



WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

Licensee	Licensee Representative, Title
2BB-MEL1424	Jennifer Brown, Environmental Coordinator
Licence No. / Expiry	Licensee Representative
July 21st, 2024	Todd Lenard, Orbit Garant
Land / Other Authorizations	Land / Other Authorizations
IOL Lease KVC102J168	--
Date of Inspection	Inspector
June 6-7th 2018	WRO C. Wilson
Activities Inspected	
<input type="checkbox"/> Camp	<input checked="" type="checkbox"/> Drilling
<input type="checkbox"/> Roads/Hauling	<input type="checkbox"/> Mining
	<input type="checkbox"/> Construction
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Fuel Storage
	<input checked="" 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.___)
<p>On June 6-7th, 2018 an inspection was conducted of the Meliadine Advance Exploration Project, under water licence no. 2BB-MEL1424. The inspection was completed by Indigenous and Northern Affairs Canada's, Christine Wilson with the assistance of AEM's Jennifer Brown and Orbit Garant's, Todd Lenard.</p> <p>This report was produced with the findings of the inspection, as well correspondence received in the days following the inspection.</p> <p>Observations</p> <p><i>Spills</i></p> <ol style="list-style-type: none">On December 16th, 2017 spill report no. 2017-434 occurred at the genset tank located at the interior of the exploration camp at N63° 1' 43.78", W92° 10' 9.25". The report states that approximately 7500L of diesel was spilled to the ground under and around the genset.<ol style="list-style-type: none">692m³ of contaminated soil was excavated from the spill site. The soil has been placed in the type A landfarm.Approximately 1230L of free diesel was collected in drums.A vertical trench lined with PVC liner is installed between the genset and Meliadine lake.The remediation plan states that the remaining work will be completed this June-July 2018.The area is still frozen under snow at the time of inspection.On April 8th, 2017 spill report no. 2017-103 occurred at the type B tank farm located at approximately N63° 01' 24.6", W92° 11' 10.7". The most recent updates indicate that 29669L of diesel was spilled to the ground around and under the tank.<ol style="list-style-type: none">Approximately 577m³ of soil was removed to the type B land farm and 1271m³ of contaminated snow was removed to the temporary snow cell.The cleanup was not completed; the pad under the tank farm was beginning to thaw, causing instability as the pit was filling with water. AEM proposed to line the downslope side of the contaminated area and backfill the excavation to maintain permafrost until reclamation would be safely completed.The tank farm will be decommissioned by November 2018 and the remediation of this spill will be completed by September 2019.The location was not inspected due to snow cover. <p><i>Landfarm</i></p> <ol style="list-style-type: none">The type B landfarm is located at N63° 01' 24.6", W92° 11' 10.7".<ol style="list-style-type: none">Water is seeping from the ramp on the south side of the facility which fails to comply with part D item 15, confirmation of effluent quality prior to release.The water has visible sheen.The containment berm on the South side of the facility is soft and saturated.Water is pooling at the bottom of the ramp on the South side of the facility.Pump, conveyance lines and totes are available to pump off the water from the facility.A pool of water that smelled strongly of hydrocarbons is under tank 18 at the approximate location of N63° 1' 26.45", W92° 11' 13.99".The inspector gave verbal direction to AEM to immediately address the release from the landfarm.Orbit Garant drill was inspected at N63° 1' 42.91", W92° 12' 52.49" (referred to as 'Drill 1' for the purposes of this reports photo log).<ol style="list-style-type: none">The rig and ancillary is on skids, located within the P- area.Reclaimed water is sourced from within the P-Area.The rig uses a settling tank and flocculent system to reduce overall water use and collects cuttings.Cutting are collected inside the settling tanks and removed with a vacuum to be deposited into the containment of the P-Area.The water intake meter is broken; a new meter is available and ready to be installed.The water usage portion of the "Driller's card" should be better established to ensure proper records.The water intake line is equipment with a screen pursuant to part C item 5.No concerns noted at this location.Orbit Garant Drill was inspected at N63° 1' 28.51", W92° 13' 55.01" (referred to as 'Drill 2' from the purposes of this reports photo log).<ol style="list-style-type: none">The rig is located in the drainage route between Lake B8 and B9. The location of the rig would fail to comply with the part F item 1, conducting land base drilling within thirty one (31) meters of a water body.Cuttings, cuttings water and calcium chloride is on the ground around the rig and within the water flowing from Lake B8 and B9. This practice would failure to comply with part F item 2, improper disposal of drill waste.Two large ruts lead from the top of Meliadine Esker, to the drainage area between Lake B8 and B9. Brown water which appears to be turbid is flowing from the esker to the water connecting Lake B8 and B9. This practice fails to comply with part E item 7, 11, 12, 17 and 20.The operator and the environment department could not verify which licence -the Type A or Type B- this rig was authorized under.The rig is not operating and in the processes of being moved.Water is sourced from Lake B8.			
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.___)
<p>Non-compliance or concerns related to conditions of water licence no. 2BB-MEL1424;</p> <p>— PART D item 15, failure to confirm effluent quality limits of MEL-6 prior to discharge.</p>			



