Corrective Action Completion Report

Agnico Eagle Mining Limited (AEM)
Meadowbank Mine, Nunavut, Canada

ENVIRON **CORRECTIVE ACTION PLAN** **ICMC Certification Audit – Meadowbank Mine**	**Control No.:** **AEM-ICMC-CAR-01** **Date issued:** 15 May 2015
ICMC Standard of Practice Section Reference: 2.2(2)	
Description of Deficiency: Cyanide Transporter AEM obtains cyanide from DuPont's production plant in Memphis Tennessee. The DuPont Canadian Supply Chains between DuPont's Memphis plant and Canadian Pointe Claire Distribution Centre and Port Bécancour are certified to the Code. The ICMC verification audit for the Agnico-Eagle Meadowbank Supply Chain (AEMSC), between Port Bécancour and the Mine site was completed in September 2014 in conjunction with the Meadowbank Mine certification audit. The audit found the AEMSC to be in substantial compliance with the Code. ICMI have advised that certification of the Meadowbank Supply Chain will be announced simultaneously with the certification of the Meadowbank Mine.	
Corrective Action Required (describe/attach supplemental information as necessary): The audit found the AEMSC to be in substantial compliance with the Code. AEM must complete the corrective actions identified during the ICMC transportation audit and achieve full compliance for the AEMSC within one year of certification, for the Meadowbank Mine to achieve full compliance with this section of the Code.	
Evidence Required for Verification of Corrective Action Completion: Receive confirmation from ICMI that the AEMSC is in full compliance with the Code.	
Evidence Provided to Verify Completion of Corrective Action: Evidence presented in Corrective Action Completion Report for the supply chain submitted to ICMI on 29 January 2016.	
Corrective Action Completion Date: 31 July 2015	
Closure Verified: Jean-Marc Leger **Lead Auditor**	**Date: 29 January 2016**

ENVIRON **CORRECTIVE ACTION PLAN** **ICMC Certification Audit – Meadowbank Mine**	**Control No.:** **AEM-ICMC-CAR-02** **Date issued:** 15 May 2015

ICMC Standard of Practice Section Reference: 3.1(1), 3.1(6), 3.1(7), 4.7(2), 4.8(1) and 4.8(5)

Description of Deficiency: Mill Design and QA/QC

Although AEM has design drawings on file for the Mill, no as-built drawings or QA/QC records signed by an appropriately qualified person were available. As a result AEM commissioned engineering companies to review the integrity of the Mill. Engineering reviews completed by Stavibel Engineering Services (*Retention Basins Inspection Report*, 6102-REP-02-R0, dated 19 March 2014 and *Retention Basin Capacities of Leach and Thickeners*, 622084-REP-01-RA, dated November 2014) and GCM Consultants (*Meadowbanks Tank and Pipe Inspection Report*, RTE0419-201-00, dated, 6 December 2014 and *Meadowbank Plan Inspection Report,* RTE419-501-00, dated 9 December 2014 as part of a QA/QC review of the Mill, identified that the capacity of several of the cyanide tank containment basins (.i.e., mix/storage tank, leach tank, thickeners and CIP containment basins) would be unable to contain 110% of the volume of the largest tank within the containment. In addition seals in the containment basins were in poor condition, corrosion of varying degrees was identified on tanks and piping, and several defective flanges and valves were observed.

Corrective Action Required (describe/attach supplemental information as necessary): To be fully compliant with this requirement of the Code, AEM must:

- Increase the capacities of all undersized cyanide tank containment basins in the Mill through enlargement of individual basins or by providing suitable interconnections between basins;
- Make necessary repairs to ensure the integrity of the basin concrete and seals;
- Make repairs and implement maintenance programs as recommended by the engineer to tanks, piping systems and structural steel and concrete;
- Prepare reports that detail the integrity inspections completed and confirmation that all recommended modifications and repairs have been completed to the satisfaction of the integrity inspector;
- Implement preventative maintenance programs to meet the recommendations detailed in the engineering reports.

Evidence Required for Verification of Corrective Action Completion:

- Engineering report documenting the modifications made to each of the containment basins and providing capacities of each secondary containment basin and the largest tank within the containment;
- Sign-off by an engineer that the seals have been repaired;
- Copy of engineering inspection report(s) on the integrity of the cyanide facilities at the mill, signed by an appropriately qualified person concluding that the continued operation of these facilities within established parameters will protect against

cyanide exposures and releases; and
- Evidence that the preventative maintenance program as recommended in the inspection report(s) has been implemented.

