AGNICO EAGLE

March 8, 2019

Richard Dwyer
Manager of Licensing
Nunavut Water Board
Gjoa Haven, NU X0B 1J0

RE: Reply to Comments on 2AM-WTP1826 Groundwater Management Plan Version 2.1

Dear Mr. Dwyer:

Thank you for your email of March 4, 2019 requesting that Agnico Mines Limited (**Agnico**) reply to comments submitted by Environment and Climate Change Canada (**ECCC**) and Crown-Indigenous Relations and Northern Development Canada (**CIRNAC**) on March 1, 2019 on 2AM-WTP1826 Groundwater Monitoring Plan Version 2.1, February 2019 (**GWMP v. 2.1**).

The revisions to the GWMP v. 2.1 were made by Agnico in order to respond to the comments from the Nunavut Water Board (**NWB**) of January 21, 2019, that Agnico should provide options for the monitoring of the Westbay Multiport Well System or potential additional monitoring well and discuss thermal analysis associated with the concerns of metal leaching around the pit's north wall area. Agnico is of the view that the GWMP v. 2.1 fully addresses both of these points, and highlights the following sections where additional information was provided in GWMP v. 2.1:

- Executive Summary;
- 1.1. Concordance;
- 2.2.1 Conceptual Model;
- 2.2.2 Post-Closure Hydrogeological and Thermal Analysis;
- 2.3.1 Groundwater Quality;
- 2.3.2 Hydraulic Conductivity Testing;
- 2.3.3 Verification of Horizontal and Vertical Groundwater Flow Direction;
- 3.1 Horizontal and Vertical Groundwater Flow Monitoring;
- 3.3 Data Compilation and Updates to Groundwater Model;
- Appendix A - Whale Tail Pit Post Closure Pit Lake Thermal Assessment.

Agnico is of the view that further updates to GWMP v. 2.1 should not be required by the NWB, and that the NWB should proceed and approve GWMP v. 2.1 in the near term. Agnico is operating under the approved Groundwater Monitoring Plan, Version WT (June 2016) in compliance with 2AM-WTP1826, but Agnico would prefer to adopt the updated GWMP v. 2.1 as soon as possible. Respectfully, in Agnico's view the items that the ECCC and CIRNAC have suggested would not add sufficient value to justify further deferral of approval of GWMP v. 2.1 at this time.

While Agnico is of the view that it is not necessary to further revise GWMP v. 2.1 in response to the comments received from ECCC and CIRNAC on March 1, 2019, it has responded to each of the comments in the attached. Agnico has worked hard to revise the GWMP v. 2.1 to respond to feedback received during the review process and has made efforts to seek consensus with the reviewing parties. However, Agnico also notes that the NWB is the ultimate decision maker with respect to plan approval, and that role should be respected. As an example in relation to CIRNAC #11(b), it is not appropriate for CIRNAC to suggest that there is a requirement for NWB and interested parties to agree. CIRNAC and interested parties' role in the plan approval process is as a reviewer, not as the decision maker.

We would be pleased to discuss any of these comments with the NWB, should questions arise.

Sincerely,

Jamie Quesnel
Jamie.Quesnel@agnicoeagle.com
819.856.0821.
Superintendent – Permitting and Regulatory Affairs – Nunavut

AGNICO EAGLE

Appendix 1: Agnico Eagle Response to ECCC and CIRNAC Comments of March 1, 2019

ECCC Comment 1: Groundwater Monitoring Plan Updates

References:

- Agnico Eagle Mines Limited. Whale Tail Pit Groundwater Monitoring Plan
- Responses to ECCC and CIRNAC reply. January 15, 2019.
- Agnico Eagle Mines Limited. Whale Tail Pit Project - Groundwater Monitoring
- Plan Version 2 Revision 1. February 2019.

Comment:

In the January 15, 2019 Groundwater Monitoring Plan response document, the Proponent states that, "Agnico Eagle agreed to review the plan annually and update the plan if required. This statement will be added to the Groundwater Monitoring plan in the next revision of this plan" (Page 2). However, the revised Groundwater Monitoring Plan does not appear to contain this statement.

