January 16, 2017

Your file - Votre référence 2AM-MEL1631

Our file - Notre reference IQLAUIT-# 1125076

Karen Kharatyan Manager of Licensing Nunavut Water Board GJOA HAVEN, NU X0E 1J0

Re: Indigenous and Northern Affairs Canada Review of Agnico Eagle Mines Ltd.'s Operation and Maintenance Manual for the Sewage Treatment Plant - Water Licence #2AM-MEL1631.

Dear Mr. Kharatyan:

Thank you for your email of December 15, 2016, concerning the above mentioned Operation and Maintenance plan. A memorandum is provided for the Board's consideration. Comments and recommendations have been provided pursuant to Indigenous and Northern Affairs Canada's mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Department of Indian Affairs and Northern Development Act.

Please do not hesitate to contact me by telephone at 867-975-4282 or email at ian.parsons@aandc- aadnc.gc.ca for further information.

Sincerely,

Ian Parsons Regional Coordinator Water Resources Division Resource Management Directorate Indigenous and Northern Affairs Canada IQALUIT, NU X0A 0H0

Encl.

Erik Allain, Manager of Field Operations, INAC Nunavut Regional Office C.C.:



Memorandum

Re: Water Licence Operation and Maintenance Plan for the Sewage Treatment Plant, #2AM-MEL1631

Licensee: Agnico Eagle Mines Ltd.
Project: Meliadine Gold Mine

Region: Kivalliq

Comments:

A. Background

On December 15, 2016, the Nunavut Water Board (the "NWB") provided notification of Agnico Eagle Mines Ltd. (AEM)'s Operation and Maintenance Manual for their Sewage Treatment Plant. The Manual states that the sewage will be treated and monitored to performance standards and that effluent will be discharged to CP1. Sludge will be managed accordingly. The property is located 25 km north of the Hamlet of Rankin Inlet.

Interested parties were asked to review this application and provide comments by January 16, 2017.

Results of review

On behalf of Indigenous and Northern Affairs Canada ("INAC"), the following comment and recommendation is provided:

1. Effluent Monitoring

Source: Operation and Maintenance (O and M) Manual for the sewage Treatment Plant Water Licence 2AM-MEL1631

Comment: In looking through the water licence and the O and M Manual, INAC can find no specific criteria to be met for parameters associated with sewage discharge (i.e. Faecal-Coliform, TSS, ammonia, BOD₅, total phosphorous, toxicity, oil & grease, pH, etc)

Recommendation: The treated sewage effluent is to be discharged to CP1 and then treated again before ultimately reaching Meliadine Lake. INAC recommends that because treated sewage effluent criteria does not seem to be contained in the licence thus far, parameters pertaining to sewage effluent, such as Faecal-coliform, ammonia, Total Suspended Solids, BOD₅, total phosphorous, toxicity, oil & grease, pH, etc.) should be monitored and acceptable criteria met before this water/effluent is released to Meliadine Lake.