

File: 2AM-MEL1631/TR/D1, 2

April 30, 2018

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Jamie Quesnel
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Subject: Design Report for water treatment plant; Type "A" Water Licence 2AM-MEL1631, Meliadine Gold Project, Agnico-Eagle Mines Ltd.

Dear Mr. Chernoloz and Mr. Quesnel:

The Nunavut Water Board ("NWB") received from Agnico Eagle Mines Limited (AEM or Licensee) on April 10, 2018, the document entitled: "Agnico Meliadine WTP Design Report" and associated drawings (Report) as a requirement of Part D, Item 1 of the Licence 2AM-MEL1631 (Licence). The Report was completed by Linkan Engineering for AEM and dated April 2018.

According to the Report the construction/installation of this water treatment plant is to treat Containment Pond 5 (CP5) water in order to reduce its salinity. This treated water will be blended with Containment Pond 1 (CP1) water to a total dissolved solids (TDS) concentration of approximately 1,300 mg/L. This blended effluent will then be discharged to Meliadine Lake.

Agnico Eagle also states that this treatment process was pilot tested at Linkan's Elko, NV (U.S.A.) facility in January 2018, using closed-circuit reverse osmosis (CCRO) as primary treatment. CCRO was selected for use as it produces a much lower volume of brine than conventional equipment. The final CP5/CP1 blend generated during pilot testing was determined to have no acute aquatic toxicity per the requirements of Canada's EPS 1 / RM / 13 and 14 standards for rainbow trout and daphnia magna.

On April 10, 2018, the Report was distributed for interested parties' review with a deadline for submissions set at April 20, 2018. On April 20, 2018, Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC or INAC) advised the Board that they do not have any comments at this time.

The Board is satisfied that the Report addresses the requirements of Part D, Item 2 of Licence 2AM-MEL1631, and has approved the Design Report for Water Treatment Plant through Board Motion No. 2018-A1-001, dated April 30, 2018, as required by Part D, Item 1 of Licence. The Licensee is advised that the Board's "approval" of this document is a verification that the proposed activity is consistent with the existing terms and conditions of the Licence and more specifically with the Part D, Item 2, and may proceed in accordance with the Report and drawings provided. It should be noted that the Board's "approval" is NOT intended or offered as any representation regarding the suitability of the plans nor third party verification of the design, construction, planning or engineering discussed in the document.

Should you have any questions, please feel free to contact the undersigned at (867) 360-6338 or karen.kharatyan@nwb-oen.ca at your earliest convenience.

Regards,

Karén Kharatyan Director of Technical Services

cc: Distribution List - Meliadine