



AGNICO-EAGLE MEADOWBANK
555 Burrard Street, Suite 375
Box 209, Two Bentall Centre
Vancouver, British Columbia V7X 1M8
Tel. 604.608.2557 Fax. 604.608.2559

agnico-eagle.com

January 16, 2009

Via email and Xpresspost

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: Geotechnical Inspection Report

As required by Water license 2AM-MEA0815, Part I, Item 13, which states, '*The Licensee shall submit to the Board within sixty (60) days of completion of the geotechnical inspection, the Geotechnical Engineer's inspection Report. The Report shall include a cover letter from the Licensee outlining an implementation plan to address the recommendations of the Geotechnical Engineer*', please find enclosed a copy of the document: *Report on 2008 Annual Geotechnical Inspection, Meadowbank Gold Project, Nunavut.*

Implementation Plan

Please consider the following information as the implementation plan to address the recommendations in Section 3.0 of the report.

Recommendation: No geotechnical issues were identified with any of the culverts inspected along the AWPAP, however, annual inspections should continue.

Action: Inspections will be conducted annually by a Geotechnical Engineer, between the months of July and September, as stipulated in the Meadowbank Gold Project Water Quality and Flow Monitoring Plan, August 2008.

Recommendation: Regular and event based inspections along the AWPAP should continue to confirm the structural integrity and hydraulic function at the crossings, to confirm soil and permafrost stability, to confirm that crossings have been adequately located with respect to the watercourse, and to confirm minimal impact to fish habitat.

Action: Regular and event based inspections will continue at the crossings during the months of June to October to confirm the structural integrity and hydraulic function of each crossing, as stipulated in the Meadowbank Gold Project Water Quality and Flow Monitoring Plan, August 2008.

Recommendation: AEM should develop a plan for progressively closing the quarries along the AWPAP while maintaining others for storage of materials and to provide a supply of materials for ongoing road maintenance.

Action: A plan will be developed in 2009 for progressively closing the quarries.

Recommendation: Quarry 4 and Quarry 14 are flooded and action should be taken to drain, if possible, the ponded water.

Action: The actions necessary to deal with the water and close these quarries will be included in the quarry management plan described in the point above.

Recommendation: Waste and construction debris stored in Quarry 6 should be removed and properly disposed.

Action: Once the landfarm is built at Meadowbank (scheduled for the summer of 2009), all of the contaminated soil will be sent to the landfarm for treatment. Any construction debris will be transferred to the on-site landfill.

Recommendation: Waste debris and contaminated soil temporarily stored in Quarry 22 should be removed when the landfill and Landfarm are constructed.

Action: Once the landfarm is built at Meadowbank (scheduled for the summer of 2009), all of the contaminated soil will be sent to the landfarm for treatment. Any construction debris will be transferred to the on-site landfill.

Recommendation: Sumps should be created in all tank farm secondary containment facilities in Baker Lake and at Meadowbank.

Action: In 2009, AEM will evaluate the need to install sumps in all tank farm secondary containment facilities in Baker Lake and at Meadowbank. If deemed necessary, sumps will be installed in 2009.

Recommendation: The pipeline between the Baker Lake tank farm and barge unloading area should have a berm constructed between the road and the pipeline.

Action: A berm between the road and pipeline will be constructed in the summer of 2009 to protect the pipeline between the Baker Lake Tank Farm and barge unloading area.

Recommendation: Surface water diversion and sediment and erosion control structures and measures should be implemented where appropriate to minimize potential movement of sediments into adjacent water bodies.

Action: Surface water diversion and sediment and erosion control structures will be implemented before the 2009 spring freshet, where appropriate, to minimize potential movement of sediments into adjacent water bodies.

Recommendation: Permanent site roads around the Meadowbank site should be established as soon as practical and follow standard practice for items such as road widths, berm heights, signage and intersection design.

Action: The roads currently in use at site are temporary. The permanent haul roads and site access road will be built in 2009 and will follow standard practice.

Should you have any questions regarding the inspection report or implementation plan, please contact me directly at 819-759-3700 ext.814 or via email at stéphane.robert@agnico-eagle.com.

Regards,

A handwritten signature in black ink, appearing to read 'Stéphane Robert', with a long horizontal flourish extending to the right.

Stéphane Robert
Environment Superintendent

Encl (1)