

August 26, 2020

Subject: Presence of a Fuel Tank in Meliadine Lake | Action update - Report 8

Agnico Eagle would like to provide an update on the status of the activities regarding the presence of a fuel tank in Meliadine Lake. Here is the review of the recent actions taken and the next steps that we are planning:

On Tuesday August 25, a series of activities occurred. The followings describe them in detail:

- A Job Hazard Assessment (JHA) was completed.
- The tank was extracted successfully according to our action plan without any incidents.
- Preparation work was completed by 11AM CT including the installation of anchors.
- Phase 1 Uprighting of the tank was completed by 12:15PM CT.
- Between 12:15PM CT and 1:05PM CT, the preparation of the pulling was completed. The cables for the pulling were attached and the booms readjusted. During this step, everything was progressively reassessed.
- Phase 2 The pulling of the tank was initiated and at 1:05PM CT. All people were cleared from the perimeter and all communications were both visual and by radio. The pulling started and continuous assessment of the situation took place. The tank was rotated so the front of the tank was aligned with the path of the pulling. At 1:35 PM CT, the tank was approximately at 1.5 meter from the shore and it was approx. 85% out of the water. The weight of the tank was putting a lot of stress on the winch. The tank was accessible. The pulling was stopped. The situation was reassessed and it was decided to start the pumping.
- Phase 3 -The fuel tank content was pumped into about 22 drums to empty it and decrease its weight. When the caps were removed, air pressure was released, suggesting the tank was tight. Upon opening, the team noticed the presence of some fuel (smell and visual). There was a layer of fuel on top of the water within the tank of less than 1 cm (estimated to represent approximately 21 liters of fuel).
- Pumping of the tank started at 2:40PM. All went according to plan and the pumping was completed at 4:25 PM CT. 22 drums of 200 liters for approximately 4,350 liters in total were filled. Those drums were transported to Agnico Eagle Exploration Camp.
- A small ramp was built to transport the tank on the tundra.
- When this operation was completed, the final pulling of the empty tank was done to extract it from the lake on the shore. Emptying the tank also reduced significantly any potential impact on the tundra when the tank was moved to its resting location until next winter.
- The final pulling of the tank to the tundra went well and rapidly.
- Some lumps of organics on the tundra transported during the pulling were replaced.
- Phase 4 Packing the tank for the winter was completed at 6 PM CT.
- No spill during the extraction, however as mentioned, it appears that some minor quantity of fuel
 was still present in the tank. Water analysis will be conducted on some of the drums.

Next steps in the coming days:

- Completing the investigation and providing recommendations such that similar occurrences do not occur in the future.
- Sharing the first round of water sampling results expected on August 27.
- Water sampling results of the second round are expected within 10 days.

This was essentially our last daily report.

We will prepare a formal Follow-up Report that will provide the different findings, learnings and laboratory results.

Kind Regards,

Denis Vaillancourt

Exploration Manager Canada