Technical Report on the December 31, 2009, Mineral Resource and Mineral Reserve Estimate and the Suuri Extension Project, Kittila Mine, Finland

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PREPARED FOR

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March 4, 2010

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Item 3. Summary

The Kittila open-pit and underground gold mine and processing plant has been in production since September 2008 and has a design rate of 3,000 tonnes per day. It is located on the Suurikuusikko property and is approximately 50 km northeast of the town of Kittila in northern Finland. The property consists of 130 claims (covering 11,130.3 hectares), 152 claim applications (covering an additional 13,730.4 ha) and one mining licence covering an area of 846.4 ha. The mineral titles are registered in the name of a subsidiary of Agnico-Eagle Mines Limited based in Toronto, Canada.

3.1 Geology and Mineralization

The Kittila Mine and Suurikuusikko property is underlain by the Proterozoic-age Lapland Greenstone belt in the Svecofennian geological province. The geology of the property area consists of Late Proterozoic mafic volcanic and sedimentary rocks metamorphosed to greenschist-facies assemblages. The major rock units strike north to north-northeast and are near-vertical. The volcanic rocks underlying the property have been further subdivided into an iron-rich tholeiitic basalt formation and a magnesium-rich tholeiitic basalt formation, located on the west and east sides of the property, respectively.

The contact between the two basalt formations consists of a 50- to 200-m-thick transitional zone made up of mafic tuff, graphitic sedimentary rock, black chert and banded iron formation. This transitional zone is also characterized by strong penetrative deformation (narrow shear zones and tectonic breccia zones), intense hydrothermal alteration and gold mineralization. This gold zone defines the Suurikuusikko Trend, and is the major host for the gold mineralization that extends for 15 km almost north-south across the Suurikuusikko property.

At the Kittila Mine, the gold mineralization is almost exclusively refractory. Generally gold particles are locked inside fine-grained arsenopyrite or arsenic-rich pyrite with only very minor amounts of gold occurring as very fine free grains. In the gold zones, the average sulphide content is 10% with a range of 2-30%; sulphides are commonly associated with abundant carbon (amorphous and graphite) and intense silica, albite and carbonate alteration.

Exploration over a 4.5-km-long segment of the Suurikuusikko structure has defined at least eight main auriferous zones that comprise the Kittila deposit. From south to north they are: Ketola, Etela, Suuri (Western, Central and Eastern subzones), Suuri/Roura Extension, Roura-C, Roura-N, Rimpi-S and Rimpi-N. Each of the zones can be made up of several lenses.

3.2 Recent Exploration

The exploration strategy for orogenic gold deposits like the Kittila deposit on the Suurikuusikko property involves recognizing structural patterns and preferred traps (along the Suurikuusikko structural zone) through interpretation of the available data. Because of the limited bedrock exposure in the Kittila Mine area, the selection of drill targets has relied heavily on indirect information such as geophysical and geochemical

data from overburden sampling. Once targets have been identified, exploration consists of diamond drilling as many targets as are indicated.

During 2009, 336 new boreholes totalling 105,886 m were drilled at the Kittila Mine site. Most of the drilling was directed at resource exploration in two areas: immediately along strike in the Rimpi Zone area (near surface); and in the Suuri Extension Zone (beneath the Suuri open pit, between approximately 675 and 1,100 m depth). Other drilling projects were resource-to-reserve conversion drilling within the mineral resource envelope (especially in the Suuri Extension Zone), and underground definition drilling of the deposit's mineral reserve areas. (Until December 2009, the lower limit of reserves at Kittila was approximately 675 metres depth.)

The 2009 exploration program in the Suuri Extension area was successful in converting a large amount of inferred resource into indicated resource. An internal feasibility study (Matte *et al.*, in preparation) has determined that a significant portion of the former indicated resource in the Suuri Extension is now reclassified as mineral reserves that can be extracted by extending the Kittila mining ramp system down to approximately 1,100 m depth.

3.3 Mineral Resource and Reserve Estimation

Using exploration information that is current as of December 31, 2009, and a gold price and exchange rate assumption of $848 per ounce and $1.41 per €1.00, respectively, the Kittila Mine (including the Suuri Extension Zone) has proven and probable reserves of 4.0 million ounces of contained gold in 26.0 million tonnes grading 4.82 grams per tonne. The Kittila deposit also hosts a significant indicated resource of 20.6 million tonnes grading 2.19 grams of gold per tonne and an inferred resource of 5.4 million tonnes grading 3.42 grams of gold per tonne. Table 1 and Table 2 below describe the mine's estimate of mineral reserves and resources in more detail, and the key assumptions and parameters used to calculate them.

Table 1 - Factors used by Agnico-Eagle in the conversion of mineral resources into mineral reserves

Factors	Open pit	Underground above 700-level	Underground below 700-level
Geological losses (%)	0%	0%	0%
Mining losses (%)	0%	0%	0%
Extraction ratio (%)	100%	100%	100%
Planned dilution (%)	15%	20%	1.5 m; about 24%
Dilution gold grade (g/t gold)	0.28 g/t gold	0.28 g/t gold	0.55 g/t gold
Mill recovery	89.3%	89.3%	89.3%
Gold price	$848/oz	$848/oz	$848/oz
Exchange rate (US$ per €1.00)	$1.41/€	$1.41/€	$1.41/€
Royalties (%)	1.61%	1.61%	1.61%
Total operating costs	€33.28/tonne	€47.64/tonne	€52.63/tonne
Cut-off grade (mill feed)	1.96 g/t gold	2.80 g/t gold	3.10 g/t gold
Cut-off grade (before dilution)	2.21 g/t gold	3.31 g/t gold	3.86 g/t gold

Table 2 - Mineral resource and mineral reserve statement, Kittila Mine (Agnico-Eagle, December 31, 2009)

Resource/reserve category	Tonnage (000's tonnes)	Gold grade (g/t)	Contained gold (000's oz)
Proven mineral reserve			
Open pit	255	3.71	30
Underground	1	3.81	0
Total proven mineral reserve	**257**	**3.71**	**31**
Probable mineral reserve			
Open pit	3,053	5.05	496
Underground	22,651	4.80	3,499
Total probable mineral reserve	**25,704**	**4.83**	**3,994**
Total proven + probable mineral reserve	**25,961**	**4.82**	**4,025**
Indicated mineral resource			
Underground	20,550	2.19	1,445
Total indicated mineral resource	**20,550**	**2.19**	**1,445**
Inferred mineral resource			
Underground	5,350	3.42	588
Total inferred mineral resource	**5,350**	**3.42**	**588**

It should be noted that the open pit reserve estimation model has reconciled well with the actual gold production from the Kittila processing plant. The underground reserve estimate model has not yet been reconciled against production.