Recommendation:

ECCC recommends that the Proponent update the Groundwater Monitoring Plan to include the statement that the plan will be reviewed annually and updated as required.

Agnico Eagle's Response to Recommendation:

It is not necessary to include this statement in the plan as the plan will be reviewed by Agnico annually as part of its continuing compliance with Part B, Item 17 of Type A Water Licence 2AM-WTP1826:

> "The Licensee shall review the Plans or Manuals referred to in this Licence as required by changes in operation and/or technology and modify the Plans or Manuals accordingly. Revisions to the Plans or Manuals are to be submitted in the form of an Addendum to be included with the Annual Report required by Part B, Item 2, complete with a revisions list detailing where significant content changes are made."

Agnico does not agree that NWB approval of the GWMP v. 2.1 should be further delayed for a item of this nature that is already required under 2AM-WTP1826.

ECCC Comment 2: Seepage Surveys

References:

- Agnico Eagle Mines Limited. Whale Tail Pit Groundwater Monitoring Plan
- Responses to ECCC and CIRNAC reply. January 15, 2019.
- Agnico Eagle Mines Limited. Whale Tail Pit Project - Groundwater Monitoring
- Plan Version 2 Revision 1. February 2019.

Comment:

In the January 15, 2019 Groundwater Monitoring Plan response document, the Proponent states that, "*Agnico Eagle will be collecting samples from Pit Seepage ST-S-1 (Seeps – TBD) on a monthly basis or as found as per NWB Water Licence 2AM-WTP1826 Schedule I Table 2 Monitoring Program. SNC-Lavalin will review the results of the seep water sample collected monthly and will complete a seepage assessment twice a year for the first two years and once a year starting in the third year. This assessment will take place until the end of operation and results will be presented in the annual report*" (Page 3).

The revised Groundwater Monitoring Plan does not appear to incorporate the above-stated seepage monitoring frequency. Specifically, Section 3.2.1 (Water Quantity) has not been updated.

Recommendation:

ECCC recommends that the Proponent update the following seepage monitoring commitments in Section 3.2.1 (Water Quantity) of the Groundwater Monitoring Plan and in any other relevant sections:

- Collect samples from Pit Seepage ST-S-1 (Seeps – TBD) on a monthly basis or as found.
- Complete a seepage assessment twice a year for the first two years and once a year starting in the third year, and continuing until the end of operations.

Agnico Eagle's Response to Recommendation:

ECCC's original recommendation did not request these seepage monitoring statements be incorporated in the GWMP. On January 15, 2019, NWB asked Interveners to advise the Board by January 17, 2019, on whether or not Agnico Eagle additional responses address their concerns. ECCC did not raise this issue in response. NWB also did not indicate in its letter to Agnico of Jan. 28, 2019 that this item should be included in a revised GWMP. Agnico does not agree that NWB approval of the GWMP v. 2.1 should be further delayed for a item of this

nature especially where this requirement is part of NWB Water Licence 2AM-WTP1826 as per Schedule I Table 2 Monitoring Program. .

CIRNAC Comment 1 [*The comment numbers correspond with CIRNAC's January 17, 2019 response to Groundwater Monitoring Plan Version 2.0***.]**

References:

None

Comment/ Recommendation:

CIRNAC maintains that AEM should install at least one additional groundwater monitoring well that extends into the subpermafrost groundwater regime –as it is best practice to have more than one groundwater monitoring well to measure groundwater flow direction and rate of flow. The ground is heterogeneous, hence more than one well is required to characterize the local groundwater regime – especially for an entire mine site. In combination with the existing 2016 Westbay Multiport Well system, the new well(s) will help to characterize the local groundwater regime and changes to the vertical groundwater flow as the permafrost beneath Whale Tail Pit is modelled by AEM to thaw thereby expanding the talik pathway between Whale Tail Pit and the subpermafrost groundwater regime. In the absence of installing at least one additional deep groundwater monitoring well (comment #1), and after reviewing the data AEM has provided to date, CIRNAC requests more frequent monitoring, data analysis and reporting to manage the uncertainties and long-term risks. As comments #7, #8, and #10 pertain to more frequent monitoring, data analysis and reporting, CIRNAC will address comments #7, #8 and #10 directly with the NWB at an appropriate time. CIRNAC considers comment #1 unresolved.

