



Date: July 2, 2010

Irrevocable Standby Letter of Credit No. S18572/305069
Amount: Not exceeding CAD639,000.00
Date of Expiry: June 1, 2011, at the counters of Issuing Bank

Beneficiary:	Applicant:
Her Majesty the Queen in Right of Canada	Agnico-Eagle Mines Limited
As represented by the Minister	145 King Street East, Suite 400
Of Indian Affairs and Northern Development,	Toronto, Ontario
payable to the Receiver General for Canada	Canada M5C 2Y7
P.O. Box 2200, Qimugjuk Building, 2 nd floor	
Iqaluit, Nunavut, Canada X0A 0H0	

We, The Bank of Nova Scotia, Ontario International Trade Services, 61 Front Street West, 4th Floor, Toronto, Ontario, Canada M5H 1H1 ("Scotiabank"), at the request of Agnico-Eagle Mines Limited ("Agnico-Eagle"), hereby issue in favour of Department of Indian Affairs and Northern Development, Canada ("INAC") this Irrevocable Standby Letter of Credit for a sum not exceeding the aggregate amount of CAD639,000.00 (Canadian Dollars Six Hundred Thirty Nine Thousand) effective July 6, 2010.

This Standby Letter of Credit is available for payment against presentation to Scotiabank at the above noted address of the following documents:

1. The original of this Standby Letter of Credit for Scotiabank's endorsement of any payment thereon and returned to INAC except after the final payment when it shall be retained by Scotiabank; and
2. INAC's Demand and Certificate substantially completed in the form of "Exhibit A" herein below and signed by an authorized representative of INAC.

Scotiabank shall then honour INAC's demand without inquiring whether INAC has the right between INAC and Comaplex (or its successors) to make such demand and without acknowledging any claim of Comaplex (or its successors).

This Standby Letter of Credit will expire on the above-mentioned expiry date, subject to the following condition:

It is a condition of this Standby Letter of Credit that it shall be deemed to be automatically extended without amendment for one year from the present or any future expiration date hereof, unless at least ninety (90) days prior to any such expiration date, Scotiabank notifies INAC in writing by registered mail or courier that Scotiabank elects not to consider this Standby Letter of Credit renewed for such further period. Upon receipt of such notice and within five (5) banking days prior to the expiry date of this Standby Letter of Credit, INAC may draw upon this Standby Letter of Credit by presentation to Scotiabank of a Demand and Certificate Due To Non-Renewal Of The Standby Letter of Credit substantially completed in the form of "Exhibit B" below and signed by an authorized representative of INAC.

Handwritten initials or signature.



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Notwithstanding the expiration date and the condition above, this Standby Letter of Credit shall be cancelled effective the date of receipt by Scotiabank of the original Standby Letter of Credit instrument and a dated letter addressed to Scotiabank, signed by INAC, referencing this Standby Letter of Credit number and requesting the cancellation of same.

INAC may from time to time advise Scotiabank of INAC's address by letter to Scotiabank at Scotiabank's address stated above, dated and signed by INAC and quoting this Standby Letter of Credit No. S18572/305069. Any notice by Scotiabank to INAC regarding this Standby Letter of Credit shall be adequately given if sent by registered mail or courier to the last address so advised, or if no address has been so advised, then the address of INAC stated above.

Partial drawings are permitted.

Scotiabank hereby engage with INAC that Scotiabank will honour all drawings under and in compliance with the terms and conditions of this Standby Letter of Credit.

It is understood that the amount of this Standby Letter of Credit shall be reduced automatically by the amount of each drawing endorsed hereon and/or by amendment, by the amount of reduction specified by INAC in the Reduction Certificate which is to be completed substantially in the form of Exhibit C below and given to Scotiabank.

The amount of this Standby Letter of Credit may be increased with the consent of Scotiabank and upon receipt of Scotiabank's standard Application and Agreement for Irrevocable Standby Letter of Credit/Letter of Guarantee duly completed by Agnico-Eagle and given to Scotiabank.

