WATER USE INSPECTION REPORT

Date: July 29th,2008	Licensee Rep. (Name/Title): Ryan VanEngen	
Licensee: Agnico Eagle		Licence No: 2AM-MEA0813

WATER SUPPLY

Source(s): Third Portage Lake / Mine site	Quantity used: Unknown – Unknown
Owner:/Operator: Agnico-Eagle Ltd.	

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Intake Facilities: NI	Storage Structure: A	Treatment Sys: NA	Chemical Storage: NA
Flow Meas. Device:	Conveyance Lines: NA	Pumping Stations: NA	Screen : NA

Comments: Water for the camp is currently treated using Filers, UV and Chlorination systems. All found to be in good order with records kept daily and on site.

WASTE DISPOSAL

Sewage: Sewage Treatment System (Prim./Sec/Ter.): Direct discharge to Marine Environ.

Natural Water Body: Mine site	Continuous Discharge (land or water): Continuous	
Seasonal Discharge: NA	Wetlands Treatment: NA	Trench: NA

Comments: Sewage wastes treated and discharged to water retention area.

Solid Waste:

Landfill: Pedning – To be constructed	Burn & Landfill: NA	Other: Incinerator & backhaul
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Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Discharge Quality:	Decant Structure:	Erosion: A
Discharge Meas. Device: NA	Dyke Inspection: NA	Seepages: A
Dams, Dykes: NI	Freeboard: A	Spills:
Construction: NI	O&M Plan:	A&R Plan:
Periods of Discharge: NA.	Effluent Discharge Rate: NA	

Comments: Solid waste is currently incinerated on site. Construction of the land fill is pending and bulk waste is being transported to an unlicensed facility in Baker Lake, Nunavut.

FUEL STORAGE:.

Waste Oil Storage: None noted Owner/Operator: Agnico-Eagle Ltd

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Berms & Liners: U	Water within Berms: U	Evidence of Leaks: NI
Drainage Pipes: A	Pump Station & Catchments Berm: NI	
Pipeline Condition: NA	Condition of Tanks: A	

Comments: Construction of a new tank farm was noted on site. Pads were noted within a containment

SURVEILLANCE NETWORK PROGRAM (SNP)

Samples Collection	lected Owner /Operator: Agnico-Eagle Ltd.		gnico-Eagle Ltd.
2		INAC: Potable water, Effluent/ Runoff	
Signs Posted	SNP: None		Warning: ∪
Records & Reporting: Annual reporting (sampling and analysis) is required, Follow up in September.			
Geotechnical Inspection: N/A			

Non-Compliance of Act or Licence: Construction activities and recent license approvals requiring modifications in operations made the inspection difficult. Noted deficiencies included the continued discharge of grey water from the tent camp and hauling of waste to an unlicensed facility. A more thorough inspection will be scheduled for September 2008.

A.Keim	Sent by E-mail
Inspector's Name	Inspector's Signature