



AGNICO EAGLE

MELIADINE GOLD PROJECT

ANNUAL REPORT: LICENCE 2BB-MEL1424

PRESENTED TO THE NUNAVUT WATER BOARD

MARCH 2015

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Part B clause 7: The Licensee shall file an annual report on the appurtenant undertaking with the Board no later than March 31st of the year being reported which shall contain, but not limited to, the following information;

- a) monthly and annual quantities in cubic metres of all freshwater obtained from Meliadine lake at monitoring stations MEL-1 and drilling sites;

Months 2014	Domestic water (m ³ /day)	Water for drilling (m ³ /day)	Water for underground (m ³ /day)	Total (m ³ /day)
January	14.45	0.00	3.16	17.61
February	10.12	2.00	3.68	15.80
March	15.88	29.43	8.58	53.88
April	17.27	42.83	7.08	67.18
May	17.55	53.15	1.81	72.50
June	39.03	57.69	0.50	97.22
July	21.10	29.42	0.00	50.52
August	25.00	4.32	0.00	29.32
September	21.53	0.00	0.50	22.03
October	19.55	0.00	0.45	20.00
November	19.36	0.00	10.27	29.63
December	23.07	0.00	15.71	38.78
Average				42.87

- b) the monthly and annual quantities in cubic meters of mine water pumped from the underground;

No underground water pumped out in 2014 at Meliadine site.

- c) an estimate of the current volume of waste rock and ore stockpiled on site;

Stockpiles of approximately 33,683 tons of ore and 135,600 tons of waste are on site.

- d) tabular summaries of all data generated under the monitoring program, part J;

Please see Appendix A for data tables related to the 2014 monitoring. The location of sampling stations is shown on Figure 1 in Appendix A.

- e) a summary of modification and/or major maintenance work carried out on the water supply facilities, Bulk Fuel Storage Facility, Bermed fuel containment

facilities and sewage disposal facility, including all associated structures, an outline of any work anticipated for the next year;

➤ *Fuel storage Facility*

- ✓ *Nine (9) double-walled tanks were transported by boat during the summer from Meliadine to the exploration project Amaruq. This is the updated list for the tanks still at Meliadine.*

Table 1: Fuel Storage Location at Meliadine.

Name	Detail	Capacity (L)
Tank 1	Portal	53436
Tank 2	Fuel Farm	53436
Tank 3	Camp Gen	53436
Tank 9	Fuel Farm	100000
Tank 10	Fuel Farm	100000
Tank 11	Fuel Farm	100000
Tank 12	Fuel Farm	85000
Tank 13	Fuel Farm	85000
Tank 14	Fuel Farm	100000
Tank 15	Fuel Farm	100000
Tank 16	Fuel Farm	100000
Tank 17	Fuel Farm	100000
Tank 18	Fuel Farm	100000
Tank 19	Fuel Farm	53436
Tank 20	Fuel Farm	53436
Tank 21	Fuel Farm	53436
Tank 22	Fuel Farm	53436
Tank 23	Fuel Farm	53436
Tank 30	Portal	50000
Total fuel		1447488

Name	Detail	Capacity (L)
Jet A Tank 4	Jet A	85000
Jet A Tank 5	Jet A	85000
Total jet fuel		170000

➤ *Sewage treatment facility*

- ✓ *No major modifications were done to the STP in 2014. We continued to conduct experiments that could improve effluent quality. We worked a lot on procedure updates to improve the*

quality of the information between the various persons working at the STP and their supervisors.

- f) a list of unauthorized discharges and follow-up action taken;

During 2014, the STP treatment was very stable all year long. Results of the sampling showed 2 non-conformances to the licence requirement; one excess was for the fecal coliforms and one for the oil and grease. The causes were not formally established, but contamination of the samples was a possibility retained.

- g) updates or revisions to the abandonment and restoration plan, site water management plan, waste rock and ore storage management plan, spill contingency plan and the operations and maintenance manual;

Attached in Appendix B are the revised Spill Contingency Plan (February 2014 version), the Reclamation and Closure Plan (August 2013 version) and the Water Management Plan (February 2014 version).

- h) an updated estimate of the current Meliadine Lake Gold Project restoration liability, as required under Part B, Item 3, based upon the results of the restoration research, project development monitoring, and any modifications to the site plan;

An update of the "Reclamation and Closure Plan" was produced in 2013. The plan is attached in Appendix B.

- i) a brief description of follow-up action taken to address concerns detailed in inspection and compliance reports prepared by the Inspector;

See Appendix C for the complete reports.

On June 17th, AANDC inspectors made a compliance inspection of the Meliadine site. Two elements were judged unacceptable by the inspector.

Erosion caused by the effluent of the STP system was noted by the inspector. To correct the situation, a dissipation channel was constructed. This channel, constructed with rocks, slows down the water and stops soil erosion.



Figure 1: Dissipation channel

The second element judged unacceptable by the inspector was the signage of the monitoring stations, as required in Part J item (7) of the licence. The missing signs were installed soon after the visit.