- PART F item 1, failure to respect thirty one (31) meter boundary for land base drilling near a water body.
- PART F item 2, failure to dispose drill water, cuttings, and calcium chloride at a location where direct flow into a water body is not possible.
- PART E item 7, failure to conduct activities in such a way to minimize impacts to surface drainage.
- PART E item 11, failure to prevent sediment from entering a water body.
- PART E item 12, failure to undertake corrective measure to mitigate impacts on surface drainage.
- PART E item 17, failure to prepare site in such a way to mitigate impacts to surface drainage (i.e.: preventing rutting.)
- PART E item 20, failure to suspend overland movement when ground surface is unstable, causing impacts to surface drainage.

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

- Section 12(1) (a), failure to deposit waste in accordance with the conditions of a licence, related to deposited of cuttings into a water body.
- Section 12(1) (a), failure to deposit waste in accordance with the conditions of a licence, related to uncontrolled release at the landfarm.
- Section 90(1), failure to comply with the terms of water licence no. 2BB-MEL1424, related to conditions noted above in this section.

SECTION 3

☐ Comments (s.____)

☐ Non-Compliance with Act or Licence, (s.____)

☒ Action Required (s.3)

Actions Required

- AEM will provide a response to the inspector no later than July 9th regarding drilling under the Type A and Type B licence, observation 5(d).
- AEM will provide a response to the inspector no later than July 9th detailing which department and contact would be responsible for fulfilling with the condition of this licence.
- AEM will review section 3 of the June 8th inspection report no. 2018-KIV009-CW (attachment 2).

Closing Remarks

- AEM completed immediate action to address the uncontrolled release at the landfarm (attachment 1).
- The inspector noted that this is now the third instants of non-compliance related to drilling. The inspector is extremely concerned that not only the drill operators but also the onsite environment staff are not familiar with the requirements of the licence.
- A follow up inspection is scheduled for July 11th. AEM is encouraged to review this report and address the concerns prior to the inspection. AEM will be expected to demonstrate a clear understanding of the obligation of this water licence.
- If any concerns noted in this report are not clear, AEM should contact the inspector immediately to discuss the report prior to the inspection.

Licensee or Representative	Inspector's Name
	WRO C Wilson
Signature	Signature
	Original signed on file
Date	Date
	July 5 th , 2018

Office Use Only:

Follow-up report to be issued by Inspector

☒ Yes ☐ No

cc.

Erik Allain, Director, Lands Administration, INAC
Manager, Licensing, Nunavut Water Board
David Frenette, Environmental Coordinator, AEM
Nancy Harvey, Environment Superintendent, AEM
Jessica Huza, Environment Department, AEM

Attached:

Photo Log, June 6th-7th, 2018
Attachment 1
Attachment 2



PHOTO LOG

Date:	Authorization Number:	Camera/Model:	Inspector
June 7th, 2018	2BB-MEL1424	Sony DSC-HX50V Cyber shot	WRO Wilson
Photo No.	Lat/Long (DD.MM.SS.SS, NAD83)		
Photo 1	N63° 1 43.78, W92° 10 9.25		



Description:
Spill 2017-434, genset building, stained ground.

Photo No.	Lat/Long (DD.MM.SS.SS, NAD83)
Photo 2	N63° 1 42.85, W92° 10 4.36



Description:
Meliadine Lake facing up slope to the genset.



Photo No.
Photo 3

Lat/Long (DD.MM.SS.SS, NAD83)
N63° 1 43.78, W92° 10 9.25



Description:
Stained ground under genset building.