Agnico Eagle's Response to Recommendation:

Agnico notes the statement in CIRNAC's letter that, "*CIRNAC remains firm on comment #3 (thermal monitoring), comment #4 (threshold and adaptive management), comment #9 (pit seep quality monitoring), and comment #11 (trigger level reporting*)" and that Comment #1does not appear on this list.

In addition to the additional information responsive to this comment that has been added to the GWMP V. 2.1, Agnico refers to its reply to CIRNAC 1 of January 15, 2019. Agnico continues to be of the view that additional wells are not appropriate in the circumstances.

Should CIRNAC elect to address comments 7, 8 and 10 directly with the NWB in future, Agnico requests the opportunity to participate in those discussions and to respond to any information provided to the NWB by CIRNAC.

CIRNAC Comment 2: [*The comment numbers correspond with CIRNAC's January 17, 2019 response to Groundwater Monitoring Plan Version 2.0***.]**

References:

None.

Comment/Recommendation:

CIRNAC acknowledges the 2016 Westbay Multiport Well System has been added to Groundwater Monitoring Plan Version 2.1, and that the well will be sampled and the hydraulic gradient monitored on an annual basis. CIRNAC would like to confirm that all 6 ports of the 2016 Westbay Multiport Well System will be sampled and the hydraulic gradient monitored annually. Once confirmed, CIRNAC will consider comment #2 resolved.

Agnico Eagle's Response to Recommendation:

Agnico notes the statement in CIRNAC's letter that, "*CIRNAC remains firm on comment #3 (thermal monitoring), comment #4 (threshold and adaptive management), comment #9 (pit seep quality monitoring), and comment #11 (trigger level reporting*)" and that Comment #2 does not appear on this list.

Agnico confirms that the hydraulic gradient will monitored annually and that the appropriate ports of the 2016 Westbay Multiport Well System will be sampled, provided they remain in working order and subject to safety requirements. All 6 ports do not provide relevant information, and Agnico does not agree that it should be required to undertake time consuming (sampling the 6 ports with the appropriate purge time would take up to 2 months per year) and expensive testing with no value.

CIRNAC Comment 3 [*The comment numbers correspond with CIRNAC's January 17, 2019 response to Groundwater Monitoring Plan Version 2.0***.]**

References:

None.

Comment/Recommendation:

The Groundwater Monitoring Plan Version 2.1 relies heavily on the assumption of continuous permafrost surrounding the Whale Tail Lake talik thereby impeding groundwater flow. At the October 17, 2018 meeting with AEM, CIRNAC requested thermal monitoring be included in the Groundwater Monitoring Plan to:

- validate and monitor the horizontal hydrogeological profile assumptions that continuous permafrost surrounding the Whale Tail Lake talik negates horizontal hydrogeological flow, in particular in the vicinity of the Whale Tail Pit 'north wall' area where metal leaching is of concern; and
- validate and monitor the vertical hydraulic head and groundwater quality changes in the AEM designated Whale Tail Lake talik during operations and closure.

Section 3.1 of Groundwater Monitoring Plan Version 2.1 states "*thermal monitoring will continue at each of the installed thermistors to monitor the presence of permafrost below the active layer during construction and operations phases. The monitoring will continue until such time as a thermistor is destroyed by active mining. Two thermistors, AMQ17-1233 and AMQ17-1337, are located outside of the pit footprint and will be used to monitor permafrost conditions between Nemo Lake and Whale Tail Pit. The thermistor data will be used to verify the presence of permafrost and the restricted horizontal movement of groundwater below the active layer due to permafrost in the upper 425 to 495 m of bedrock*." CIRNAC understands that thermal monitoring will occur at each of the installed thermistors during construction and operation phases, and that thermistors AMQ17-1277A and AMQ15-452 will be destroyed during active mining as they are located within the Whale Tail Pit footprint. As thermistors AMQ17-1277A and AMQ15-452 are positioned to validate AEM's model of pit wall freeze/thaw and permafrost aggradation (Part I Item 15 of the 2AM-WTP1826 water licence) as it pertains to horizontal groundwater flow. CIRNAC insists replacement of thermistors AMQ17-1277A and AMQ15-452 in the vicinity of the Whale Tail Pit 'north wall' to detect pit wall freeze/thaw be committed to, and the proposed replacement thermistor locations and depths be specified in, AEM's groundwater adaptive management plan.

