness on the importance of reporting all spills. As a result, multiple spills below 5L were reported in the later part for the year. All these spills were contained and cleaned, with no major impacts to the environment. Contaminated material was disposed appropriately on site according to Agnico Eagle’s Spill Contingency Plan and Landfarm Management Plan.

SECTION 6 • MODIFICATIONS

12. A summary of modifications and/or major maintenance work carried out on all Water and waste related structures and facilities.

No modifications and/or major maintenance work was carried on water and waste related structures and facilities related to Water License 2AM-MEL1631.

SECTION 7 • MONITORING

13. The results and interpretation of the Monitoring Program in accordance with Part D and Part I and Schedule I.

i. MEL-D-1. Daily water volumes discharged into Meliadine Lake from H17 and weekly TSS and pH results from samples collected at the Final Discharge Point are presented in Tables 7.1 and 7.2 below. No TSS and pH exceedances were recorded.

Table 7.1. Daily Water Volumes Discharged into Meliadine Lake

	August	September	October
Volume discharged into Meliadine Lake (m3)			
1	0	4719	4050
2	0	4252	0
3	0	4828	0
4	0	4767	0
5	0	4958	0
6	0	4991	0
7	0	4578	0
8	0	4758	0
9	0	4830	0
10	0	4838	0
11	0	4837	0
12	0	4843	0
13	0	4718	0
14	0	4670	0
15	0	4361	0
16	0	1924	0
17	0	655	0
18	0	3596	0
19	0	4168	0
20	0	4602	0
21	1185	3357	0
22	4849	3957	0
23	4416	4602	0
24	4843	4082	0
25	4782	3890	0
26	4565	3752	0
27	4662	4624	0
28	4448	3680	0
29	4867	3182	0
30	4891	3874	0
31	4898		0
Total (m3)	48406	124893	4050

Table 7.2. Weekly TSS Results at Final Discharge Point MEL-D-1

	TSS (mg/L)	pH
22-Aug-16	2	6.96
29-Aug-16	1	7.69
5-Sep-16	10	7.45
12-Sep-16	1	7.49
19-Sep-16	6	8.03
26-Sep-16	8	8.6

ii. As per Part I Item 9:

a. The volume of fresh Water obtained from Meliadine Lake at Monitoring Program Station MEL-01;

No water was used under this License from MEL-01.

b. The volume of fresh Water transferred to the Meliadine Lake during lakes' dewatering activities;

In 2016, dewatering of pond H17 started on August 21 and continued until October 1. Water was discharged into Meliadine Lake via a diffuser. The below table 7.3 illustrates monthly and annual volumes transferred.

Table 7.3. Monthly and annual volumes transferred to Meliadine Lake

	Volume (m^3)
August	48,406*
September	124,920
October	4,050
Total 2016	177,376

*Amount provided in August Monthly Monitoring Summary Report was adjusted.

c. The volume of fresh Water obtained along the road and Meliadine River for dust suppression activities;

No water was used under this License from dust suppression activities.

d. The volume of Effluent discharged from Final Discharge Point at Monitoring Program Station MEL-14;

No effluent was discharged from Final Discharge Point at Monitoring Program Station MEL-14 (new monitoring station name as per Board's approval).

e. The volume of reclaim Water obtained from the CP1;

No reclaim water was obtained from the CP1.

f. The volume of Effluent discharged onto tundra at Monitoring Program Station MEL-25 or transferred to CP1 from the Itivia Site Fuel Storage and Containment Facility

No effluent was discharged onto tundra at Monitoring Program Station MEL-25 (new monitoring station name as per Board's approval) or transferred to CP1 from the Itivia Site Fuel Storage and Containment Facility.

g. The volume of Effluent and Fresh Water transferred to the pits during pits' flooding

Not applicable as no pit has been developed yet

h. The volume of Sewage sludge removed from the Sewage Treatment Plant and the locations or methods of Sewage sludge disposal
In 2016, the Sewage Treatment Plant under Water License 2AM-MEL1631 was not built yet.

i. Quantity of waste placed within the Landfill and Landfarm
In 2016, the Landfill and Landfarm under this License were not built yet.

j. Tonnes of ore stockpiled and ore processed through the mill
A total of 44,263 tonnes of ore is currently stockpiled approximately150m north of the portal entrance. No ore was processed through the mill.

k. Tonnes of waste rocks placed within the Waste Rock Storage Facilities
No waste rock was placed in the waste rock storage facility until December, as rock mined underground for ramp advancement was used for construction purposes (e.g. road, dikes, etc). A total of 100,271 m3 of run-of-mine rock was used for construction in 2016. In December, 11,852 m3 of rock was placed in the waste rock storage facility.

l. The daily tonnes of dry combined tailings placed within the Tailings Storage Facility
Not applicable.

