



July 19, 2007

Ms Dionne Filiatrault
Executive Director
Nunavut Water Board
P.O. Box 119
Gjoa Haven, Nunavut
X0B 1J0

Email: exec@nunavutwaterboard.org

Dear Ms. Filiatrault,

Re: **Meadowbank Project – Application for Type B Water License for the Baker Lake Tank Farm and Marshalling Area**

This letter is in response to your letter dated June 29 pertaining to the Water License Application for the Baker Land Tank Farm and Marshalling area components of the Meadowbank Project (No. 8BC-MEA).

We understand from your letter that the Baker Lake Tank Farm and Marshalling Area components subject to the type B license will be incorporated into the Type A license application when it will be submitted to the Nunavut Water Board. We are working together with Golder and Associates to complete the license A application for the Meadowbank site as soon as possible. We are aiming for a submission date by the end of July or beginning of August.

On the issue of the security for the Baker Lake Tank Farm and Marshalling Area components, we have asked Golder and Associates to prepare an assessment of the closure costs for the facility on which the security requirements should be based. The assessment is attached to this letter. We would be willing to post a separate bond for this facility or to incorporate it with the security requirements included in the License A application if the NWB prefers this option.

Finally on the issue of the name of the applicant, as you may know, pursuant to the take over bid, Agnico-Eagle Mines (AEM) owned approximately 92% of the shares of Cumberland. AEM has invoked the compulsory acquisition provisions of the British Columbia Companies Act and at the beginning of July Cumberland became a 100% wholly-owned subsidiary of AEM.

It is intended that, through a series of steps, AEM will amalgamate with Cumberland and Meadowbank Mining Corporation (a wholly-owned subsidiary of Cumberland) within the next few weeks. As a result of this amalgamation, all of the rights, title, interests, liabilities and obligations of Cumberland and Meadowbank Mining Corporation will automatically, by law, be transferred to and assumed by AEM. However for reasons of clarity, from now on we will use 'Agnico Eagle Mines Limited' as the name of the applicant in all our transactions with regulatory and land use authorities on the Meadowbank project.

I hope the information contained in this letter is to your satisfaction. Should you have any questions on this information or on any other matter concerning the license B application, please do not hesitate to contact me.

Sincerely,
Original signed by:

Louise Grondin
Vice-president Environment
Agnico-Eagle Mines Limited

cc: Stéphane Robert, AEM
Martin Bergeron, AEM
Dan Kivari, AEM
Paul-Henri Girard, AEM