



AGNICO EAGLE

WHALE TAIL PROJECT

Monitoring Program Summary Report

August 2020

Type A Water License 2AM-WTP1830

Table of Contents

| | |
|--|----------|
| SECTION 1 • BACKGROUND..... | 3 |
| SECTION 2 • WATER MANAGEMENT | 4 |
| 2.1 WATER USAGE..... | 4 |
| 2.2 LAKE WATER MONITORING | 4 |
| 2.3 WHALE TAIL SOUTH CHANNEL | 4 |
| 2.4 WHALE TAIL DIKE SEEPAGE MONITORING | 4 |
| 2.5 SEWAGE TREATMENT PLANT | 4 |
| 2.6 WHALE TAIL ATTENUATION POND..... | 4 |
| SECTION 3 • SPILL MANAGEMENT | 7 |

SECTION 1 • BACKGROUND

On May 13, 2020, Agnico received the minister approval for the Water License 2AM-WTP1830 Amendment No.1. This amendment was required to authorize changes to the previously-approved uses of water and deposit of wastes needed to reflect the expansion of the Whale Tail Pit Project.

As required under Part I, Item 22 of Type A Water License 2AM-WTP1830, 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 plant discharge, Whale Tail Attenuation Pond discharge, dewatering discharges 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

Fresh water usage for August is summarized in Table 2.1 below

Table 2.1: August 2020 – Freshwater Usage (m³)

| Water Location | Source Lake | Jan | Feb | March | April | May | June | July | Aug | Total |
|---|------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Camp | Nemo | 2,062 | 2,184 | 2,317 | 1,485 | 1,845 | 2,013 | 2,187 | 2,424 | 16,516 |
| Construction/Operation | Nemo | 1,518 | 1,840 | 1,284 | 879 | 1,967 | 1,039 | 498 | 1,533 | 10,558 |
| Dust Suppression | Nemo / WTHR Pond | 0 | 0 | 0 | 0 | 0 | 0 | 1,500 | 0 | 1,500 |
| Explosive | Mammoth Lake | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Drilling | Proximal Sources | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total Freshwater Usage (m³) | | 3,579 | 4,024 | 3,601 | 2,364 | 3,812 | 3,052 | 4,184 | 3,958 | 28,574 |

2.2 LAKE WATER MONITORING

Lake around the Whale Tail Project were monitored on a monthly basis during the open water season. In August, monthly samples were taken at Lake A47 (ST-WT-6), , Lake A16 (ST-WT-14) and Lake A15 (ST-WT-15).

2.3 WHALE TAIL SOUTH CHANNEL

Whale Tail South Channel was operational in August. No issues to report.

2.4 WHALE TAIL DIKE SEEPAGE MONITORING

In August, seepage at the toe of Whale Tail dike was still observed. Agnico continue to manage water from WTD seepage as part of the Whale Tail Attenuation Pond.

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

2.5 SEWAGE TREATMENT PLANT

Effluent from the sewage treatment plan is discharged to the Whale Tail Attenuation Pond. As per Water License Schedule I Sampling Station ST-WT-11, effluent is to be sampled four times per calendar year. Agnico is currently sampling the STP on a monthly basis and thus a sample was taken in August. A total of 2 340 m³ was discharged during the month.

2.6 WHALE TAIL ATTENUATION POND

Water from the Whale Tail Attenuation Pond discharged during the whole month of August in Mammoth Lake East Diffuser and discharge in Mammoth Lake West Diffuser was from August 23 to 31. Water was treated by the Water Treatment Plan before discharge. A total of 369 871 m³ was discharged to Mammoth Lake.

As per Water License Part F Item 5, the effluent from this discharge shall not exceed the limits detailed in Table 2.6.1 and 2.6.2 below. No non-compliance observed during the month of August.

Table 2.6.1: Whale Tail Attenuation Pond Discharge to Mammoth Lake West Diffuser (ST-WT-2)