14. The results of monitoring related to the Environmental Management and Protection including:

a. Aquatic Effects Monitoring Program;
Please refer to Appendix G for the 2016 Report of the Aquatics Effects Monitoring Program.

b. Metal Mining Effluent Regulation (MMER) Monitoring;
Please refer to Appendix H for results obtained as part of the MMER Monitoring Program at Station MEL-D-1 (H17 dewatering). No further documentation was provided to Environment and Climate Change Canada.

c. Mine site Water quality monitoring, including groundwater monitoring; and
Results related to sampling conducted at station MEL-D-1 are presented in section 13i. No further samples were required to be collected as part of water license 2AM-MEL1631 Table 2 as most infrastructures have not been built yet.

d. Visual AWAR Water quality monitoring.
In 2016, visual observations were completed weekly by the Environment Department during All Weather Access Road (AWAR) inspections. Watercourse crossings were inspected for sediment plumes/signs of erosion. In 2016, no issues were observed.

SECTION 8 • CLOSURE

15. **A summary of any progressive closure and reclamation work undertaken including photographic records of site conditions before and after completion of operations, and an outline of any work anticipated for the next year, including any changes to implementation and scheduling.**
    No progressive closure or reclamation work was undertaken in 2016. No work is expected to occur in 2017.

16. **A summary of on-going field trials to determine effective capping thickness for the Tailings Storage Facility and Waste Rock Storage Facilities for the purpose of long term environmental protection.**
    The Tailings Storage Facility and the Waste Rock Storage Facilities have not been built yet, and thus no field trials were completed in 2016.

17. **An updated estimate of the current restoration liability based on Project development monitoring, results of restoration research and any changes or modifications to the Appurtenant Undertaking.**
    A permanent closure and reclamation financial security cost estimate was prepared in March 2014 to cover the closure and reclamation of all Project facilities using the software RECLAIM Version 7.0. It was incorporated to the Preliminary Closure and Reclamation Plan (April 2015) prepared as part of the Type A Water License application. This closure cost was approved and incorporated into Part B of Water License 2AM-MEL1631 and represents 47,449,337$. There have been no changes to the closure and reclamation plan since then. The restoration liability and financial security maintained with KIA and the NWB is still adequate.

SECTION 9 • PLANS/REPORTS/STUDIES

18. A summary of any studies requested by the Board that relate to Water use, Waste disposal or Reclamation, and a brief description of any future studies planned.

No studies were requested by the Board.

19. Where applicable, revisions as Addendums, with an indication of where changes have been made, for Plans, Reports, and Manuals.

The following ten (10) Management Plans were updated and are included in Appendix I:

- Ammonia Management Plan
- Borrow Pits and Quarries Management Plan
- Environmental Management and Protection Plan
- Landfill and Waste Management Plan
- Mine Waste Management Plan
- Operation and Maintenance Manual: Sewage Treatment Plant
- QAQC Plan
- Roads Management Plan
- Spill Contingency Plan
- Water Management Plan, including the Freshet Action Plan

These were also submitted to the NIRB as part of the 2016 Annual Report. Changes are indicated in the first section of each management plan.

20. An executive summary in English and Inuktitut of all updated plans, reports, or studies conducted under this Licence.

Agnico Eagle is currently working on getting the translation work completed. It will be submitted to the NWB as soon as the translation is completed. The targeted deadline for submission is April 14.

SECTION 10 • GENERAL

21. A summary of actions taken to address concerns or deficiencies listed in the inspection reports and/or compliance reports filed by an Inspector.

A list of inspections/site visits/audits completed by regulatory bodies at the Meliadine site in 2016 is presented in the table 10.1 below.

Table 10.1. 2016 inspections and Site Visits

Month	Organization	Concerns/Deficiencies
February	ECCC	No concerns
February	INAC	No concerns
March	KIA	No concerns
April	INAC	Requested Actions presented below
May	INAC	Requested Actions presented below
June	INAC	No concerns
June	KIA	No concerns
June	INAC	No concerns
June	ECCC	No concerns
July	INAC/NWB	No concerns
July	GN Environmental Health	No concerns
August	NIRB	No concerns
October	Bearwise	No concerns
October	KIA-GN Conservation Officer	No concerns
October	GN	No concerns
November	GN Conservation Officer	No concerns
November	INAC	Requested Actions presented below
December	KIA	No concerns

A summary of actions taken to address concerns or deficiencies listed in the inspection reports provided by INAC are presented below.

1) Inspection Report – April 12, 2016

Following the inspection, INAC directed Agnico Eagle to complete the following activities:

I. Take such measure necessary to stop the release of water from containment pond P1 and the portal surface sump into the receiving environment.