Photo No.
Photo 4

Lat/Long (DD.MM.SS.SS, NAD83)
N63° 1 25.64, W92° 11 11.35



Description:
Saturated ground on ramp at landfarm



Photo No.
Photo 5

Lat/Long (DD.MM.SS.SS, NAD83)
N63° 1 25.64, W92° 11 10.9



Description:
Water pooling on south side of landfarm

Photo No.
Photo 6

Lat/Long (DD.MM.SS.SS, NAD83)
N63° 1 26.86, W92° 11 14.12



Description:
Strong odor of fuel and sheen in water below tank.



Photo No.
Photo 7

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



Description:
Drill 1: Settling tanks inside Orbit Garant drill.

Photo No.
Photo 8

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



Description:
Drill 1: Three stage settling tank with flocculants inside Orbit Garant Drill.



Photo No.
Photo 9

Lat/Long (DD.MM.SS.SS, NAD83)
N63° 1' 43.06", W92° 12' 52.11"



Description:
Drill 1: Reclaim water source, screened water intake.

Photo No.
Photo 10

Lat/Long (DD.MM.SS.SS, NAD83)
N63° 1' 42.91", W92° 12' 52.49"



Description:
Drill 1: Rig and ancillary on skids.



Photo No.
Photo 11

Lat/Long (DD.MM.SS.SS, NAD83)
N63° 1' 42.70", W92° 12' 55.10"



Description:
Drill 1: Vacuum equipment for removing cutting from settling tanks.

Photo No.
Photo 12

Lat/Long (DD.MM.SS.SS, NAD83)
N63° 1' 28.35", W92° 13' 54.2"



Description:
Drill 2: Damaged calcium chloride bags



Photo No.	Lat/Long (DD.MM.SS.SS, NAD83)
Photo 13	N63° 1' 28.34", W92° 13' 55.55"



Description: Drill 2: Drilling within 31 meters of a waterbody.

Photo No.	Lat/Long (DD.MM.SS.SS, NAD83)
Photo 14	N63° 1' 28.35", W92° 13' 54.2"



Description: Drill 2: cuttings and cuttings water in water flowing from Lake B8 and B9.



Photo No.
Photo 15

Lat/Long (DD.MM.SS.SS, NAD83)
N63° 1' 28.57", W92° 13' 55.68"



Description:
Drill 2: Cutting on the ground under the rig.

Photo No.
Photo 16

Lat/Long (DD.MM.SS.SS, NAD83)
N63° 1' 28.35", W92° 13' 54.2"



Description:
Drill 2: Drilling within 31 meters of a waterbody.



Photo No.	Lat/Long (DD.MM.SS.SS, NAD83)
Photo 17	N63° 1' 27.95", W92° 13' 51.77"



Description:
Drill 2: Rutting from Meliadine Esker to Lake B8-B9 drainage

Photo No.	Lat/Long (DD.MM.SS.SS, NAD83)
Photo 18	N63° 1' 28.35", W92° 13' 54.2"



Description:
Drill 2: Brown water flowing through ruts to Lake B8 and B9.

Attachment 1

Wilson3, Christine (AADNC/AANDC)

From: Jennifer Brown <jennifer.brown@agnicoeagle.com>
Sent: Monday, June 11, 2018 5:26 PM
To: Wilson3, Christine (AADNC/AANDC)
Cc: Meliadine Environment; Nancy Duquet Harvey; Lonny Syvret; Stephane Houde; Bruno Laverdure; Martin Plante
Subject: Follow up to Request for Immediate Action - Landfarm Water Licence No. 2BB-MEL1424

Hi Christine,

Based on your request on June 7th to apply immediate action to mitigate water and fuel migration from the Landfarm associated to Water Licence No. 2BB-MEL1424, the following tasks have been conducted:

- Snow has been removed to allow access to the landfarm ramp and empty fuel storage tank that is stores adjacent and east of the landfarm (Figure 1).
- Fuel has not been observed under the fuel storage tank, however, absorbent booms have been placed downstream of the melt from under the tank as a precaution (Figure 2a and 2 b).
- The berm and landfarm ramp has been raised and filled to contain water within the landfarm berm (Figure 3).
- Water contained within the landfarm berm is pumped daily to lower water levels as snow continues to melt.
- Inspections will be conducted on a weekly bases during the open water season to ensure that water remains contained and to be able to mitigated environmental concerns in a timely manner. If water is observed to be leaking or migrating from the containment area for the landfarm, the E&I department will be notified to discuss planning and mitigation measures.