3.4 Exploration Plans

The 2009 exploration program succeeded in confirming the continuity of previously defined inferred mineral resource areas, thereby effectively converting them into indicated resources and ultimately into reserves after mining studies. The program also suggests that the Kittila deposit is still open both at depth (especially below the principal Suuri and Roura zones) and along strike closer to surface (especially in the Rimpi Zone area).

The future discovery of more extensions to the Kittila deposit is still possible using surface diamond drilling; the current depths being explored (down to 1,500 m below surface) are still accessible using the technology currently available in Finland. However, the accuracy and precision required to convert inferred resources into indicated resource (and probable reserves) cannot be completed effectively from surface (at a reasonable cost and delay) using the drilling technology and equipment currently available in Finland.

Similarly, targets for new inferred resources that are deeper than 1,500 m cannot likely be effectively explored using surface-based diamond drills, unless larger drills become available in Finland. Only in the immediate Kittila Mine area will resource exploration and resource-to-reserve conversion by diamond drilling be possible using underground drill setups in planned underground mine workings.

3.5 Suuri Extension Project

3.5.1 Mining and Milling

The Suuri Extension Zone will be mined using long-hole methods in the same way as the current shallower underground reserves at the Kittila Mine are planned to be mined, either transversely for lenses thicker than 6 m, or longitudinally for lenses less than 6 m thick. Ore production levels will be established at 25-m intervals vertically. Mining stopes (primary and secondary) will be 15 metres in length, and ore will be extracted and delivered to the Kittila processing plant on surface using the Kittila underground rubber-tired mechanized mining fleet. Primary stopes will be filled either with cemented rock fill (using the underground mining fleet) or with cemented paste backfill (delivered by pipeline from a surface plant). In contrast, secondary stopes will be likely be filled with waste rock generated by underground development. The ore is expected to be diluted by an average of 1.5 m of wall rock both in the hanging-wall and footwall position; this amount of sloughing is estimated to result in approximately 24% dilution in the Suuri Extension Zone.

Ore production from Suuri Extension will average 700 tonnes per day (contributing to the 3,000-tonnes/day total production rate that is currently set for Kittila). An estimated two years of underground development and construction will be necessary before Suuri Extension begins to produce ore for processing.

Metallurgical test work has shown that the Suuri Extension Zone ore is equivalent to the rest of the Kittila deposit and therefore overall gold recovery is expected to remain at 89%. Except for incremental tailings capacity and environmental reclamation charges and normal sustaining capital expenditures, no modifications will be are required for the processing plant to treat the Suuri Extension ore.

3.5.2 Project Economics

Total preproduction capital expenditures for the Suuri Extension project are expected to be minor (€63.4 million). Operating costs, adjusted to account for additional expenses for Suuri Extension, are expected over the life of the mine to be €232.6 million (or approximately €54.66 per tonne).

The economic analysis of the Suuri Extension Zone used a gold price and currency exchange rate assumption of $848 per ounce and $1.41 per €1.00, respectively; these are the historic three-year averages as of December 31, 2009. The cut-off gold grade for the zone's reserves was calculated at 3.86 grams per tonne (3.10 grams per tonne after dilution). The resource model used for the Feasibility Study of the Suuri Extension Zone generated 4.3 million tonnes of probable reserves grading 5.0 grams of gold per tonne. This would give a life of approximately 17 years for Suuri Extension, assuming 255,000 tonnes per year production at full capacity, at grades varying annually between 4.8 and 5.7 grams of gold per tonne. Assuming 89% gold recovery in the plant, gold production from Suuri Extension would average approximately 42,000 ounces of gold annually.

Total revenues and total net cash flow (before tax) are estimated to be €360.4 million and €64.3 million, respectively, over the life of mine that was modeled in the Feasibility Study completed in January 2010. The internal rate of return generated before taxes by the economic analysis is 27%. If taxes were included, the internal rate of return would not decrease enough to affect the economic viability of the Suuri Extension mining project. The project is most sensitive to the gold price, ore grade and metallurgical recovery. Project payback is expected after six years (which means four years after the two years of pre-production development and construction). The economic analysis of the mining and processing scenarios proposed in the Feasibility Study concludes that the Suuri Extension project is economic, and the reserves that make up the project can be added to the Kittila Mine plan.

3.6 Conclusions and Recommendations

The Kittila deposit remains open for expansion, especially at depth and along strike to the north. For 2010, an €11.6-million, 80,600-m diamond-drill exploration program is recommended on the Suurikuusikko property to convert the current inferred resource into indicated resource and to extend the mineral resource envelope both at depth and along strike. The recommendations are:

- test the current inferred resource envelope that exists at depth down to 1,000 m below the Roura Zone with sufficient drill holes to convert it into indicated mineral resource;
- test the down-plunge extension to the north of the Roura Zone down to 1,000 m depth in the area immediately below the Rimpi Zone in order to define a new inferred resource;
- test the depth extension of the Kittila deposit immediately below the Suuri and Roura zones between 1,000 and 1,500 m depth, especially the down-plunge extension of the Suuri Zone to the north);
- test the Rimpi Zone at depth and along strike to the north.

It is recommended that an underground exploration drift or ramp be initiated at the deepest level possible in the Kittila Mine no later than December 2010, and be considered in the long-term work plan for underground development. This exploration platform would potentially make exploration more efficient at Kittila.

It is also recommended that test-mining stopes be excavated early in 2010 in the Kittila Mine, and the ore processed in order to begin reconciling the actual results with the underground mineral reserve model.

Item 4. Introduction

Agnico-Eagle Mines Limited announced its decision to build the Kittila Mine in northern Finland on June 5, 2006. Probable reserves at that time were 14.2 million tonnes grading 5.16 g/t gold (for 2.4 million ounces of gold). The Feasibility Study, at that time, anticipated capital expenditures of $135 million, mine-site costs of $34 per tonne and sustaining capital expenditures of approximately $5 million per year. The mine project was expected to produce an average of 150,000 ounces of gold per year over its estimated mine life.

Construction commenced in the second quarter of 2006, and initial start-up was in the fourth quarter of 2008. Pit blasts in ore began in May 2008, the first gold concentrate was produced from the processing plant in September 2008 and the operation went into commercial production in May 2009. As of December 31, 2009, Kittila has proven and probable gold reserves of 26.0 million tonnes grading 4.8 g/t gold (4.0 million ounces of gold).

This Technical Report has been prepared for Agnico-Eagle Mines Limited by the Company’s staff and Qualified Persons based in Finland at the Kittila Mine Division and in Canada.

This Report has been prepared to support material changes in the scientific and technical information concerning the Kittila Mine property since the Company filed its last Technical Report on SEDAR on December 11, 2008. Specifically this report supports the Company’s disclosures on February 17, 2010, of additional mineral reserves and resources dated December 31, 2009 at the Kittila Mine, particularly in the Suuri Extension Zone. This Technical Report also presents, among other information, more recent operating and capital cost estimates and economic analysis demonstrating that the previously stated reserve estimate is still valid.

