

July 10, 2016

Karén Kharatyan
Manager of Licencing
Nunavut Water Board
Gjoa Haven, NU, X0E 1J0

RE: Freshet Action Plan for Water License #2BB-MEL1424 follow up to INAC and ECCC comments

Mr. Kharatyan,

Agnico Eagle Meliadine Division has reviewed the comments provided by Indigenous and Northern Affairs Canada and Environment Canada and Climate Control pertaining to the Freshet Action Plan. Pleased find the comments and the response to the comments provided by Agnico Eagle:

ECCC

Pond 1

1. Section 2.1.1 (Pond 1) states that "Pond 1 containment is holding the Lake A58 which is the only place allowing snow movement for the portal". It is not clear what this means and whether Lake A58 is used for snow disposal. Clarify what is meant by allowing snow movement.

Response:

To clarify, snow removed from around the portal area, throughout winter months, will all be directed to A58 which is inside the P1 containment area.

P1 Area Capacity Management

2. Agnico Eagle Mines Ltd. (the Proponent) is taking steps to develop discharge criteria for the release of water from P1 in the event capacity must be maintained. The total capacity of the ponds is 32,404 m³ and the plan for discharge will form part of the Freshet Action Plan once finalized. ECCC notes that discharges to Pond A54 drain ultimately to Lake A8, which is frequented by fish. Discharges from the P1 containment area are subject to the pollution prevention provisions of the Fisheries Act, and must be non-deleterious. It should be noted that the Meliadine Gold Project may become subject to the Metal Mining Effluent Regulations (MMER) if total discharges from the site, including surface runoff and seepage, reach the threshold of 50 m³/day, and discharges contain deleterious substances.

Requirements under these regulations (once triggered) would not preclude criteria being set under the Proponent's water licence, but the MMER would have to be complied with regardless of licence conditions.

It is a reasonable approach to incorporate discharge criteria and management response options in the Freshet Action Plan; however, the Proponent should be aware of the conditions that trigger MMER.

Response:

Agnico Eagle has submitted proposed discharge criteria to ECCC. ECCC has advised Agnico Eagle that they will not approve the proposed discharge criteria for P1 as ECCC feels that the approval of proposed discharge criteria should be confirmed by the NWB. Agnico Eagle understands being subject to MMER if discharging over 50 m³/day and would adhere to the MMER parameters as well as parameters set forth in the current license conditions.

INAC

1. General Issue: Water Treatment

Recommendations

INAC recommends proponent to provide details on the treatment arrangements (equipment and technology) if the water doesn't meet the permissible limits, as well as explaining how the use of evaporation as a treatment technology would work (wouldn't any evaporation lead to a less diluted situation therefore water quality samples would lead to higher concentration of contaminants.) Also INAC would like the proponent to describe how any residual water would be treated or disposed of.

Response:

The evaporation technology will ensure the ponds have capacity during the 2016 freshet and for any precipitation events. Also to ensure that ponds have capacity for the 2017 freshet. Agnico Eagle considers the evaporators as critical equipment for environmental management at Meliadine. Agnico Eagle will collect water samples of the residual water to understand the characterization of the residual water quality before any decisions are made. It is anticipated that the residual water will be a very small volume of water.

2. General Issue: Snow Management

Recommendations

INAC recommends that the proponent identifies snow disposal locations that are compatible with the goal of mitigating impacts on surface water, groundwater and land if the snow removed has been in contact with contaminants.

Response:

Agnico Eagle will move any hydrocarbon contaminated snow to the land farm to melt and manage the water at this location. If the snow is contaminated with surface materials such as rock, dirt, or any other item contributing to increased TSS during spring freshet, this material will be moved to P1 for storage of snow.

3. General Issue: Land Farm and Bermed Containment Facilities

Recommendations

INAC recommends that a description of the contingency measures and details on treatment process in the event that water in the containment areas (mentioned below) does not meet discharge criteria

- Bermed Fuel Containment Facilities
- Landfarm structure

Response:

In the event that containment areas do not meet discharge criteria, Agnico Eagle will attempt to use a system called the E-VAC system by CI Agent. This system is designed to remove light hydrocarbons and sheen. If this system does not clean the water adequately for discharge then an oil water separator will be used to cycle the water until the water is fit for discharge. As a last scenario or for liquids with heavy hydrocarbons or glycol, these will be separated into totes and shipped south for disposal.

To review the EVAC system, please follows this link: <http://ciagent.com/wastewater-dewatering-and-filtration/dewatering-equipment/>

I believe these responses will be to your satisfaction. If you have further questions or comments please feel free to contact the undersigned at your convenience.

Regards,



Jeffrey Pratt
jeffrey.pratt@agnicoeagle.com
819-759-3755 x 3928 MEL
306-960-2370 Mobile
SR. Environmental Coordinator

CC: Jamie Quesnel – Agnico Eagle
Manon Turmel – Agnico Eagle