

September 18, 2009

Via Email

Mr. Andrew Keim Water Resources Officer Field Operations Unit INAC Nunavut Regional Office P.O. Box 100 Iqaluit, NU X0A 0H0 Phone: (867) 975-4289

Dear Mr. Keim,

Re: Water License 2AM-MEA0813 AEM Response to 2009 Inspection Report

The following information is intended to address the issues identified during your inspection of Water License 2BE-MEA0813 at the Meadowbank Exploration Camp on August 8, 2009 and to provide you with an update on the progress that has been made since your visit.

Waste Disposal

Inspection Comment: Camp sump is insufficient to handle the volume of water generated. The licensee is required to construct a sump of sufficient size and depth to achieve compliance with the issued Water License.

Construction improvements on the camp sump are complete. Appendix 1 includes a memo outlining the construction process and the functionality of the new system.

Solid Waste: Landfill

Inspection Comment: An inspection of Quarry 6, Quarry 22 and Forward Camp areas were found to still have hydrocarbon contaminated soils present. Soils stored at the Forward camp location pose a risk to water. Licensee has decided to move soils to Quarry 22 pending construction of the land farm.

Please note that the Meadowbank All Weather Private Access Road and associated quarries fall under Type A Water License 2AM-MEA0815. The soil stored at the Forward camp has been relocated to Quarry 22. Appendix 2 includes a memo documenting the removal operation completed between August 27 and September 4, 2009.

Please contact me directly at stephane.robert@agnico-eagle.com if you require any additional information.

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Tel: 867-793-4610 Fax: 867-793-4611



Regards,

Agnico-Eagle Mines Limited – Meadowbank Division

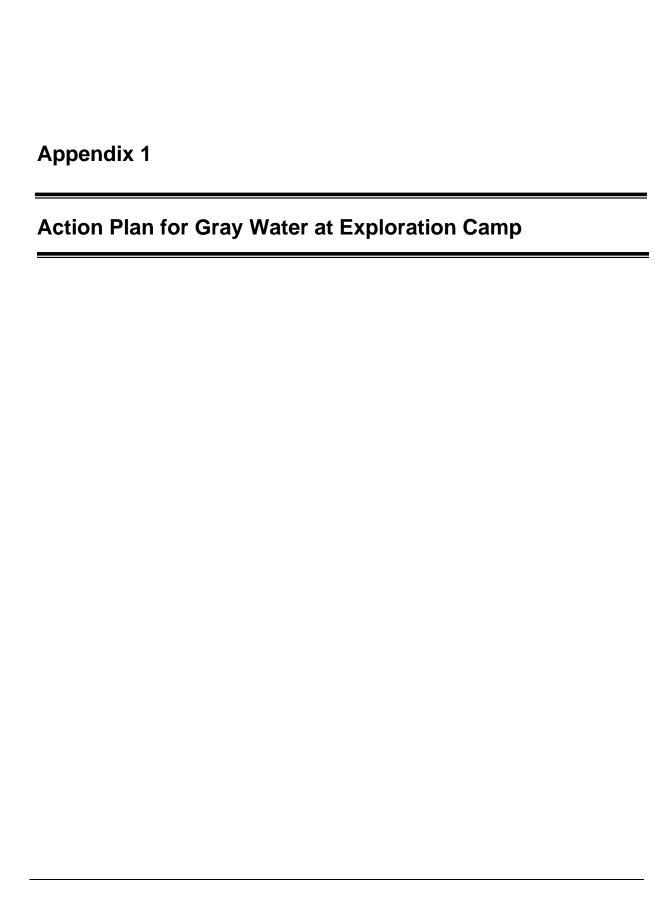
Stéphane Robert

Environment Superintendent

cc: Richard Dwyer, Nunavut Water Board

Denis Gourde, AEM Denis Vaillancourt, AEM Guy Gosselin, AEM

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Subject: Action plan for Gray Water at the exploration camp

When: September 11th From: Denis Vaillancourt

To:: Andrew Kein

c.c. Stéphane Robert, Guy Gosselin

Last August, we the Inspector of INAC Andrew Keim visited the exploration camp. We observed a problem at the end of the gray water line. The food and grease are present in the tundra.

In mid-July, we installed a screen in the sink where the personnel washed the dishes. We have 2 greases trap in the kitchen but they are to close to the sink and the grease remains mobile due to presence of hot water. The configuration of the grease trap was not appropriate.

After consultation with Robert Little from Birchwood (consultant at the mine for the sanitary system), he suggested to installed the old grease trap from the old kitchen at the mine site. The new system will trap the grease (food) and the pump truck will empty the content of the containers every 4 days. The system will evacuate the water with a pump, and only water is going to the tundra.

This is all steps we follow:

- 1. excavated to installed the grease trap (Pic. 1);
- 2. modified the grease trap (4' x 4'x 6') installed heat trace (Pic. 2);
- 3. Isolated the trap, foam and plywood (Pic. 3);
- 4. installation of the grease trap (Pic. 4, 5 6,7,8);
- 5. built the station in plywood around the trap and pipe to evacuate the water (Pic. 9);
- 6. installation of pump system to evacuate the water, another pump is installed as back up (Pic. 10, 11);



1. Construction of the new grease trap.



2. Grease trap with heat trace.



3. Grease trap before the installation; isolated 4' x 4' x 6'.



4. excavation and installation of the grease trap



5. It's work; in the left corner we can see the grease.



6. Arial view.



7. The base filled with 0-3/4".



8. The base.



9. Final installation of the grease Station.



10. Inside of the Grease Station with panel over the trap.



11. Easy access to the pump truk in the Grease Station.



12. Heater inside of the station

Appendix 2 Forward Camp Contaminated Soil Removal





Memorandum: Forward camp contaminated soil removal

Date: August 27th to September 4th 2009

Personnel: Nicolas Saucier (AEM) and 2 operators, Michel Savoie and Brian McLean (BLCS)

Summary:

This memo is to confirm that the contaminated soil piles at the Forward camp have been moved to the Quarry # 22. A Baker Lake contractor (BLCS) was hired to load and haul the material. It takes 35 loads from semi-dump tractor trailer to achieve this task. The haulage capacity for the semi-dump truck is 28 tonnes. Considering that information the estimated quantity of hauled material is 980 tonnes. The operations start on the August 27th and were completed the September 4th 2009 under the supervision of an Agnico-Eagle environment representative.



Photo 01: After completion of the contaminated soil exhumation last falls, banks on each side of the holes have been created to avoid any incident. – September 23rd 2008

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Environment



Photo 02: The semi-dump trucks used to hauled the material – August 31st 2009



Photo 03: During the works; the soil was on tarps and both the soil and the tarps have been brought to the Quarry #22 – September 1st 2009.

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Meadowbank Division

Environment



Photo 04: After completion of the haulage the area have been levelled with the loader The banks (non-contaminated material) were pushed to make sure there are no steep slopes – September 4th 2009.

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