Figure 1: Snow removal and clear access to Landfarm ramp and berm – Looking south from west side of Landfarm Berm



Figure 2a and 2 b: Absorbent boons placed downstream of snow melt under fuel storage tank (looking (2a) south and (2b) northeast)



Figure 3: Raised ramp and containing berm repair (looking northeast from west side of landfarm berm)



Please let me know if you need anything else.

Thanks,

Jennifer Brown, P.Eng
Environmental Coordinator

jennifer.brown@agnicoeagle.com

T: 819.759.3555 x3996

Agnico Eagle Mines Limited
Meliadine Project
Rankin Inlet, Nunavut, Canada
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AGNICO EAGLE



Attachment 2



WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

Licensee	Licensee Representative
2BB-MEL1424	Mario Bolduc
Licence No. / Expiry	Representative's Title
July 21st, 2024	P.Geo
Land / Other Authorizations	Land / Other Authorizations
IOL	--
Date of Inspection	Inspector
June 8th 2018	WRO C. Wilson
Activities Inspected	
<input type="checkbox"/> Camp	<input checked="" type="checkbox"/> Drilling
<input type="checkbox"/> Roads/Hauling	<input type="checkbox"/> Mining
	<input type="checkbox"/> Construction
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Fuel Storage
	<input checked="" 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.__)
<p>On June 8th, 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 with the assistances of the Government of Nunavut’s Conversation Officer, Daniel Kaludjak.</p> <p>This report was produced with the findings of the inspection. Note: the inspection plan included an additional three location that were aborted.</p> <p><i>Observations</i></p> <ol style="list-style-type: none">Drill hole M18-2464 is located approximately at N63° 00’ 06.4”, W92° 09’ 30.4, which is on Inuit owned land with surface and sub surface rights. The drill rig had recently moved to this location and begun drilling.The drill site is located in between two small water bodies, with the actually drill approximately 60ft from a flowing stream (photo 1). The inspector is concerned that the proponent may have failed to meet the requirements of PART F item 1.The water intake is located on a lake proximal to the drill hole, approximately at N63° 00’ 12.3”, W92° 10’ 01.6”. The water intake is operated in accordance with PART C item 1, item 3 and item 5.The cuttings line is located on to the north east side of the drill rig. Though the location of the line appeared to be 31 meters from a water body, the cuttings water would have connectivity with the nearby lake because of freshet. This activity fails to meet the requirements of PART F item 2.			
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.__)
<p>Non-compliance or concerns related to water licence no. 2BB-MEL1424;</p> <ul style="list-style-type: none">PART F item 1, concern with respecting the thirty-one (31) meter boundary from a water body.PART F item 2, failure to dispose drill water at a location where direct flow into a water body is not possible. <p>Non-compliance related to the <i>Nunavut Waters and Nunavut Surface Rights Tribunal Act S.C 2002, c. 10</i> ;</p> <ul style="list-style-type: none">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)
<p><i>Actions Required</i></p> <p>-AEM will provide a response to the inspector regarding the two recent failures to comply, PART F item 1 and item 2. The response must include a brief summary (‘cheat sheet’) of the terms and conditions of the water licence which apply during the drilling process (e.g.: prior to set up, during drilling and closure.)</p> <p>-AEM will provide this sheet to the drill contractor, AEM Meliadine Environment Department and the inspector prior to July 6th.</p> <p><i>Closing Remarks</i></p> <p>-The inspector noted that this would be the second failure to comply related to drilling.</p>			

Licensee or Representative	Inspector's Name
	WRO C Wilson
Signature	Signature
	Original signed on file
Date	Date
	June 13 th , 2018

Office Use Only:	Follow-up report to be issued by Inspector	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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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, June 8th, 2010





PHOTO LOG

Date:	Authorization Number:	Camera/Model:	Inspector
June 8th, 2018	2BB-MEL1424	Sony DSC-HX50V Cyber shot	WRO Wilson
Photo No.		Lat/Long (DD.MM.SS.SS, NAD83)	
Photo 1		N63° 00' 6.46", W92° 9' 29.78"	



Description:
Mid frame: flowing stream between to lakes.