



WHALE TAIL PROJECT

Monitoring Program Summary Report

October 2018

Type A Water License 2AM-WTP1826

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SECTION 1 • BACKGROUND

As required under Part I, Item 23 of Type A Water License 2AM-WTP1826, this report documents the water management and monitoring activities at the mine site for the month. This includes water usage, water monitoring around site, sewage treatment plan discharge and Whale Tail Dike construction monitoring.

In addition, a summary of spills/actions for the month is reported.

SECTION 2 • WATER MANAGEMENT

2.1 WATER USAGE

Freshwater usage for the Amaruq Exploration Camp was taken from the Whale Tail Lake North Basin from October 1 to October 27. Starting on October 28, the Exploration Camp freshwater source become Nemo Lake, which is the approved freshwater source as per Water License 2AM-WTP1826. Water for drilling and exploration activities continue to be from the Whale Tail Lake North Basin. All withdraw water related to Exploration activities are currently managed by Part C Item 1 of the Exploration Water License 2BB-MEA1828. All of the information regarding the use under this License 2BB-MEA1828 will be provided via the Annual Report required by Part B Item 6.

Agnico Eagle is authorized as per Part E Item 1 of the Water License 2AM-WTP1826 to intake water from Nemo Lake for a total year to date during construction of 220,750 m³/year. On October 3, Agnico received the NWB Approval for Whale Tail Nemo freshwater intake station and piping system. October 28, the freshwater source for the camp became Nemo Lake. A total volume of 175.15 m³ was withdraw from Nemo Lake.

Following approval of the NWB, Agnico has been allowed under Part E item 3 of the Water License 2AM-WTP1826 and as per the NWB reason for decision letter to '*obtain water for domestic camp use during construction in 2018 from Whale Tail Lake with a total volume not exceeding 63,150 cubic metres per year from the date on which the Minister approves the issuance of the Licence through to the end 2018*'. In October, 2,960.26 m³ was taken in Whale Tail Lake under this license for a total year to date of 3,879 m³.

2.2 LAKE A47 WATER MONITORING

No monitoring sample at Lake A47 (ST-WT-6) was completed in October due to frozen condition.

2.3 LAKE A15 WATER MONITORING

No monitoring sample at Lake A15 (ST-WT-15) was completed in October due to frozen condition.

2.4 LAKE A16 OUTLET WATER MONITORING

No monitoring sample at Lake A16 (ST-WT-14) was completed in October due to frozen condition.

2.5 SEEPAGE MONITORING

No seepage has been observed in November around the site.

2.6 SEWAGE TREATMENT PLANT

Effluent from the Sewage Treatment Plan (STP) is discharged to the Whale Tail Lake North Basin and is monitored as per the Water License 2BB-MEA1828 Part D Item 10. Agnico still considers the camp and all the facilities associated to be Amaruq Exploration Camp. All of the information regarding this discharge will be provided via the Annual Report required by 2BB-MEA1828 Part B Item 6.

Agnico plans to have a Sewage Treatment Plan associated with the Water License 2AM-WTP1826 in 2019.

2.7 WHALE TAIL DIKE CONSTRUCTION

The construction of Whale Tail Dike started on July 27, 2018 and the rockfill placement was completed in August. Work ongoing for the month of October included the secant wall installation. Since the rockfill placement was completed, the turbidity curtains (3) installed downstream of the dike has been removed in September. The two (3) turbidity curtain north side of the dike are still in place.

The fishout of the Whale Tail North Basin was stopped on September 29 because conditions did not permit safe continuation of work. Discussion is ongoing with ECCC. The complete report will be provide with the Whale Tail Annual Report.

In accordance with the Water License 2AM-WTP1826 Part D Item 6 and the Water Quality Monitoring and Management Plan for Dike Construction and Dewatering, the monitoring of the TSS level at four (4) locations downstream of the dike is based on the strong relation TSS-Turbidity which permit real time results. As detailed in this plan, daily depth profile turbidity readings have been taken at these locations and compared to the maximum monthly mean and short term maximum limit detailed in 2AM-WTP1826 Part D Item 6. No TSS exceedance has been observed in October as shown in Table 2-1 below. Due to frozen conditions and on-ice work safety concerns from end of September to mid-October, no water monitoring sample was conducted during this period. Monitoring was resumed when ice conditions permitted safe access.

