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<u>Water license 2BB-MEL0914 Amendment application Non-Technical Summary : Meliadine Fuel Storage Area Expansion</u>

Agnico-Eagle Mines Limited (AEM) has refined its estimates of annual operating supplies required for diesel fuel. AEM determined that the initial estimates of diesel fuel needs for the Project were too low. The activities of exploration combines with the bulk sample increase the quantity consumes and a miss of carburant can be problematic enough to change the schedule of the planning made and influence the future of the project.

AEM estimates that its total fuel consumption at the Meliadine Advanced Exploration site will be 9.4 million litres to allow all planned activity to be completed in 2012. The actual fuel storage capacity with the ten bladders of 113 500 litres and the eleven 50 000 litres double walled steel tanks is 1 685 000 litres, which will be inadequate to be safer and meet the needs during the peak of fuel consumption. The actual tankfarm provide not enough space to meet the fuel requirement on site by re-supply using the winter road only.

To meet the shortfall in required diesel fuel storage capacity, AEM propose to expand the fuel storage facilities actually on site (expanded last year with 10 bladders) with the addition of the 8 bladders (113 500 litres/bladders) and 8 rigid double walled tanks (100 000 litres/tank).

This increase in fuel storage capacity is not intended to change the status of the actual Project. It is required to store sufficient fuel for a safety issue during winter time and be able to achieve the established goals, included in the actual advanced exploration project already permitted (use of water and waste disposal during exploration drilling, camp operations, maintenance of bulk sample and conducting a Feasibility study). To accommodate the topography in the area, the new bladders with their secondary containments will be sited to the north-west of the existing one and the tanks south-east of the actuals already installed.

AEM does not believe that there will be any additional impacts to water resulting from this increase in fuel storage capacity (nor the increased in fuel consumption for all activities). There will be no associated increase in water consumption or waste water generation.

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