

File No: 2AM-MEL1631/ Amendment No. 1

August 24, 2020

Chris Kanaan

Email: chriskanaan@yahoo.com

Subject: Type "A" Water Licence No: 2AM-MEL1631 Emergency Amendment,

Agnico Eagle Mines Limited, Meliadine Project

Dear Mr. Kanaan:

Thank you for providing additional questions regarding the Meliadine file.

With respect to your first question about the Saline Water Treatment Plant (SWTP) underperformance and the lack of information regarding this matter in the Groundwater Management Plan (GWMP), generally, the management plans do not serve as deficiency reports, these plans only summarize the site conditions and general works done/ planned to be done, but will not explain the reasons why any deficiencies occurred. Additionally, the GWMP is a form of an Appendix to the main Water Management Plan (WMP), which contains a lot more information on the management of water on site, but again it does not serve as a deficiency report. Generally, any serious deficiencies, as well as any spills, would be reflected in the Annual Report for the reported year. Additionally, any maintenance planned on the infrastructure is generally covered in the respective Operations and Maintenance Manuals. As far as the NWB is aware, the SWTP was undergoing some planned upgrades in 2019 and could not function at a full capacity. Section 9.3 of the 2019 Annual Report states the following:

From October 6th to November 23rd, 2019, mandatory corrective maintenance to the boiler system at the SWTP was completed. This mainly included re-leveling of the boilers. In parallel to boiler maintenance, additional maintenance at the SWTP was completed over the 48 day period. This included radiator cleaning, evaporator packing replacement, raw water tank cleaning and heat exchanger inspections.

However, the consequences of the SWTP underperformance were not discussed in the 2019 Annual Report. Please note that the 2019 Annual Report is still under review of the NWB, and your questions will be incorporated into the NWB correspondence directed to Agnico Eagle.

With respect to your second question about enforcement, as explained in my previous letter, under Nunavut's integrated regulatory system the NWB is the licensing authority responsible for the issuance and administration of licences, and does not have enforcement powers. The enforcement of licence terms and conditions is the responsibility of Crown-Indigenous Relations and Northern Affairs (CIRNA). For your information, the CIRNA inspector in charge of the Meliadine file is Atuat Shouldice. You can contact him directly at atuat.shouldice@canada.ca for further clarification regarding your enforcement question.

With respect to your third question regarding the Effluent Water Treatment Plant (EWTP) functionality, the NWB does not have any field staff, who would be able to validate whether what the Licensee is reporting is actually true. The NWB rely on the monitoring and reporting provided by the Licensees, coupled with the inspection reports provided by the CIRNA inspectors who verify compliance with terms and conditions of the Licence. Section 3.9.3 of the Water Management Plan and Section 3.4.2.1 of the Ground Water Management Plan clearly state that the EWTP effluent discharge to Meliadine Lake was performed in 2019 in accordance with the conditions outlined in Part F, Item 3 of the Water Licence, implying that the EWTP was functional in 2019, especially when considering that there was no mention of that malfunction in any CIRNA's 2019 inspection reports. Additionally, Table 23 of the 2019 Annual Report shows that there was an inspection conducted on September 4, 2019 by both CIRNA and the Kivalliq Inuit Association (KivIA), which did not identify any deficiencies with the EWTP.

I trust this information responds to your follow up e-mail. A copy of this, and our other communications are saved with the NWB public registry. Please let me know if you have any other questions or concerns.

Sincerely,

NUNAVUT WATER BOARD

Stephanie Autut Executive Director

cc. Richard Dwyer - Manager, Licensing

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