Kittilä Mine
Agnico Eagle Finland Oy
Wealth Creation by Mineral Extraction in Europe
Gold Mining, Tourism and Regional Development
Ingmar Haga Dec. 3, 2013
Agnico Eagle Mines Limited

Milestones

• 56 years of operating history, dating back to 1957
• 1972, Agnico Mines merged with gold exploration company Eagle Gold Mines Limited to form today’s AEM
• 1994, AEM listed on the New York Stock Exchange
• 2005-2006, acquires the Suurikuusikko gold deposit in Finland and the Pinos Altos property in Mexico
• 2009-10 Meadowbank mine and Meliadine project in Nunavut
• 2012 La India property in Mexico

For many years, we have adhered to a consistent, low-risk strategy for strengthening our gold mining business and creating shareholder value.
Agnico Eagle *Today*

- Seven mines in three countries
- Mineral exploration in Canada, USA, Mexico and Scandinavia

<table>
<thead>
<tr>
<th>Location</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>LaRonde (Canada)</td>
<td>1988–2023</td>
</tr>
<tr>
<td>Goldex (Canada)</td>
<td>2008–2017</td>
</tr>
<tr>
<td>Kittilä (Finland)</td>
<td>2009–2040</td>
</tr>
<tr>
<td>Lapa (Canada)</td>
<td>2009–2015</td>
</tr>
<tr>
<td>Pinos Altos (Mexico)</td>
<td>2009–2028</td>
</tr>
<tr>
<td>La India</td>
<td>2013–</td>
</tr>
<tr>
<td>Meadowbank (Canada)</td>
<td>2010–2019</td>
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</tbody>
</table>
Kittilä Mine

Location and Infrastructure

- 55 km north of Kittilä
- 900 km north of Helsinki
- Excellent infrastructure: roads, airports, communication
- Mining license 857 ha
KITTILÄ MINE  History

- 1986 First gold finding by the Geological Survey of Finland (GTK)
- 1998 Exploration by Swedish Riddarhyttan Recources AB
- 2002 Environmental permit for mining
- 2003 Mining license
- 2005 Agnico-Eagle Mines Limited became the sole owner of Riddarhyttan
- 2006 Completion of final feasibility study and decision to build the Mine
- 2008 Ore production started in May, milling in September
- 2009 The first gold pour in January
- 2010 Stable production
- 2012 Open pit mining ended, solely underground mining >

agnicoeagle.com
Areal view of the Kittilä mine
From exploration to gold bullion
Kittilä – Focused Exploration Builds Long Term Value
Ore reserves and resources

<table>
<thead>
<tr>
<th></th>
<th>Au (g/t)</th>
<th>Tonnage (000’s t)</th>
<th>Au (000’s oz)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proven/Probable Reserve</td>
<td>4.49</td>
<td>33,123</td>
<td>4,782</td>
</tr>
<tr>
<td>Indicated Reserve</td>
<td>2.65</td>
<td>7,854</td>
<td>700</td>
</tr>
<tr>
<td>Inferred Resource</td>
<td>3.88</td>
<td>18,966</td>
<td>2,366</td>
</tr>
</tbody>
</table>

As December 31, 2012

[Image: Mineral deposit map with labels for Ketola, Etela, Suuri, Roura, and Rimpi.]
Mine Development

- **Existing development**
- **Planned development**
Underground Development

5,268 m in 2006–2008
4,232 m in 2009
5,045 m in 2010
6,439 m in 2011
7,518 m in 2012

Gradient 1:7

Typical ramp profile
Underground Main Level 350 M

- Fuel Bay
- Washing Bay
- Maintenance Shop
- Warehouse
- Cafeteria
- Emergency Exit
- Electrical Station
- Ventilation Raise (Intake)
Underground Main Level 350 M
Milling

Crushing – Grinding – Flotation – Pressure oxidation – Leaching – Electrowinning
Kittilä Mine – Leader in Environmental Protection

- Human and financial resources
- Good cooperation with Municipality, tourist industry, authorities, local people and associations - “Social License” to operate
- In full compliance with environmental legislation and permits
- Water treatment – maintaining the ecological state of the Seurujoki river
- Process water - closed circuit - cyanide destruction
TAILINGS FACILITY

Tailings Area
- Total area ~110 ha
- All ponds are lined with waterproof bitumen liners.
Kittilä Mine – Workforce