The Report was prepared in compliance with the standards set out in the Canadian Securities Administrators’ National Instrument 43-101 (“NI 43-101”), Companion Policy 43-101 CP and Form 43-101F1 and in conformity with generally accepted guidelines of the CIM for “Exploration Best Practices” and “Estimation of Mineral Resources and Mineral Reserves Best Practices”. Agnico-Eagle Mines Limited is a “producing issuer” and a long-time “reporting issuer” under the definitions of NI 43-101.

4.1 Qualified Persons

This technical report was compiled by Mr. Daniel Doucet, Ing., Mr. Dominique Girard, Ing., Ms. Louise Grondin, P.Eng, Ing., and Mr. Pierre Matte, Ing. Each aspect of this Technical Report was prepared by or under the supervision of an appropriately Qualified Person as defined by NI 43-101. Each Qualified Person retains the responsibility for his or her contribution as indicated below.

Mr. Daniel Doucet, Ing. (OIQ #39106) is a Qualified Person and has been employed by Agnico-Eagle Mines Limited since April 2006. He is currently the Corporate Director Geology at the Company’s regional office in Preissac, Québec. In this function, Mr. Doucet supervised all the geological aspects of this report including the grade control protocol and the preparation of the mineral resource and mineral reserve estimate for the Kittila Mine. He co-authored the portions of Items 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 21 and 22 of the Technical Report that concern geology. He was assisted by Mr. Jyrki Korteniemi, Geology Superintendent at the Kittila Mine.

Mr. Dominique Girard, Ing. (OIQ #125253), is the Mill Superintendent of Agnico-Eagle Mines Limited's Kittila Mine, and has been with the Company since May 2000, occupying the positions of process metallurgist, senior metallurgist and assistant mill superintendent at the LaRonde mill located in Cadillac, Québec. Mr. Girard is a Qualified Person. He was responsible for the preparation of Item 18 and the portions of Item 25 concerning mineral processing and metallurgy, and was assisted by Paul Cousin, an Agnico-Eagle employee.

Ms. Louise Grondin, P.Eng., Ing. (PEO #17384504, OIQ #125863), is Agnico-Eagle Mines Limited's Vice President, Environment and Sustainable Development, and has been with Agnico-Eagle since 2001. Ms. Grondin has been working in environmental management since 1985 and more specifically for mining projects since 1993. Ms. Grondin is a Qualified Person and co-authored the portions of Items 3, 4, 6, 21, 22 and 25 of the Technical Report concerning the environment, with the assistance of Erkki Kantola, an Agnico-Eagle employee.

Mr. Pierre Matte., Ing. (OIQ #118872) is a Qualified Person and Director of Agnico-Eagle Mines Limited's Technical Services Group in Cadillac, Quebec. He has been with Agnico-Eagle since November 2006 and has been working in mining engineering since 1995. Mr. Matte has been working on the Kittila Mine project since January 2009. He was responsible for Item 25 and co-authored Items 1, 2, 3, 4, 21 and 22 concerning underground mining and economic analysis.

4.2 Site Visit

In compliance with NI 43-101 guidelines, each of the Qualified Persons has completed a current inspection of the Kittila Mine property.

Mr. Doucet visited the Kittila Mine property on several occasions since 2007 to supervise the geological aspects of its operation, as Corporate Director and Manager Geology. His most recent site visits in preparation for this report were carried out on May 4-7, June 15-18, August 17-21 and December 7-10, 2009. During these visits, Mr. Doucet verified and validated the working protocols involving, (1) the data acquisition and exploration programs, (2) grade control management in the open pit, and (3) the parameters used for estimating reserves. Discussions were held with the participation of Mr. Jyrki Korteniemi, Mr. Juha Riikonen and Mr. Markku Kilpela, respectively, Geology Superintendent at the Kittila Mine, Manager Technical Services at the Kittila Mine and Manager Exploration Finland. Mr. Doucet took underground and surface tours during these visits, and part of his time was spent validating the geological data and interpretations.

Mr. Girard has worked full-time at the Kittila Mine site since May 2008.

Ms. Grondin has visited the Kittila Mine project on several occasions since 2005 and most recently from January 24-28, 2010, when she reviewed environmental compliance and permitting.

Mr. Matte visited the Kittila Mine property in November 2008, June 2009 and January 2010. His visits were related to the Suuri Extension study.

4.3 Basis of the Technical Report

This Technical Report was prepared using the technical information from various sources (reports, compilations, *etc*.) including some that are as current as December 2009, namely:

Many items presented in this report have as a basis, information compiled in previous Technical Reports on the Kittila Mine (formerly the Suurikuusikko gold) project and on the Riddarhyttan Resources AB properties (now a subsidiary of Agnico-Eagle Mines Limited) that were published on SEDAR (Agnico-Eagle Mines Limited and SRK Consulting, 2006, SRK Consulting, 2005 and Doucet *et al*., 2008).

The information on geological, engineering, legal, operating, economic, social, environmental and other factors (including operating cost estimates) that is presented in this report was derived from the Kittila Life of Mine plan completed in December 2009 and the Kittila Mine Project Feasibility Study (Grondin *et al*., 2006) and updated from more recent information such as current experience at the Kittila Mine where open pit mining and mineral processing are ongoing, and underground development is underway.

The mineral reserve that was declared for the Suuri Extension Zone, which was not considered in the original Kittila Mine Feasibility Study (Grondin *et al*., 2006), has as a basis, specifically, an internal feasibility study (Matte *et al*., in preparation). This feasibility study is using a mineral resource model that was prepared using exploration information current to approximately December 1, 2009.

Additional relevant information about the geology, land tenure and history was extracted from Geological Survey of Finland reports and file archives.

Exploration results used in the mineral resource and mineral reserve estimate presented in this Report are current to December 31, 2009.

Additional information on mineral processing used to prepare this report were derived from test work by Dynatec (Dynatec, 2007) and internal work by Agnico-Eagle.

The Life of Mine study (Kittila LOM of December 2009) prepared by Agnico-Eagle Kittila Mine staff in December 2009 used the Mineral Resource and Mineral Reserve model whose effective date was December 31, 2008.

The capital cost to construct and prepare the Kittila Mine for production has been compiled along with estimates to complete the project presented herein are current as of approximately May 2009.

The gold price and currency exchange rate used in the present report are the average daily prices and rates compiled for the last three years for the period ending December 31, 2009.

The economic analysis presented in this report is current as of approximately January 2010.

4.4 Terms of Reference

Unless otherwise stated, all units of measurement in this report are metric and all costs are expressed in Euros or United States dollars. The payable metal, gold (Au), is priced in United States dollars per troy ounce.