CIRNAC maintains relevant thermal monitoring during operations and closure is essential to validate groundwater assumptions at the Whale Tail Pit Project. CIRNAC appreciates the

thermistor data to validate the horizontal hydrogeological profile assumptions that continuous permafrost surrounding the Whale Tail Lake talik negates horizontal hydrogeological flow, and to monitor changes in active layer depth. The thermistors are also used to monitor the potential horizontal groundwater flow pathway from Nemo Lake (of higher measured water level) to Whale Tail Pit (of lower measured water level) via the active layer – yet only one of the four thermistors (AMQ17-1337) has temperature readings in the active layer. CIRNAC therefore recommends future thermistors are installed with temperature readings both within and below the active layer. Additionally, CIRNAC insists the thresholds for, and commitment to, installing groundwater monitoring wells in the active layer are specified in the groundwater adaptive management plan (Section 3.3) of the Groundwater Monitoring Plan.

CIRNAC appreciates the addition of thermistors AMQ17-1337, AMQ17-1233, AMQ17- 1277A and AMQ15-452, between Nemo Lake and Whale Tail Pit, to Groundwater Monitoring Plan Version 2.1. CIRNAC recommends the Groundwater Monitoring Plan state the thermistors have, at minimum, a quarterly frequency of observations as per Part I Item 15 of the 2AM-WTP1826 water licence, and that the thermistor data is submitted in the Annual Report.

Agnico Eagle's Response to Recommendation:

With respect to CIRNAC's recommendation that Agnico commit to replacement of thermistors AMQ17-1277A and AMQ15-452 in the vicinity of the Whale Tail Pit 'north wall' to detect pit wall freeze/thaw be committed, Agnico does not agree with this recommendation. The reason is that in Agnico's view the information that would be provided by these thermistors would be of limited value in detecting pit wall freeze/thaw, especially during the operation phase as the exposed pit wall will promote permafrost development. However, Agnico is confident that the thermistors AMQ17-1233 and AMQ17-337 will provide reliable data in order to confirm permafrost degradation between the Nemo Lake and the Whale Tail pit that will determine if a horizontal water pathway is developed however, as mentioned multiple times, likelihood of this risk is really low based on the results of the multiple thermal assessments that were conducted for this project. It is noted that in Table 4 "Groundwater Adaptive Management Plan" it states that if AMQ17-1233 and AMQ17-337 show sign of permafrost degradation below the active layer, one of the potential adaptive management measures would be to install new thermistor(s) to evaluate the extent of the permafrost degradation.

With respect to CIRNAC's recommendation that future thermistors are installed with temperature readings both within and below the active layer, Agnico Eagle will consider and evaluate the request fromCIRNAC in the installation of future thermistors on the site.

With respect to CIRNAC's recommendation to revise Section 3.3. of the GWMP V. 2.1 to include the thresholds for, and commitment to, installing groundwater monitoring wells in the active layer, Agnico does not agree that NWB approval of the GWMP v. 2.1 should be further delayed for a item of this nature. Installation of groundwater wells in the active layer is not feasible as

they would need to be replaced each year. Wells in the active layer act as if they are thermal syphons and freeze more than the surrounding rock mass.

