AGNICO-EAGLE
MEADOWBANK DIVISION

February 4, 2010

Via Email – licensingadmin@nunavutwaterboard.org

Mr. Richard Dwyer
Licensing Administrator
Nunavut Water Board
PO Box 119
Gjoa Haven, NU X0B 1J0
Phone: (867) 360-6338

Dear Mr. Dwyer,

Re: Meadowbank Water License 2AM-MEA0815 – Proposed Expansion to the Meadowbank Airstrip

Agnico-Eagle Mines Limited – Meadowbank Division (AEM) is proposing to expand the Meadowbank airstrip by increasing the length and width of the airstrip to accommodate a Boeing 737 jet. AEM is requesting that the Nunavut Water Board (NWB) review the project proposal to determine whether or not an amendment or modification to Water License 2AM-MEA0815 may be required. AEM is also seeking approval of the proposal from the Kivalliq Inuit Association, Nunavut Planning Commission, Nunavut Impact Review Board and Department of Fisheries and Oceans.

Construction of the airstrip expansion is proposed for the third quarter of 2010. More details on the proposed work are included in the attached project proposal.

The existing Meadowbank Type A Water License 2AM-MEA0815 Part D, Items 11 to 15 will apply during the construction of the airstrip extension. AEM does not believe that there will be any additional impact to water resulting from the airstrip expansion after the construction has been completed. The existing water and quality management plan for in-lake dike construction, previously approved by the NWB, will be revised by AEM to include a TSS management plan specifically for this proposed airstrip expansion. AEM will submit the revised plan to the NWB for approval under (Part D, Item 11) prior to the start of construction. Water run-off from the extended portion of the airstrip will be diverted to the Attenuation Pond as part of the Meadowbank Water Management Plan. There will be no associated increase in water consumption or waste water generation. Apart from the increased fish habitat loss that will be addressed in consultation with DFO, all other impacts will be mitigated by the operational procedures and approved plans that are already in place.

Regional Office:
20, Route 395
Cadillac, Quebec
J0Y 1C0
Tel: 819-759-3700 Fax: 819-759-3663

Baker Lake Office:
P.O. Box 540
Baker Lake, Nunavut
X0C 0A0
Tel: 867-793-4610 Fax: 867-793-4611

It is AEM's opinion that while the proposed airstrip expansion represents a change from the airstrip previously approved under the previous NWB licensing process, the proposed extension does not represent a significant change in environmental impact and can be managed, monitored and regulated under the Terms and Conditions contained within the existing Meadowbank Type A Water License 2AM-MEA0815.

Should you have any questions regarding this submission, 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*
Stephanie Autut, Nunavut Impact Review Board
Luis Manzo, Kivalliq Inuit Association
Dave Balint, Department of Fisheries and Oceans
Lou-Ann Cornacchio, INAC
David Abernethy, INAC

AGNICO-EAGLE

MEADOWBANK GOLD PROJECT

Project Proposal:

Meadowbank Airstrip Expansion

February 2010

The Meadowbank Gold Project (Meadowbank, the Project), operated by Agnico-Eagle Mines Limited – Meadowbank Division (AEM), is located approximately 70 km north of the Hamlet of Baker Lake, Nunavut. Meadowbank is an open pit gold mine that is currently in the construction phase with production expected to start in the first quarter of 2010. Meadowbank operates under the following authorizations:

- Nunavut Impact Review Board (NIRB) Project Certificate No.004;
- Nunavut Water Board (NWB) Type A License 2AM-MEA0815;
- Multiple agreements with the Kivalliq Inuit Association (KIA), Indian and Northern Affairs Canada (INAC) and the Government of Nunavut (GN) to secure surface access to Inuit Owned, Crown and Commissioner's Lands; and
- Multiple authorizations from the Department of Fisheries and Oceans (DFO) with respect to compensation measures for the harmful alteration, disruption or destruction (HADD) of fish habitat.