The following abbreviations are used in this report:

Agnico-Eagle Mines Limited	Agnico-Eagle or Company
arsenopyrite	Aspy
Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves	JORC code
diamond drill hole	ddh or drill hole or bore hole
euro	€
Finnish marks	FIM
Geological Survey of Finland	GTK
global positioning system	GPS
Gold	Au
Gram	G
Gram per tonne	g/t
induced polarization	IP
kilogram	kg
kilometre	km
metre	m
metres above sea level	masl
millimetre	mm
National Instrument 43-101	NI 43-101
ounce	oz
parts per billion	ppb
parts per million	ppm
pyrite	Py
pyrrhotite	Po
quality assurance/quality control	QA/QC
Rock quality determination value	RQD
Semi-autogenous grinding	SAG
square kilometre	km^2
square metre	m^2
tonne	t
United States dollar	$

Item 5. Reliance on Other Experts

Each Qualified Person that contributed to the compilation of this Technical Report retains responsibility for his or her respective contribution as outlined in Section 4.2 above and as indicated on their respective certificates.

The land tenure information presented in Item 6 and in Appendix A was compiled from public information provided on the Government of Finland land tenure information system. Some of the tenements are indicated but have not yet been confirmed to be valid in the land tenure information system, because the expiry date has passed and for which applications have been made for three-year extensions for these tenements. The tenement validity of these particular tenements, therefore, cannot be directly verified by the Qualified Person.

Item 6. Property Description and Location

The Kittila Mine is located in the parish of Kittila, approximately 50 km northeast of the town of Kittilä (Figure 1) in Northern Finland, centred at co-ordinates 67°54.826'N latitude and 25°24.394'E longitude. The Suurikuusikko property, which hosts the Kittila Mine, is made up of one mining licence, the Kittila Mine licence, covering an area of 846.4 ha, plus 130 individual tenements (valid claims) covering 11,130.3 ha, and 152 claim applications that cover an area of 13,730.4 ha (Figure 2 and Appendix A).

Figure 1 - Location of the Kittila Mine

The mineral titles form a continuous property block around the Kittila Mine licence (Figure 2). The block has been divided into the Suurikuusikko area, the Suurikuusikko West area and the Kittila Mine licence area. The main (Suurikuusikko) block comprises the 130 contiguous valid tenements. Suurikuusikko West covers the 152 claim applications centred at co-ordinates 25.24°E longitude and 67.54°N latitude. Within this block are small unclaimed areas: three small circular areas 0.78 ha in size, and six narrow linear strips covering roads.

The Finnish Mining Act effectively gives surface rights to the mining licence holder.

The tenements are valid for three to five years, providing a small annual fee is paid to maintain title, and extensions can be granted for three years or longer. The boundary of the mine licence is determined by ground-surveyed points, whereas the boundaries of the other tenements have not been legally surveyed.

In Figure 2, the sectors identified in green represent areas where claim applications have been prepared and sent to the Ministry of Employment and the Economy. The Company expects to receive these additional claim approvals in February-March 2010. Current claim applications are for 152 tenements covering 13,730 ha in total.

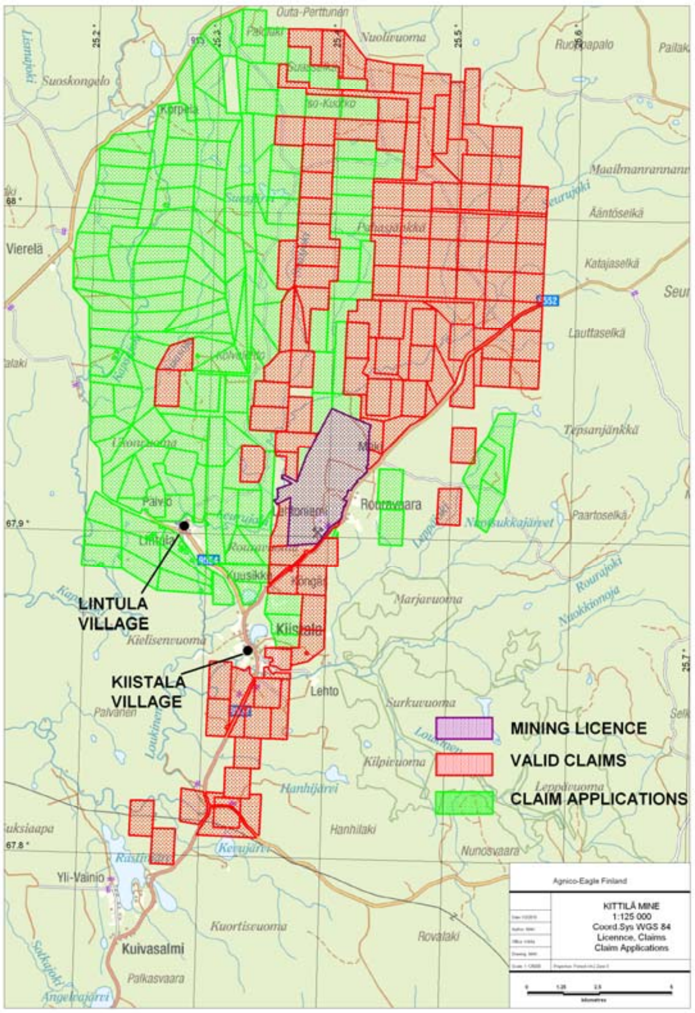

Figure 2 - Location of mine licence, valid tenements and claim applications in the Suurikuusikko property area and the Kittila Mine

All the tenements in the Suurikuusikko property and the Kittila Mine area are registered in the name of Agnico-Eagle AB as indicated on the Government of Finland land tenure records. Agnico-Eagle AB is a wholly owned subsidiary of Agnico-Eagle Mines Limited, based in Toronto, Canada. A complete listing of property titles (including surface area, expiration dates and obligations to retain the property) is presented in Appendix A as compiled from the Government of Finland's land tenure information system.

Figure 3 shows the surface layout in the Kittila Mine licence area.