Agnico Eagle Response: Four temporary water containment structures (DP1-A, DP1-B, DP2-A, DP3-A) were constructed to contain and manage the runoff water anticipated during the 2016 freshet in the P-Area. The containment structures delimit three containment ponds namely P1 Containment Area, P2 Containment Area, and P3 Containment Area. Construction of the dikes was completed in May 10, 2016. Thereafter construction continued with the installation of the water management pumping system and with the three evaporators, which were completed on June 28, 2016.

II. Within 60 days of completion of DP1-B, DP1-A, DP2-A, DP3-A, and the water collection system, submit to the Board, a construction summary report along with stamped as-build plans and drawings, providing explanation to reflect any deviations from the construction drawings taking into account construction and field decisions and how they affect the performance of each structure.

Agnico Eagle Response: The Construction Summary Report for the P-Area including the requested information was submitted to the NWB and NIRB on September 28, 2016.

III. Amend the 2BB-MEL1424 monitoring program to include, at a minimum, a regular compliance point at DP3-A and A54.

Agnico Eagle Response: The requested compliance points were added to the 2BB-MEL1424 monitoring program.

IV. Modify the monthly monitoring reports, starting April 2016, to include, at a minimum, an updates of the construction of the containment structures, waste water treatment options; modifications of the freshet action plan, sampling, and analysis of those results.

Agnico Eagle Response: The requested information was added to Monthly Monitoring Summary Reports submitted to the NWB and INAC inspector.

2) INAC Inspection Report – May 25, 2016

Following the inspection, INAC requested Agnico Eagle to complete the following actions:

I. AEM will provide the data and analysis of the DP3-A thermistors to the inspector before June 15th, 2016.
Agnico Eagle Response: The information requested was provided to the INAC Inspector on June 16, 2016.

II. AEM shall sample Culvert no. 2 outlet to H12 in accordance with PART E Item 9 of Water Licence no. 8BC-MEL1516. The data and analysis will be provided to the inspector in the monthly monitoring report for the Meliadine Project starting in May 2016.

Agnico Eagle Response: Sampling was conducted and results will be provided with the 2016 NWB Water License 2AM-MEL1631 annual report as it was omitted to include it in monthly monitoring reports. Please refer to Appendix J for results.

III. AEM will remove snow/material from the shore and surface of H13, A54 and J1. Upon completion, AEM environmental department will prepare a report with pictures to be submitted to the inspector before June 6th. 2016.

Agnico Eagle Response: This was not completed as all snow had melted.

3) INAC Inspection Reports – November 10, 2016

Following the inspection, INAC requested Agnico Eagle to complete the following actions:

I. A revised Freshet Action Plan will be provided to the Nunavut Water Board 60 days prior to Freshet.

Agnico Eagle Response: Agnico Eagle will provide the revised Freshet Action Plan to INAC along with the 2016 Annual Report due March 31, 2017.

II. A revised Landfarm Management Plan will be submitted with the 2016 Annual report to the Nunavut Water Board.

Agnico Eagle Response: Agnico Eagle will update the Landfarm Management Plan to reflect changes and will submit it with the 2016 Annual Report.

III. AEM will modify the monthly monitor report to:
- include, all seepage characterization […];
- remove, sampling station at the recycling facility and the sampling station within the P1 containment area.

Agnico Eagle Response: Agnico Eagle has updated its Monthly monitor summary report.

4) Inspection – Outstanding Comment

During an inspection with the INAC inspector in 2016, Agnico Eagle mentioned it would provide information on the evaporators installed in 2016 at the Meliadine Site. Please find the information below.

> The Evaporator System (ES), (consisting of the 3 evaporators), was designed for vaporizing water into the atmosphere. The evaporator applies the principles of thermodynamics to accelerate the phase change from liquid water to vapor in large quantities.
>
> The ES was installed to maintain capacity in the P-Area and to protect the integrity of the dikes. The first phase of evaporator's installation, testing, and commissioning consisted of the construction of three (3) "fingers" or jetties to allow the physical installation of the evaporators, in the prevailing winds direction, on the north shore of P-Area 1. Following the completion of equipment installation on

June 26, 2016, a 12 hours test was performed on evaporators to confirm their performances and reliability.

The ES were in operation from June 29 to September 14, 2017. The efficiency of the ES was calculated to be >22 m3/hour (>264 m3/day) for data recorded on September 1, 2, and 5. These days were selected for the calculation because they had consistent records between the startup and the shutdown. Areas of improvement have been identified and use of the ES will be continued in 2017.

SECTION 11 • OTHER

22. A summary of public consultation and participation with local organizations and the residents of the nearby communities, including a schedule of upcoming community events and information sessions.

The 2016 consultation log can be found below in Table 11.1.