With respect to CIRNAC's recommendation to revise the Groundwater Monitoring Plan to state the thermistors have, at minimum, a quarterly frequency of observations as per Part I Item 15 of 2AM-WTP1826, and that the thermistor data is submitted in the Annual Report, Agnico does not agree that NWB approval of the GWMP v. 2.1 should be further delayed for a item of this nature that is already required under 2AM-WTP1826. Further, this is a new request from CIRNAC in relation to the GWMP v. 2.1. In any event, this item is more appropriately addressed in the Thermal Monitoring Plan.

CIRNAC Comment 4(a) [*The comment numbers correspond with CIRNAC's January 17, 2019 response to Groundwater Monitoring Plan Version 2.0***.]**

References:

None.

Comment/Recommendation:

CIRNAC maintains, as per water licence No. 2AM-WTP1826, adaptive management "describes a way of managing risks associated with uncertainty and provides a flexible framework for mitigation measures to be implemented and actions to be taken when specified thresholds are exceeded". CIRNAC appreciates the groundwater adaptive management strategies provided in Table 4 however notes that most of the strategies provided are for operations. CIRNAC requests the groundwater adaptive management strategies for closure and post-closure are included in an updated Interim Closure and Reclamation Plan (ICRP) submitted with the 2018 Annual Report for approval by the NWB. CIRNAC considers comment #4a associated with the Groundwater Monitoring Plan resolved.

Agnico Eagle's Response to Recommendation:

Agnico acknowledges resolution of this comment.

CIRNAC Comment 4b [*The comment numbers correspond with CIRNAC's January 17, 2019 response to Groundwater Monitoring Plan Version 2.0***.]**

References:

None.

Comment/ Recommendation:

CIRNAC considers model updating and calibration insufficient mitigative actions when certain thresholds are exceeded, especially in addressing scenarios of Waste Rock Storage Facility (WRSF) water discharge or Whale Tail Pit water quality exceeding predictions and/or guidelines. In the October 17, 2018 meeting with AEM, it was agreed that AEM would provide options available for mitigation if arsenic concerns materialized and that AEM would incorporate these mitigation measures in the plans being submitted under Part B Item 15 of the 2AM-WTP1826 water licence. The current versions of the plans submitted to the NWB does not contain this information, including but not limited to the ARD-ML monitoring plan, Water Quality and Flow Monitoring Plan, Water Management Plan and Waste Management Plan. CIRNAC remains firm that AEM identify which plan(s) will contain the details of the adaptive management actions for Waste Rock Storage Facility (WRSF) water discharge, and that the plan(s) are submitted with the 2018 Annual Report to the NWB for approval prior to additional waste rock deposition in the WRSF. Once this information is included, CIRNAC would consider comment #4b resolved.

Agnico Eagle's Response to Recommendation:

Agnico refers the NWB to the following specific references in particular, which we believe resolves Comment 4(b):

- Table 5.1 "Adaptive Management Actions Associated with the ARD/ML Plan", included in the Operational ARD-ML Sampling and Testing Plan - Whale Tail Pit Addendum, Nov. 2018, v. 3 (approved by Board motion No. 2018-A1-026, dated January 28, 2019, as required by Part B, Item 13 of the Licence);
- Section 3, Whale Tail Pit Water Quality and Flow Monitoring Plan, Oct. 2018, v. 5 (approved by Board motion No. 2018-A1-025, dated January 21, 2019, as required by Part B, Item 14 of the Licence.)

Agnico strongly disagrees that waste rock deposition in the WRSF should be delayed. It has been communicated multiple times that all plans applicable to this activity have been approved by the NWB per. 2AM-WTP1826.

CIRNAC Comment 5 [*The comment numbers correspond with CIRNAC's January 17, 2019 response to Groundwater Monitoring Plan Version 2.0***.]**

References:

None.

Comment/ Recommendation:

CIRNAC was not informed until October 17, 2018 that agreed-upon critical pre-development period field activities, scheduled for the summer of 2018 to further refine the site-specific hydraulic data, were unilaterally decided by AEM to not be conducted. At the conclusion of the October 17, 2018 meeting, AEM committed to providing a rational as to why they have proceeded as they have with respect to NIRB Project Certificate No.008 term and condition #15 and #16. On February 8, 2019 submitted the "2018 Westbay System Groundwater Monitoring Investigation." CIRNAC is reviewing the data provided.