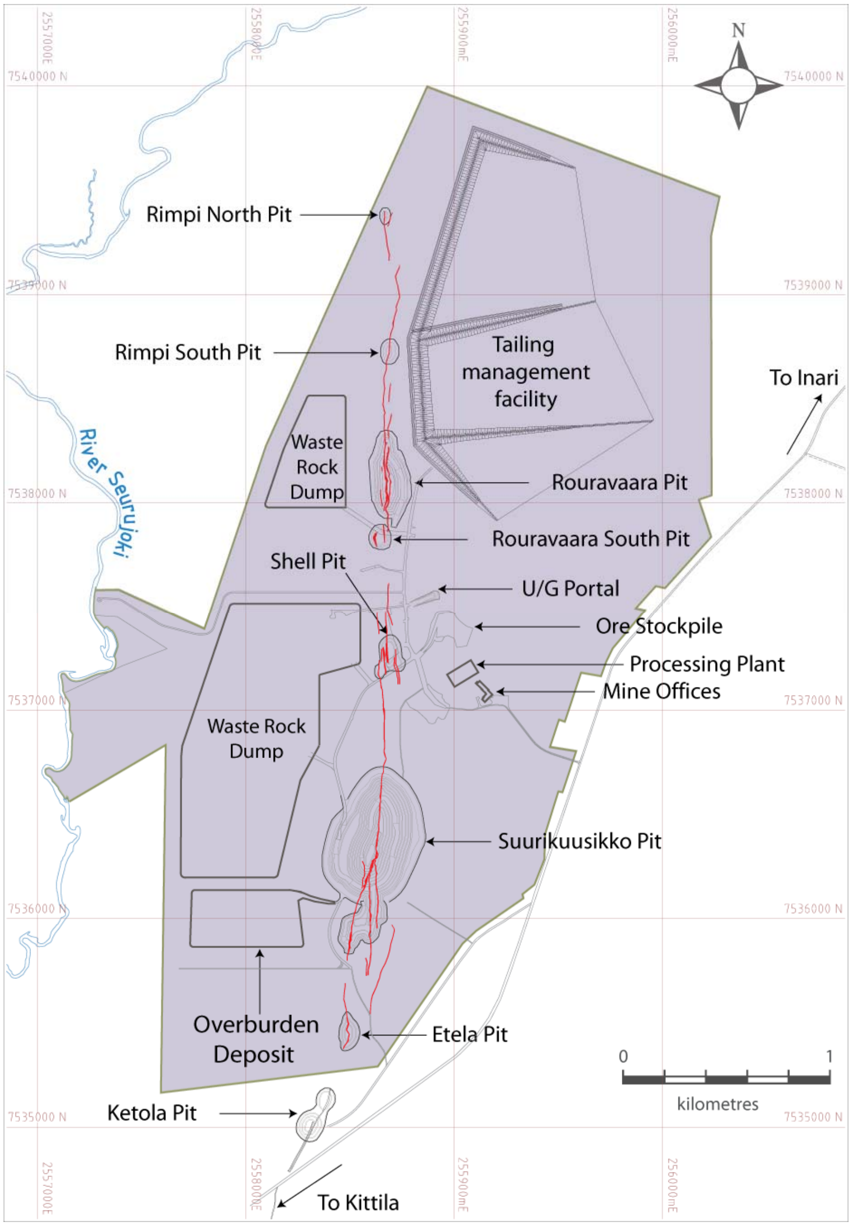

Figure 3 - The Kittila Mine layout in the mine licence area (shaded). The surface projections of the mineralized zones are shown in red.

6.1 Underlying Agreements

The Suurikuusikko property, which covers the Kittila Mine, was originally acquired from the Government of Finland by Riddarhyttan Resources AB of Sweden through its Finnish subsidiary Svenska Platina AB, through an agreement dated April 17, 1998. The terms of the agreement included the payment of a lump sum equal to FIM 1,100,000 within three weeks of the signing of the agreement, and minimum exploration expenditures totalling FIM 1,400,000 over a 12-month period dating from the signing of the agreement. The agreement also provides for a 2.0% net smelter return ("NSR") payable to the Republic of Finland once commercial operation begins, as defined in the agreement.

The agreement concerned 11 tenements covering an aggregate area of 913.8 ha and one claim reservation area covering an area of 8 km^2. New claims were subsequently acquired through staking by Riddarhyttan and Agnico-Eagle up to the present configuration of the project tenements.

On February 14, 2005, the name of the title holder for the Kittila Mine tenements was transferred to another Riddarhyttan subsidiary; Suurikulta AB. Agnico-Eagle acquired Riddarhyttan through an exchange of share offers to Riddarhyttan shareholders that closed during November 2005. During 2006, the name of the title holder for the Kittila Mine tenements was changed to Agnico-Eagle AB. See Appendix A for more details.

There are no other agreements and encumbrances that apply to the property.

6.2 Environmental Considerations

At the end of mine life, the main areas that will require rehabilitation will be the waste rock pile and the tailings pond. These are described in detail in Item 25.7.

During operation, the potential environmental impacts pertain to the quality of water in the tailings pond, in the water pumped from the pit and underground, and in the site drainage water. These waters are being monitored and treated as required prior to discharge. Noise, dust and vibration from mining activities are monitored and mitigated when required.

6.3 Permits Required for Exploration Work

No permits are required for exploration work.

6.4 Other Permits

The permits secured by Agnico-Eagle Mines for the Kittila Mine are listed in Table 3.

Table 3 - Permits granted for the Kittila Mine

Permit	Permit Number	Granted Date	Validity Period
Environmental permit and Water Management permit	No.69/02/1	Nov. 1, 2002	Until further notice
Amendment to Environmental permit and Water Management permit (amending conditions 3, 9, 15, 17, 19, 20, 21, 29 and 43)	No.29/08/1	June 11, 2008	Until further notice
Amendment to Environmental and Water Management Permit (amending conditions 13, 19)	No.66/09/01	Dec. 2, 2009	Until further notice
Mining concession	No.5965/1a	Jan. 30, 2003	Until further notice

Item 7. Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Kittila Mine is located on the Suurikuusikko property, approximately 50 km northeast of the town of Kittilä in northern Finland (Figure 1). Kittilä is accessible by all-weather road and also has an airport with scheduled national and international flights. A power line connects the Kittila Mine to the Finnish power grid.

The project is accessible by paved road from the village of Kiistala, which is located in the southern portion of the main claim block. The mine is located near the small village of Rouravaara, approximately 10 km north of Kiistala via a good quality all-weather paved road. The project area is sparsely populated. Portions of the property tenements occur within the villages of Kiistala and Rouravaara.

Kittilä is in the Southwest Lapland zone of the northern boreal vegetation zone, characterized by spruce forests, marshes and bogs (Figure 4). The project area is situated between 200 and 245 m elevation above sea level. The topography is characterized by low rolling forested hills separated by marshes, lakes and interconnected rivers. Almost half of the area is flanked by spruce and pine mire-type bogs. Open forest bogs and fens are commonly found on the edges of eutrophic fens.

The vegetation cover is upland-type forest of mostly young trees with locally more mature commercial forests. The main type of tree is pine; birch is also found in the northern part of the area. The western slopes of Rouravaara and Pikku Rouravaara were mostly lumbered about 10-20 years ago; sparse sapling stands predominated by conifers grow in the area.

The nearest population concentration is Rouravaara, located immediately east of the Kittila Mine licence, and a little further to the south is the village of Kiistala. There are approximately 40 households in Kiistala and Rouravaara; mostly in Kiistala.

The Kittila Mine is located within the Arctic Circle, but the climate is greatly moderated by the Gulf Stream off the coast of Norway, such that northern Finland’s climate is comparable to that of eastern Canada. Exploration and mining work can be carried out year round. Winter temperatures range from –30 to –10 degrees Celsius, whereas summer temperatures range from 10 degrees Celsius to the mid-twenties.

Because of the northern latitude, winter days at the mine are extremely short, with brief periods of near-24-hour darkness around the end of the year. Conversely, summer days are very long with a period of 24-hour daylight in early summer around mid-year. Annual precipitation varies between 50 and 60 cm, one-third of which falls as snow. Snow begins to accumulate usually in November and remains until March or April.

