30 September 2010

Ms. Phyllis Beaulieu
Licencing Coordinator
Nunavut Water Board
P.O. Box 119
Gjoa Haven
NU, X0B1J0

Re: Water License 2BB-MEL0914: Meliadine Gold Project: August 2010 Monthly Report

Dear Ms. Beaulieu;

Please find attached Agnico-Eagle's monthly report for the month of August 2010 for the Meliadine Gold Project.

Extra care continues to be taken in measuring the field pH and temperature as outlined in the QA/QC Plan. This aspect is important as the field pH and field temperature have a direct bearing on the guideline for ammonia under the CCME fresh water guidelines for aquatic life. This guideline is field pH and field temperature dependent as shown in the table 1 below. As a result, no samples exceeded the CCME guideline for ammonia.

Table 1. Water quality guideline for total ammonia for the protection of aquatic life (mg·L-1 N)[1]

Temp (°C)	pH							
	6.0	6.5	7.0	7.5	8.0	8.5	9.0	10
0	189	59.9	18.9	6.00	1.91	0.614	0.205	0.034
5	125	39.6	12.5	3.97	1.26	0.412	0.141	0.028
10	83.6	26.6	8.45	2.67	0.853	0.281	0.099	0.024
15	57.2	18.0	5.72	1.82	0.586	0.196	0.073	0.021
20	39.4	12.5	3.95	1.26	0.409	0.140	0.055	0.020
25	27.5	8.69	2.76	0.886	0.290	0.103	0.043	0.018
30	19.4	6.15	1.96	0.629	0.210	0.077	0.035	0.017

[1] The CCME guideline for freshwater aquatic life is normally presented as (mg/L NH^3). The table above has been converted to (mg/L N), this being how nitrogen species are reported in the attached data report.

What has shown up of late in the extra data is lead exceeding the CCME guidelines for freshwater aquatic life. For two months running the guideline has been exceeded in the control lake. While exceedances are not surprising for Mel 4, which is grey water from the camp facility; it is not expected in the control lake. A QA\QC program is being planned to investigate the cause of the high lead levels.

We trust this monthly report meets with your satisfaction.

Yours sincerely,

John Witteman
Environmental Consultant to Agnico-Eagle

Cc. Luis Manzo & Stephen Hartman, Kivalliq Inuit Association
Larry Connell, Agnico-Eagle Mines Limited

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Part J: Conditions Applying to the Monitoring Program

(1) Volume of Water

	Volume of water (m3/day)
MEL-1	6.5
MEL-2	212

The BIODISK and the associated wash car continue to be commissioned with an increased organic load being added daily to the BIODISK. This is being done by opening for use more flush toilets with the result being a higher daily water use.

Four drills were operating over the time period and each drill uses 53 m^3/day.

(2) Analytical Data for Gray water Monitoring

	Biochemical Oxygen Demand (mg/L)	Faecal Coliforms (CFU/dL)	Total Suspended Sediments (mg/L)	pH (field)	Oil and Grease (mg/L)
MEL-3	Note below[1]				
MEL-4	<1	Note Below[2]	1	6.9	<1.0 & no sheen

[1] No effluent was collected at Mel 3 as the flow had moved underground.

[2] Faecal Coliform tests are time and temperature sensitive. Samples were not received in the laboratory within the recommended 24 hours and at too high a temperature.

(3) No drilling program on lake ice was carried out over the reporting period.

(4) Effluent from the BIODISK - MEL-7

	Biochemical Oxygen Demand (mg/L)	Faecal Coliforms (CFU/dL)	Total Suspended Sediments (mg/L)	pH	Oil and Grease (mg/L)
Effluent Limits	80	1000	100	6.0-9.5	5 & no visible sheen
BIODISK August	7	Note below	9	6.96	<1.0

Note: Faecal Coliform tests are time and temperature sensitive. Samples were not received in the laboratory within the recommended 24 hours and at a too high a temperature.

