

AGNICO-EAGLE MINES LTD. Meadowbank Division

March 4, 2008

Mr. Richard Dwyer, Licensing Administrator, Nunavut Water Board P.O. Box 119, Gjoa Haven, Nunavut X0B 1J0 Canada

Email: licensingadmin@nunavutwaterboard.org

Dear Mr. Dwyer,

Reference: 8BC-TEH0708 - Meadowbank Gold Project Access Road

Application for Renewal and Amendment of the Meadowbank Gold

Project Access Road Type B Water License

I am writing to apply to the Nunavut Water Board (NWB) to renew and amend our Type B Water License 8BC-TEH0708 for the Meadowbank Gold Project access road. We ask the Board to:

- 1. Renew this Type B Water License for a sufficient time period for it to become incorporated into the Type A Water License application currently under NWB review to allow for the ongoing operation of the Tehek Access Road; and
- 2. Amend this Type B Water License to allow for the following additional predevelopment activity at the Meadowbank Project site:
 - Allow for the construction and operation of a camp with a maximum capacity of 200 persons with an associated domestic water use of 45 m³/day (200 x 225 l/person/day);
 - Operation of a sewage treatment plant (rotary biological contactor and equalization tank) for a maximum flow rate of 45 m³/day with the discharge going to Tear Drop Lake (a non fish bearing water);
 - Operation of Tear Drop Lake as a storm water management pond with an allowable discharge standard for water overflowing this pond;

- Operation of a batch concrete plant with a maximum water use of 15 m³/day;
- Pre-Development stripping and stockpiling of ~2.8 M tonnes of overburden from the preparation of the north and south portage starter pit; and
- Initial rock drilling and blasting of rock in the north and south Portage starter pits to provide an in-situ stockpile of construction rock to build the East Dike starting in July of 2008.

We have the following supporting documentation to this application:

- NWB Water License Application Form for the Meadowbank Gold Project Tehek Lake Access Road;
- NWB Supplementary Questionnaire for the Renewal/Amendment Application for the Meadowbank Gold Project Tehek Lake Access Road;
- Pre-Development Closure and Reclamation Plan for the Meadowbank Project Site:
- Pre-Development Camp and Sewage Treatment Plant Description;
- Pre-Development Batch Concrete Plant Description;
- Waste and Water Management Plan for the North and South Portage Starter Pit Pre-Development Activity; and
- Spill Contingency Plan

Construction and Operation of a Camp at the Meadowbank Project Site

Agnico-Eagle Mines Limited (AEM) has applied for a Type A water license to allow for construction, operation and reclamation of the Meadowbank Gold Project. This application is under review and if a positive decision is reached could lead to the start of construction in the summer of 2008. Due to the remote location and short summer ice free construction season AEM projects that it will take one full summer ice free season to construct the first dewatering dike (the East Dike) required allowing for development of the Portage Pit. This requires the pre-development of the two on-land starter pits on the Portage deposit to develop a stockpile of broken rockfill material ahead of the start of construction that will be required to construct the outer shells of the East Dike. Through this application AEM is applying to have the Tehek Lake Access Road Type B Water License amended to allow for the construction and operation of a camp at the Meadowbank Project site to support the pre-development activities. The proposed camp will consist of 74 pre-fabricated trailer units assembled to provide a total of 340 rooms, washrooms and shower facilities, laundry facilities, a kitchen facility, recreation and television trailers and office units to support initial construction activity all joined together by Arctic corridors. During this phase of the Project AEM is requesting that the water license allow for maximum average water use of 45 m³/day to support a maximum camp capacity of 200 persons (200 x 225 l/per person/day).

Construction and Operation of a Sewage Treatment Plant at the Project Site

Through this application AEM is applying to have the Tehek Lake Access Road Type B Water License amended to allow for the construction and operation of a rotary biological contactor sewage treatment plant (STP) at the Meadowbank Project site to support the pre-development activities. The proposed sewage treatment plant will consist of the following elements:

- A lift station and pump to transfer sewage from the camp to the sewage treatment plant which would be set up adjacent to the north end of the site airstrip;
- A 65 m³ capacity equalization tank to attenuate the flow peaks entering the STP;
- A standard Seprotech B130 series rotary biological contactor with a primary settling tank, a standard RBC, and a final settling tank;
- A lift station and pump to transfer treated overflow effluent from the final settling tank to Tear Drop Lake; and
- A plate filter press set up in an adjoining Seacan container with filter feed pump to filter sewage sludge drawn through sludge ports on the bottom of the primary settling tank on an as needed basis with the filtrate being recycled to the equalization tank and the sludge incinerated.

