

Files: 2AM-MEA1526, 2AM-WTP1826

August 13, 2019

Marie-Pier Marcil Environmental Compliance Counselor Agnico Eagle Mines Limited 145, King Street East Suite 400, Toronto, ON M5C 2Y7

E-mail: marie-pier.marcil@agnicoeagle.com

RE: Licences No. 2AM-MEA1526, 2AM-WTP1826 Type "A"; Meadowbank Gold Mine Project and Whale Tail Pit Project, Agnico Eagle Mines Limited; 2018 Annual Report

Review

Dear Ms. Marcil:

The Nunavut Water Board (NWB or Board) has completed a technical review of the 2018 Annual Report (the Report) for Type "A" Water Licences 2AM-MEA1526 and 2AM-WTP1826 (Meadowbank Licence and Whale Tail Pit Licence, respectively, or Licences). The Report was received on April 16, 2019 from Agnico Eagle Mines Limited (Agnico Eagle or Licensee), submitted as a requirement under Part B of the Licences.

Copies of all documents received during Report review can be accessed through the NWB's Public Registry and FTP site using the following links:

<u>ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-MEA1526%20Agnico/3%20TECH/1%20GENERAL%20(B)/2%20ANNUAL%20RPT/2018/</u>

and

ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-WTP1826%20Agnico/3%20TECH/B%20GENERAL/2%20ANNUAL%20RPT/

On April 29, 2019, the NWB distributed the Report for public review. Submissions were received from Crown-Indigenous Relations and Northern Affairs (CIRNA) and Environment and Climate Change Canada (ECCC) on July 29, 2019. The table below provides a brief summary of issues that NWB and the intervenors found outstanding during the Report review period. The table provides deadlines for the Licensee to respond to respective recommendations and concerns. For the intervenors' discussion of these items, please refer to the comment submissions referenced above.

No.	Intervener Recommendation / Concern	Deadline to Respond by and Notes			
Crov	Crown-Indigenous Relations and Northern Affairs (CIRNA) - Meadowbank Gold Mine Project				
1	Implement the recommendations made in the 2018 Annual	March 31, 2020 (2019 Annual			
	Geotechnical Inspection Report and the Meadowbank	Report)			
	Dikes Review Board Report #24. Report and discuss the				
	results in the 2019 Annual Report.				
2	Monitor the quantity and quality of the Central Dike	Outline the measures to			
	seepage. Implement proactive measures to mitigate ARD/ML formation in the TSF and to reduce or stop the	mitigate ARD/ML formation in the TSF and to reduce or stop			
	Central Dike seepage.	the Central Dike seepage by			
		November 1, 2019.			
		Provide monitoring results by			
		March 31, 2020 (2019 Annual			
		Report).			
3	Fulfil the commitment to present the results of monitoring	March 31, 2020 (2019 Annual			
	on the water level of Turn Lake in the 2019 Annual Report.	Report)			
4	Update pit water quality predictions, identify and	March 31, 2020 (2019 Annual			
	implement appropriate proactive mitigation measures, and	Report)			
5	discuss the results in the 2019 Annual Report. Validate and update its thermal models with thermal	March 31, 2020 (2019 Annual			
3	monitoring data and present the results in the 2019 Annual	Report)			
	Report.	report			
6	Make further efforts to prevent spill or reduce the number	March 31, 2020 (2019 Annual			
	and volume of spills and report such efforts in the 2019	Report)			
	Annual Report.				
7	Update the Meadowbank Interim Closure and Reclamation Plan in a timely manner so that appropriate progressive	The NWB notes that the Licensee submitted the			
	reclamation can be planned and implemented.	Meadowbank Interim Closure			
	rectamation can be planted and implemented.	and Reclamation Plan dated			
		May 29, 2019 on July 24, 2019.			
		The Plan is currently under			
		review.			
	vn-Indigenous Relations and Northern Affairs (CIRNA) - Wh	Š			
1	Present the Whale Tail Lake South Basin, Whale Tail	November 1, 2019			
	Lake North Basin, and Mammoth Lake individual water level measurements for each lake in tabular and graphical				
	form.				
2	Report the the 2018 Quarry 1 seepage analysis.	November 1, 2019			
3	Report the 2018 seepage and groundwater results.	November 1, 2019			
4	Use the higher measured hydraulic conductivity in Whale	March 31, 2020 (2019 Annual			
	Tail models to account for the unknown amount of jointing at the Whale Tail Site.	Report)			
5-1	Ensure a quarterly frequency of observations for	March 31, 2020 (2019 Annual			
	thermistors as per Part I, Item 15 of the 2AM-WTP1826	Report)			
	water licence, and that the thermistor data is submitted in				
5.2	the Annual Report.	Entry the maister in -t-11-ti-			
5-2	Install thermistors with temperature readings both within and below the active layer.	Future thermistor installation			
	and octor the active tayor.				