Table 2-1: TSS Downstream monitoring station based on TSS-Turbidity relation

Date	Station	1	2	3	4	5	6	7	8	Max TSS 24H (mg/L)	Mean TSS 24H (mg/L)	TSS 7 Day Mean (mg/L)	TSS 30 Day Mean (mg/L)
Limit (mg/L)										50	50	15	15
2018-10-16	ST-WT-DC1	0,022	0,044	0,035						0,044	0,034	0,030	0,200
	ST-WT-DC2	0,029	0,022	0,035	0,033	0,042	0,029			0,042	0,031	0,026	0,199
	ST-WT-DC3	0,016	0,033	0,033	0,035					0,035	0,029	0,026	0,204
	ST-WT-DC4	0,022	0,031	0,037						0,037	0,030	0,026	0,316
2018-10-31	ST-WT-DC1	0,004	0,012	0,014						0,014	0,010	0,024	0,178
	ST-WT-DC2	0,002	0,004	0,004	0,006	0,014	0,008	0,004		0,014	0,006	0,019	0,177
	ST-WT-DC3	0,020	0,024	0,031	0,029					0,031	0,026	0,022	0,180
	ST-WT-DC4	0,018	0,016	0,022						0,022	0,019	0,022	0,293

SECTION 3 • SPILL MANAGEMENT

Figure 3.1 shows reported and non-reported spills for 2018 broken down per month and Table 3.1 summarizes Agnico Eagle spill reports for October. All spills related to the Whale Tail Project or the Whale Tail Road are include in this report.

All spills reported internally (13) and to regulators (1) were managed appropriately on site according to Agnico's spill contingency plan. Spills were contained and cleaned, contaminated material was disposed to the appropriate area, and the clean-up actions were monitored closely by the Environment Department. There was no off site impact to any watercourses.