Evidence Provided to Verify Completion of Corrective Action:

- Report entitled "*Sign-Off Meadowbank Tank and Piping Inspection Report*", RTE0396-201-01, dated 16 November 2015, prepared by GCM Consultants, which summarizes an inspection performed to confirm that actions taken to resolve deficiencies identified in Report RTE0419-201-00 had been completed. GCM concluded that the AEM facilities at the Meadowbank site, within the process plants are fit to continue operating safely with cyanide, as per cyanide code criteria of the ICMC.
- Report entitled "*Sign-Off Meadowbank Inspection Report*", RTE0396-501-02, dated 17 November 2015, prepared by GCM Consultants, which summarizes an inspection of the structural integrity steel and concrete structures in the process building and leach tank area. The report included review of adequate containment capacity for the leach area and thickener/detox area. The report concluded the modifications made to the containment basins now provide adequate capacity to retain 110% of the volume of the largest tank, and that deficiencies identified previously in RTE419-501-00 have been corrected and that continued operation of the mill within established parameters will be able to contain cyanide in the event of a spill.
- Report entitled "*Cyanide and CIP Basin Retention Volume Conformity Report*", dated November 2015, prepared by Agnico Eagle, which summarizes modifications made to address containment capacity deficiencies identified in 6102-REP-02-R0. The report confirms that the containment capacities are now able to retain 110% of the volume of the largest tanks in the CIP and cyanide mix areas.

These reports are all signed and stamped by Registered Professional Engineers.

Corrective Action Completion Date: 15 November 2015

Closure Verified: Jean-Marc Leger **Lead Auditor**	**Date: 30 November 2015**

ENVIRON **CORRECTIVE ACTION PLAN** **ICMC Certification Audit – Meadowbank Mine**	**Control No.:** **AEM-ICMC-CAR-03** **Date issued:** 15 May 2015

ICMC Standard of Practice Section Reference: 3.1(1)

Description of Deficiency: Cyanide Storage Compound

At the time of the field component of the audit shipping containers were being stored at the warehouse container yard. Because this location was susceptible to localized water ponding during the short freshet and summer period and there was a potential for containers of incompatible material to be stored near to the cyanide containers, subsequent to the onsite audit, AEM constructed a dedicated cyanide storage pad in a separate location of the mine site and moved all cyanide containers for winter storage.

The dedicated pad is constructed of a porous layer of gravel-sized waste rock to allow rain and snow melt to infiltrate within the waste rock pad and prevent the formation of puddles. The pad is designed such that in the event of a spill, briquettes would remain on the surface of the pad allowing easy clean-up. Any water that may be impacted at the over pad, would be trapped within the waste rock layer above the underlying frozen ground, allowing recovery of the impacted water if a spill were to occur. Throughout the winter and after freshet next spring AEM will monitor this storage area.

Corrective Action Required (describe/attach supplemental information as necessary): To be fully compliant with this requirement of the Code, AEM must:

- Perform a risk assessment and evaluate if modifications are required to the pad design.
- Conduct an evaluation by an appropriately qualified person to confirm that the design and construction of the facility is appropriate for the intended use.

Evidence Required for Verification of Corrective Action Completion:

- Report detailing design considerations and including design drawing and specifications for the cyanide storage compound
- Copy of the risk assessment review.
- Report on any modifications that were undertaken in response to the risk assessment review with sign-off by an appropriately qualified person concluding that the design is appropriate and continued operation of the facility within established parameters will protect against cyanide exposures and releases.

Evidence Provided to Verify Completion of Corrective Action:

Report entitled "*Cyanide Storage Pads'*, dated October 2015, prepared by Agnico Eagle, which included:

- A risk assessment completed for the cyanide storage compound;

• Mitigation Plan to: control drainage and ensure structural stability of the cyanide storage pad; segregate cyanide from incompatible materials, and provide site security. • Remedial action undertaken to re-grade the cyanide storage pad and provide security measures; • Topographic survey of the re-engineered cyanide storage pad. • Sign-off by appropriately qualified persons concluding that the design is appropriate and continued operation of the facility within established parameters will protect against cyanide exposures and releases.	
Corrective Action Completion Date: 31 July 2015	
Closure Verified:  **Lead Auditor**	**Date: 4 November 2015**