Agnico Eagle's Response to Recommendation:

Agnico continues to be available to discuss the memo provided to CIRNAC on February 8, 2019, should they have any questions. It is noted Agnico does not agree with all of CIRNAC's characterization included in CIRNAC's Comment 5.

Agnico notes the statement in CIRNAC's letter that, "*CIRNAC remains firm on comment #3 (thermal monitoring), comment #4 (threshold and adaptive management), comment #9 (pit seep quality monitoring), and comment #11 (trigger level reporting*)" and that Comment 5 is not included in this list.

CIRNAC Comment 9 [*The comment numbers correspond with CIRNAC's January 17, 2019 response to Groundwater Monitoring Plan Version 2.0***.]**

References:

None.

Comment/ Recommendation:

Section 3.2.1 of Groundwater Monitoring Plan Version 2.1 indicates that periodic seepage surveys will be conducted twice during the first year of operations and annually thereafter. Section 3.2.2 states "*water samples will also be collected from seeps in the pit walls if there is sufficient water for analysis and if access to the seep is possible*." Due to AEM's high reliance on seeps to validate the horizontal and vertical groundwater flow models and inform the adaptive management plan, CIRNAC is adamant that the seep minimum frequency of observations and monitoring parameters adheres to Part I Item 15 and Schedule I Table 2 of the 2AM-WTP1826 water licence. Specifically that the minimum frequency of observation for seepage at the pit wall is quarterly, and that seeps shall be monitored monthly or as found during operations for Group 1 parameters. Considering the uncertainties and risks around long term water treatment, CIRNAC also requests seeps in the vicinity of lithologies with high acid rock draining and metal leaching (ARD/ML) potential are highlighted in reporting tables. CIRNAC considers comment #9 unresolved.

Agnico Eagle's Response to Recommendation:

With respect to CIRNAC's recommendation that the minimum seep frequency of observations and monitoring parameters adheres to Part I Item 15 and Schedule I Table 2 of the 2AM-WTP1826 water licence, Agnico notes that this is already a legal requirement and Agnico will be complying with 2AM-WTP1826. For the NWB's reference, Agnico has reproduced the relevant items below:

> Part I, Item 15: The Licensee shall monitor and record Seepage observations pursuant to Part I, Item 8 in accordance with the following:

Characterization of seepage including: precise location; discharge rates and volumes; respective hazard(s) and consequences and prescribed mitigative measures	**Minimum Frequency of Observation**
Seepage (of any kind) through any Dike(s)	Monthly
Seepage and Runoff from the Landfill(s)	Quarterly
Seepage and Runoff from Waste Rock	Quarterly

Storage Facility	
Seepage and Runoff from Ore piles	Quarterly
Seepage at Pit Wall and Pit Wall Freeze/Thaw and Permafrost Aggradation	Quarterly

Schedule I, Table 2 Monitoring Program

Station	**Descriptions**	**Phase**	**Monitoring Parameters**	**Frequency**
ST-S-1 to TBD	Seeps (to be determined)	Operations	Group 1	Monthly or as found
		Closure	Group 1	Annually
ST-WT-4	Whale Tail Pit or pit sump	Operations	Group 1	Four times per calendar year

It is also noted that Section 3.2.1 was not updated in GWMP v. 2.1, as this was not an item flagged by the NWB in its letter to Agnico of January 21, 2019.

With respect to CIRNAC's request that seeps in the vicinity of lithologies with high acid rock draining and metal leaching (ARD/ML) potential are highlighted in reporting tables, Agnico Eagle committed to carrying out a seepage survey wherever and out of whatever lithology seepage may be observed. Agnico Eagle will identify the lithology were the seeps are collected in the reporting table.

Agnico does not agree that NWB approval of the GWMP v. 2.1 should be further delayed for a item of this nature that is already required under 2AM-WTP1826.

CIRNAC Comment 11(a) [*The comment numbers correspond with CIRNAC's January 17, 2019 response to Groundwater Monitoring Plan Version 2.0***.]**

References:

None.

