

WHALE TAIL PROJECT

Monitoring Program Summary Report January 2020

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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 and seepage monitoring around site, sewage treatment plan discharge, Whale Tail North Basin dewatering, Quarry 1 discharge and Whale Tail South Basin water transfer.

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

SECTION 2 • WATER MANAGEMENT

2.1 WATER USAGE

All water withdrawals related to Exploration activities is 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 of 240,000 m³/year. A total volume of 3,579 m³ was withdrawn from Nemo Lake in January. Details are provided in Table 2.1.1 below.

Table 2.1.1: January 2020 – Freshwater Consumption

| Water Location | Source Lake | Jan | Total |
|-----------------------------|------------------|-------|-------|
| Camp | Nemo | 2 062 | 2 062 |
| Construction/Operation | Nemo | 1 518 | 1 518 |
| Dust Suppression | Nemo / WTHR Pond | 0 | 0 |
| Total Freshwater Usage (m³) | | 3 579 | 3 579 |

2.2 LAKE WATER MONITORING

Lake around the Whale Tail Project were monitored on a monthly basis during the open water season. In January, no monthly samples were taken at Lake A47 (ST-WT-6), Lake A45 (ST-WT-13), Lake A16 (ST-WT-14) and Lake A15 (ST-WT-15) due to freezing conditions.

2.3 WHALE TAIL DIKE SEEPAGE MONITORING

In January, the Whale Tail North dewatering continued and seepage water was still observed at the toe of the structure. Seepage was estimated in average at 350 m³/h based on pumping rate.

Work continued on the construction of a downstream grouting blanket (50 % completed) at Whale Tail Dike in an effort to reduce the seepage reporting to WTN.

Agnico continue to manage water from WTD seepage as part of the dewatering of the Whale Tail North Basin and is be monitored for Water License 2AM-WTP1826 Part D Item 7. Refer to Section 2.5 below for the water quality monitoring results.

Seepage water quality is also monitored as per the requirement of the Water License. The sampling station is named ST-WT-17 and is sampled on a monthly basis for Group 1.

2.4 SEWAGE TREATMENT PLANT

The Sewage Treatment Plan located in the permanent camp associated with the Water License 2AM-WTP1826 was commissioned on April 12, 2019. Effluent is discharged in the future Whale Tail Attenuation Pond. As per Water License Schedule I Sampling Station ST-WT-11, effluent is to be sample four time per calendar year. Agnico is currently sampling the STP on a monthly basis and thus sample was taken in January. A total of 2,065 m³ was discharged during the month.

2.5 WHALE TAIL NORTH BASIN DEWATERING

As describe in Section 2.3 above, Agnico has discharged the Whale Tail Dike (WTD) seepage as part of the Whale Tail North Dewatering to Whale Tail South Basin (ST-DD-7). A total volume of 217,066 m³ was discharged in January.

No dewatering of the Whale Tail North Basin to Mammoth Lake (ST-DD-9), via the temporary diffuser, in January.

As per Water License Part D Item 7, the effluent from Whale Tail North dewatering, either to Whale Tail South or Mammoth Lake shall not exceed the following quality limits:

| Parameter | Maximum Monthly Mean | Short Term Maximum |
|------------------------|----------------------|--------------------|
| Total Suspended Solids | 15.0 mg/L | 22.5 mg/L |
| Turbidity | 15 NTU | 30 NTU |
| pН | 6.0 to 9.0 | 6.0 to 9.0 |
| Total Aluminum | 1.5 mg/L | 3.0 mg/L |

The pH and Aluminum concentrations were as follows for ST-DD-7:

- pH 24 hour minimum/maximum: 6.60 / 7.50 (Limit is 6-9 units)
- pH 30 days minimum/maximum: 7.08 / 7.14 (Limit is 6-9 units)
- Al 24 hour maximum concentration: 0.011 mg/L (Limit is 3.0 mg/L)
- Al 30 days maximum concentration: 0.007 mg/L (Limit is 1.5 mg/L)

