

NIRB File No.: 03MN107

August 10, 2009

To: Meadowbank Distribution List

Re: Meadowbank Gold Mine - Proposed Modification to the Project

Dear Parties:

On July 30, 2009 the Nunavut Impact Review Board (NIRB or Board) received the attached correspondence from Agnico-Eagle Mines Ltd (AEM) requesting that consideration be given to a proposed amendment to the Meadowbank Gold Mine Project (Project). Further, on August 6, 2009, the NIRB received notification from the Nunavut Planning Commission (NPC) which indicated the NPC would not be issuing an additional conformity determination (Keewatin Regional Land Use Plan) for these proposed activities.

The NIRB previously conducted an extensive environmental review of the Project pursuant to Article 12, Section 5 of the Nunavut Land Claims Agreement (NLCA), at the conclusion of which the Board determined that the Project should be allowed to proceed, pursuant to terms and conditions contained within the NIRB's Project Certificate (No. 004), later issued on December 30, 2006.

The proposed amendment to the Project involves an increase to the storage capacity of the fuel tank farm located within the municipal bounds of the Hamlet of Baker Lake (see attached).

All materials pertaining to the Board's review of the Meadowbank Gold Mine Project, including the Project Certificate and information regarding the proposed amendment to the Project can be obtained from the NIRB's ftp site at the following address:

http://ftp.nirb.ca/MONITORING/03MN107-MEADOWBANK/01-PROJECT CERTIFICATE/FOLLOW-UP/MARSHALLING FACILITY TANK FARM EXPANSION/.

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or
- (b) its inclusion would significantly modify the project."

After completing a review of the information provided as well as the Project Certificate (No. 004), the NIRB is of the understanding that the request for this amendment does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. The

NIRB is therefore proposing that Section 12.4.3 (NLCA) applies to exempt further screening of the proposed amendment to the Project.

Prior to making a final decision on this matter however, the Board requests that Parties review the amendment request and comment on the proposed course of action. The NIRB requests that Parties forward comment submissions to the attention of the NIRB's Manager of Environmental Administration, at info@nirb.ca or via fax to 867-983-2594, by August 24, 2009.

Should you have any questions or require further information, please contact Amanda Hanson, NIRB's Monitoring Officer for the Project, at (867) 983-4615 or ahanson@nirb.ca.

Sincerely,

Ryan Barry

Director, Technical Services Nunavut Impact Review Board

Attachment: AEM Ltr NIRB Re Proposed Marshalling Facility Expansion (July 30, 2009)



July 30, 2009

Via Email

Stephanie Autut Executive Director Nunavut Impact Review Board P.O. Box 1360 Cambridge Bay, NU X0B 0C0 Phone: (867) 983-4600

Dear Ms. Autut,

Re: Meadowbank Project Certificate No.004 – Baker Lake Marshalling Facility Proposed Expansion

For your review, please find attached a project proposal for the expansion of the fuel tank farm at the Baker Lake Marshalling Facility. The expansion will increase the fuel storage capacity of the fuel tank farm from 40 ML to 60 ML and will allow for storage of 2 ML of Jet A fuel. Agnico-Eagle Mines Limited – Meadowbank Division (AEM) seeks the advice of the Nunavut Impact Review Board on whether or not an amendment to Project Certificate No.004 may be required.

To provide additional information, AEM has reviewed the related conditions of Project Certificate No.004 and has addressed them below:

Condition 27: Cumberland shall ensure that the areas used to store fuel or hazardous materials are contained using safe, environmentally protective methods based on practical, best engineering practices.

The areas used for the additional fuel tanks will be constructed and contained using the same protective methods and best practices employed for the first phase of the fuel tank farm construction.

Condition 42: Cumberland shall ensure all fuel transfer operations take place in accordance with the Arctic Waters Pollution Prevention Act and relevant oil transfer guidelines.

The fuel transfer procedures currently in place will also apply to the new fuel tanks. These procedures are in accordance with pertinent regulations and guidelines.

The proposed construction schedule for the expansion is over the 2009 and 2010 summer / fall seasons. An amendment request to include the additional land area into the lease boundary located on Commissioner's Land has recently been submitted to the Government of Nunavut. This will allow for ground preparation work to begin in the late summer or fall of 2009.



Construction of the additional tanks is proposed for 2010 following any required review or amendment by the Nunavut Impact Review Board, Nunavut Water Board and Nunavut Planning Commission.

It is AEM's opinion that while the proposed increase in fuel storage capacity at the Meadowbank Baker Lake facility represents a change from the Project as reviewed during the NIRB environmental assessment process, this change is not significant and will not change the environmental impact of the Meadowbank Project in any significant manner.

Should you have any questions or require more information please contact me directly at stephane.robert@agnico-eagle.com.

Regards,

Agnico-Eagle Mines Limited - Meadowbank Division

Stéphane Robert

Environment Superintendent

Encl (1)

cc: Brian Aglukark, Nunavut Planning Commission Richard Dwyer, Nunavut Water Board