



WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

| | |
|---|---|
| Licensee | Licensee Representative |
| 2BB-MEL1424 | David Frenette |
| Licence No. / Expiry | Representative's Title |
| July 21st, 2024 | Environment Division |
| Land / Other Authorizations | Land / Other Authorizations |
| IOL | -- |
| Date of Inspection | Inspector |
| May 10 th 2018 | WRO C. Wilson |
| Activities Inspected | |
| <input type="checkbox"/> Camp | <input checked="" type="checkbox"/> Drilling |
| <input checked="" type="checkbox"/> Roads/Hauling | <input type="checkbox"/> Mining |
| | <input type="checkbox"/> Construction |
| | <input checked="" type="checkbox"/> Reclamation |
| | <input type="checkbox"/> Fuel Storage |
| | <input type="checkbox"/> Other: Water Supply |
| | <input type="checkbox"/> Other: |

| | | | |
|-----------|--|--|---|
| SECTION 1 | <input checked="" type="checkbox"/> Comments (s.1) | <input type="checkbox"/> Non-Compliance with Act or Licence (s.__) | <input type="checkbox"/> Action Required (s.__) |
|-----------|--|--|---|

On May 10th, 2018 an inspection was conducted of Agnico Eagle Mines’ (‘AEM’), spring drilling campaign, authorized under water licence no. 2BB-MEL1424. The inspection was completed by Indigenous and Northern Affairs Canada’s Water Resource Officer, Christine Wilson and Atuat Shouldice.

This report was produced with the information provided by AEM Exploration Division’s Environmental Coordinator, David Frenette and the findings collected during the inspection.

Observations

- The 2017 annual report has been submitted to the Nunavut Water Board, as required by PART B item 6.
- At the time of the inspection the drills were not in operation due to limited snow cover. AEM utilizes overland drill rigs during the winter/spring program which, pursuant to the Kivalliq Inuit Association’s (‘KIA’) land authorization, requires a layer of snow to protect the tundra from rutting.
- A total of seven drill sites were inspected; the names and location listed below.

| Hole No. | Measured X | Measured Y |
|----------|------------|------------|
| M18-2448 | 534807.50 | 6988238.40 |
| M18-2447 | 535231.00 | 6987855.20 |
| M18-2446 | 533420.5 | 6990286.4 |
| M18-2445 | 533013.2 | 6991234.4 |
| M18-2444 | 532453.4 | 6990774,4 |
| M18-2443 | 532435.0 | 6990712.8 |
| M18-2440 | 535232.6 | 6987873.6 |

- The water usage logs were received by the inspector. Drilling activity appears to utilize Meliadine Lake as the water supply in accordance with PART C item 1.
- At drill site M18-2445 cutting were observed on the surface of the ice, as well as in the ice itself, failing to comply with PART F item 2.
- In many location the trails, used for the overland transfer of the drills, the ground was bare though no rutting was observed which would be in compliance with PART E item 20.
- At M18-2448, an AEM employee was reclaiming the drill site by cutting the collar off at ground level. Though this method does not comply with PART I item 10 “(...) removal of any drill casing materials”, it does comply with the KIA land authorization. The inspector had no concerns, but would continue to encourage AEM to remove drill casing material whenever possible.
- The inspector noted small amounts of garbage (e.g.: wire, hoses and spill pads) at every drill site which fails to comply with PART I Item 10.

| | | | |
|-----------|--|--|---|
| SECTION 2 | <input type="checkbox"/> Comments (s.__) | <input checked="" type="checkbox"/> Non-Compliance with Act or Licence (s.2) | <input type="checkbox"/> Action Required (s.__) |
|-----------|--|--|---|

Non-compliance related to water licence no. 2BB-MEL1424;

- PART I item 10, failure to restore drill site to natural condition.
- PART F item 2, failure to dispose drill waste thirty one (31) meters from the ordinary high water mark.