The turbidity and Total Suspended Solids (TSS) concentrations were as follows:

- NTU 24 hour maximum concentration: 1.89 NTU (Maximum Limit is 30 NTU)
- NTU 30 days mean maximum concentration: 1.04 NTU (Maximum Limit is 15 NTU).
- TSS 24 hour maximum concentration: 7 mg/L (Maximum Limit is 22.5 mg/L)
- TSS 30 days mean maximum concentration: 3.96 mg/L (Maximum Limit is 15 mg/L)

Table 2.5.1 summarizes the dewatering monitoring results for pH, aluminum, turbidity and TSS for the month. No non-compliance was observed in January.

Table 2.5.1: Whale Tail North Basin Dewatering Monitoring ST-DD-7

| | | ST-DD-7 | | License Requirement | | | | | |
|--------------|------------------------|------------------|-----------------|--------------------------|------------------------|------------------------|-----------------------|-----------------------|--|
| Date | Turbidity ¹ | TSS ² | pH ¹ | Total Al ² | NTU 30- day Mean | TSS 30- day Mean | pH 30- day Mean | Al 30- day Mean | |
| | NTU | mg/L | | mg/L | 15 | 15 | 6.0 - 9.0 | 3 | |
| 01-01-2020 | 1.66 | 2 | 7.13 | <0.005 | 0.96 | 3.09 | 7.11 | 0.002 | |
| 02-01-2020 | 1.53 | 4 | 7.36 | 0.01 | 0.91 | 2.98 | 7.13 | 0.003 | |
| 03-01-2020 | 1.89 | 3 | 7.07 | | 0.96 | 2.84 | 7.12 | | |
| 04-01-2020 | 1.28 | 3 | 7.11 | | 0.98 | 2.64 | 7.11 | | |
| 05-01-2020 | 0.66 | 2 | 6.98 | | 0.98 | 2.40 | 7.11 | | |
| 06-01-2020 | 1.34 | 3 | 6.92 | 0.007 | 0.94 | 2.33 | 7.09 | 0.004 | |
| 07-01-2020 | 1.12 | 4 | 7.10 | | 0.95 | 2.29 | 7.08 | | |
| 08-01-2020 | 0.74 | 6 | 7.09 | | 0.94 | 2.33 | 7.08 | | |
| 09-01-2020 | 1.41 | 7 | 7.03 | 0.01 | 0.96 | 2.50 | 7.08 | 0.005 | |
| 10-01-2020 | 0.85 | 6 | 7.18 | | 0.96 | 2.64 | 7.08 | | |
| 11-01-2020 | 0.84 | 7 | 7.50 | | 0.96 | 2.78 | 7.09 | | |
| 12-01-2020 | 0.63 | 7 | 7.32 | | 0.96 | 2.91 | 7.10 | | |
| 13-01-2020 | 0.51 | 3 | 7.38 | | 0.95 | 2.88 | 7.12 | | |
| 14-01-2020 | 0.92 | 7 | 7.32 | | 0.96 | 3.02 | 7.14 | | |
| 15-01-2020 | 0.96 | 3 | 7.20 | | 0.98 | 3.02 | 7.13 | | |
| 16-01-2020 | 1.4 | Sample Frozen | 7.14 | Sample Frozen | 1.02 | 2.88 | 7.12 | | |
| 17-01-2020 | 0.84 | 2 | 7.18 | | 1.03 | 2.84 | 7.13 | | |
| 18-01-2020 | 0.85 | 6 | 7.14 | | 1.04 | 3.02 | 7.11 | | |
| 19-01-2020 | 0.59 | 4 | 6.96 | | 1.01 | 3.09 | 7.12 | | |
| 20-01-2020 | 0.68 | 7 | 6.60 | 0.011 | 1.00 | 3.29 | 7.11 | 0.007 | |
| 21-01-2020 | 0.95 | 5 | 6.94 | | 1.00 | 3.40 | 7.10 | | |
| 22-01-2020 | 0.75 | Sample Frozen | 6.86 | | 0.99 | 3.48 | 7.10 | | |
| 23-01-2020 | 0.90 | Sample Frozen | 7.10 | Sample Frozen | 0.97 | 3.59 | 7.12 | | |
| 24-01-2020 | 0.79 | 4 | 7.15 | | 0.97 | 3.72 | 7.11 | | |
| 25-01-2020 | 1.02 | 3 | 7.01 | | 0.97 | 3.81 | 7.11 | | |
| 26-01-2020 | 0.57 | 5 | 7.07 | | 0.96 | 3.96 | 7.10 | | |
| 27-01-2020 | | No dischar | ge | | | | | | |
| 28-01-2020 | No discharge | | | | | | | | |
| 29-01-2020 | No discharge | | | | | | | | |
| 30-01-2020 | | No discharge | | | | | | | |
| 31-01-2020 | | No discharg | | | | | | | |
| 1 - Measures | taken in the | field | | | | | | | |