As shown in the Kittila Feasibility Study (Grondin *et al*., 2006), there are sufficient surface rights for mining operations and also adequate availability and sources of power, water, mining personnel, tailings storage areas, waste disposal areas and plant sites.

Figure 4 - Typical landscape in the vicinity of the Kittila Mine.
Top left, aerial view of the Town of Kittilä looking east. Upper right, aerial view of the surface area of the Kittila deposit (year 2005) looking south. Bottom, ground view looking west over the central portion of the Kittila deposit (year 2005).

Item 8. History

In 1986, the discovery of coarse visible gold in quartz-carbonate veining along a road cut near the village of Kiistala aroused the interest of the Geological Survey of Finland (“GTK”) in the gold exploration potential of area. Following this discovery, the GTK initiated regional exploration over the area.

By 1987, well defined geochemical anomalies around the Suurikuusikko area presented obvious targets that were tested by a reconnaissance drilling program, confirming the existence of gold mineralization in the bedrock. Between 1989 and 1991, GTK drilled a total of 72 diamond drill holes (9,031 m) to investigate soil anomalies, and successfully discovered and delineated the gold mineralization at Suurikuusikko that eventually became part of the current Kittila Mine. Preliminary metallurgical test work showed that the refractory gold mineralization was amenable to bioleaching, with gold recovery better than 85 percent.

The exploration project remained essentially dormant between 1991 and 1998. During 1997 the Finnish Government revised its mining investment code and opened mineral title to foreign ownership. The Suurikuusikko project was offered for public international tender in 1998; in April 1998 the Ministry of Trade and Industry announced that Riddarhyttan Resources AB was the successful bidder. In the tender documents, the indicated mineral resources1 at Suurikuusikko were estimated at 1.5 million tonnes grading an average of 5.9 g/t gold, containing an estimated 285,000 ounces of gold.

Exploration at Suurikuusikko resumed in 1998 under Riddarhyttan management. Between 1999 and 2005, over 460 core boreholes (more than 136,000 m) were drilled by Riddarhyttan over a strike length of 5.5 km to investigate the main Suurikuusikko auriferous structure and to delineate gold deposits.

Throughout the exploration work, environmental baseline and characterization studies were completed in support of an Environmental Impact Assessment study that was completed in 2000 as part of the process of applying for environmental permits for an envisioned open pit mine and processing facility.

In February 2003, Riddarhyttan was granted a mining permit and concession over the Suurikuusikko deposit.

During 2004, Agnico-Eagle Mines Limited of Toronto, Canada became the largest shareholder of Riddarhyttan.

In February 2005, a new JORC-compliant mineral resource estimate was released by Riddarhyttan. At a cut-off of 1.0 g/t gold, the indicated mineral resources stood at 10.6 million tonnes grading 5.23 g/t gold, while the inferred mineral resources were estimated at 9.1 million tonnes grading 3.93 g/t gold. That year, additional engineering studies were initiated to complete a Feasibility Study on the project.

On May 12, 2005, Agnico-Eagle announced that it had signed an agreement with Riddarhyttan under which Agnico-Eagle agreed to make an exchange offer for all of the outstanding shares of Riddarhyttan not currently owned by Agnico-Eagle. On July 19, 2005, Riddarhyttan released a new JORC-compliant mineral resource estimate. The

[1] **Relevant historical mineral resource estimates quoted from Riddarhyttan 2000 Annual Report were not verified for compliance with NI 43-101 guidelines. This historical mineral resource estimate is not necessarily compliant with NI43-101 guidelines and should not be relied upon. Since it was published by GTK, it was superseded by more recent resource estimates prepared by Riddarhyttan and its consultants according to the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code") and by Agnico-Eagle Mines Limited according to NI 43-101.**

measured mineral resources were estimated at 2.5 million tonnes grading 6.2 g/t gold (0.5 million ounces), the indicated mineral resources at 9.3 million tonnes grading 5.1 g/t gold (1.53 million ounces) and the inferred mineral resources at 12.5 million tonnes grading 4.2 g/t gold (1.7 million ounces), at a cut-off of 2.0 g/t gold. On November 9, 2005, Agnico-Eagle announced the successful closing of the share exchange for the remaining shares of Riddarhyttan

In early 2006, the probable mineral reserves at Suurikuusikko were estimated at 2.3 million ounces gold from 13.8 million tonnes grading 5.3 g/t gold (Company's press release, February 22, 2006). The remaining mineral resources included: 0.2 million tonnes grading 3.8 g/t gold (19,000 ounces) in the measured category, 1.7 million tonnes grading 4.2 g/t gold (0.2 million ounces) in the indicated category, and 6.7 million tonnes grading 4.4 g/t gold (0.9 million ounces) in the inferred category. The basis of converting mineral resources into mineral reserves was a pre-feasibility study completed during the second quarter of 2005 by Agnico-Eagle.

In June, Agnico-Eagle announced the decision to begin construction of the Kittila Gold Mine on its Suurikuusikko property (Company press release, June 5, 2006). A Feasibility Study (Grondin *et al*., 2006) reviewed by independent third parties confirmed the economic viability of an initial open pit mine followed by underground mining via ramp access. The mining operations would feed a 3,000-tonne/day surface processing plant. At that time, probable reserves were estimated to be 14.2 million tonnes grading 5.2 g/t gold (2.4 million ounces). The Kittila Mine project contained a measured resource of 0.1 million tonnes at 4.1 g/t gold, an indicated resource of 1.5 million tonnes at 4.4 g/t gold, and an inferred resource of 6.7 million tonnes at 4.4 g/t gold. Annual gold production was expected to average 150,000 ounces over an estimated 13-year mine-life.

Building the Kittila Mine started immediately after the decision, starting with construction of the mill and office buildings. By year end, the high-voltage power line and electrical sub-station were fully operational. Waste rock mining from the Suuri open pit started in August 2006 and building the main ramp in October 2006. By year end 2006, 725,000 tonnes of waste rock had been mined and 186 m of the main ramp had been developed.

During 2007, 1.98 million tonnes of waste rock was mined from the Suuri open pit and 2,725 m of underground development was done.

During 2008, 5.21 million tonnes of waste rock was mined from the Suuri open pit and 2,343 m of underground development was done. Ore mining from the Suuri open pit started in May 2008, and by the end of the year 312,000 tonnes of ore was mined. Milling was started during the last quarter of 2008, and by the year end some process circuits were already achieving the designed criteria.

During 2009, 8.99 million tonnes of waste rock was mined from the Suuri open pit and 4,232 m of underground development was done. Ore mining from the Suuri open pit continued, and by the end of 2009, 792,500 tonnes of ore was mined. Also 4,120 tonnes of ore was mined from underground, bringing up the total ore to 796,620 tonnes in 2009. The first gold doré bar was poured on January 14, 2009, and commercial production was achieved in May 2009.