Meadowbank is accessible via overland travel on the All Weather Private Access Road (AWPAR) between Baker Lake and the mine site and via chartered aircraft. The Meadowbank airstrip was commissioned for use in January 2009, and since that time personnel have been transported to Meadowbank at a frequency of 6 return charter flights per week, which originate from Montréal, Yellowknife and the Kivalliq region. The air freight such as food and cargo is transported to the site at a frequency of 4 charter flights per week. A total of 10 flights per week are coming to the site to transport people and freight. Due to the current size of the airstrip, flight access for a Boeing 737 jet is not possible.

As the operational mining phase approaches in 2010, AEM is proposing to expand the size of the airstrip in order to accommodate a Boeing 737 jet. In a remote work environment such as Meadowbank, an expanded airstrip and the ability to use larger aircraft will ultimately reduce the number of charter flights per week (10 to 4) and the hours per flight, while increasing the capacity to transport personnel and essential cargo to site. The expanded airstrip will also offer an improved safety measure for greater accessibility and evacuation potential to and from the Meadowbank site.

Current Airstrip Design and Proposed Expansion Length

The current size of the airstrip is 1,494.8 m x 45 m and AEM is proposing an expansion to a total length of 2,103 m x 60 m wide in order to accommodate a Boeing 737 jet. There will be no additional airport infrastructure required.

To reach the required length of the airstrip, the length must be extended on the north end by approximately 412 m beyond the ordinary high water mark of Third Portage Lake. The extension will cross and subsequently deactivate the current access road connecting the All Weather Private Access Road to the Plant site and Camp around the

north end of the airstrip. Alternate access will be established by the Tailings Road, which will connect from the south end of the airstrip. Figure 1: *Drawing No.620-G-001 Airport Design for Boeing 737 and AWR Option* shows the general Meadowbank site layout with a detail of the proposed airstrip expansion area and road.

Proposed Construction Methods and Timeline

The material required to construct the airstrip expansion is estimated as follows:

- Total rock 875,000 m^3
- ¾" Material: 8,000 m^3
- 6" Material 24,000 m^3

Approximately 700,000 m^3 of this material will be placed in the water. An additional 70,000 m^3 will be required to build the all weather road. Non-acid generating rock material will be used. Best available construction and monitoring procedures will be employed to minimize any impacts on the water by installation of turbidity curtains. Water run-off from the extended length of the airstrip will be directed through drainage ditches (which will be lengthened accordingly) toward the Attenuation and Reclaim Ponds during the life of the Project as outlined in the *Meadowbank Project Water Management Plan, July 2009.*

Construction of the on-land portions of the airstrip expansion would begin in the third quarter of 2010 after all necessary amendments or modifications to the NIRB Project Certificate and KIA Production Lease have been received. No in-water works will commence until a DFO HADD authorization has been issued and the NWB Water License has been amended or modified if required.

Environmental Impact

In the NIRB environmental assessment process, an airstrip of 5400 feet was assessed and included in the Project Certificate. In AEM's opinion the proposed airstrip expansion to 6900 feet will result in the following environmental impacts in addition to those already assessed during the NIRB environmental assessment process and the NWB Class A water licensing process:

1. Loss of additional fish habitat in Third Portage Lake under the immediate footprint of the airstrip extension. This habitat loss will have to be addressed by AEM in consultation with DFO to determine suitable construction methods and compensation measures under a HADD authorization. Fisheries baseline data collection in this area of Third Portage Lake has been ongoing;
2. Potential for additional temporary impacts on water quality due to sediment generated during construction of the airstrip extension caused by the placement of rock material into Third Portage Lake; the construction technique for the airstrip platform will be identical to the construction technique already used in

the construction of the East and Bay-Goose Dikes rock platform. Mitigation measures to minimize impacts of this type of construction have already been established.

AEM does not believe that there will be any additional impact to water resulting from the airstrip expansion after the construction has been completed. The management of these potential additional water quality impacts will be mitigated and managed by AEM using the terms and conditions as set out in the existing Meadowbank Type A Water License 2AM-MEA0815 - Part D, Items 11 to 15 which would apply during the proposed construction of the airstrip extension. The existing water and quality management plan developed by AEM and approved by the NWB for in-lake dike construction (*Water Quality Monitoring and Management Plan for Dike Construction and Dewatering*) will be revised to include a TSS management plan for this airstrip expansion construction activity. This revised management plan will be submitted and sent for review and approval by the NWB and other regulatory agencies.

