

6 October 2011

Ms. Phyllis Beaulieu Licencing Coordinator Nunavut Water Board P.O. Box 119 Gjoa Haven, NU, X0B1J0

Re: 2BB-MEL0914 - Water License Amendment to establish a landfill at the Meliadine Site: Agnico-Eagle Mines Limited (AEM)

Dear Ms. Beaulieu;

The Meliadine Gold Project had until early 2011 transported its non-hazardous, solid waste to the Rankin Inlet landfill under an annual agreement. As AEM noted in its letter of 21 July 2011, the Meliadine camp is continuing to grow with the advanced exploration program and using the Rankin Inlet landfill was no longer viable. I was mistaken in interpreting clause D 4 in the licence as only requiring a letter from AEM. Your letter of October 5 will cause AEM to apply for a licence amendment to establish a landfill at the Meliadine site.

A considerable amount of non-hazardous, solid waste has accumulated on site since AEM stopped using the Rankin Inlet landfill. The KIA rightly pointed out that this material should be placed in a landfill as soon as possible and AEM has their approval to establish a landfill on the commercial lease. AEM recognises approval from the Board is also required. As a result, AEM will secure the non-hazardous, solid waste for the coming months and hold it on site. Should the Board approve the establishment of a landfill, it would expeditiously be established and the accumulated waste disposed of accordingly.

Our application will include a Landfill Operations and Maintenance Manual as requested and the Waste Management Plan for the Meliadine site will be updated.

Should you have any questions or concerns, please do not hesitate in getting in touch with me at 819 277 5444 or jwitteman@agnico-eagle.com.

Yours sincerely,

John Witteman

Cc. Luis Manzo, Veronica Tattuinee – KIA Larry Connell, Sylvain Doire - AEM