



AGNICO-EAGLE MINES LTD.
Meadowbank Division

January 30, 2008

Ms. Stephanie Autut,
Executive Director,
Nunavut Impact Review Board
PO Box 2379,
Cambridge Bay, NU,
X0B 0C0
Canada

Dear Ms. Autut:

**Reference: NIRB Project Certificate No. 004 – Meadowbank Gold Project
Modification – Location of Explosives Storage and Mixing Plant**

The Meadowbank Project (The Project) is currently in the detailed engineering phase. Agnico-Eagle Mines Limited (AEM) has appointed Hatch as the engineering contractor for the Project. Golder Associates remain the engineer of record for the major earthworks (i.e., the tailings dams and dewatering dikes). As the Project moves through detailed engineering, the engineers have proposed one change that modifies one of the project components from those described in the Final Environmental Impact Statement for the Project ("FEIS"), specifically the planned location of the explosives storage facilities and explosives emulsion mixing plant. This letter is intended to communicate this modification/change to the Nunavut Impact Review Board (as well as all other parties intervening in the Water License Process for the Meadowbank Project) and to request a decision from the Nunavut Impact Review Board (NIRB) on whether this change is significant enough to require a modification to the Project Certificate.

Based on our assessment, it is AEM's opinion that this relocation of the explosives storage and mixing facility is not a significant change and would not alter the predicted environmental impacts from the Meadowbank Project as presented during the NIRB assessment process. However if NIRB does not concur and feels that this new location may represent a significant change that would require an amendment of the Meadowbank Project Certificate then AEM will withdraw the proposal and revert back to the original location. AEM takes this position solely to avoid this issue derailing the current timeline for the Type B Water License Process. We believe that this change actually represents an improvement in the Project design and will not increase the project footprint or environmental impact. It represents a change in project layout rather than an addition of any new facilities.

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In the Final Environmental Impact Statement for the Meadowbank Project (October 2005) the explosives, ammonium nitrate storage and ammonium nitrate fuel oil emulsion mixing plant were to be located approximately 1 kilometer to the north of the Portage Rock Storage Facility along the right of way for the future road to the Vault Lake deposit (see Figure 2.6 Proposed Mine Site Layout as attached).

The proposed new location was presented to the Nunavut Water Board in a supplementary submission to the Type A Water License application dated November 26, 2007 (copy attached). The new location is shown on the attached Drawing 600-C-0101 "Plant Site Infrastructure Overall Site Plan". The explosives storage and mixing facilities would now be constructed on a spur road off the all weather private access road at approximately Km 103. The length of the spur road is approximately 1 km. This places the explosives storage area and mixing plant approximately 3 km to the north of the camp (~ 1 km north of the attenuation pond). The storage area and emulsion plant is ~400 from the nearest shoreline (a small unnamed lake that drains east through Turn Lake into Second Portage Lake. Consequently drainage from this proposed new location will drain into Second Portage Lake as did the previous site.

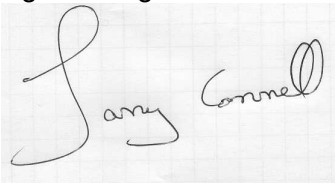
The primary reasons for relocating this facility are summarized as follows:

- The new location requires less road construction at the front end of the Meadowbank Project and is more easily accessible for the transport trucks moving ammonium nitrate and explosives from Baker Lake to the Meadowbank Mine Site over the all weather private access road. This allows construction of the first half of the Vault Lake access road to be deferred to later in the Project life and it allows the trucks transporting ammonium nitrate and explosives to go direct to the storage facility without passing by the camp and process facility; and
- The new location has a more assured water supply especially during winter months. While the mixing of ANFO emulsions does not require much water there is a need for small amounts of water for clean up within the emulsion plant and for cleaning out the emulsion trucks (done inside the emulsion plant). The initial location was located near a relatively shallow pond that on retrospect may totally freeze to the bottom in winter.

In summary AEM feels that this proposed modification/change will not result in any significant difference in the environmental impacts previously predicted for the Meadowbank Project (October 2005 FEIS). In our opinion the change is neutral and will not result in significant incremental impact.

Please feel free to call on the undersigned for any additional information.

Regards
Agnico-Eagle Mines Limited

A handwritten signature in black ink on a light blue grid background. The signature is written in a cursive style and appears to read "Larry Connell".

