AGNICO EAGLE

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From: Agnico Eagle Mines Limited – Whale Tail Project

Date: August 15th, 2019

Update to Whale Tail Project Water Management Strategy

As per discussion held between Agnico Eagle Mines and NWB on August 13th, 2019, Agnico is submitting a letter outlining the update to the Whale Tail Project Water Management Strategy. This document describes the proposed changes to the management of non-contact water from the North-East pond and Lake A53 watershed.

The objective of these two requests are to substitute passive flow with a pumping alternative that would comply with the original intent of the approved water balance and Water License 2AM-WTP1826 (same origin and destination of water). It should be noted that both of the original passive conveyance of this water are not constructed therefore not operational. At this time the site has received high volume of precipitation which is adding additional volume of water to manage. Based on the water balance, an average summer (May to August) is expected to represent 103 mm of rain. As of August 14th, 2019, 174 mm of rain was received at Whale Tail.

1.0 North-East Pond to Nemo Watershed

The Water Management Plan indicates that non-contact water from the North-East Pond watershed will overflow by gravity toward Nemo Lake once the North-East (NE) Dike is operational. The NE Dike was constructed in Q1 2019 and became operational during freshet of 2019. During a routine inspection in July 2019, it was observed that the topography toward Nemo Lake would not allow water to overflow naturally before overtopping the dike liner. Since then, water has been pumped from NE Pond toward the project site adding pressure on dewatering activity.

Agnico is proposing to pump water from the NE Pond to the Nemo watershed in 2019 and 2020. This system would be used to empty the NE Pond when required and would be operational until NE Dike is dismantled (which is planned prior to freshet 2021). The NE Pond is also planned to become the IVR Pit as part of the Whale Tail Expansion Project, if approved.

HL125 or HL 250 pumps will be used and their intake will be positioned in area where there is sufficient water depth. The piping used for the line will be HDPE piping and flexible mine hose (Mineflex). To minimize impact on the receiving environment the line installed in the tundra will be made of Mineflex and the discharge location will have an energy dissipating pad to avoid erosion. Existing access are planned to be used to position the pump, intake and discharge. Some access extension within the dewatered portion of NE Pond might be required to reposition

the pump intake as the water level is drawdown. If needed, these access extensions will be made in accordance with the current requirement of the Water License.

2.0 A53 Lake to Whale Tail South

The Water Management Plan indicates that non-contact water from the A53 watershed will be redirected to Whale Tail South through the East Channel. Water from the A53 watershed is currently pumped to Whale Tail North as the East Channel construction will not be completed prior to freshet 2020 adding pressure on the dewatering activity.

Agnico is proposing to halt the construction of the East Channel and to pump water from the A53 Lake to Whale Tail South from 2019 to 2021. This would ensure that targets are met for the dewatering in 2019 and avoid the construction of a pathway for contact water in the environment as Lake A53 is planned to become an Attenuation Pond as part of the Whale Tail Expansion Project in 2022.

The pumping strategy used for this would be the same one as approved to lower the water level of A53 Lake during the East Channel construction (using HL 250 pump and Mineflex) and detailed in the design report 'Detailed Engineering of the East Diversion Channel'. The main modification will be to extend this strategy until 2021 and to move the discharge points from Whale Tail North to Whale Tail South. The discharge location in Whale Tail South will re-use the approved discharge in Whale Tail South that was used during dewatering activity.

3.0 Monitoring and System Operation

Pumping and piping operation, maintenance and surveillance activities and frequency are described in the Water Management Infrastructures Operation, Maintenance and Surveillance (OMS) manual for the dewatering infrastructure included in this letter. Relevant sections of that document are Section 5 (Table 5-8 summarize operating condition), Section 6 (Table 6-3 summarize maintenance activity and frequency) and Section 7 (Table 7-4 summarize surveillance activity and frequency).

The water level in Lake A53 will be maintained to the natural level and regular water level monitoring will be conducted.

Agnico is not expecting any concerns relating to water quality as this is non-contact water from NE Pond and Lake A53. To ensure compliance with the Water License 2AM-WTP1826 (WL), Agnico is proposing to monitor the effluent of the NE Pond for TSS as per WL Part F Item 6. For Lake A53, the proposed monitoring will align with the current WL requirement, i.e. as per Schedule I Table 2 for ST-WT-7 and as per Part F Item 6 for TSS limits.

Agnico is of the opinion that the proposed changes to NE Pond and Lake A53 along with the proposed monitoring remains within the current scope of the approved Water License 2AM-WTP1826 and as such will update the Whale Tail Water Management Plan to reflect these new activities.

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Should you require any further information, please do not hesitate to contact the undersigned.

Regards,

Nancy Duquet-Harvey
Environment Superintendent