



November 27, 2007

Mr. Larry Connell
Regional Manager: Environment, Social and Government Affairs
Agnico Eagle Mines Ltd.
#375 - 555 Burrard Street
Two Bentall Centre
Vancouver, BC
V7X 1M4

Via e-mail: Larry Connell [lconnell@agnico-eagle.com]

Dear Mr. Connell:

Re: Requests to amend Meadowbank Project Certificate No. 004, dated December 30, 2006, Condition No. 8 Re: Timing of Inclusion of 2007 Groundwater Monitoring Results in the Meadowbank Type A Water License Application for the NWB and Condition No. 17 Technical Review of All Dikes and Pit Slopes

I am writing in reply to Agnico-Eagle Mines Ltd. (AEM) letters of November 23, 2007 to the Nunavut Impact Review Board (NIRB) to request amendments to Conditions No. 8 and No. 17 of the Meadowbank Project Certificate No. 004, dated December 30, 2006 (NIRB PC). Part 8: Flexibility in Relation to Certifications of the Nunavut Land Claims Agreement provides for amendments to a NIRB project certificate in certain circumstances set out in section 12.8.2. Each of AEM's requests for amendment is considered below.

Condition No. 17

Based on the information provided by AEM, it is the NIRB's view that NIRB PC Condition No. 17 need not be amended to allow the AEM Meadowbank Water License Application to proceed provided the Nunavut Water Board (NWB):

- is satisfied that AEM has carried out a detailed technical review of the dike and pitwall designs for the Goose Island Dike and the result of expert analysis of the

- Goose Island Dike is a recommendation that the final design be deferred until the completion of the construction of the East and Bay Zone dikes; and
- is prepared to condition any water license it may grant for the Meadowbank Project to require the submission of a detailed technical review and expert analysis of the final design for the Goose Island Dike prior to commencement of construction of the Goose Island Dike.

By copy of this letter, the NIRB is providing this information to the NWB and asks that the NWB advise the NIRB if it is satisfied that these requirements can be met.

Condition No. 8

AEM's request to amend NIRB PC Condition No. 8 is focused on amending the timing of the submission of results of additional data into the water license application for the NWB. With regard to timing, it is the NIRB's view that the decision as to the acceptable timing for inclusion for such data in the water license application is a matter for the NWB to decide.

However, the NIRB does have concerns with AEM's compliance with Condition No. 8 that extend beyond the matter of timing of the submission of the additional data. AEM's compliance with Condition No. 8 requires clarification, particularly when read in conjunction with AEM's (then Cumberland) undertaking set out in Item 2 of Appendix A of the NIRB Final Hearing Report for the Meadowbank Gold Project, dated August 2006 (Final Hearing Report) to undertake additional ground water monitoring data commencing the summer of 2006. From the Final Hearing Report, the purpose of this additional sampling was to ensure adequate baseline data is gathered.¹ From AEM's letter of November 23, 2007, it is not clear what additional ground water monitoring was undertaken in 2006 and whether any defective ground water monitoring wells have been replaced, as required, since the issuance of the Final Hearing Report. These matters may significantly affect the samples available for re-evaluation and leave the NIRB concerned that adequate baseline data gathering has not occurred in accordance with Condition No. 8.

¹ See pages 61-62:

A number of water quality issues have been identified by the parties. An essential element of any adaptive management plan is baseline data. The Board heard evidence from EC that the inconsistencies, including a 25% difference in the total dissolved solids to chloride ratios, between the 2003 and 2004 two samples sets for groundwater quality has resulted in inadequate baseline data for salinity, major ion concentrations and the load of dissolved metals carried by the ground water into the pits during operations. Accordingly, the Board accepts EC recommendation that Cumberland re-sample existing ground water wells as soon as possible upon opening of the camp, that Cumberland assess the operating condition of existing wells and any defective wells be replaced, and that additional semi-annual samples sets be collected, with the new data used to reevaluate the salinity and major ion concentrations as well as the load of dissolved metals carried by ground water flowing into the pits during operations. The Board notes that INAC supports EC's recommendation for the collection of additional baseline groundwater quality data, and that Cumberland's re-sampling of the ground water monitoring wells is now underway.

Accordingly, prior to advising AEM on the need to amend Condition No. 8, the NIRB asks AEM to provide further and specific information on the ground water monitoring activities and replacement of defective wells undertaken in 2006 and 2007 in compliance with the commitment in Appendix A of the NIRB Final Hearing Report and Condition No. 8 of the NIRB PC.

This information should be provided to the undersigned as soon as possible.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeff Rusk', with a stylized, cursive script.

Jeff Rusk
Director, Technical Services
Nunavut Impact Review Board

cc: Nunavut Water Board
Kivalliq Inuit Association
Environment Canada
INAC Water Resources Division
Fisheries and Ocean Canada
GN Department of Environment
John Donihee
Louise Grondin