The Mine employs directly close to 600 professionals

- 420 are Agnico Eagle own employees
- Over 55% from Kittilä and 90% from Finnish Lapland
- Construction; 160 contractor employees
- 15% from Kittilä and 41% from Lapland
- Average age 39.3 years
- 11.7% of the workforce are women
### Kittilä Mine  
**Agnico Eagle Finland Oy**

### Key Numbers - Economic Impact on the Region

<table>
<thead>
<tr>
<th>Amounts are in million Euros</th>
<th>Full year 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Tax and Royalties</td>
<td>10</td>
</tr>
<tr>
<td>Employee income tax (incl. contr.)</td>
<td>10</td>
</tr>
<tr>
<td>Energy Taxes</td>
<td>2</td>
</tr>
<tr>
<td>Extraction payments to landowners and permit payments to State/Residential tax</td>
<td>1.1</td>
</tr>
</tbody>
</table>

**Other Key numbers**

- Gold production (kg): 5,659
- Ore production (tons): 1,220,000
- Annual Drilling (kilometers/expenditures): 100/12
- Investments in expanded capacity 2013-2015: 80
- FS for underground ore hoisting by shaft
Our Commitment

Four fundamental values of our Sustainable Development Policy: operate safely, protect the environment, and treat our employees and communities with respect.

- Respect for our Employees
  We aim to maintain a safe and healthy workplace that is based on mutual respect, fairness and integrity.

- Protect the Environment
  We aim to minimize the effects of our operations on the environment and maintain its viability and its diversity.

- Operate Safely
  We believe that all loss due to accidents/incidents is preventable. We aim to operate a safe and healthy work place that is injury and fatality free. We believe that if we all work together, we can achieve zero accidents in the work place and enhance the well-being of employees, contractors and communities.

- Respect for our Communities
  We aim to contribute to the social and economic development of sustainable communities associated with our operations.
Implementing a formal Health, Safety, Environment and Social Acceptability Management System – a fully integrated management system, the Responsible Mining Management System (RMMS).

Aim to further promote a culture of accountability and leadership encouraging our employees to continuously improve their skills as well as our sustainability performance.

System to be consistent with the ISO 14001 Environmental Management System and the OHSAS 18001 Health and Safety Management System.

Also integrating other industry standards such as the Mining Association of Canada TSM Initiative, the Cyanide Management Code and E3 in Exploration.
81% OF OUR EMPLOYEES COME FROM THE REGION SURROUNDING THE MINE

Training and development Opportunities
• Ensure employees have the tools and skills they need to perform their jobs efficiently and safely and to achieve their full potential by providing training that enhances employees’ personal and career development opportunities.
• Place a particular emphasis on health and safety training

Maximizing local employment
Goal to hire 100% of the workforce, including our management teams, directly from the local region in which the operation is located.
• Mexico, 99.9% of the Pinos Altos workforce is from Mexico.
• Finland, 99.9% from Finland
• Northern Canada, focus on creation of sustainable jobs and careers in mining for the Inuit population. Ongoing IIBA (Inuit Impact and Benefit Agreement) negotiations for the Meliadine project. Approximately 32% of the local mine workforce is from Inuit of the Kivalliq region of Nunavut.
PAID US $243 MILLION IN TAXES TO ALL LEVELS OF GOVERNMENT, INVESTED US $4.9 MILLION IN THE COMMUNITIES IN WHICH WE OPERATE AND PROVIDED OVER US $363 MILLION IN WAGES AND BENEFITS TO OUR GLOBAL WORKFORCE

Generating Employment and Economic Benefits
$363 million in global employee compensation, up from $308.8 million in 2011. Through wages and benefits contributed:
- $162 million to the economy of the Abitibi region of Quebec, Canada
- $33 million to the economy of Finland
- $91 million to the economy of Nunavut, Canada
- $31 million to the economy of Chihuahua State in Mexico.

Taxes and royalty payments
Direct and indirect economic impact of employee wage spending on local goods and services is an important factor in overall contribution to host economies. Various payments in taxes and royalties to governments at all levels totaling US$243 million:
- $87 million was paid in taxes and royalties in Quebec, Canada
- $44 million in taxes and royalties to the economy of Nunavut, Canada
- $42 million in taxes and royalties to the economy of Finland
- $70 in taxes and royalties to the economy of Mexico.

Tax contributions 13% of total revenue.

Buying locally to support communities, stimulating the local economy and minimizing environmental impact of transporting materials from distant locations to sites. Continue to increase overall level of local spending at minesites.

Making a difference in our communities
Goal is to provide both Agnico Eagle and host communities with maximum returns on our investments in strategic health, education and capacity-building initiatives.