- j) a summary of drilling activities and progressive reclamation of drill sites;

180 holes were drilled under the area covered by this licence including the geotechnical drilling and diamond drilling.

- k) a summary of any abandonment and restoration work completed during the year and an outline of any work anticipated for the next year;

Drill site reclamation is completed during the drilling program. The drilling sites are inspected after the drilling to ensure that no waste is present and that the casings are removed or cut to ground level.

Hazardous wastes were shipped to a southern facility for treatment. A total of 11 containers filled with waste were disposed of in approved facilities 2014. The disposition certificates are in appendix D.

Also, 128 tons of used metal were transported by boat and disposed of at a recycling facility in Quebec.

- l) a summary of any specific studies or reports requested by the Board, and a brief description of any future studies planned or proposed;

No request was received in 2014. The future studies will be mostly related to the A water licence.

- m) a public consultation/participation report describing consultation with local organizations and residents of the nearby communities, if any were conducted;

Agnico Eagle Mines Limited (AEM) continued to have an active public consultation program in 2014.

Public and regulatory consultations conducted in 2014 are outlined in the following table.

2014		
Feb 5	Edmonton	Meeting with Transport Canada on Navigable waters for the Meliadine project
Mar 25 – 27	Rankin Inlet	Meeting #13. Ongoing Meliadine IIBA negotiations between KIA and AEM
May 29	Rankin Inlet	Public consultation on the road access by ATV.
June 16 -17 & June 28	Rankin Inlet	Meeting #14. Ongoing Meliadine IIBA negotiations between KIA and AEM
June 18 – 19	Rankin Inlet	Public Consultation following submission of the Final EIS to the Nunavut Impact Review Board. An open house and community meeting were held.
June 23	Arviat	Public Consultation following submission of the Final EIS to the Nunavut Impact Review Board. Approximately 15 people attended the meeting and only three questions were asked.
Aug 7-8	Rankin	Meeting and visit of the site with Transport Canada and KIA on the Navigable waters for Meliadine project
Aug 11	Whale Cove	Public Consultation following submission of the Final EIS to the Nunavut Impact Review Board. Approximately 10 people attended with the emphasis on jobs by the participants.
Aug 12	Repulse Bay	Public Consultation following submission of the Final EIS to the Nunavut Impact Review Board. About 20 persons attended with most questions relating to jobs.
Aug 13	Coral Harbour	Public Consultation following submission of the Final EIS to the Nunavut Impact Review Board. Four persons attended. Jobs remained the main focus.
Aug 20-27	Rankin Inlet	Final Public Hearing for the EIS of Meliadine and visit of the site 120 pers.
Oct 1 - 3	Rankin Inlet	Meeting #15. Ongoing Meliadine IIBA negotiations between KIA and AEM
Oct	Edmonton	Workshop with KIA, GN on the Terrestrial Environment Management Plan
Oct 26	Edmonton	Meeting with DFO on the offsetting Plan
Nov 6	Edmonton	Workshop with AANDC, HTO, EC on the Aquatic Effects Monitoring Plan

- n) Any other details on water use or waste disposal requested by the Board by November 1st of the year being reported.

No details were requested by the Board.

Part F clause 3:

Drill holes shall be immediately sealed and permanently capped to prevent induced contamination of groundwater or salinization of surface waters. The Licensee shall report all artesian flow occurrences within the annual report, including the location (GPS coordinates) and dates.

No drill holes had artesian flow.

Part F, clause 4:

Where drilling activity has penetrated below the permafrost layer, the NWB requests that the proponent record the depth of permafrost and location of the drill hole to be included within the annual report.

The lower permafrost boundary varies from point-to-point. AEM's estimate for this boundary is from approximately 425 to 450 metres. The only way we are sure that a hole penetrates the permafrost boundary is when the presence of water is detected.

Drill holes passing through the permafrost boundary are presented in the table below. Here are the angled drill holes exceeding 600 metres in length.

Hole number	X	Y	Length
NM14-001	539910	6988580	660
TI14-005	539250	6988905	675
TI14-008	540550	6988840	708

Part H, clause 3:

The licensee shall review the (Spill Contingency) plan referred to in this part as required by changes in operation and/or technology and modify the plan accordingly. Further revisions to the plan are to be submitted in the form of an addendum to be included with the annual report, unless otherwise by an inspector.

The Spill Management Plan was updated in February 2014 and is presented in Appendix B.

Part I, clause 4:

The licensee shall review the (Abandonment and restoration) plan referred to in this part as required by changes in operation and/or technology and modify the plan accordingly. Revisions to the plans are to be submitted in the form of an addendum to be included with the annual report.

An update of the “Reclamation and Closure Plan” was produced in 2013. The plan is attached in Appendix B.

Appendix A

Environmental Monitoring Results

Appendix B

Spill Contingency Plan
Interim Reclamation and Closure Plan
Water Management Plan

Appendix C

AANDC Inspection Report

Appendix D

Waste Disposal Certificates