

**PRESENTATION
NUNAVUT WATER BOARD
NOVEMBER 15, 2001**

My name is Jerry McCrank, for the past 25 years, I have been an employee of Echo Bay Mines Ltd. The last four years I have held the position of vice president operations for the company.

Echo Bay is a Canadian gold mining company established in 1964. Our shares trade on the Toronto and American stock exchanges. We operate four mines, one in Washington State, two in Nevada and as you know the Lupin mine in Nunavut. We also hold a development property located in Timmins Ontario and an advanced exploration property located in West Africa.

For the past 38 years we have had a continuous presence in the north, we are still one of the largest private employers of residents from the northern communities. Lupin's along with Lupin employees' tax contributions total over \$8 M per year. This does not include tax paid by our major contractors like Nuna, Kitikmeot Caterers, Aurora or Boart. Nor any new taxes like the road toll proposed in the NWT which would be another million dollars per year. I would like to add we have never had any serious violations or environmental problems over this time.

We are not asking for any handouts or subsidies but we are asking the board to understand the difficult times the gold mining industry is facing.

Echo Bay has always reclaimed the areas where we worked and we have every intention of doing the same at Lupin. Asking us to place on deposit the total reclamation dollar amount that reflects the worst case environmental scenario then adds a vision that our company goes bankrupt requiring the extensive use of contractors and consultants along with their higher rates and profit requirements. This is unrealistic. This high up front deposit approach is not the best use of the money nor do we have the financial capacity to comply at this time.

The ability for Echo Bay to obtain a third party bond or letter of Credit to back this liability request does not exist today in the current market. Bonding companies or banks just are not willing to take on this type of risk when they see where the gold price has been over the last four years and the financial difficulties the low gold prices have put on virtually all but a few companies in this industry.

We are diligently working on restructuring the capital of the company, evidenced by the announcement on September 5, 2001 with Franco-Nevada and others. The announced transaction will eliminate about \$160 million worth of debt from the company and we hope to complete this subject to shareholder approval early next year. We believe this is an important first step on the road to being debt free and will allow the company to have a viable future.

It is very important to Echo Bay that the Board recognizes Lupin is an existing mine in operation since 1982 and establish a reclamation dollar amount that is realistic and structure the terms to meet Echo Bay's ability to fund. It is also very important that the board understands Echo Bay cannot fund the amount being requested today but we can perform the concurrent reclamation on areas that can be reclaimed today plus build the fund to a number that we believe will be required on closing.

Each year that Lupin remains in operation its environmental liability will decrease due to the ongoing concurrent reclamation program. The reclamation dollar amount on closure will be substantially less than what would face us if we shut down now and substantially less than the dollar number in front of you today.

Echo Bay's proposal will allow us to meet our obligations for compliance without the Crown incurring new unsecured environmental liability in the interim and without forcing us into financial insolvency

Our hope is that the board will be willing to structure a solution that is a win-win for everyone. The proposal we are putting forth makes sense over the long run and would be in the best interest of all parties concerned.

Thank You