6	Provide a summary document of before operations photos be compiled for each activity area of the Whale Tail site to inform closure and reclamation plans.	As per Part D, Item 15 of the Whale Tail Pit Licence		
7	Fix threshold and trigger values. Include arsenic concentration threshold and trigger into the plan.	The NWB notes that CIRNA raised the concern during the review of the <i>Groundwater Monitoring Plan</i> Version 2.1 dated February 2019. The NWB discussed the concern in its Plan approval letter ¹ .		
8	Identify which plan(s) will contain the details of the adaptive management actions for Waste Rock Storage Facility (WRSF) water discharge. Submit the plan(s) with the 2018 Annual Report.	November 1, 2019 – identify the plan(s) March 31, 2020 (2019 Annual Report) – submit the plan(s)		
9	Provide the results of the geotechnical investigation reports.	November 1, 2019		
10	Provide adequate field checks in accordance to Part D, Item 14 of the Water Licence.	November 1, 2019		
Envi	ronment and Climate Change Canada (ECCC)			
1	Continue to monitor Lake NP-2 on a yearly basis for the same suite of parameters as have been measured since 2014.	March 31, 2020 (2019 Annual Report)		
2	Clarify the approach to updating plans and identifying treatment options.	November 1, 2019		
3	 Correct: Figure 15 in the Meadowbank Gold Project – 2018	March 31, 2020 (2019 Annual Report)		
4	Clarify what is meant by "Rock Garden" including where it is located, and if located on the surface, provide mitigation to manage any potential ARD.	November 1, 2019		
5	Design the cover thickness such that it is thicker than the depth of active layer.	The NWB is aware that an updated version of the <i>Waste Rock and Tailings Management Report & Plan</i> dated July 2019 is currently under review and will consider this comment as part of the Plan review process.		
Nunavut Water Board (NWB)				
1	Clarify how a "normal operating condition" is determined in Table 3.1. Operating Condition of Dike at Meadowbank of the 2018 Annual Report.	November 1, 2019		
2	Follow the recommendations outlined in section 8.12.3.1.1 Meadowbank CREMP of the 2018 Annual Report.	March 31, 2020 (2019 Annual Report)		

¹ Karén Kharatyan (NWB) to Martin Theriault (Agnico Eagle), Re: Updated Groundwater Monitoring Plan; Type "A" Water Licence No. 2AM-WTP1826, Whale Tail Pit Project; Agnico Eagle Mines Limited, dated April 25, 2019.

