AGNICO-EAGLE MINES LTD.
Meadowbank Division

November 26, 2007

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

Reference: 2AM-MEA – Meadowbank Gold Project Water License Application Supplementary Information on Explosives Storage Facilities

I am writing in follow up to Agnico-Eagle Mines Ltd.'s (AEM) Type A Water License Application submitted to the Nunavut Water Board (NWB) in early September of 2007. The purpose of this letter is to provide supplementary information on the proposed facilities for the storage of the explosives to be used for mining activities at the Meadowbank Gold Project. The explosives to be used at the Meadowbank Project will primarily be ANFO (Ammonium Nitrate Fuel Oil) with smaller amounts of other water resistant emulsions. The ANFO will be mixed on-site just prior to its delivery by emulsion truck to the open pit mine. The ANFO will be produced by mixing ammonium nitrate prills with diesel fuel to form ANFO. The mixing facility will be maintained and operated by the explosives supplier selected by Agnico-Eagle Mines Ltd. The on site storage facilities will be designed to house approximately 14 months supply of ammonium nitrate prills which will be shipped to site on the summer sealift in water proof plastic lined 1 tonne capacity tote bags.

The general arrangement and location of the explosives storage facilities and emulsion (ANFO) mixing plant at the Meadowbank Project site are shown in the general arrangement drawing attached to this letter as Figure 1 entitled "Plantsite Infrastructure Emulsion Plant Location and Finish Grading – Plan".

The facility is to be located to the north of the main Meadowbank site to the southeast of Turn Lake. The facilities will be accessed via a spur road off of the AWPAR (all-weather private access road) and will be set back approximately 500 m from the AWPAR. The location in relation to the Meadowbank site is presented in Figure 2 attached to this letter entitled "Plantsite Infrastructure Overall Site Plan".

The emulsion mixing plant will be housed in a 64' x 92' building to be set on concrete pad. Water for use in the emulsion plant (for mixing and cleaning) will be obtained as and when needed by submersible pump from the small unnamed lake located 250 m to the east and held in a small head tank inside the plant. There will be no waste water from this facility as all wash water will be recycled and used in the production of ANFO.

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Sewage will be dealt with through either a portable or electric toilet with all such waste transferred to the Meadowbank site if generated.

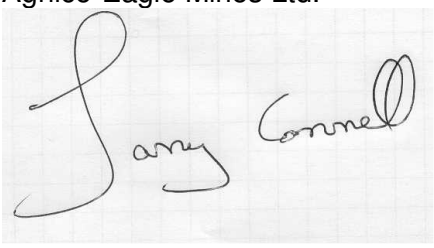
There will be a small diesel fuel storage tank (self contained tank) constructed adjacent to the emulsion mixing plant. Diesel fuel will be transferred by truck to this facility as needed. The bags of ammonium nitrate prills will be stored within two 72' x 400' coverall structures (waterproof permanent "tent-like" structures). The ammonium nitrate coveralls have been sized to store 10,000 tote bags of ammonium nitrate (AN) prills stored on wood pallets on a rock fill pad. Between the AN storage and the emulsion plant there will be a series of 10 "seacan" shipping containers set up for storage of equipment.

Access to the explosives storage facilities will be controlled through a locked gate set up on the spur road at the junction with the AWPAR. Control of access to these facilities will be under the management of the explosives supply contractor to the Project and the gate will remain locked except for when vehicles are delivering explosives either to or from these facilities.

Along the spur road there will be three turnouts constructed to allow for placement of steel locked magazines to store the other types of explosive materials to be used at the Meadowbank site. Each of these three magazines will have a licensed storage capacity of 25,000 Kg. The set back distances between facilities are provided on Figure 1.

Please feel free to call on the undersigned at your convenience to discuss further any of the issues raised through this letter.