Comment/ Recommendation:

CIRNAC appreciates the thresholds and triggers that are included in Section 3.3 and Table 4 of Groundwater Monitoring Plan Version 2.1. CIRNAC is not comfortable with thresholds for groundwater quality parameters set by six-month averaging period of observations as gradual increases in parameter concentrations would not trigger adaptive management. CIRNAC also notes Groundwater Monitoring Plan Version 2.1 does not include a comparable threshold for arsenic concentrations. As arsenic is identified as an important element of concern, an arsenic threshold would allow for the early identification of potential water quality issues that might arise during the closure and post-closure phases. CIRNAC therefore recommends threshold and trigger values are fixed numbers as agreed upon by the NWB and interested parties, and that an arsenic concentration threshold and trigger be included in the plan. Once completed, CIRNAC would consider comment #11a resolved.

Agnico Eagle's Response to Recommendation:

Agnico refers the NWB to its Reply to CIRNAC #11 of January 15, 2019. Agnico also notes this was not an item flagged by the NWB in its letter to Agnico of January 21, 2019.

Agnico does not agree with CIRNAC's recommendation for threshold and trigger values as fixed numbers, and does not agree that an arsenic concentration and trigger should be included in the plan. As predicted by the hydrological assessment, the total suspended solids in the groundwater reporting to the pit will gradually increases during the mining of the Whale Tail pit as the bottom pit elevation will decrease. Agnico consider that the six-month averaging period methodology is aligned with the model prediction and will be efficient to trigger adaptive management. Agnico Eagle will measure arsenic concentration reporting to the pit and will used this information to update the water balance and water quality forecast on a yearly basis. Agnico Eagle considers that this annual assessment of the site water quality is the appropriate tool to confirm the prediction and trigger adaptive management as required. This adaptive management strategy is presented in the ARD-ML monitoring plan.

Agnico also notes that the NWB is the decision maker with respect to plan approval, and that role should be respected. It is not appropriate to suggest that there is a requirement for NWB and interested parties to agree. CIRNAC and interested parties' role in the plan approval process is as a reviewer, not as the decision maker.

CIRNAC Comment 11(b) [*The comment numbers correspond with CIRNAC's January 17, 2019 response to Groundwater Monitoring Plan Version 2.0***.]**

References:

None.

Comment/ Recommendation:

The Whale Tail Pit project is unique compared to other northern operations based on the small margin of error during operations and closure to prevent potential long-term water treatment from acid-rock drainage. As discussed in the October 17, 2018 meeting, potential long-term acid-rock drainage issues will not become immediately apparent. Groundwater Monitoring Plan Version 2.1 indicates that the NWB, CIRNAC and Kivalliq Inuit Association (KIA) will be informed if water concentrations exceed applicable criteria (i.e., regulatory thresholds). Given the short duration of the mine life and the benefits of having discussions and mitigating potential emerging concerns as early as possible, CIRNAC maintains proactive reporting to the NWB, CIRNAC and KIA when trigger levels are reached is essential in addressing uncertainties and potential risks around long-term water treatment unique to the Whale Tail Pit project. Once AEM commits to informing NWB, CIRNAC and KIA when trigger levels are reached, CIRNAC will consider comment #11b resolved.

Agnico Eagle's Response to Recommendation:

Agnico refers the NWB to its Reply to CIRNAC #11 of January 15, 2019. Agnico also notes this was not an item flagged by the NWB in its letter to Agnico of January 21, 2019.

With respect to CIRNAC's recommendation, Agnico will already be providing monitoring data to the NWB on the schedules required under No. 2AM-WTP1826. It is Agnico's expectation that CIRNAC will continue to monitor that data, and should they have any questions about trends in that monitoring, Agnico will be pleased to engage as such questions are identified. As confirmed in the GWMP V. 2.1, the NWB, CIRNAC and Kivalliq Inuit Association (KIA) will be informed if water concentrations exceed applicable criteria (i.e., regulatory thresholds).