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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File: 2AM-MEA0815/

February 1, 2010

Stéphane Robert
Environment Superintendent
Agnico-Eagle Mines Limited – Meadowbank Division
20, Route 395
Cadillac, Quebec, J0Y 1C0
Email: stephane.robert@agnico-eagle.com

Subject: NWB Response to AEM Update on Licence Conditions Status.

Dear Mr. Robert,

The Nunavut Water Board (NWB) distributed Agnico-Eagle Mines Limited's (AEM) letter of November 26, 2009, concerning the status update of specific water Licence conditions, to interested parties for review and comment. Following the ten (10) day review period, the NWB did not receive any comments or concerns from parties.

During its internal review of the update provided by AEM, the NWB noted three (3) items it wishes to follow-up on, including:

Part D, Item 26: Structures subject to the submission of Construction Summary Reports.

The NWB appreciates the update and commitments provided by AEM with respect to the submission of As-built drawings and Construction Summary Reports for the project's dikes and dams. In addition to the structures identified by AEM, the NWB would also request As-built drawings and Construction Summary Reports for the Landfarm, Landfill, Contact and non-contact water collection systems and Attenuation Ponds. These engineered structures are integral to the management of water and waste and are subject to the condition of Part D, Item 26.

Part I, Item 3: Groundwater Monitoring Plan addendum extension request.

In its letter of November 26, 2009, AEM requested an extension for the submission of the addendum to the Groundwater Monitoring Plan, in order to allow for the most up-to-date information to be incorporated into the plan. This would occur following the installation of the final well in 2010 at a location to be determined within the tailings basin in the northwest arm of Second Portage Lake. The NWB agrees with AEM's rationale for the extension request and will provide an extension to **September 30, 2010** for the submission of the addendum to the Groundwater Monitoring Plan.

Part I, Item 23: Application for accreditation of on-site lab.

In its letter of November 26, 2009, AEM provided a comprehensive update on the accreditation process for the on-site laboratory. AEM indicated that it sought Canadian Association of Laboratory Accreditation (CALA) for three (3) parameters including Total Suspended Solids (TSS), pH, and gold.

Although Environment Canada (EC) did not submit comments concerning this part of the update, the NWB consulted with EC in accordance with condition 22 of the Project Certificate:

Prior to the commencement of the Project, Cumberland shall fund and install an on site lab that has the capability to monitor parameters at a type and at a frequency acceptable to the NWB and EC at all site discharge points...

In an email on January 18, 2010, EC confirmed its agreement with AEM's proposal to become accredited for TSS, pH, and gold while noting the requirement of condition 23 of the Project Certificate:

For the purposes of monitoring quality assurance and quality control ("QA/QC"), Cumberland shall ensure that water quality monitoring performed at locations within receiving waters that allow for an assimilative capacity assessment of concern to regulators, be carried out by an independent contractor and submitted to an independent accredited lab for analysis, on a type and frequency basis as determined by the NWB. Results of analysis shall be provided to the NWB and NIRB's Monitoring Officer.

In agreement with EC and subject to applicable conditions of the water Licence, the NWB also accepts the accreditation AEM has proposed. The NWB is also pleased to acknowledge receipt of AEM's letter dated January 13, 2010, providing notice that the results for all of its proficiency testing; for all of the requested parameters received passing results and that the Chief Assayer of the lab submitted AEM's formal application for accreditation to CALA.

If you have any questions, please do not hesitate to contact me at your convenience.

Yours truly,

Original signed by:

David Hohnstein, C.E.T.
Director Technical Services

DH/tla

c.c. Meadowbank Distribution List