

MELIADINE WATER LICENSE - TECHNICAL BACKGROUND BRIEFING DOCUMENT

The following is additional background information related to Agnico Eagle's request for an Emergency Amendment to Meliadine's Water License to discharge water from the mine's containment pond.

- At Agnico Eagle's Meliadine mine, surface contact water is collected and stored in a containment pond. This water is not saline water pumped from underground nor is it process water.
- During 2019, we had to suspend the normal discharge process for the collecting pond before all surface contact water could be released because of the gradual rising of mineral concentrations or Total Dissolved Solids¹ (TDS) in the water. This water is accumulated water on site from rain and snow melt that gets in contact with surface infrastructure.
- The surface contact water that did not meet the discharge criteria, at that time, was kept in the containment pond. According to Meliadine's water management strategy, in order to operate the pond safely and protect the onsite dike, the pond should be emptied during the fall to be able to operate effectively and receive surface contact water during the next year freshet.
- A team from Agnico Eagle began to review numerous options, even as the water started
 to freeze. The Emergency Amendment process was proposed as an option to pursue, as
 the regular timeline to amend our permit would not meet our required discharge
 schedule before this year's freshet began.
- The containment pond water was sampled and results from the water sampling indicated that the higher TDS concentration of the water held in the containment pond would not have negative effects on the environment of Meliadine Lake.
- In its current state, the containment pond is nearly full and will not be able to accept the
 upcoming freshet. It needs to be emptied during the 2020 discharge season starting at
 the onset of freshet.
- As there is not enough time to go through the regular amendment process, which is typically a 9 to 12-month process, Agnico Eagle requested an Emergency Amendment to our Water License from the Nunavut Water Board to discharge the accumulated water for 2020 only.
- On May 12 2020, Agnico Eagle's request for an Emergency Amendment to Meliadine's Water License to discharge water from its containment pond was approved by the Federal Minister of Northern Affairs.