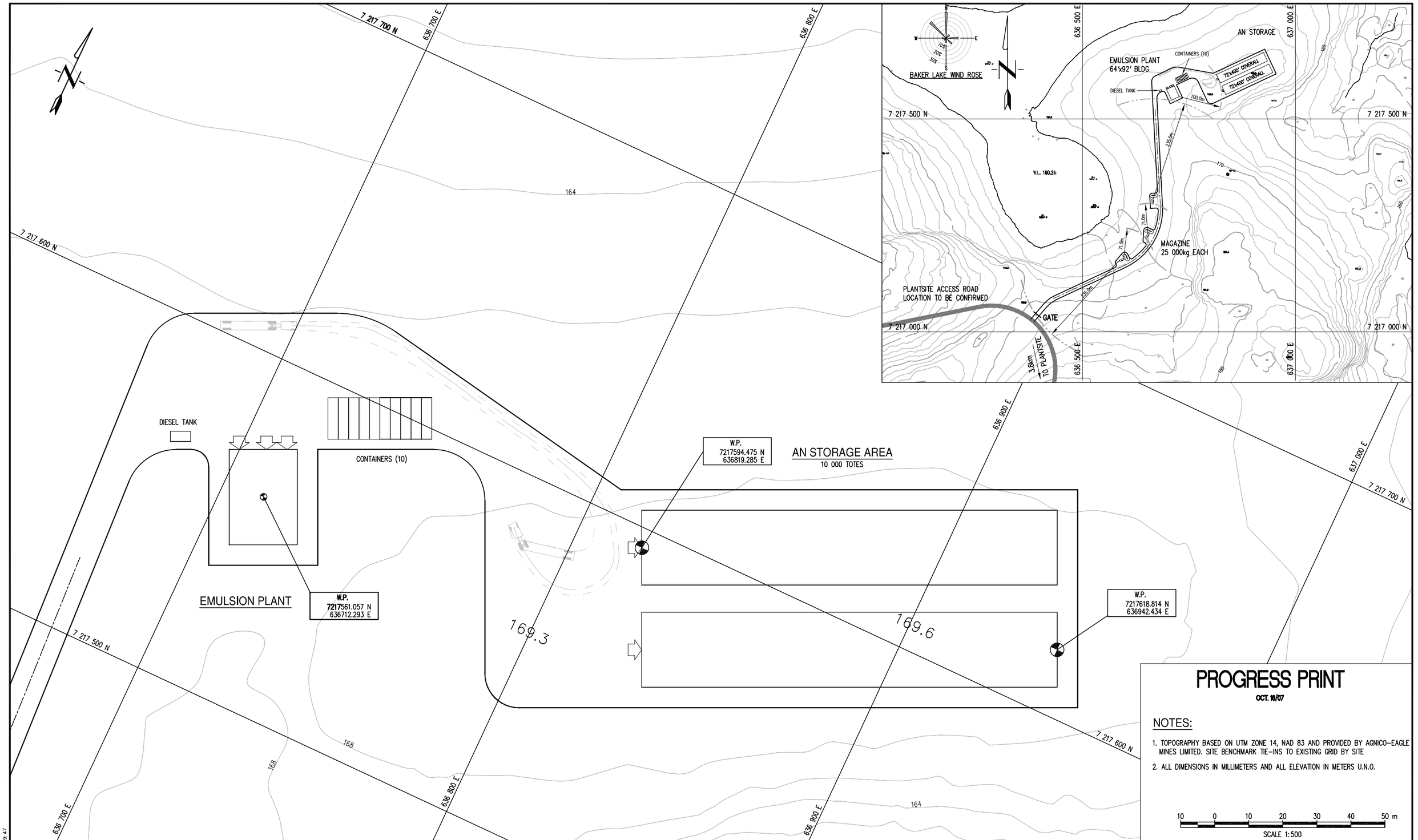
Regards,
Agnico-Eagle Mines Ltd.



Larry Connell, P.Eng.
Regional Manager of Environment, Social and Government Affairs

Attachments:
Figure 1 Drawing 600-C-0130 Plantsite Infrastructure Emulsion Plant Location and Finish Grading – Plan
Figure 2 Drawing 600-C-0101 Plantsite Infrastructure Overall Site Plan

cc: Dave Hohnstein – NWB
Richard Dwyer - NWB
Kivalliq Inuit Association
Environment Canada
INAC Water Resources Division
Fisheries and Oceans Canada
GN Department of Environment
Louise Grondin



PROGRESS PRINT

OCT. 16/07

NOTES:

1. TOPOGRAPHY BASED ON UTM ZONE 14, NAD 83 AND PROVIDED BY AGNICO-EAGLE MINES LIMITED. SITE BENCHMARK TIE-INS TO EXISTING GRID BY SITE
2. ALL DIMENSIONS IN MILLIMETERS AND ALL ELEVATION IN METERS U.N.O.

