



August 21, 2020

**Subject: Presence of a Fuel Tank in Meliadine Lake | Action Plan update – Report 3**

Agnico Eagle would like to provide a quick update in regard to the presence of a fuel tank in Meliadine Lake. This report follows the **Report 2** provided on August 20.

Here is the review of today's actions and the next steps we are planning:

On August 21:

- The divers proceeded with their first dive and assessed the tank and surrounding ground condition:
  - Two out of the three caps were found missing on top the fuel tank.
  - Using a camera, the divers were able to show that the tank does not present evidences of containing fuel and is partially filled with water.
  - Besides that, the overall condition of the fuel tank appears fine so far, and the bottom of the lake does not show anything problematic that could prevent its extraction. As mentioned earlier, the tank is laying on its side and needs to be pivoted to bring it to its normal position (skids at the bottom),
  - The divers took a lot of photos and videos.
- Based on the information obtained so far from the drilling contractor, we understand that the fuel tank was essentially empty after the drilling program when it was forgotten on the ice surface during the 2019 program (a detailed report will be prepared). We also understand that the drilling contractor never realized that one of its fuel tanks was missing (note: a numbering system on the fuel tanks has already been implemented to prevent this occurrence again),
- Following the diver's observations, the action plan continued to be firmed up. Some of the early key steps can be summarized by the followings:
  - As a first step, two caps will be installed on the two missing ones, possibly this weekend during a second dive.
  - It is also considered to use inflatable balloons with the assistance of the divers to lift the tank slightly from the bottom to facilitate its pivot in its normal position using a winch. This approach is currently under review and further details will be provided in the coming days.
  - A series of formal risk assessments and job hazard assessments will be done in the next few days to make sure the proposed action is safe and robust. Again, we want to reiterate that we want to proceed more slowly to make sure all steps have been properly evaluated both from a health and safety and environment point of view.
- Another walk was done along the shoreline to see if any evidence of contamination could be identified. As in the two previous ones, nothing special was observed.
- Also, a plan of the water sampling points done earlier this week was developed (see Figure 1). It can be seen that many samples have been collected. Results of the analysis are expected to be available in about 1 week. Furthermore, all the available water samples in the area and at the fresh water supply of the mine are being collected and reviewed.



*Figure 1 Sampling locations following the identification of the abandoned fuel tank on August 18 2020.*

tank: ●

Next steps in the coming days:

- Capping and sealing of the tank
- Finalize the detailed sequence of events and preparation of a formal memo describing all the steps.
- Continue the investigation for any evidence of leakage in the lake and on the shoreline and continue to firm a sampling program that will be done during and after the extraction of the tank. As mentioned, so far, no evidence of spill was reported.
- Continue the investigation on the protocols to well understand the sequence of events and how we can improve our process.

We are taking this situation seriously and we will provide further updates as more information becomes available.

Kind Regards,

**Denis Vaillancourt**  
Exploration Manager Canada