3	Ensure all submitted drawings for engineered facilities are	Subsequent annual reports
	signed and sealed by an Engineer.	The state of the s
4	It is noted that the recommendations of the geotechnical	November 1, 2019
	inspections mainly include further monitoring of the	
	structures. However, Table 5: Summary of	
	Recommendations and Priority Levels from the 2018	
	Geotechnical Inspection assigns priority levels as high as	
	P-2, which means "(i)f not corrected could likely result in	
	structure safety issues leading to injury, environmental	
	impact, or significant regulatory enforcement; or, a	
	repetitive deficiency that demonstrates a systematic	
	breakdown of procedures". Please clarify the discrepancy	
	between the recommendations to monitor and assigned P-2	
	priority level to some structures.	
5	Provide the list and timeline for the follow-up actions	November 1, 2019
	addressing the deficiencies identified by the geotechnical	
	inspection. The follow-up actions are to include relevant	
	measures to correct deficiencies in facilities assigned the	
	P-2 priority level.	

The NWB notes that Agnico Eagle submitted² the following updated management plans with the 2018 Annual Report:

Licence No.	Management Plan	
2AM- MEA1526	 Baker Lake Bulk Fuel Storage Facility: Environmental Performance Monitoring Plan dated August 2018; Dewatering Dikes Operation, Maintenance and Surveillance Manual dated February 2019; Incinerator Waste Management Plan dated October 2018; Landfill Design and Management Plan dated October 2018; Meadowbank Interim Closure and Reclamation Plan dated June 29, 2018; Tailings Storage Facility - Operation, Maintenance and Surveillance Manual dated March 2019; Oil Handling Facility: Oil Pollution Emergency Plan for Meadowbank and Whale Tail Project Fuel Farm in Baker Lake dated June 2018; and Landfarm Design and Management Plan dated March 2017. 	
2AM- WTP1826	 Core Receiving Environment Monitoring Program (CREMP): 2015 Plan Update – Whale Tail Pit Addendum dated May 2018; Whale Tail Project – Erosion Management Plan dated June 2018; Fish Habitat Offset Monitoring Plan dated March 2018; Groundwater Monitoring Plan dated February 2019; Operational ARD-ML Sampling and Testing Plan – Whale Tail Pit Addendum dated March 2019; Operation & Maintenance Manual Sewage Treatment Plant (STP) dated February 2019; 	

² The plans entitled CREMP Addendum - Appendix A: Mercury Monitoring Plan for Whale Tail South Area, Version 2 and Operation and Maintenance Manuel - Arsenic Water Treatment Plant, Version 2 were marked as included but were actually absent from the submission.

	 Operation & Maintenance Manual Construction Water Treatment Plant dated June 2018; Thermal Monitoring Plan dated March 2019; Water Management Infrastructures - Operation, Maintenance and Surveillance Manual dated March 2019; Water Quality and Flow Monitoring Plan dated March 2019; Whale Tail Pit – Waste Rock Management Plan dated October 2018; Water Management Plan dated March 2019; Blasting Activities – Whale Tail Dike construction dated June 15, 2018; and Freshet Action and Incident Response Plan dated March 2019. 	
2AM- MEA1526 and 2AM- WTP1826	• Meadowbank and Whale Tail Bulk Fuel Storage Facility: Environmen Performance Monitoring Plan dated March 2019;	

Understanding that the plans were submitted prior to the approval of in-pit disposal of tailings at the Meadowbank Gold Mine Project, the Licensee is advised that the plans address the requirements of the Meadowbank Licence prior to the issuance of its latest amendment. It should be noted that on or before July 26, 2019, the Licensee submitted the following management plans to reflect in-pit disposal of tailings:

- Groundwater Monitoring Plan dated July 2019;
- Meadowbank Interim Closure and Reclamation Plan (ICRP) Update 2019 Final Report dated May 29, 2019;
- Pore Water Quality Monitoring Program dated July 2019; and
- Updated Mine Waste Rock and Tailings Management Plan dated July 2019.

The NWB distributed the plans for the review by interveners on July 26, 2019. The review is ongoing until August 26, 2019.

If you have any questions, please contact the undersigned at assol.kubeisinova@nwb-oen.ca or (867) 360 6338.

Best regards,

Assol Kubeisinova Nunavut Water Board Technical Advisor

CC: Distribution list - Meadowbank Attachments: CIRNA, ECCC