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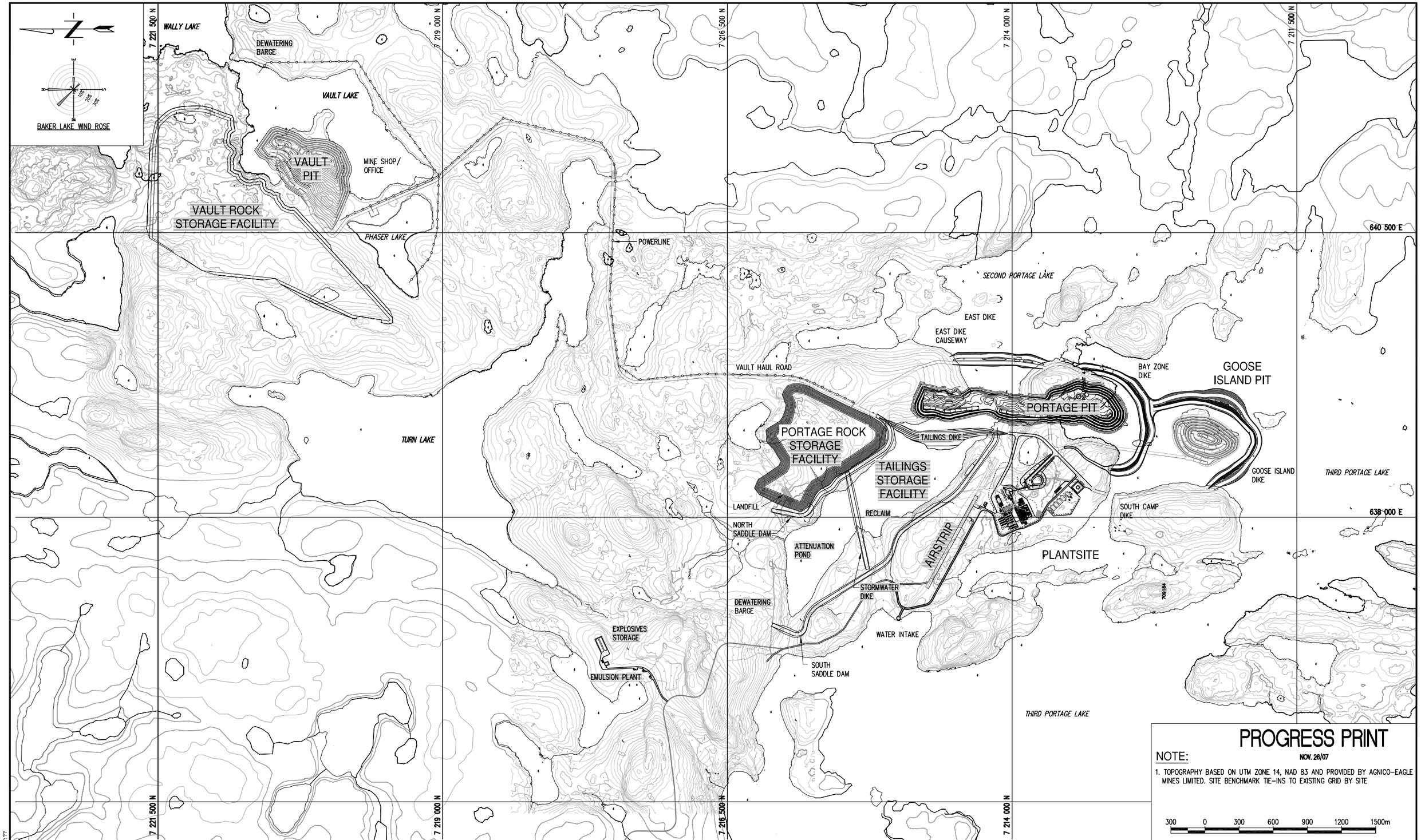
TITLE: MEADOWBANK GOLD PROJECT

PLANTSITE INFRASTRUCTURE EMULSION PLANT LOCATION AND FINISH GRADING – PLAN

FILENAME:	PROJECT NUMBER	DRAWING NUMBER	REV.
600C0130.DWG	325174	600-C-0130	0A

325174
600-C-0130-0
2007/10/15 09:47



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NOTE:

1. TOPOGRAPHY BASED ON UTM ZONE 14, NAD 83 AND PROVIDED BY AGNICO-EAGLE MINES LIMITED. SITE BENCHMARK TIE-INS TO EXISTING GRID BY SITE

300 0 300 600 900 1200 1500m

DWG. NO. | REFERENCE DRAWINGS

NO	DESCRIPTION	BY	DATE
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00	FOR REFERENCE	DLN	07/09/24
0A	ISSUED FOR APPROVAL	DLN	07/08/16

ISSUE

NO	DESCRIPTION	BY	DATE
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TITLE: MEADOWBANK GOLD PROJECT
PLANTSITE INFRASTRUCTURE OVERALL SITE PLAN

FILENAME:	PROJECT NUMBER	DRAWING NUMBER	REV.
600C0101.DWG	325174	600-C-0101	00

325174 600-C-0101-00 ??/??/??