Table 11.1. 2016 Consultation Log

Date	Location	Community/Organization	Communication Type	Topics discussed
10-Feb-16	Rankin Inlet	Community	Public hearing Type A Water License	Meliadine Gold Project
5-May-16	Rankin Inlet	KHTO	Meeting	Nunavut Exploration Projects, Wildlife monitoring program, Construction Summary
11-May-16	Chesterfield Inlet	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Human Resources - Labour Pool Process
12-May-16	Rankin Inlet	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Human Resources - Labour Pool Process
18-May-16	Whale Cove	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Human Resources - Labour Pool Process
19-May-16	Arviat	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Human Resources - Labour Pool Process
19-May-16	Baker Lake	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Human Resources - Labour Pool Process
6-Jun-16	Rankin Inlet	GN-Nunavut Airports, GN-CGS, Hamlet Officials	Meeting, KHTO Official Meeting	Rankin Inlet bypass road, Itivia Quarry, Laydown and fuel farm area

29-Jun-16	Coral Harbour	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Human Resources - Labour Pool Process
30-Jun-16	Naujaat	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Human Resources - Labour Pool Process
7-Jul-16	Rankin Inlet	KHTO	Meeting	Wildlife monitoring program
25-Aug-16	Rankin Inlet	GN-Nunavut Airports, GN-CGS, Hamlet Officials	Meeting	Rankin Inlet bypass road, Itivia Quarry, Laydown and fuel farm area
1-Sep-16	Rankin Inlet	Community	Open house	IIBA - ECC Reporting Human Resources - Labour Pool Process
6-Sep-16	Whale Cove	Community	Open house	IIBA - ECC Reporting Human Resources - Labour Pool Process
13-Sep-16	Arviat	Community	Open house	IIBA - ECC Reporting Human Resources - Labour Pool Process
13-Sep-16	Chesterfield Inlet	Community	Open house	IIBA - ECC Reporting Human Resources - Labour Pool Process
19-Sep-16	Coral Harbour	Community	Open house	IIBA - ECC Reporting Human Resources - Labour Pool Process
20-Sep-16	Rankin Inlet	KHTO	Meeting	Wildlife monitoring program, signage erected on AWAR
20-Sep-16	Naujaat	Community	Open house	IIBA - ECC Reporting Human Resources - Labour Pool Process
21-Sep-16	Baker Lake	Community	Open house	IIBA - ECC Reporting Human Resources - Labour Pool Process
24-Oct-16	Chesterfield Inlet	Community	Open house	IIBA - BOC Monthly ReportIIBA - ECC ReportingProject - Whale TailHuman Resources - Labour Pool ProcessEnvironment
25-Oct-16	Baker Lake	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Project - Whale Tail Human Resources - Labour Pool Process Environment

26-Oct-16	Rankin Inlet	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Project - Whale Tail Human Resources - Labour Pool Process Environment
1-Nov-16	Naujaat	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Project - Whale Tail Human Resources - Labour Pool Process Environment
2-Nov-16	Coral Harbour	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Project - Whale Tail Human Resources - Labour Pool Process Environment
3-Nov-16	Whale Cove	Community	Open house	IIBA - BOC Monthly Report IIBA - ECC Reporting Project - Whale Tail Human Resources - Labour Pool Process Environment
28-Nov-16	Rankin Inlet	GN-Nunavut Airports, GN-CGS, Hamlet Officials	Pre-council meeting	Rankin Inlet bypass road, Itivia Quarry, Laydown and fuel farm area
28-Nov-16	Rankin Inlet	Hamlet Council and officials, GN-CGS	Council Meeting	Rankin Inlet bypass road, Itivia Quarry, Laydown and fuel farm area
13-Dec-16	Rankin Inlet	GN-Nunavut Airports, GN-CGS, Hamlet Officials	Council Meeting	Rankin Inlet bypass road, Itivia Quarry, Laydown and fuel farm area

Abbreviations:
BOD: Business Opportunity Development
ECC: Employment and Culture Committee
IIBA: Inuit Impact and Benefits Agreement
GN: Government of Nunavut
CGS: Community and Government Services
KHTO: Kangiqliniq Hunters and Trappers Association

23. Any other details on Water use or Waste disposal requested by the Board by November 1st of the year being reported.

No other details were requested by the Board by November 1st of 2016.

APPENDIX A: Annual Geotechnical Inspection Report

APPENDIX B: Water Diverted during Construction

APPENDIX C: Geochemical Results

APPENDIX D: Leachate Results

APPENDIX E: Hazmat Manifests

APPENDIX F: 2016 Unreported Spills

APPENDIX G: Aquatic Effects Monitoring Report

APPENDIX H: MMER Results

APPENDIX I: Updated Management Plans

APPENDIX J: Sampling Culvert no2 into H12 Results