8.1 Previous Reserve/Resource Estimations

8.1.1 Riddarhyttan, July 2005

Several mineral resource estimates were prepared for the Suurikuusikko project by Riddarhyttan and its consultants. On July 19, 2005, Riddarhyttan disclosed a JORC-compliant mineral resource estimate for the project ("the July 2005" estimate). The estimate was prepared by Bill Fleshman (external consultant, Certified Professional Geologist in Australia) and Tim Carew of Reserva International ("RI"; external consultant, C.Eng. MIMM); Mr. Carew also completed the variography analysis used in the July 2005 estimate.

The data and estimation methodologies used by Riddarhyttan's consultants for this mineral resource estimate were reviewed and audited in the first stage by SRK in July 2005 (SRK Consulting, 2005). The second stage of the evaluation, also done by SRK, tested the Riddarhyttan mineral resource estimate by independently estimating the mineral resources for one of the several auriferous zones of the project, comparing the results with that contained in the Riddarhyttan Resource Model. The results of this audit formed the basis of an independent technical report prepared by SRK dated November 15, 2005, and filed on SEDAR by Agnico-Eagle. Table 4 and Table 5 present the mineral resources Statement for the Suurikuusikko gold deposit and for the SE Suurikuusikko 3031 estimated by Riddarhyttan in November 2005.

Table 4 - Mineral Resources Statement* for the Suurikuusikko gold deposit (audited by SRK, November 2005)

Mineral Resource Classification	†Tonnage [Mtonne]	†Gold [gpt Gold]	†Contained Gold [x 1000 troy ounces]
Measured	2.49	6.24	499
Indicated	9.29	5.11	1,527
Inferred	12.45	4.24	1,697

* Reported at 2.0 gpt gold cut-off grade.
† Numbers given in significant figures

Table 5 - Mineral Resources Statement* for the SE Suurikuusikko 3031 Zone (audited by SRK, November 2005)

Mineral Resource Classification	†Tonnage [Mtonne]	†Grade [gpt gold]	†Contained Gold [x 1000 troy ounces]
Measured	0.45	5.32	76
Indicated	1.29	4.91	205
Inferred	2.44	4.75	372

* reported at 2.0 gpt gold cut-off grade.
† Numbers given in significant figures.

In the report from November 2005, SRK found that the parameters used by Fleshman in estimating resources for the project were reasonable and that the estimate was valid. The inverse-distance-squared technique used was adequate, but typically this estimation method can attenuate areas with high grades, particularly in areas without close sampling.

The report suggested developing a better definition of geological domains for the project, which could facilitate the use of unbiased estimators based on the kriging interpolation method. SRK stated that, in general, kriging-based methods could provide more robust estimates of project resources.

8.1.2 Agnico-Eagle, February 2006

Following the acquisition of Riddarhyttan by Agnico-Eagle, Agnico-Eagle revised the mineral resource model for the project at the end of January 2006. This mineral resource model for the Suurikuusikko project was prepared by Normand Bédard (P.Geo.) with the support of Agnico-Eagle Abitibi Regional Division staff. It incorporated the latest surface drilling results and minor changes to the modelling approach. This mineral resource model and a Pre-feasibility Study in 2005 (Agnico-Eagle, 2005) formed the basis of an economic evaluation and the declaration of the first mineral reserve statement for this project. The mineral resource and mineral reserve estimates were disclosed by Agnico-Eagle in a news release dated February 21, 2006 (Table 6**)** and described in the March 1, 2006, Technical Report on the Suurikuusikko property (Agnico-Eagle Mines Limited and SRK Consulting, 2006).

The main change between the July 2005 and February 2006 resource models for the Kittila gold deposit involves the introduction of the “stope concept” within the mineral resource model. Agnico-Eagle is of the opinion that the application of the stope concept results in more robust and reliable mineral resource and reserve estimates, because only larger contiguous areas above the cut-off grade are included within the mineral resource and mineral reserve statement. This approach essentially eliminates isolated blocks and allows a better evaluation of the economic significance of each auriferous zone included within the mineral resources. The February 2006 mineral resource model also considers results from aggressive surface drilling completed on the project between July 2005 and February 2006 and designed to convert inferred mineral resources to the indicated category. This additional drilling information was used to revise the geological interpretation, and resulted in minor changes to the gold mineralization outlines considered in the February 2006 resource model.

Table 6 - Mineral Resource and Mineral Reserve Statement*, Suurikuusikko gold project (Agnico-Eagle, February 21, 2006)

Resource/Reserve Category	†Tonnage [Ktonne]	†Gold grade [gpt Gold]	†Contained Gold [x 1000 troy ounces]
Probable Mineral Reserve			
Open Pit	3,900	4.97	623
Underground	9,857	5.37	1,702
Total Probable Mineral Reserve	13,757	5.26	2,325
Measured Mineral Resource			
Open Pit	16	1.49	1
Underground	139	4.11	18
Total Measured Mineral Resource	155	3.84	19
Indicated Mineral Resource			
Open Pit	82	1.44	4
Underground	1,633	4.37	229
Total Indicated Resource	1,715	4.23	233
Inferred Mineral Resource			
Underground	6,688	4.35	934
Total Inferred Resource	6,688	4.35	934

* Mineral Reserves reported at 1.7 and 4.0 gpt gold cut-off and Mineral Resources are reported at 1.0 gpt gold and 3.0 gpt gold for open pit and underground mining scenarios, respectively. Mineral Reserves are not included in the total Mineral Resources.
† Numbers given in significant figures.
** Estimated at a gold price of US$405 per ounce of gold and metallurgical recovery 87 percent for gold.

8.1.3 Agnico-Eagle, June 2006

A revised mineral resource and reserve estimate (Table 7) was disclosed in a Company press release on June 5, 2006, coincident with the results of a positive Feasibility Study (Grondin *et al*., 2006) and the decision, by the Board of Directors of Agnico-Eagle, to approve construction of the Kittila Mine project (renamed from “Suurikuusikko gold project”). The mineral resource model and underground mineral reserves were the same as in February 2006 and prepared under the supervision of Normand Bédard, P.Geo., the Company’s Senior Geologist for the Kittila Mine project. The open pit reserves were revised by Patrice Live, Eng., of Breton, Bandeville et Associés using a 1.40-g/t gold cut-off grade (slightly different from February 2006). Other than the different open pit parameters, the assumptions, parameters and mineral resources data and other factors were identical to the information presented in the Technical Report (Agnico-Eagle Mines Limited and SRK Consulting, 2006).