| Parameter | Maximum Authorized Concentration Grab Sample | Maximum Authorized Monthly Mean Concentration | Unit | Sample Date | Monthly Average |
|------------------------------------|--|---|----------|-------------|-----------------|
| | | | | 8/24/2020 | |
| Field Measured | | | | | |
| pH | 6.0 - 9.5 | 6.0 - 9.5 | pH units | 6.79 | 6.79 |
| Conventional Parameters | | | | | |
| Total suspended solids | 30 | 15 | mg/L | 5 | 5 |
| Nutrients | | | | | |
| Total phosphorus | 0.6 | 0.3 | mg/L | <0.01 | 0.005 |
| Total ammonia (NH3-N) | 32 | 16 | mg/L | 1.05 | 1.05 |
| General Organics | | | | | |
| Total Petroleum hydrocarbons (TPH) | 6 | 3 | mg/L | <0.1 | 0.05 |
| Total Metals | | | | | |
| Aluminum | 1 | 0.5 | mg/L | 0.018 | 0.013 |
| Arsenic | 0.2 | 0.1 | mg/L | 0.0039 | 0.0039 |
| Cadmium | 0.004 | 0.002 | mg/L | <0.00002 | 0.00001 |
| Chromium | 0.04 | 0.02 | mg/L | 0.0008 | 0.0008 |
| Copper | 0.2 | 0.1 | mg/L | 0.0029 | 0.0029 |
| Iron | 2 | 1 | mg/L | 0.76 | 0.76 |
| Lead | 0.1 | 0.05 | mg/L | <0.00017 | 0.000085 |
| Mercury | 0.008 | 0.004 | mg/L | <0.00001 | 0.000005 |
| Nickel | 0.5 | 0.25 | mg/L | 0.0178 | 0.0178 |
| Zinc | 0.2 | 0.1 | mg/L | 0.034 | 0.034 |

Table 2.6.2: Whale Tail Attenuation Pond Discharge to Mammoth Lake East Diffuser (ST-WT-2a)

| Parameter | Maximum Authorized Concentration Grab Sample | Maximum Authorized Monthly Mean Concentration | Unit | Sample Date | | | | Monthly Average |
|------------------------------------|--|---|----------|-------------|-----------|-----------|-----------|-----------------|
| | | | | 8/3/2020 | 8/10/2020 | 8/17/2020 | 8/24/2020 | |
| Field Measured | | | | | | | | |
| pH | 6.0 - 9.5 | 6.0 - 9.5 | pH units | 6.89 | 7.14 | 6.99 | 6.72 | 6.935 |
| Conventional Parameters | | | | | | | | |
| Total suspended solids | 30 | 15 | mg/L | 5 | 6 | 5 | 12 | 7 |
| Nutrients | | | | | | | | |
| Total phosphorus | 0.6 | 0.3 | mg/L | < 0.01 | < 0.01 | < 0.01 | < 0.01 | 0.005 |
| Total ammonia (NH3-N) | 32 | 16 | mg/L | 1.68 | 1.15 | 0.48 | 1.04 | 1.0875 |
| General Organics | | | | | | | | |
| Total Petroleum hydrocarbons (TPH) | 6 | 3 | mg/L | <0.1 | <0.1 | <0.1 | 0.1 | 0.06 |
| Total Metals | | | | | | | | |
| Aluminum | 1 | 0.5 | mg/L | 0.01 | 0.012 | <0.006 | 0.026 | 0.013 |
| Arsenic | 0.2 | 0.1 | mg/L | 0.0013 | 0.0011 | 0.0034 | 0.0034 | 0.0023 |
| Cadmium | 0.004 | 0.002 | mg/L | <0.00002 | <0.00002 | <0.00002 | <0.00002 | 0.00001 |
| Chromium | 0.04 | 0.02 | mg/L | < 0.0006 | 0.0007 | < 0.0006 | 0.0006 | 0.0005 |
| Copper | 0.2 | 0.1 | mg/L | 0.0033 | 0.0022 | <0.0005 | 0.0033 | 0.0023 |
| Iron | 2 | 1 | mg/L | 0.42 | 0.43 | 0.85 | 0.69 | 0.60 |
| Lead | 0.1 | 0.05 | mg/L | <0.0003 | <0.00017 | <0.00017 | <0.00017 | 0.0001 |
| Mercury | 0.008 | 0.004 | mg/L | <0.00001 | <0.00001 | <0.00001 | <0.00001 | 0.000005 |
| Nickel | 0.5 | 0.25 | mg/L | 0.0208 | 0.0073 | 0.0133 | 0.0187 | 0.0150 |
| Zinc | 0.2 | 0.1 | mg/L | 0.009 | 0.004 | 0.011 | 0.015 | 0.010 |

2.7 WHALE TAIL IVR PIT AREA DEWATERING

The dewatering of the lakes in the footprint of the future IVR Pit started to be dewatered in August. Lakes dewatered included A-P38, A46, A47, A49, A-P10, A-P67 and A-P68. Water was pumped to the Whale Tail Attenuation Pond as per our approved Dewatering Phase Pumping System Design Report. At the end of August, only Lake A48 was still in final CPUE while the other one was completely fishout with the approval of DFO. Dewatering will be continued in September.

