

WRITTEN WARNING

NUNAVUT WATERS AND NUNAVUT SURFACE RIGHTS TRIBUNAL ACT

File: [2017-KIV36-CW]

November 17th, 2017

Registered with acknowledgement of receipt

The purpose of this warning is to inform:

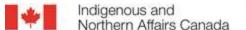
Agnico Eagle Mines Limited Meliadine Division 11600, Rue Louise-Bisson Mirabel, Quebec J7N 1G9

c/o Jamie Quesnel **Environment Superintendent Nunavut Service Group** Agnico Eagle Mines Limited Meadowbank Division Baker Lake, Nunavut, Canada X0C 0A0

c/o Manon Turmel **Environmental Compliance Counselor** Agnico Eagle Mines Limited- Meliadine Division 11600, Rue Louise-Bisson Mirabel, Quebec J7N 1G9

c/o Jessica Huza Senior Environmental Coordinator Agnico Eagle Mines Limited Meliadine Project Rankin Inlet, Nunavut, Canada X0C 0G0





that information collected from the NU-NT Spill Line about your facility at the Meliadine Advance Exploration Project as well as information received from Agnico Eagle Mines Limited, Environment Division by the undersigned Inspector designated by the Minister of Indigenous and Northern Affairs Canada under the *Nunavut Waters Nunavut Surface Rights Tribunal Act*, gives me reasonable grounds to believe that Agnico Eagle Mines Limited was in contravention of part d, item 11 and part h item 4(c) of their Nunavut Water Board issued water licence no. 2BB-MEL1424 and subsection 90(3) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*.

ALLEGED FACTS

July 7th, 2017 I received information from the NT-NU Spill Line regarding a sewage release from the Meliadine Exploration Camp's Sewage Treatment Plant (STP). Details received from Agnico Eagle Mines Ltd. (AEM) indicated that a release of effluent with a low pH occurred on June 26th, 2017, and was deposited approximately sixty five (65) meters from the high water mark of Meliadine Lake.

The sample collected by AEM at sampling station MEL-7 (Mel-7) on June 26th, 2017 had a pH of 5.67 which exceeds the permitted water licence threshold range of pH 6 - 9.5, found in part d, item 11 of water licence no. 2BB-MEL1424. A follow up report was submitted, pursuant to part H item 4c, which detailed the cause of the exceedance as human error.

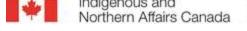
On August 1st, 2017, I received information from the NT-NU Spill Line regarding a sewage release from the Meliadine Exploration Camp's STP. Details received from AEM indicated that a release of effluent with elevated levels of fecal coliforms had occurred on July 24th, 2017 and was deposited approximately sixty five (65) meters from the high water mark of Meliadine Lake.

The samples collected by AEM at Mel-7 on July 24th, 2017, were 2600CFU/100ml, which exceeds the permitted water licence threshold of 1000CFU/100ml. A follow up report was submitted pursuant to part h, item 4c, but indicated that the cause of the exceedance was never determined.

On September 29th, 2017, I received information from the NT-NU Spill Line regarding a sewage release from the Meliadine Exploration Camp's STP. Details received from AEM indicated that a release of effluent with elevated levels of fecal coliforms had occurred on September 25th, 2017 and was deposited approximately sixty five (65) meters from the high water mark of Meliadine Lake.

The samples collected by AEM at Mel-7 on September 25th, 2017, were 4200CFU/100ml, which exceeds the permitted water licence threshold of 1000CFU/100ml. AEM failed to submit a follow up report, pursuant to part h, item 4c therefore an exact volume of effluent discharged and cause was never determined.

On November 11th, 2017, I received information from the NT-NU Spill Line regarding a sewage release from the Meliadine Exploration Camp's STP. Details received from AEM indicated that a release of



effluent with elevated levels of fecal coliforms had occurred on October 30th, 2017 and was deposited approximately sixty five (65) meters from Meliadine Lake high water mark.

The samples collected at Mel-7 on October 30th, were 1100CFU/100ml, which exceeds the permitted water licence threshold of 1000CFU/100ml.

On November 14th, 2017, I received information from the NT-NU Spill Line regarding a sewage release from the Meliadine Exploration Camp's STP. Details received from AEM indicated that a release of effluent with elevated levels of fecal coliforms had occurred on November 7th, 2017 and was deposited approximately sixty five (65) meters from Meliadine Lake high water mark.