During the post construction period precipitation run-off from the extended portion of the airstrip will be diverted to the Attenuation Pond as part of the Meadowbank Water Management Plan. There will be no increase in water consumption or waste water generation associated with this extended airstrip.

AEM does not believe there will be any additional impact to wildlife beyond the impacts already established for the existing airstrip. The Air Traffic Management Plan and the Noise Abatement Plan currently in effect for the Project will also apply to the expanded area of the airstrip.

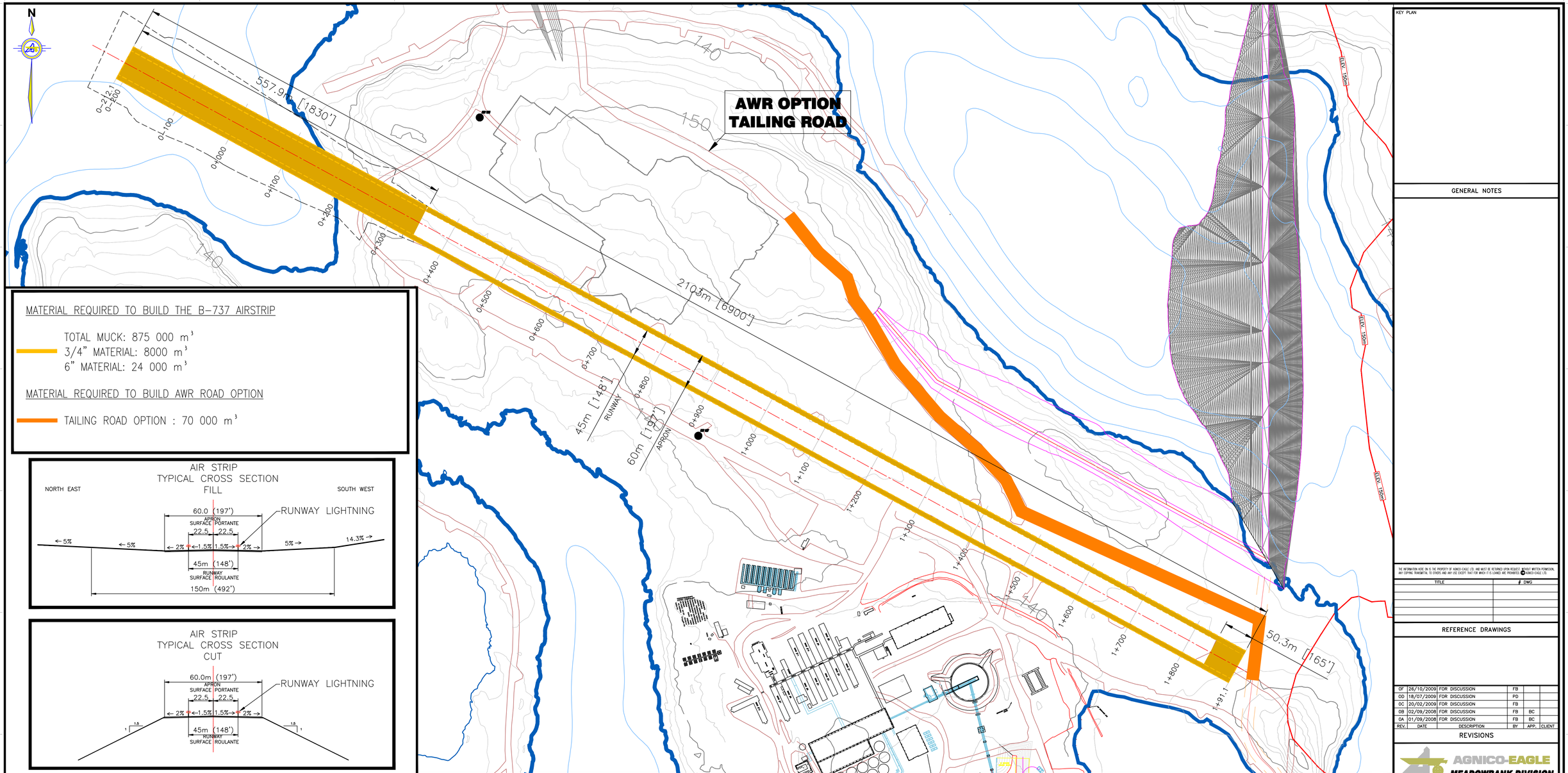
AEM believes that the emergency response procedures that are already in place will be adequate to address all potential accidents and/or malfunctions associated with the use of larger aircraft.