2.8 WHALE TAIL IVR WRSF/ATTENUATION POND AREAS DEWATERING

At the end of August, only Lake A53 was still in final fishout CPUE while the other one (A50, A51, A52, A53 and A-P21) was completely fishout with the approval of DFO. Dewatering was planned to start at the beginning of September.

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 August.

All spills reported internally (17) were managed appropriately on site according to Agnico's spill contingency plan. One (1) spill was reported to regulators in August. 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

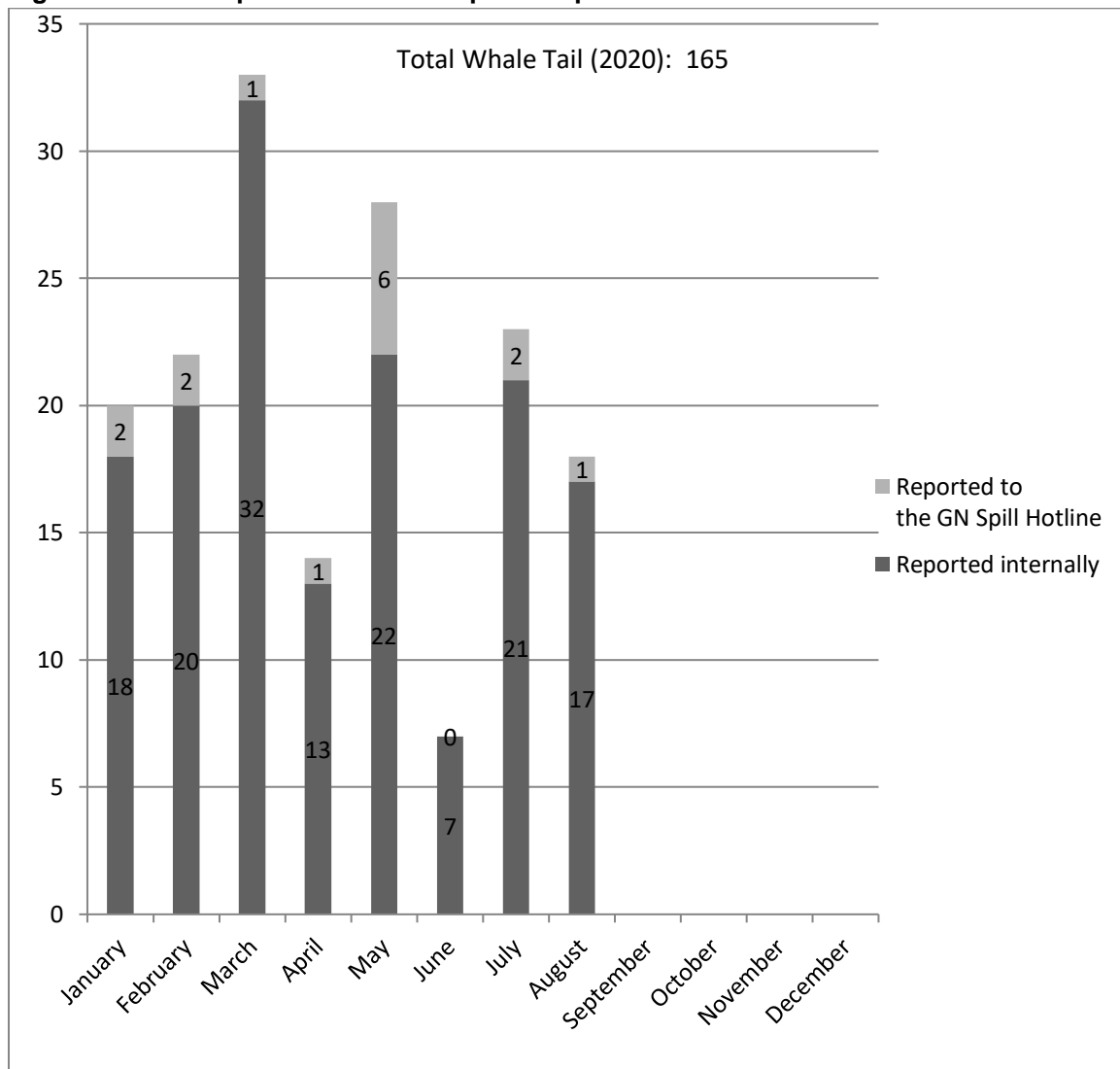


Table 3.1: Summary of Agnico Eagle Internal and Reported Spill Reports, August 2020