Half-detection limit use in the mean calculation

²⁻ Results from the certified laboratory

2.6 QUARRY 1 DISCHARGE

No discharge from Quarry to Mammoth Lake in January.

2.7 WHALE TAIL SOUTH WATER TRANSFER

No water transfer between Whale Tail South to Mammoth Lake in January.

SECTION 3 • SPILL MANAGEMENT

Figure 3.1 shows reported and non-reported spills for 2020 broken down per month and Table 3.1 summarizes Agnico Eagle spill reports for January.

All spills reported internally (18) were managed appropriately on site according to Agnico's spill contingency plan. Two (2) spills were reported to regulators in January. 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.

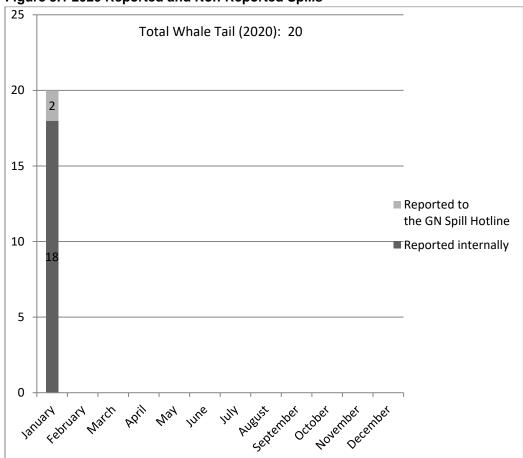


Figure 3.1 2020 Reported and Non-Reported Spills

Table 3.1: Summary of Agnico Eagle Internal and Reported Spill Reports, January 2020

| Date of | Hazardous | Qty | Units (L/ | Location | Cause of spill | Clean-up action taken |
|---------------------|------------------|-----|--------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Spill | Material | , | Kg) | | Caso C. Spin | |
| January 2, 2020 | Hydraulic Oil | 20 | L | Construction Pad H | Hydraulic hose failure on equipment | The operator stopped the equipment right away and called the supervisor. Spill was contained and contaminated soil picked up and disposed of appropriately in the roll-off bin |
| January 4, 2020 | Hydraulic Oil | 20 | L | Beside wing 8 explo | Hydraulic tank oil cap pop-off and release a splash of oil on the snow | Operator call the team leader right away and stop the loader. Call the loader 6 operator to remove the spill as soon as possible. Contaminated soil picked up and disposed of appropriately |
| January 6, 2020 | Hydraulic Oil | 15 | L | WRSF | Equipment failure | Called supervisor and shut off the engine. Spill was picked up and brought to the yellow bin |
| January 6, 2020 | Coolant | 10 | L | WTHR KM 121 | Equipment failure | Service truck was sent to fix the leak. Contaminated soil picked up and disposed of appropriately |
| January 7, 2020 | Coolant | 45 | L | Waste dump parking | Coolant leak on the engine | Shut the truck down and called dispatch to inform the service shop of the breakdown and to fix the haul truck. Contaminated soil picked up and disposed of appropriately at the MBK tailings |
| January 9, 2020 | Hydraulic Oil | 10 | L | Sana parking | During a cold start of the truck, the wheel seals did not replace, which caused the hydraulic oil present in the hose to flow | Spill was picked up and brought to the yellow bin |
| January 13, 2020 | Hydraulic Oil | 20 | L | Whale Tail Pit | Quick attach hose loose | Stop Equipment and called mechanic to get it repair. Spill was picked up and brought to the yellow bin |

