

MELIADINE GOLD PROJECT

ENVIRONMENTAL REPORT: JULY 2017

WATER LICENCE 2BB-MEL1424

SUBMITTED TO THE NUNAVUT WATER BOARD

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- A. This monthly report is delivered under water license 2BB-MEL1424, PART J, Item 13.
- 1. The Licensee shall maintain Monitoring Stations at the following locations:

Table 1: Monitoring stations

| Monitoring Program Station Number | Description | Status | | |
|-----------------------------------|--|------------------------------|--|--|
| MEL-1 | Raw water supply intake at Meliadine Lake | Active (Volume cubic metres) | | |
| MEL-2 | Raw water supply intake at Pump, A8 or other Lakes | Active (Volume cubic metres) | | |
| MEL-5 | Point of discharge for the Bormed Fuel Containment Facilities | Active | | |
| MEL-6 | Effluent from the Landfarm Treatment Facility prior to release | New | | |
| MEL-7 | Final Effluent Discharge from the BIODISK treatment system | Active | | |
| MEL-8 | Point of discharge or runoff from the Non-Hazardous Waste landfill | (New) Active | | |

2. The Licensee shall measure and record, in cubic metres, the daily quantities of water utilized for camp, drilling and other purposes from all sources.

Table 2: Water quantities utilized

| MEL-1 ¹ | Daily average (m ³) | | | |
|-------------------------|---------------------------------|--|--|--|
| Camp | 27.82 | | | |
| Construction | 12.78 | | | |
| MEL-2 (A8) ² | | | | |
| Underground | 2.35 | | | |
| Drilling | 0.00 | | | |
| Not MEL-1 or MEL-2 | | | | |
| Drilling | 0 | | | |
| July Daily Average | 30.17 | | | |
| Total July | 935 | | | |
| Total 2017 | 11,914 | | | |

3. The Licensee shall measure and record the volume of all soil from all locations entering the Landfarm Treatment Facility.

In July 2017, no contaminated soil was brought to the landfarm.

4. The Licensee shall assess and record the concentration of F1 - F4 fractions in petroleum hydrocarbon contaminated soil, according to the

¹ MEL-1: 541943E, 6989174N

² MEL-2 (A8): 540076E, 6987731N

CCME Canada-Wide Standard for Petroleum Hydrocarbons (PHC) in Soil that is entering the Land Treatment Unit from all sources and excavations.

No soil samples were taken in July 2017 from the landfarm.

5. The Licensee shall provide the GPS coordinates (in decimal degrees) of all locations where wastes associated with camp operations and exploration activities are deposited.

Table 3: GPS Coordinates of the landfill and landfarm

| | Landfill | Landfarm | | |
|-----------|-----------|-----------|--|--|
| Latitude | 63.03063 | 63.02386 | | |
| Longitude | -92.22089 | -92.18639 | | |

6. Licensee shall sample at Monitoring Program Station MEL-7, monthly during wastewater effluent discharge. Samples shall be analyzed for the parameters listed under Part D Item 11:

pH Biochemical Oxygen Demand – BOD5 Total Suspended Solids (TSS) Fecal Coliforms Oil and Grease (and visual)

Six (6) samples were collected during the month. A fecal coliforms exceedance at 2,600 CFU/100 ml was recorded on July 24th 2017 (the water license limit is 1,000 CFU/100 ml); an investigation is underway to determine the cause of the incident. The next sample was collected on July 31; according to the sample analysis, the coliform count at <2 CFU/100 ml was below the permitted discharge limit (1000 CFU/100 ml).

This was reported as a spill to relevant authorities. Upon the completion, a follow-up report will be issued.

Table 4: Effluent testing results

| Station: STP-Final | July | | | | | | |
|---------------------------------------|-----------|----------|-----------|-----------|-----------|-----------|-----------|
| DATE | Limits | 7/3/2017 | 7/10/2017 | 7/17/2017 | 7/20/2017 | 7/24/2017 | 7/31/2017 |
| Biochemical Oxygen Demand | 80 | 20 | 12 | 12 | 29 | 23 | 19 |
| рН | 6.0 - 9.5 | 6.94 | 7.27 | 6.92 | 6.84 | 7.41 | 6.99 |
| Total Suspended Solids | 100 mg/L | <10 | 5 | 2 | 3 | 5 | 4 |
| Oil & Grease-(IR) | 5 mg/L | <0.50 | 1.3 | <1 | 1.4 | 0.5 | <0.50 |
| Atypical | | 250 | 1470 | 130000 | 1860 | 29 000 | 1400 |
| Fecal Coliforms (CFU/100ml) | 1000 | <2 | 2 | <10 | <2 | 2600 | <2 |
| Heterotrophic Plate Count (CFU/100ml) | | 12,000 | 8,800 | >6000 | 8,000.00 | > 30 000 | 11,200 |
| Total Coliforms (CFU/100ml) | | >800 | 80 | <10 | 18 | 12 000 | 230 |

7. The Licensee shall, prior to the release of effluent from the Bermed Fuel Containment Facilities at Monitoring Program Station MEL-5 and the Landfarm Treatment Facility at Monitoring Program Station MEL-6 for the

purpose of demonstrating compliance, sample for the parameters listed under Part D item 15.

In July, no water was released from the Bermed Fuel Containment Facilities (Monitoring station MEL-5) and the Landfarm Treatment Facility (Monitoring Station MEL-6).

8. The Licensee shall obtain representative samples of the water column below any ice where required under part F, Items 5 and 6. Monitoring shall include but not limited to the following:

Total Suspended Solids pH

Electrical Conductivity, and

Total trace Metals as determined by a standard ICP Scan (to include at a minimum, the following elements: Al, Sb, Ba, Be, Cd, Cr, Co, Cu, Fe, Pb, Li, Mn, Mo, Ni, Se, Sn, Sr, Tl, Ti, U, V, Zn), and Trace Arsenic and Mercury.

No on-ice drilling was conducted during the month of July. Sampling will resume next winter.

- 9. Modify the monthly monitoring reports, starting April 2016, to include, at a minimum, waste water treatment options; and modifications of the freshet action plan.
 - 1. Waste water treatment options: In July, 3,124 m³ was pumped from the underground mine to the P2 cell. Water is not transferred from the P-Cells and is evaporated; the evaporators started operation in June.