The samples collected by AEM at Mel-7 on October 30th, were 14000CFU/100ml, which exceeds the permitted water licence threshold of 1000CFU/100ml.

Based on my experience as a Water Resource Officer and as an INAC Inspector, I am aware that a licensee, who contravenes any condition of the licence, is guilty of an offence and liable on summary conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding one year, or to both.

Based on the aforementioned facts, I have reasonable grounds to believe that Agnico Eagle Mines Limited has contravened part d, item 11 and part h, item 4(c) of their water licence no. 2BB-MEL1425 furthermore Agnico Eagle Mines Limited failed to comply with conditions of their licence which contravenes subsection 90(3) of the Nunavut Water and Nunavut Surface Rights Tribunal Act.

THE LAW

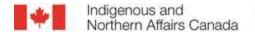
Nunavut Waters and Nunavut Surface Rights Tribunal Act

Deposit of waste

- 12. (1) Subject to subsection (2) and except in accordance with the conditions of a licence, no person shall deposit or permit the deposit of waste
 - (a) in waters in Nunavut; or
 - (b) in any other place in Nunavut under conditions in which the waste, or any other waste that results from the deposit of that waste, may enter waters in Nunavut.

Exceptions

- (2) Subsection (1) does not apply in respect of
 - (a) any unlicensed deposit of waste that is authorized by the regulations; or
 - (b) the deposit of waste in a national park.



Duty to report deposits

(3) Where waste is deposited in contravention of this section, every person who owns or has the charge, management or control of the waste, or who caused or contributed to the deposit, shall, subject to the regulations, without delay report the deposit to an inspector.

Principal offences

90. (1) Any person who contravenes subsection 11(1) or section 12, or fails to comply with subsection 11(3) or with a direction given by an inspector under subsection 87(1), is guilty of an offence and liable on summary conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding one year, or to both.

Type A licences

- (2) A licensee holding a type A licence who
 - (a) contravenes any condition of the licence, where the contravention does not constitute an offence under section 91, or
 - (b) fails, without reasonable excuse, to furnish or maintain security as required under subsection 76(1)
- is guilty of an offence and liable on summary conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding one year, or to both.

Type B licences

- (3) A licensee holding a type B licence who
 - (a) contravenes any condition of the licence, where the contravention does not constitute an offence under section 91, or
 - (b) fails, without reasonable excuse, to furnish or maintain security as required under subsection 76(1)
- is guilty of an offence and liable on summary conviction to a fine not exceeding \$15,000 or to imprisonment for a term not exceeding six months, or to both.

Continuing offences

(4) Where an offence under this section is committed on or continued for more than one day, it is deemed to be a separate offence for each day on which it is committed or continued.

Other offences

- 91. Any person is guilty of an offence punishable on summary conviction who
 - (a) contravenes subsection 86(4) or section 88, or any regulations made under paragraph 82(1)(o), (p) or (q); or
 - (b) wilfully obstructs or otherwise interferes with a licensee or any person acting on behalf of a licensee in the exercise of the licensee's rights under this Part, except as authorized under this or any other Act of Parliament.



CONCLUSION

This warning alleges a contravention of section 90(3) of the Nunavut Waters Nunavut Surface Rights Tribunal Act. It is intended to bring this matter to your attention in order for you to take the necessary corrective action to ensure compliance with the Nunavut Waters Nunavut Surface Rights Tribunal Act or in order for you to exercise due diligence in the future. This document is not finding of guilt or civil liability, and is not an administrative adjudication.

This warning and the circumstances to which it refers will from part of Indigenous and Northern Affairs Canada's (INAC) records of the Agnico Eagle Mines Limited, and will be taken into account in future responses to alleged violations and for internal purposes such as setting the frequency of inspections. INAC will consider taking further action if you do not take all necessary corrective steps to comply or if you do not exercise due diligence in the future.

The complete text of the Nunavut Waters Nunavut Surface Rights Tribunal Act is available on canlii website: https://www.canlii.org/en/ca/laws/stat/sc-2002-c-10/latest/sc-2002-c-10.html

For more information or to respond to the alleged facts contained in the warning, please call or write the undersigned. Your comments will be considered, and where appropriate, a response provided. Any comments you make, as well as INAC response will be maintained on file with this warning in INAC's records.

(Sent Electronically)

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C. Wilson

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cc: Erik Allain

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