| January 16, 2020 | Hydraulic oil | 71 | L | Whale Tail Pit | Hydraulic hose fan failure | Contaminated soil picked up and disposed of appropriately |
|---------------------|--------------------|-----|---|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| January 17, 2020 | Coolant | 5 | L | WTHR KM 123 | Fan belt broken and cut coolant line | Absorbent pads used to contain the spill. Contaminated soil picked up and disposed of appropriately |
| January 20, 2020 | Engine Oil | 8 | L | Q2 5137MSW65 | O-ring failure | The mechanic was called to repair the leak. Contaminated soil picked up and disposed of appropriately in the yellow roll-off bin |
| January 20, 2020 | Hydraulic Oil | 30 | L | Whale Tail Pit | Hydraulic hose failure | Contaminated soil picked up and disposed of appropriately in the yellow roll-off bin |
| January 20, 2020 | Engine oil | 150 | L | Maintenance shop | A worker was moving totes in and out of a seacan. The operator was unaware he punctured a tote. During night shift, another worker went to get a tote from the seacan and discovered the spill. | Contaminated soil picked up and disposed of appropriately in the yellow roll-off bin |
| January 21, 2020 | Waste oil | 200 | L | Hazmat area | An operator was moving totes at the hazmat area and punctured a waste oil tote with the forks | Contaminated soil picked up and disposed of appropriately in the yellow roll-off bin |
| January 24, 2020 | Hydraulic Oil | 32 | L | Channel Road | Hydraulic hose fitting failure | Contaminated soil picked up and disposed of appropriately in the yellow roll-off bin |
| January 25, 2020 | Hydraulic Oil | 45 | L | Whale Tail Pit | The cylinder of the bucket broke down | Contaminated soil picked up and disposed of appropriately in the yellow roll-off bin |
| January 26, 2020 | Compresso r Oil | 25 | L | Whale Tail Pit | Victaulic seal busted | Absorbent pads used to contain the spill. Contaminated soil picked up and disposed of appropriately in the yellow roll-off bin |

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| January 28, 2020 | Coolant | 75 | L | Amaruq truck shop | 45Gallon drum got punctured in the waste container by a forklift fork. | Rags were put down to absorb most of the coolant but some spilled out of the container. Contaminated soil picked up and disposed of appropriately in the yellow roll-off bin (goes to MBK tailings) |
|---------------------|------------------|----|---|---------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| January 30, 2020 | Hydraulic Oil | 40 | L | WTHR KM 154 | Equipment failure | Contaminated soil picked up and disposed of appropriately at the MBK landfarm |
| January 31, 2020 | Hydraulic Oil | 20 | L | Whale Tail Pit | Hydraulic hose failure during drilling operations | The drill was stopped and absorbent pads were placed. The equipment was tagged out and the hydraulic hose was changed right away. Most of the spill was contained within the bottom of the rig. Spill was contained and contaminated soil picked up and disposed of appropriately |
| January 31, 2020 | Hydraulic Oil | 60 | L | Ring road, near WT Pit entrance | Hydraulic hose of the traction engine broke | The contaminated soil was removed during the night shift and brought to yellow bin |