CCME					0.1			0.005	variable	
MMER								0.5		
Sample name:	Sampling date:	pH Field	Temp (°C)	Alkalinity mg CaCO3/L	Aluminium (Al) mg/L	Antimony (Sb) mg/L	Silver (Ag) mg/L	Arsenic (As) mg/L	Ammonia (NH3-NH4) mg N/L	Barium (Ba) mg/L
Control Lake	26-08-2010	7.02	11	28	0.018	<0.0001	<0.0005	<0.0005	<0.05	0.0068
A8-7	26-08-2010	7.33	11.1	42	0.021	<0.0001	<0.0005	0.0022	<0.05	0.0160
Dup-1 (A8-7)	26-08-2010	7.36	---	41	0.008	<0.0001	<0.0005	0.0008	<0.05	0.0174
A-38	26-08-2010	7.69	9.4	79	0.015	<0.0001	<0.0005	0.0027	0.05	0.0535
A-54	26-08-2010	7.55	9.8	56	<0.002	<0.0001	<0.0005	0.0017	0.25	0.0533
P-1	26-08-2010	7.63	9	136	0.006	0.0001	<0.0005	0.0023	2.9	0.0841
A-13	26-08-2010	7.59	9	55	0.004	<0.0001	<0.0005	0.0017	0.08	0.0873
A-15	26-08-2010	7.55	8.8	56	0.065	<0.0001	<0.0005	0.0015	0.05	0.0892
A-9	26-08-2010	7.66	.8	65	0.024	<0.0001	<0.0005	0.0038	0.09	0.0776
Mel-4	27-08-2010	6.90	11.1	21	0.022	<0.0001	<0.0005	<0.0005	<0.05	0.0064
Mel-1	27-08-2010	6.79	10.2	19	0.020	<0.0001	<0.0005	<0.0005	<0.05	0.0067
ML-R	26-08-2010	6.90	11.4	22	0.015	<0.0001	<0.0005	<0.0005	<0.05	0.0095
Mel-7	27-08-2010	6.96								
				CCME guideline for ammonia at P1 is 8.45 based on field pH and Temperature						

CCME			0.017			0.001		0.002-0.004		
MMER								0.3		
Sample name:	Beryllium (Be) mg/L	Boron (B) mg/L	Cadmium (Cd) mg/L	Calcium (Ca) mg/L	Chloride mg/L	Chromium (Cr) mg/L	Conductivity µmhos/cm	Copper (Cu) mg/L	Hardness mg CaCO3/L	Tin (Sn) mg/L
Control Lake	<0.0005	<0.01	<0.00008	8.0		<0.0006	161	0.0013	24	<0.001
A8-7	<0.0005	<0.01	<0.00008	21.3		<0.0006	303	0.0009	64	<0.001
Dup-1 (A8-7)	<0.0005	<0.01	<0.00008	20.3		<0.0006	231	0.0007	61	<0.001
A-38	<0.0005	<0.01	<0.00008	65.6		<0.0006	932	0.0021	210	<0.001
A-54	<0.0005	<0.01	<0.00008	77.4		<0.0006	1079	0.0015	248	<0.001
P-1	<0.0005	<0.01	<0.00008	120		<0.0006	1177	0.0022	343	<0.001
A-13	<0.0005	<0.01	<0.00008	82.8		<0.0006	953	0.0017	245	<0.001
A-15	<0.0005	<0.01	<0.00008	84.4		<0.0006	961	0.0015	248	<0.001
A-9	<0.0005	<0.01	<0.00008	72.6		<0.0006	857	0.0025	212	<0.001
Mel-4	<0.0005	<0.01	<0.00008	5.4		<0.0006	142	0.0012	17	<0.001
Mel-1	<0.0005	<0.01	<0.00008	5.5		<0.0006	136	0.0009	17	<0.001
ML-R	<0.0005	<0.01	<0.00008	6.8		<0.0006	152	0.0011	21	<0.001
Mel-7										

CCME	0.3		29				0.073	0.025-0.015	2.9	
MMER			15					0.5		
Sample name:	Iron (Fe) mg/L	Lithium (Li) mg/L	Total Suspended Solids mg/L	Magnesium (Mg) mg/L	Manganese (Mn) mg/L	Mercury (Hg) mg/L	Molybdenum (Mo) mg/L	Nickel (Ni) mg/L	Nitrate (NO3) mg N/L	Kjeldahl nitrogen mg N/L
Control Lake	<0.01	<0.1	2	0.93	0.0013	<0.00001	<0.0005	0.0006	0.05	<1
A8-7	<0.01	<0.1	2	2.7	0.0056	<0.00001	<0.0005	0.0015	0.02	<1
Dup-1 (A8-7)	<0.01	<0.1	9	2.5	0.0068	0.00024	<0.0005	0.0021	0.02	<1
A-38	<0.01	<0.1	1	11.1	0.0082	<0.00001	<0.0005	0.0062	0.04	<1
A-54	<0.01	<0.1	1	13.2	0.0097	<0.00001	<0.0005	0.0064	0.82	<1
P-1	<0.01	<0.1	1	10.6	0.0065	<0.00001	<0.0005	0.0110	6.5	3
A-13	0.57	<0.1	3	9.2	0.0217	<0.00001	<0.0005	0.0080	0.07	<1
A-15	0.84	<0.1	10	9.1	0.0291	<0.00001	<0.0005	0.0071	0.05	<1
A-9	0.08	<0.1	12	7.5	0.0219	<0.00001	<0.0005	0.0069	0.09	1
Mel-4	<0.01	<0.1	1	0.85	0.0027	<0.00001	<0.0005	0.0030	0.03	<1
Mel-1	<0.01	<0.1	1	0.87	0.0014	0.00023	<0.0005	0.0006	0.38	1
ML-R	<0.01	<0.1	<1	1.0	0.0021	0.00021	<0.0005	0.0006	0.41	<1
Mel-7			9							