Seprotech have advised AEM that the nominal capacity for this arrangement will be approximately 300 persons assuming a discharge standard at end of pipe as follows:

Parameter	Maximum Average Concentration (mg/L)	Maximum Allowable Grab Sample Concentration (mg/L)
pН	6-9	9
Total Suspended Solids (TSS)	100	100
BOD ₅	80	80
Fecal Coliforms	10,000 CFU/ 100mL	10,000 CFU/ 100mL
Total Oil and Grease	5 and no visible sheen	10 and no visible sheen

Operation of Tear Drop Lake as a Stormwater Management Pond

Tear Drop Lake is a small non-fish bearing pond located in the immediate area proposed for the Meadowbank Gold Project mill and service facilities. It is a shallow pond that freezes to its bottom each winter. AEM proposes to build up the depth of this pond through construction of impervious walls constructed as part of the proposed roads that encircle this pond to allow the pond to act as a Stormwater management pond. During this phase the treated sewage from the STP would be pumped into this Stormwater management pond. Overflow from this pond would be pumped into the northwest arm of Second Portage Lake only after it met the following proposed discharge criteria:

Parameter	Average Concentration	Maximum Concentration of a Grab
		Sample
pН	6.0 to 9.5	6.0 to 9.5
TSS	25 mg/L	50 mg/L
Al	1.5 mg/L	3.0 mg/L
BOD	25 mg/L	50 mg/L
F.Coli	1000 CFU/dl	2000 CFU/dl

Pre-Development of North and South Starter Pits on the Portage Deposit

Agnico-Eagle Mines Limited (AEM) has applied for a Type A water license to allow for construction, operation and reclamation of the Meadowbank Gold Project. This application is under review and if a positive decision is reached could lead to the start of construction in the summer of 2008. Due to the remote location and short summer ice free construction season AEM projects that it will take one full summer ice free season to construct the first dewatering dike (the East Dike) required allowing for development of the Portage Pit. This requires the pre-development of the two on-land starter pits on the Portage deposit to develop a stockpile of broken rockfill material ahead of the start of construction that will be required to construct the outer shells of the East Dike. Through this application AEM is applying to have the Tehek Lake Access Road Type B Water License amended to allow for the stripping and stockpiling of approximately 2.8 M tonnes overburden and the pre-development of these two starter pits in the winter of 2008 (late April thru June) to develop a sufficient stockpile of broken rock to allow for summer construction of the East Dike. All rock would be stockpiled within the footprint of these two starter pits. A waste and water management has been prepared for this proposed activity and is included as a supporting document to this application.

Set up and Initial Operation of a Batch Concrete Plant

Through this application AEM is applying to have the Tehek Lake Access Road Type B Water License amended to allow to allow a batch concrete plant that was shipped to Baker Lake in the fall of 2007 to be set up at the Meadowbank Project and started up to provide a source of concrete for initial construction at the camp and other mine site facilities. The water to be used for this initial concrete will come from Third Portage Lake off of the existing freshwater pump system. The maximum estimated water consumption will be 15 m³ per day (average). The plant will generate no waste requiring disposal or storage. A pre-development batch concrete plant description document has been prepared for this proposed activity and is included as a supporting document to this application.

We will send hard copies of this application material by Express Post. Should you have any questions on this information or on any other matter concerning this application, please do not hesitate to contact me.

Regards,

Agnico-Eagle Mines Ltd.

Larry Connell, P. Eng.

Regional Manager of Environment, Social & Government Affairs

cc: S Hartman – KIA

J. Rogers – INAC

A. Hanson – NIRB

A. Liu – DFO

Anne Wilson – EC

Helen Yeh – GN DoE