MELIADINE GOLD PROJECT



2012 Annual Report

Water Licence 2BE-MEP0813

Contact:

David Frenette

Environment and Health & Safety Coordinator C.P. 87
765 Chemin de la mine Goldex
Val-d'Or, Québec, J9P 4N9
david.frenette@agnico-eagle.com

- B 2. The Licensee shall file an Annual Report on the appurtenant undertaking with the Board no later than March 31st of the year following the calendar year being reported which shall contain the following information:
 - a) A summary report of water use and waste disposal activities:
 - The camp was inactive in 2012 and there was no disposal of waste. Eleven (11) drill holes were done under this licence and for that we used 1115m³ of water. The waste produced by the drills was transported to the Meliadine site.
 - b) A list of unauthorized discharges and a summary of follow-up actions taken:
 - There were no unauthorized discharges.
 - c) An up-to date copy of the Spill Contingency Plan, including contact information:
 - The spill management plan was updated October 2012 and is attached to this report in appendix A.
 - d) A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations:
 - ➤ During summer 2012, cleaning work was undertaken at the Discovery camp and all the hazardous material has been transported to the Meliadine camp and correctly packaged to be ready to ship to a south facility.
 - e) A summary of all information requested and results of the Monitoring Program; and
 - > There was no request for information.
 - f) Any other details on water use or waste disposal requested by the Board by November 1st of the year being reported:
 - \triangleright There were no requests received from the Water Board by November 1^{st} .
- F3. If artesian flow is encountered, drill holes shall be immediately sealed and permanently capped to prevent induced contamination of groundwater or salinization of surface water. The Licensee shall report all artesian flow occurrences within the Annual Report, including (GPS coordinates) and dates.
 - ➤ No drill holes encountered artesian flow.

- F4. Where drilling activity has penetrated below the permafrost layer, the NWB requests that proponent record the depth of permafrost and location of the drill hole to be included within the Annual Report.
 - ➤ The lower permafrost boundary varies from point-to-point. AEM's estimate for this boundary is from approximately 425 to 450 metres. The drill hole passing through the permafrost boundary is below. This is the angled drill hole exceeding 600 metres in length.
 - o *Hole #M12-1816 (UTM 5554503; 6982067)*
- H3. The Licensee shall review Spill Contingency Plan referred to in this Part as required by changes in operation and/or technology and modify the Plan accordingly. Revisions to the Plan are to be submitted in the form of an Addendum to be included with the Annual Report.
 - ➤ The spill management plan updated October 2012 is attached to this report.
- I3. The Licensee shall review the Abandonment and Restoration Plan referred to in this Part as required by changes in operation and/or technology and modify the Plan accordingly. Revisions to the Plan are to be submitted in the form of an Addendum included with the Annual Report.
 - ➤ The Abandonment and restoration plan was updated November 2010 and forwarded to the NWB.
- J1. The Licensee shall measure and record, in cubic metres, the daily quantities of water utilized for camp, drilling and other purposes.
 - The camp was inactive in 2012 thus 0 m^3 was used for the camp. The drills used an average of $22m^3$ of water by day for a total of 1115 m^3 .
- J2. The Licensee shall provide the GPS coordinates of all locations where sources of water are utilized for all purposes.
 - ➤ Here are the coordinates of the water sources used for the drilling:

| EASTING | NORTHING | |
|---------|----------|--|
| 554852 | 6982077 | |
| 555202 | 6981658 | |

- J3. The Licensee shall determine the GPS coordinates of all locations where waste operations and drilling operations are deposited.
 - The drill waste (cutting) was disposed at a distance of at least thirty (30) meters from the ordinary high water mark of any adjacent water body. Here are the coordinates of the drill holes:

| Hole numbers | UTM_E | UTM_N |
|--------------|----------|-----------|
| M12-1768 | 554727.6 | 6981607.9 |
| M12-1773 | 554762.8 | 6981791.4 |
| M12-1755 | 554616.6 | 6981815.9 |
| M12-1744 | 554819.9 | 6981833.9 |
| M12-1796 | 554428.4 | 6981839.8 |
| M12-1792 | 554281.1 | 6981871.6 |
| M12-1760 | 554748.8 | 6981873.1 |
| M12-1803 | 554551.1 | 6981927.6 |
| M12-1784 | 554404.0 | 6981928.7 |
| M12-1777 | 554481.7 | 6981936.3 |
| M12-1816 | 554502.8 | 6982067.0 |

Appendix A Spill management plan updated October 2012