AEM believes that the current monitoring and reporting requirements as laid out in the KIA Production Lease, in the NWB Type A Water License Part D, Items 11 to 15, in the NIRB Project Certificate and the additional measures to be outlined by DFO will be adequate to ensure that all potential environmental impacts are mitigated and reported in a manner accessible to the public.

It is AEM's opinion that while the proposed airstrip expansion represents a change from the Meadowbank Project as reviewed during the NIRB and the NWB processes, it will not change the environmental impact of the Project in any significant manner. Apart from the increased fish habitat loss that will be addressed in consultation with DFO, all other impacts will be mitigated by operational procedures that are already in place.

DRAWING NO. 620-G-0001

FORMAT ARCHD-LANDSCAPE



MATERIAL REQUIRED TO BUILD THE B-737 AIRSTRIP

TOTAL MUCK: 875 000 m³
3/4" MATERIAL: 8000 m³
6" MATERIAL: 24 000 m³

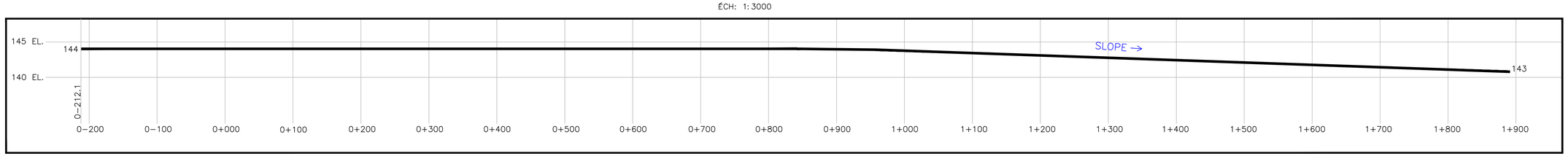
MATERIAL REQUIRED TO BUILD AWR ROAD OPTION

TAILING ROAD OPTION : 70 000 m³

AIR STRIP
TYPICAL CROSS SECTION
FILL

AIR STRIP
TYPICAL CROSS SECTION
CUT

PLAN VIEW – AIRPORT DESIGN
ÉCH: 1:3000



LONGITUDINAL VIEW
ÉCH: NA

KEY PLAN

GENERAL NOTES

TITLE	# DWG

REFERENCE DRAWINGS

REV.	DATE	DESCRIPTION	BY	APP.	CLIENT
0F	26/10/2009	FOR DISCUSSION	FB		
0D	18/07/2009	FOR DISCUSSION	PD		
0C	20/02/2009	FOR DISCUSSION	FB		
0B	02/09/2008	FOR DISCUSSION	FB	BC	
0A	01/09/2008	FOR DISCUSSION	FB	BC	

REVISIONS

AGNICO-EAGLE
MEADOWBANK DIVISION

TITLE
AGNICO-EAGLE – MEADOWBANK DIVISION

AIRPORT DESIGN FOR BOEING 737
AND AWR ROAD OPTION

DRAWN BY	F.BLANCHETTE	DATE 31/08/2008
CHECKED BY	J.BÉLANGER	31/08/2008
APPROVED BY		
SCALE	N.T.S.	DATE 31/08/2008
DRAWING NO.	620-G-0001	
PROJECT NO.	REVISION 0F	SHEET 1 / 1

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FILE NO. .DWG