| Date of Spill | Hazardous Material | Qty | Units (L / Kg) | Location | Cause of spill | Clean-up action taken |
|-----------------|--------------------|-----|----------------|---------------------------------|--|---|
| August 1, 2020 | Transmission Oil | 80 | L | WT Pit Phase 2 | Equipment failure | Equipment was stopped. Spill was contained and contaminated soil picked up and disposed appropriately. |
| August 1, 2020 | Diesel | 10 | L | Explo Camp MTU Genset Fuel Tank | The Fuel Tank was overfilled by the fuel truck operator and with the increase of temperature the pressure pushed the fuel upwards out from the tank vent | Worker picked up some absorbents to contain the spill and pumped some of the fuel into the Lube Truck to reduce the fuel in the tank. Spill was contained and contaminated soil picked up and disposed in the contaminated bin. |
| August 3, 2020 | Hydraulic Oil | 40 | L | WT Pit Phase 2 | Hydraulic oil failure | Equipment was stopped. Spill was contained and contaminated soil picked up and disposed appropriately. |
| August 4, 2020 | Transfer case Oil | 32 | L | VT-260S access | Scoop lost a front right wheel | Spill was contained, and contaminated soil picked up and disposed of appropriately in the underground contaminated bin. Spill pads were placed on ground to collect spilled material. |
| August 6, 2020 | Diesel | 40 | L | Whale Tail Pit | Tank filled to the max capacity and fuel was overflowing by the top vent of the fuel tank. | Put absorbent to contain the spill and advise pit supervisor. Spill was contained and contaminated soil picked up and disposed appropriately. |
| August 10, 2020 | Drilling Oil | 40 | L | Road 7 | Worker was moving palette of rock drill oil from warehouse to storage area and 2 pails fall off the palette. | Operator stop the loader. Absorbent pads and spill kit use to containment the spill. Spill was clean and scrap with loader. Spill was contained and contaminated soil picked up and disposed in the contaminated bin. |
| August 11, 2020 | Diesel | 125 | L | Whale Tail Haul Road KM 155 | Fuel Tank broken on long haul truck | Spill was contained with absorbent pads and picked up by loader. Spill was contained and contaminated soil picked up and disposed in the contaminated bin. |
| August 12, 2020 | Engine Oil | 75 | L | Phase 3 Pattern 5130MSW15 | Engine hose failure | Mechanic was call to fix hose. LOA 19 was sent to pick-up the contaminated muck, the contaminated soil was brought to the yellow bin at the shop. |
| August 15, 2020 | Hydraulic Oil | 10 | L | WT Pit Phase 2 | Hydraulic hose failure | Operator turned off the machine and called dispatch for repair. Spill was contained and contaminated soil picked up and disposed in the contaminated bin. |
| August 19, 2020 | Hydraulic Oil | 40 | L | VT260S RMK01 - WT Pit | Hydraulic hose failure | Contaminated spill pads picked up and disposed of properly in quatrex tote |
| August 23, 2020 | Hydraulic Oil | 20 | L | Super highway stockpile | Hose on the hammer got loose and leaked. | Contaminated soil picked up and disposed in yellow bin behind the shop |
| August 24, 2020 | Hydraulic Oil | 25 | L | Phase 2 | Brake hose failure | Stopped the engine and called the dispatch for the mechanic. Contaminated soil picked up and disposed in yellow bin |

Type A Water License 2AM-WTP1830
Monitoring Program Summary Report

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|-----------------|---------------|----|---|---------------------------------------|--|---|
| August 24, 2020 | Hydraulic Oil | 70 | L | Phase 2 in Pattern 5109MSW47 | Cylinder brake hydraulic hose failure. | The spill was contained, and contaminated soil picked up and disposed of appropriately |
| August 25, 2020 | Hydraulic Oil | 20 | L | Phase 2 (5109MSW47) | Hydraulic hose O-ring failure. | The spill was contained, and contaminated soil picked up and disposed of appropriately in the yellow bin |
| August 25, 2020 | Hydraulic Oil | 40 | L | Phase 2 Pattern (5109MSW47) | Hydraulic hose O-ring failure. | Contaminated material disposed of adequately in the yellow bin |
| August 25, 2020 | Hydraulic Oil | 20 | L | Bottom Phase#3 ramp | Hydraulic hose failure | Equipment stopped and contaminated material disposed of adequately in the yellow bin at the underground shop |
| August 26, 2020 | Coolant | 2 | L | PATTERN 5123MSW81 next to hole # 2109 | Coolant hose failure | The worker turned off engine immediately. Contaminated material disposed of adequately. |
| August 28, 2020 | Coolant | 1 | L | 5102msw22 | Coolant hose failure | Equipment stopped and put absorbent pads. The spill was contained, and contaminated soil picked up and disposed of appropriate yellow bin behind mechanic shop. |