ENVIRON **CORRECTIVE ACTION PLAN** **ICMC Certification Audit – Meadowbank Mine**	**Control No.:** **AEM-ICMC-CAR-04** **Date issued:** 15 May 2015
ICMC Standard of Practice Section Reference: 4.1(4) and 6.1(3)	
Description of Deficiency: Management of Change Procedure At the time of the onsite audit management of changes or modifications to the site's process and operations were generally being undertaken in an informal manner through discussions and tracking during staff meetings, or using validation request process which includes a risk evaluation and approval process. However, the process had not been universally implemented, did not include a systematic process to include the Environmental and Health and Safety departments in the approval process, and a written procedure to describe and formalize the process had yet to be developed. Subsequent to the onsite audit AEM developed a draft management of change (MOC) procedure that will provide a formal MOC process, which will be coordinated and monitored by a MOC Coordinator.	
Corrective Action Required (describe/attach supplemental information as necessary): To be fully compliant with this requirement of the Code, AEM must provide evidence that the MOC procedure has been finalized and implemented.	
Evidence Required for Verification of Corrective Action Completion: • Copy of Finalized MOC procedure • Training records on MOC Procedure	
Evidence Provided to Verify Completion of Corrective Action: • Approved Modification Management Procedure, MBK-HSS-PRO-0046, dated 1 March 2016 • Modification Management – Template Request Forms • Modification Process Management Training Presentation Slides, dated 22 October 2015 • Training Records for management and supervisors, October 2015 through February 2016 Example Modification of Change - Record MP-ENV-MR for: "Transfer of ICMC Facilitator Responsibilities", to demonstrate implementation of the change procedure.	
Corrective Action Completion Date: 15 November 2015	
Closure Verified: Jean-Marc Legger **Lead Auditor**	**Date: 1 March 2016**

Meadowbank
Name of Mine

7 March 2016
Date

ENVIRON **CORRECTIVE ACTION PLAN** **ICMC Certification Audit – Meadowbank Mine**	**Control No.:** **AEM-ICMC-CAR-05** **Date issued:** 15 May 2015
ICMC Standard of Practice Section Reference: 6.2(6)	
Description of Deficiency: Shower/Eyewash Stations Shower/ eyewash stations were observed at strategic locations on the ground floor of the mill. Also there was a shower/ eyewash station on each level of the cyanide mix plant. However, the upper floors of the mill and the SAG cyanide addition point were only served by portable eyewash units or eyewash bottle stations. The audit team requested that AEM conduct a risk review to determine whether the distribution of showers is adequate. Subsequent to the field component of the certification audit AEM completed a risk review and concluded that additional shower/eyewash stations should be installed on the upper level of the mill; one located on the deck above the leach tanks and one on the second floor above the CIP tanks.	
Corrective Action Required (describe/attach supplemental information as necessary): To be fully compliant with this requirement of the Code, AEM must provide evidence that shower/eyewash stations have been installed and operating.	
Evidence Required for Verification of Corrective Action Completion: • Photographs showing the installation and operation of the shower/eyewash stations installed on the deck above the leach tanks and on the second floor above the CIP tanks.	
Evidence Provided to Verify Completion of Corrective Action: • Photographs of the shower/eyewash stations installed on the second floor above the CIP Tanks and on the deck above the leach tanks.	
Corrective Action Completion Date: 15 June 2015	
Closure Verified: Jean-Marc Legger **Lead Auditor**	**Date: 16 May 2015**

ENVIRON **CORRECTIVE ACTION PLAN** **ICMC Certification Audit – Meadowbank Mine**	**Control No.:** **AEM-ICMC-CAR-06** **Date issued:** 15 May 2015
ICMC Standard of Practice Section Reference: 9.3(1)	
Description of Deficiency: Cyanide Management Brochure Currently AEM does not have a written description of cyanide management activities in the Inuktitut language for community members that do not have computer access. AEM is in the process of developing a brochure prepared in the Inuktitut language that addresses cyanide management that will be made available at the Baker Lake office.	
Corrective Action Required (describe/attach supplemental information as necessary): To be fully compliant with this requirement of the Code, AEM must provide a copy of the new Cyanide Management Brochure.	
Evidence Required for Verification of Corrective Action Completion: • Copy of the Cyanide Management Brochure, available in Inuktituk.	
Evidence Provided to Verify Completion of Corrective Action: • Copies of the Cyanide Management Brochure, available in Inuktitut and English. • Photograph of pamphlets on display and available in Baker Lake office.	
Corrective Action Completion Date: 31 August 2015	
Closure Verified: Jean-Marc Legger **Lead Auditor**	**Date: 30 October 2015**