CCME	0.06	0.03	6.5 - 9.0	6.5 - 9.0	0.001-0.007					
MMER			6.0 - 9.5	6.0 - 9.5	0.2					
Sample name:	Nitrite (NO2) mg N/L	Ortho-Phosphate (O-PO4) mg P/L	pH (lab)	pH (field)	Lead (Pb) mg/L	Potassium (K) mg/L	Selenium (Se) mg/L	Sodium (Na) mg/L	Dissolved Solids mg/L	Strontium (Sr) mg/L
Control Lake		0.04	7.67	7.02	0.0052	0.55	<0.001	3.7	107	<0.05
A8-7		0.05	7.78	7.33	<0.0003	0.84	<0.001	3.9	202	0.14
Dup-1 (A8-7)		0.04	---	7.36	<0.0003	0.91	<0.001	3.8	154	0.14
A-38		0.07	7.59	7.69	0.0098	5.1	<0.001	25.5	621	0.63
A-54		0.09	7.72	7.55	<0.0003	6.8	<0.001	34.6	719	0.78
P-1		0.08	7.59	7.63	0.0029	6.2	<0.001	18.9	784	0.80
A-13		0.08	7.68	7.59	<0.0003	2.8	0.003	10.3	635	0.71
A-15		0.07	7.7	7.55	0.0036	2.1	0.002	9.6	641	0.69
A-9		0.08	7.67	7.66	0.0022	2.4	0.002	9.5	571	0.69
Mel-4		0.05	7.45	6.90	0.0388	0.43	<0.001	3.7	95	<0.05
Mel-1		0.02	7.43	6.79	<0.0003	0.37	<0.001	3.3	90	<0.05
ML-R		0.02	7.62	6.90	0.0006	0.63	<0.001	4.4	101	<0.05
Mel-7				6.96						

CCME							0.03			
MMER							0.5			
Sample name:	Sulfate (SO4) mg SO4/L	Temperature C	Titanium (Ti) mg/L	Turbidity NTU	Uranium (U) mg/L	Vanadium (V) mg/L	Zinc (Zn) mg/L	Bicarbonate (HCO3) mg CaCO3/L	Carbonate (CO3) (mg/L)	Hydroxide mg CaCO3/L
Control Lake		Temperature C field	<0.01	0.71	<0.001	0.0005	0.001	28	<2	<2
A8-7		11	<0.01	0.43	<0.001	<0.0005	<0.001	42	<2	<2
Dup-1 (A8-7)		11.1	<0.01	0.51	<0.001	<0.0005	<0.001	41	<2	<2
A-38		---	0.03	0.92	<0.001	<0.0005	0.005	79	<2	<2
A-54		9.4	0.03	0.96	<0.001	<0.0005	0.001	56	<2	<2
P-1		9.8	0.02	0.51	<0.001	<0.0005	0.004	136	<2	<2
A-13		9	0.04	0.40	<0.001	0.0006	0.005	55	<2	<2
A-15		9	0.04	6.9	<0.001	0.0005	0.006	56	<2	<2
A-9		8.8	0.03	2.1	<0.001	0.0020	0.013	65	<2	<2
Mel-4		.8	<0.01	0.31	<0.001	<0.0005	<0.001	21	<2	<2
Mel-1		11.1	<0.01	0.41	<0.001	<0.0005	0.002	19	<2	<2
ML-R		10.2	<0.01	0.60	<0.001	<0.0005	0.006	22	<2	<2
Mel-7		11.4								

CCME			
MMER			
Sample name:	Total oil and grease mg/L	BOD5	Faecal Coliforms (colonies/dL)
Control Lake	---	---	
A8-7	---	---	
Dup-1 (A8-7)	---	---	
A-38	---	---	
A-54	---	---	
P-1	---	---	
A-13	---	---	
A-15	---	---	
A-9	---	---	
Mel-4	<1	<1	Note
Mel-1	---	<1	
ML-R	---	---	
Mel-7	<1	7	Note
	Note: Faecal Coliforms are time and temperature sensitive. The samples arrived in the laboratory well past the recommended 24 hours and at an elevated temperature.		