WATER LICENCE INSPECTION FORM

\boxtimes	Original	
	Follow-Up	Report

	☐ Follow-op kepoit
Licensee	Licensee Representative
Agnico Eagle Mines Limited	David Frenette
Licence No. / Expiry	Representative's Title
2BB-MEA1318/ March 6 th , 2018	Environmental Coordinator
Land Authorization No. / Purpose / Expiry	Land Authorization Expiry
N2013F0030/ Winter trail	April 15 th , 2019
Date of Inspection	Inspector
May 10 th , 2017	WRO Wilson
Activities Inspected	
☐ Camp ☐ Drilling ☐ Mining ☐ Mining ☐ Roads/Hauling ☐ Other: Water Discharge	

SECTION 1 Comments (s) Non-Compliance with Act or Licence (s) Action	Required (s))
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On December 1st, 2016 the Nunavut Water Board approved Agnico Eagle Mines Limited ('AEM'), amendment application no. 4 for water licence no. 2BE-MEA1318. The amendment authorized advance exploration activities including underground exploration; bulk sampling and quarrying activities; operation of a water management pond; and waste rock and ore storage at the Meadowbank Advanced Exploration Project (Amaruq). This amendment also changed the licence number to 2BB-MEA1318.

On May 10th, 2017 a regularly scheduled compliance inspection was conducted by Indigenous and Northern Affairs Canada's Water Resource Officer (WRO), Christine Wilson with the assistance of AEM's Environmental Coordinator, David Frenette and Environmental Technician, Cedric Bonhomme.

The following report was produced with the observations noted during that inspection.

Pre inspection meeting

- -Current population of the camp is 93.
- -Five drills are in operation with the possibility of eight in total.
- -Each drill uses an average of 30m³ of water per day. With eight drills running the water consumption is around 250m³ per day. Water is recirculated into a tank that allows the cutting to settle out and the water to be reclaimed and used again.
- -Domestic fresh water use at the camp has been averaging 13.3 m³ daily.
- -The waste water treatment plant (WWTP) has provided consistence treatment since the upgrades to the facility in 2016.
- -One sampling event returned results above the criteria prescribed in the licence. The environment department determined the cause of this event and took corrective actions to resolve future incidents.
- -The incident was never reported to the inspector or the 24-Hour Spill Line.
- -The environment department internally will be reviewing spill reporting procedures to be consistence with AEM's other projects.

Waste Water

- 1. The WWTP is currently operating within the prescribed criteria of the licence.
- 2. Three aeration tanks (referred to as 'BCM' by the environment department) have been installed in succession to allow for pre treatment of the biologic material before entering the WWTP system at the equalization tank.
- 3. The sludge from the aeration tanks is removed twice a year. This sludge is packed into plastic totes and backhauled annual as would hazardous waste. AEM estimated an averaged of six totes of sludge is produced a year.
- 4. A dissipation channel was constructed at the WWTP outfall in 2016. This channel provides the necessary controls to prevent erosion as described in the licence.
- 5. A sheet of ice has formed on the south side of the camp. It was unclear at the time of inspection the source of the ice, it appears to be from the WWTP, run off from the camp or flooding of a nearby stream (photo 3).
- 6. The core cutting shack waste water continues to be recirculated through the settling tanks system. The settling pond that was constructed outside near the shack appears to have been removed.
- 7. The cuttings removed from the core cutting shack waste water are taken to a central cutting sump.

Spill Contingency Planning

- 8. In 2015 a 1500L diesel spill occurred at the Amaruq camp, the spill was reported to the 24-Hour Spill line. A spill report number was issued as 15-329.
- 9. An update was provided to the inspector on the reclamation activities of spill 15-329 on April 27th, 2017.
- 10. AEM indicated that the contaminated material will remain stored onsite until it can be trucked to Meadowbank.
- 11. The contaminated material storage is closed to the environment to eliminate further contamination.
- 12. The contaminated material storage structure was improved last year. A liner is used to encapsulate the soil.
- 13. Further clean-up is planned for summer 2017. A clear timeline is not established as to when the spill clean-up will be finalized.
- 14. Spill kits were noted at numerous locations, ready and available for emergency use.

Monitoring

15. Appropriate signage was noted at the MFA-2

13. Appropriate signage was noted at the MLA-2.				
SECTION 2	Comments (s)	Non-Compliance with Act or Licence (s.2)	Action Required (s)	
PART D item 11-	Failure to confirm effluent qua	ality prior to release.		
PART D item 16- Failure to report discharge of effluent above licence criteria.				
PART H item 5- Failure to report unauthorized discharge of a potential waste.				



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	Northern Affairs Canada

SECTION 3

ON 3	Comments (s)	Non-Com	pliance with Act or Licenc	e, (s)	Action Required (s.3)
AFM will	provide to the inspector a sch	edule for reclamation	of the 2015 diesel spill befor	e June 15 th	. 2017

- AEM will provide the location of the central cutting sump to the inspector before June 15^{th} , 2017
- AEM is encouraged to review part D item 18 regarding the condition of the operational pad in relation to rutting as this ultimately impacts surface drainage (part E item 2 and 5) within the footprint of the camp.
- The environment division is encouraged to review and understand the definition of waste as defined in section 4 of the Nunavut Waters and Nunavut Surface Rights Tribunal Act (the Act) specifically in relation to unauthorized discharges and the duty to report found in section 12(3) and part H item 5 of this licence.

The environment division is encouraged to review part A item 1 (b) of this licence; the duty to report unauthorized discharge is not only required by this licence and Act but other applicable legislation.

The Act can be found at the following link attached for your convenience http://laws-lois.justice.gc.ca/eng/acts/N-28.8/

Licensee or Representative	Inspector's Name	
	C. Wilson	
Signature	Signature	
	Sent by e-mail	
Date	Date	
	May 10 th , 2017	

Office Use Only:	Follow-up report to be issued by Inspector	☐ Yes ☒ No
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Attached: Photo Log 2BB-MEA1318, - May 10th, 2017

Erik Allain, Manager Field Operations, INAC David Frenette, Environmental Coordinator, AEM



File Number: 2017-KIV06-CW



Authorization Number: Camera/Model: Inspector WRO Wilson May 10 2017 2BB-MEA1318 Sony DSC-HX50V Cyber shot Lat/Long (DD.MM.SS.SS, NAD83) N65° 24′ 2.34″, W 96° 40′ 50.69″ Photo No. Photo 1

Description: Amaruq Camp

Lat/Long (DD.MM.SS.SS, NAD83) Photo No. N65° 23′ 55.073″ W 96° 40′ 14.86″ Photo 2 05 10 2017 Description: Seacan Lay down and fuel farm







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