This Standby Letter of Credit is issued to replace Canadian Imperial Bank of Commerce Letter of Credit No. SBGV746579 for account of Comaplex Minerals Corp.

This Standby Letter of Credit is subject to the "Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce, Publication No. 600" and engages Scotiabank in accordance with the terms thereof.

Yours truly,


Agnes Tio
L/C Officer

 20176
Isabella Ng
Senior Assistant Manager

q B



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EXHIBIT A

DEMAND AND CERTIFICATE

The Bank of Nova Scotia
Ontario International Trade Services
61 Front Street West, 4th Floor
Toronto, Ontario
Canada M5H 1H1

The undersigned hereby certifies to Scotiabank that: (a) I am an authorized representative of The Department of Indian Affairs and Northern Development, Canada ("INAC"); and (b) I am authorized to execute this Demand and Certificate on behalf of INAC.

With reference to Irrevocable Standby Letter of Credit number S18572/305069 dated July 2, 2010 issued by Scotiabank to INAC, the undersigned certifies that the Minister of Indian Affairs and Northern Development is entitled to apply the amount drawn down, being all or part of the security furnished and maintained pursuant to Water Licence 2BB-MEL 0914 dated July 31, 2009 issued by the Nunavut Water Board, whether as originally issued, or as amended, renewed or replaced from time to time.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Demand and Certificate as of the ____ day of ____, 20.____

THE DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT, CANADA

By: _____
Typed Name of authorized representative: _____
Typed Title of authorized representative: _____



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EXHIBIT B

DEMAND AND CERTIFICATE DUE TO NON-RENEWAL OF STANDBY LETTER OF CREDIT

The Bank of Nova Scotia
Ontario International Trade Services
61 Front Street West, 4th Floor
Toronto, Ontario
Canada M5H 1H1

The undersigned hereby certifies to Scotiabank that: (a) I am an authorized representative of the Department of Indian Affairs and Northern Development, Canada ("INAC"); and (b) I am authorized to execute this Demand and Certificate Due To Non-Renewal Of Standby Letter of Credit on behalf of INAC.

With reference to Irrevocable Standby Letter of Credit number S18572/305069 dated July 2, 2010 issued by Scotiabank to INAC, the undersigned certifies that:

- (a) The Minister of Indian Affairs and Northern Development is entitled to apply the amount drawn down, being all or part of the security furnished and maintained pursuant to Water Licence 2BB-MEL 0914 dated July 31, 2009 issued by the Nunavut Water Board, whether as original issued, or as amended, renewed or replaced from time to time;
- (b) A notice of non-renewal of the said Standby Letter of Credit has been received by INAC and an acceptable replacement Standby Letter of Credit was not received by INAC at least five (5) business days prior to the expiry date of the said Standby Letter of Credit.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Demand and Certificate Due To Non-Renewal Of Standby Letter of Credit as of the ____ day of ____, 20.__

THE DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT, CANADA

By: _____
Typed Name of authorized representative: _____
Typed Title of authorized representative: _____



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EXHIBIT C

REDUCTION CERTIFICATE

The Bank of Nova Scotia
Ontario International Trade Services
61 Front Street West, 4th Floor
Toronto, Ontario
Canada M5H 1H1

Re: Irrevocable Standby Letter of Credit No. S18572/305069

We refer to your Irrevocable Standby Letter of Credit No. S18572/305069 dated July 2, 2010 issued by you to The Department of Indian Affairs and Northern Development, Canada. The undersigned, a duly authorized representative of The Department of Indian Affairs and Northern Development, Canada ("INAC"), hereby requests that the maximum amount of the Standby Letter of Credit be reduced from CAD (.....Canadian Dollars) pursuant to the terms of Water Licence 2BB-MEL 0914 dated July 31, 2009 issued by the Nunavut Water Board, whether as original issued, or as amended, renewed or replaced from time to time.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Reduction Certificate as of the ____ day of ____, 20.__

Very truly yours,
THE DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT, CANADA

By: _____
Typed Name of authorized representative: _____
Typed Title of authorized representative: _____