Figure 3.1 2018 Reported and Non-Reported Spills

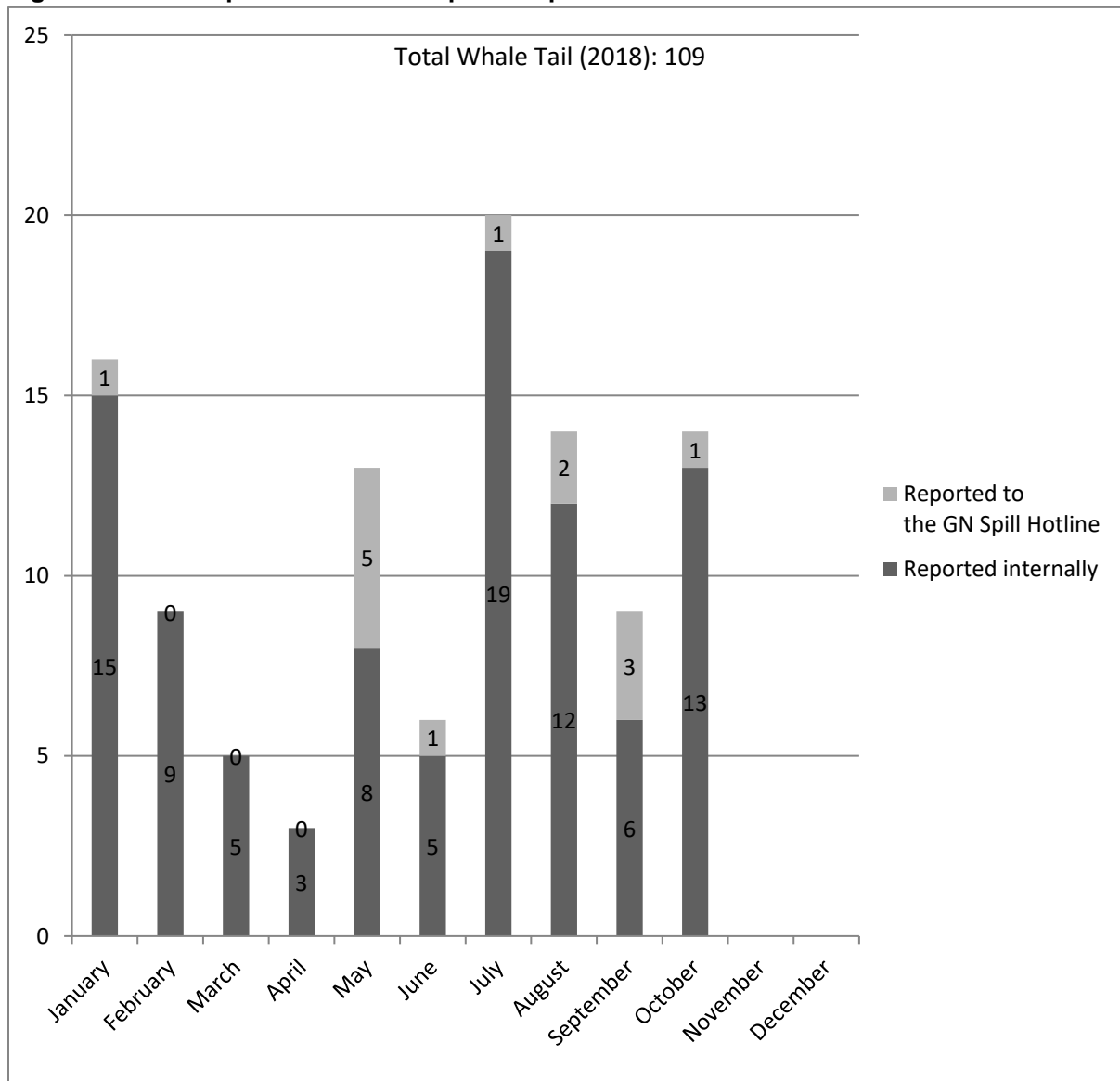


Table 3.1: Summary of Agnico Eagle Internal and Reported Spill Reports, October 2018

Date of Spill	Hazardous Material	Qty	Units (L / Kg)	Location	Cause of spill	Clean-up action taken
October 1, 2018	Coolant	20	L	Amaruq Pad D	Coolant hose failure	Spill was contained and contaminated soil picked up and disposed of appropriately
October 2, 2018	Coolant	5	L	Amaruq Maintenance Shop	During reparation	Spill was contained and contaminated soil picked up and disposed of appropriately
October 10, 2018	Engine oil	1	L	Amaruq Construction Office	Filter failure	Spill was contained and contaminated soil picked up and disposed of appropriately
October 11, 2018	Hydraulic oil	20	L	Amaruq Road Esker 3	Hydraulic hose failure	Spill was contained and contaminated soil picked up and disposed of appropriately
October 11, 2018	Hydraulic oil	5	L	Amaruq Whale Tail Dike	Hydraulic hose failure	Spill was contained and contaminated soil picked up and disposed of appropriately
October 12, 2018	Coolant	60	L	Amaruq Road Quarry 35	Engine coolant leak	Spill was contained and contaminated soil picked up and disposed of appropriately
October 12, 2018	Diesel fuel	0,5	L	Amaruq Fuel farm	During refueling, the nozzle did not trigger at the end and fuel leaked by the hole.	Spill was contained and contaminated soil picked up and disposed of appropriately
October 14, 2018	Glycol	20	L	Amaruq Pad Q	O'ring failure	Spill was contained and contaminated soil picked up and disposed of appropriately

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October 17, 2018	Raw sewage	200	L	Amaruq Newterra STP	The malfunction of the raw sewage tank #203 water pump float created an overflow of the tank into the seacan and spilled onto the ground next to it	Spill was contained and contaminated soil picked up and disposed of appropriately
October 17, 2018	Coolant	2	L	Amaruq Fuel farm	When the operator approached his loader that had been parked near the fuel farm, he noticed a leak coming from under the engine	Spill was contained and contaminated soil picked up and disposed of appropriately
October 24, 2018	Hydraulic oil	20	L	Amaruq Road KM 56	Steering hose failure	Spill was contained and contaminated soil picked up and disposed of appropriately
October 27, 2018	Hydraulic oil	5	L	Amaruq Nemo pad	Hydraulic hose failure	Spill was contained and contaminated soil picked up and disposed of appropriately
October 27, 2018	Hydraulic oil	9	L	Amaruq Road Communication Tower	Hydraulic hose failure	Spill was contained and contaminated soil picked up and disposed of appropriately
October 29, 2018	Diesel	30	L	Amaruq Whale Tail Dike	While filling the air compressor, the nozzle did not disengaged properly when the tank came full, the operator was close and stop the leak immediately.	Spill was contained and contaminated soil picked up and disposed of appropriately