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

cc:

Leslie Payette – NIRB

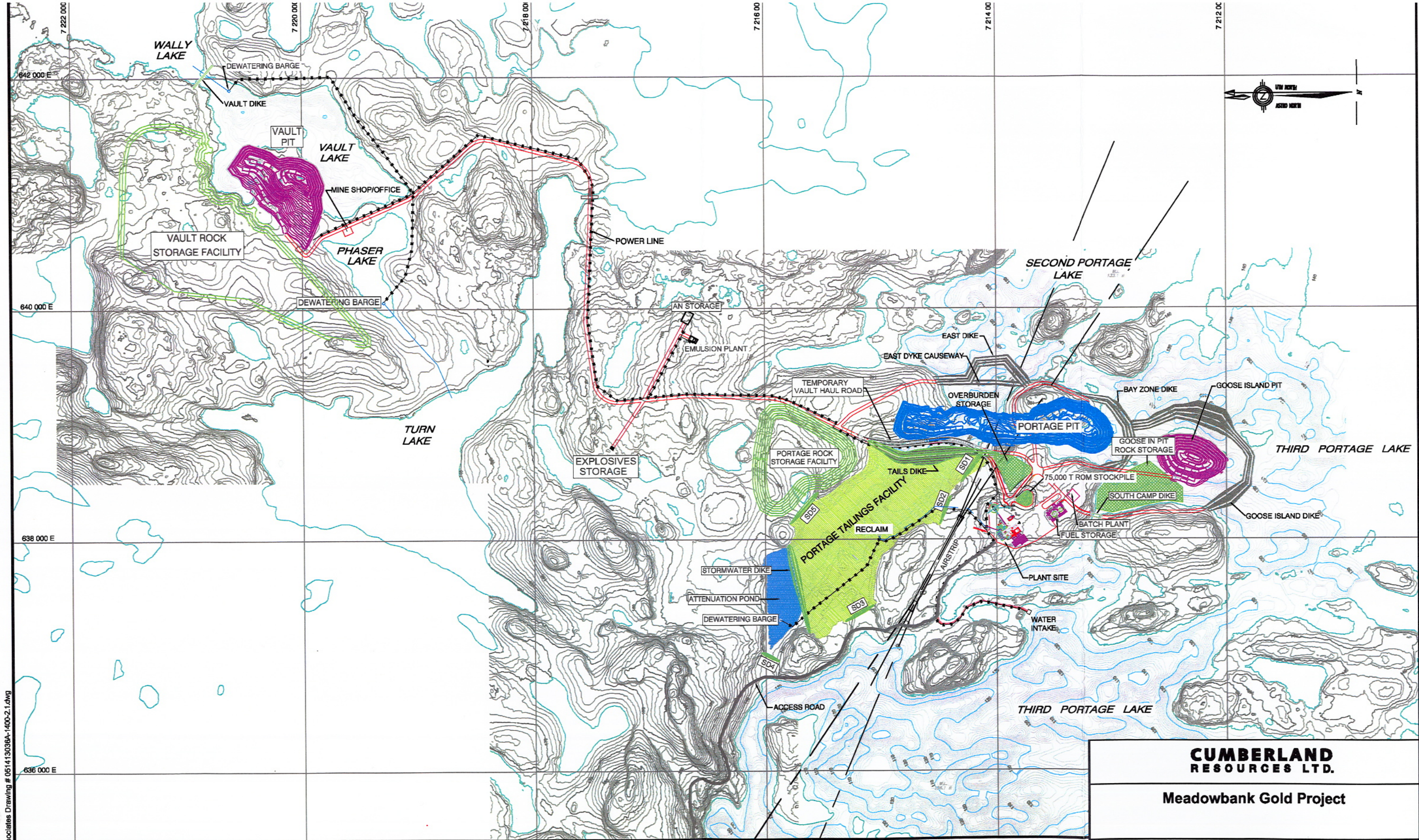
Jim Rogers – INAC

Anne Wilson – EC

Amy Liu – DFO

Helen Yeh – GN DoE

Luis Manzo - KIA



Source: Golder Associates Drawing # 051413036A-1400-2.1.dwg

NOTES

- 1) Topographic contour interval 2m.
- 2) Bathymetric contour interval 1m.
- 3) Scale As shown.

LEGEND

SD: SADDLE DAM

**CUMBERLAND
RESOURCES LTD.**

Meadowbank Gold Project

**Figure 2.6
Proposed Mine Site Layout**



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 AWP (all-weather private access road) and will be set back approximately 500 m from the AWP. 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.

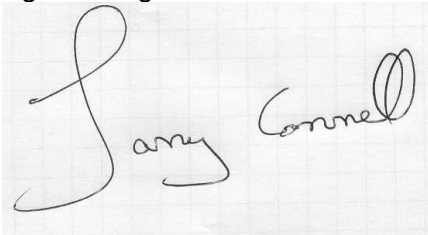
There will be a small diesel fuel storage tank (self contained tank) constructed adjacent to the emulsion mixing plant. Diesel fuel will be transferred by truck to this facility as needed. The bags of ammonium nitrate prills will be stored within two 72' x 400' coverall structures (waterproof permanent "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.

A handwritten signature in black ink on a light blue grid background. The signature is written in a cursive style and appears to read 'Larry Connell'.

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