Non-compliance related to the *Nunavut Waters and Nunavut Surface Rights Tribunal Act S.C 2002, c. 10* ;

- Section 90(1), failure to comply with the terms of water licence no. 2BB-MEL1424.

| | | | |
|-----------|--|---|---|
| SECTION 3 | <input type="checkbox"/> Comments (s.__) | <input type="checkbox"/> Non-Compliance with Act or Licence, (s.__) | <input checked="" type="checkbox"/> Action Required (s.3) |
|-----------|--|---|---|

Actions Required

-AEM’s Environment Department will revisit the drill sites prior to summer to recover garbage as required by PART I item 10.

-AEM will provide a copy of the water sample laboratory analysis report taken at M18-2445 to the inspector before May 31st, 2018.

Closing Remarks

-This was the first inspection INAC has conducted by snowmobile in the future we would like to have AEM Environment Department accompany us so that we may discuss any issues during the inspection.



| | |
|----------------------------|-----------------------------|
| Licensee or Representative | Inspector's Name |
| | WRO C Wilson |
| Signature | Signature |
| | Original signed on file |
| Date | Date |
| | May 10 th , 2018 |

| | | |
|------------------|--|---|
| Office Use Only: | Follow-up report to be issued by Inspector | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|------------------|--|---|

cc. Erik Allain, Director, Lands Administration, INAC
Manager, Licensing, Nunavut Water Board
David Frenette, Environmental Coordinator, AEM
Mario Bolduc, Project Geologist, AEM

Attached: Photo Log, May 10th, 2010



PHOTO LOG

| Date: | Authorization Number: | Camera/Model: | Inspector |
|----------------|-----------------------|--------------------------------|------------|
| May 10th, 2018 | 2BB-MEL1424 | Sony DSC-HX50V Cyber shot | WRO Wilson |
| Photo No. | | Lat/Long (DD.MM.SS.SS, NAD83) | |
| Photo 1 | | N63° 00' 59.4", W92° 18' 06.4" | |



Description:
Garbage on lake

| Locations name: | Lat/Long (DD.MM.SS.SS, NAD83) |
|-----------------|--------------------------------|
| Photo 2 | N63° 00' 59.4", W92° 18' 06.4" |



Description
Water supply hose frozen into the ice. A rope has been tied to in so that it can be removed in the summer.



| | | |
|-----------------|--|---------------------------------|
| Locations name: | | Lat/Long (DD.MM.SS.SS, NAD83) |
| Photo 3 | | N 63° 1' 3.27", W 92° 18' 9.57" |



Description

Water supply hose frozen in the ice, see comments above on photo 2.

| | | |
|-----------------|--|-------------------------------|
| Locations name: | | Lat/Long (DD.MM.SS.SS, NAD83) |
| Photo 4 | | N/A |



Description

Wire collected along the overland haul trail



Locations name:

Lat/Long (DD.MM.SS.SS, NAD83)

Photo 5

N63° 1' 8.61", W 92° 18' 14.42"



Description

Garbage on overland haul route.

Locations name:

Lat/Long (DD.MM.SS.SS, NAD83)

Photo 6

N63° 1' 8.41", W 92° 18' 15.29"



Description

Garbage on overland haul route.



| Locations name: | | Lat/Long (DD.MM.SS.SS, NAD83) |
|---|--|----------------------------------|
| Photo 7 | | N63° 1' 19.27", W 92° 18' 44.08" |
|  | | |
| Description M18-2448 Drill casing. Employee onsite cutting the casing off at ground level. A common practice when the casing is stuck in the over burden. | | |

| Locations name: | | Lat/Long (DD.MM.SS.SS, NAD83) |
|--|--|---------------------------------|
| Photo 8 | | N63° 1' 23.44", W 92° 11' 8.85" |
|  | | |
| Description Land based drill cuttings, drill site no. M18-2446. | | |



Locations name:

Photo 9

Lat/Long (DD.MM.SS.SS, NAD83)

N63° 2' 26.18", W 92° 20' 21.72"



Description

Tracked Equipment operating on bare ground.

Locations name:

Photo 10

Lat/Long (DD.MM.SS.SS, NAD83)

N63° 2' 56.95", W 92° 20' 49.82"



Description

Cuttings on the ice surface, Drill site M18-2445