Table 7 - Mineral Resource and Mineral Reserve Statement, Kittila Mine project (Agnico-Eagle, June 5, 2006)

Resource/Reserve Category	Tonnage (000's tonnes)	Gold Grade (g/t)	Contained Gold (000's oz)
Total probable mineral reserve	14,226	5.16	2,360
Total measured mineral resource	67	4.07	527
Total indicated mineral resource	1,460	4.39	206
Total inferred mineral resource	6,688	4.35	934

Mineral reserves are exclusive to mineral resources.
Tonnage amounts and contained metal amounts have been rounded to the nearest thousand.
Estimated using a gold price of $405/ounce, mineral resources reported at 1.0 and 3.0 g/t gold cut-offs for open pit and underground, and mineral reserves reported at 1.4 g/t and 4.0 g/t gold cut-offs for open pit and underground.
The effective date is February 22, 2006.

8.1.4 Agnico-Eagle, February 2007

A Company press release on February 21, 2007, disclosed a mineral resource and reserve estimate prepared by Jyrki Korteniemi (Superintendent of geology for the Kittila Mine project) and supervised by Marc Legault (Agnico-Eagle's Vice-President, Project Development, a Qualified Person by NI 43-101). The effective date of the estimate was February 21, 2007. The operating and capital cost estimates, key assumptions, parameters and methods that were used to estimate the mineral resources and reserves were not significantly different from those that formed the basis of the Technical Report (Agnico-Eagle Mines Limited and SRK Consulting, 2006). The gold price assumption was $486 per ounce and the exchange rate was $1.25 per €1.00. A difference between this estimate and the February 2006 estimate was the decision not to use the category of measured resource.

Table 8 - Mineral Resource and Mineral Reserve Statement, Kittila Mine project (Agnico-Eagle, February 22, 2007)

Resource/Reserve Category	Tonnage (000's tonnes)	Gold Grade (g/t)	Contained Gold (000's oz)
Total probable mineral reserve	16,022	5.08	2,616
Total indicated mineral resource	4,191	3.95	532
Total inferred mineral resource	2,780	5.51	493

Mineral reserves are exclusive of mineral resources.
Tonnage amounts and contained metal amounts have been rounded to the nearest thousand.
Estimated using a gold price of $486/ounce and an exchange rate of $1.25 per €1.00.
The effective date is February 21, 2007.

8.1.5 Agnico-Eagle, February 2008

A Company press release on February 15, 2008, disclosed a mineral resource and reserve estimate prepared by Jyrki Korteniemi and supervised by Marc Legault (Table 9). The effective date of the estimate was December 31, 2007. The operating and capital cost estimates, key assumptions, parameters and methods that were used to estimate the mineral resources and reserves were not significantly different from those that formed the basis of the Technical Report (Agnico-Eagle Mines Limited and SRK Consulting, 2006). The gold price assumption was $583 per ounce and the exchange rate was $1.29 per €1.00.

Table 9 - Mineral Resource and Mineral Reserve Statement, Kittila Mine project (Agnico-Eagle, February 15, 2008)

Resource/Reserve Category	Tonnage (000's tonnes)	Gold Grade (g/t)	Contained Gold (000's oz)
Total probable mineral reserve	18,205	5.12	2,996
Total indicated mineral resource	5,416	3.03	527
Total inferred mineral resource	10,832	3.39	1,181

Mineral reserves are exclusive of mineral resources.
Tonnage amounts and contained metal amounts have been rounded to the nearest thousand.
Estimated using a gold price of $583/ounce and an exchange rate of $1.29 per €1.00.
The effective date is December 31, 2007.

8.1.6 Agnico-Eagle, February 2009

A Company press release on February 18, 2009, disclosed a mineral resource and reserve estimate prepared by Jyrki Korteniemi and supervised by Marc Legault (Table 10). The effective date of the estimate was December 31, 2008. The operating and capital cost estimates, key assumptions, parameters and methods that were used to estimate the mineral resources and reserves were not significantly different from those that formed the basis of the Technical Report (Doucet *et al*., 2008). The gold price assumption was $725 per ounce and the exchange rate was $1.37 per €1.00.

Table 10 - Mineral Resource and Mineral Reserve Statement, Kittila Mine project (Agnico-Eagle, February 18, 2009)

Resource/reserve category	Tonnage (000's tonnes)	Gold Grade (g/t)	Contained Gold (000's oz)
Total proven mineral reserve	199	4.84	31
Total probable mineral reserve	21,171	4.69	3,193
Total indicated mineral resource	3,471	2.99	334
Total inferred mineral resource	17,550	4.42	2,495

Mineral reserves are exclusive of mineral resources.
Tonnage amounts and contained metal amounts have been rounded to the nearest thousand.
Estimated using a gold price of $725/ounce and an exchange rate of $1.37 per €1.00.
The effective date is December 31, 2008.

Item 9. Geological Setting

9.1 Regional Geology

The geology of northern Finland is dominated by the Fennoscandian (or Baltic) Shield, which also includes Norway, Finland and the northwestern part of Russia (Figure 5). The oldest rocks of the Fennoscandian Shield are found in the northeast, in the Kola Peninsula, Karelia and northeastern Finland. These are Archean rocks, mainly gneisses and subordinate greenstone rocks dated at 2.5 to 3.0 billion years in age. This area is partly covered by Proterozoic rocks (Karelian rocks) ranging in age from 1.9 to 2.5 billion years and the Lapland granulite belt, which is dated at 1.9 billion years old. Minor Archean rocks outcrop in northernmost Sweden, and Archean crust probably underlies much of that area.

Most of northern and central Sweden, and northwestern and southwestern Finland including the Kittila region, belong to the Svecofennian province. This geological province consists of metasedimentary and metavolcanic rocks and several generations of intrusions formed and deformed during the Svecofennian orogeny (1.75 to 1.9 billion years old) in the Proterozoic era. These are the host rocks in districts of important metallic deposits, such as Skellefte and Norrbotten. They are commonly intruded by younger Rapakivi granites (1.5 to 1.65 billion years in age) and overlain by younger Jotnian sandstones (1.2 to 1.5 billion years old).

The Trans-Scandinavian igneous belt consists of largely undeformed granitoids and associated intrusions formed in at least three different episodes between 1.8 and 1.65 billion years ago. It stretches to the west of the Svecofennian province from southern Sweden up to northern Scandinavia.

The Southwestern gneiss province (also known as the Sveconorwegian province) is located to the west of the Trans-Scandinavian igneous belt. It consists of rocks that were formed during the Gothian orogeny (1.55-1.70 billion years old), but that were intruded by several generations of intrusions and underwent a complex evolution between 1.7 and 0.9 billion years ago. In western Norway, these gneisses were again deformed during the Caledonian orogeny approximately 400 million years ago.

The Scandinavian Caledonides, which stretch through most of Norway and include adjacent parts of Sweden, are made up of Neo-Proterozoic to Silurian metasedimentary and metavolcanic rocks, thought to have been deposited in the Iapetus Ocean between 700 to 400 million years ago. Together with slices of older basement, these rocks were thrust several hundred kilometres eastwards over the edge of the Fennoscandian Shield during the Caledonian orogeny.

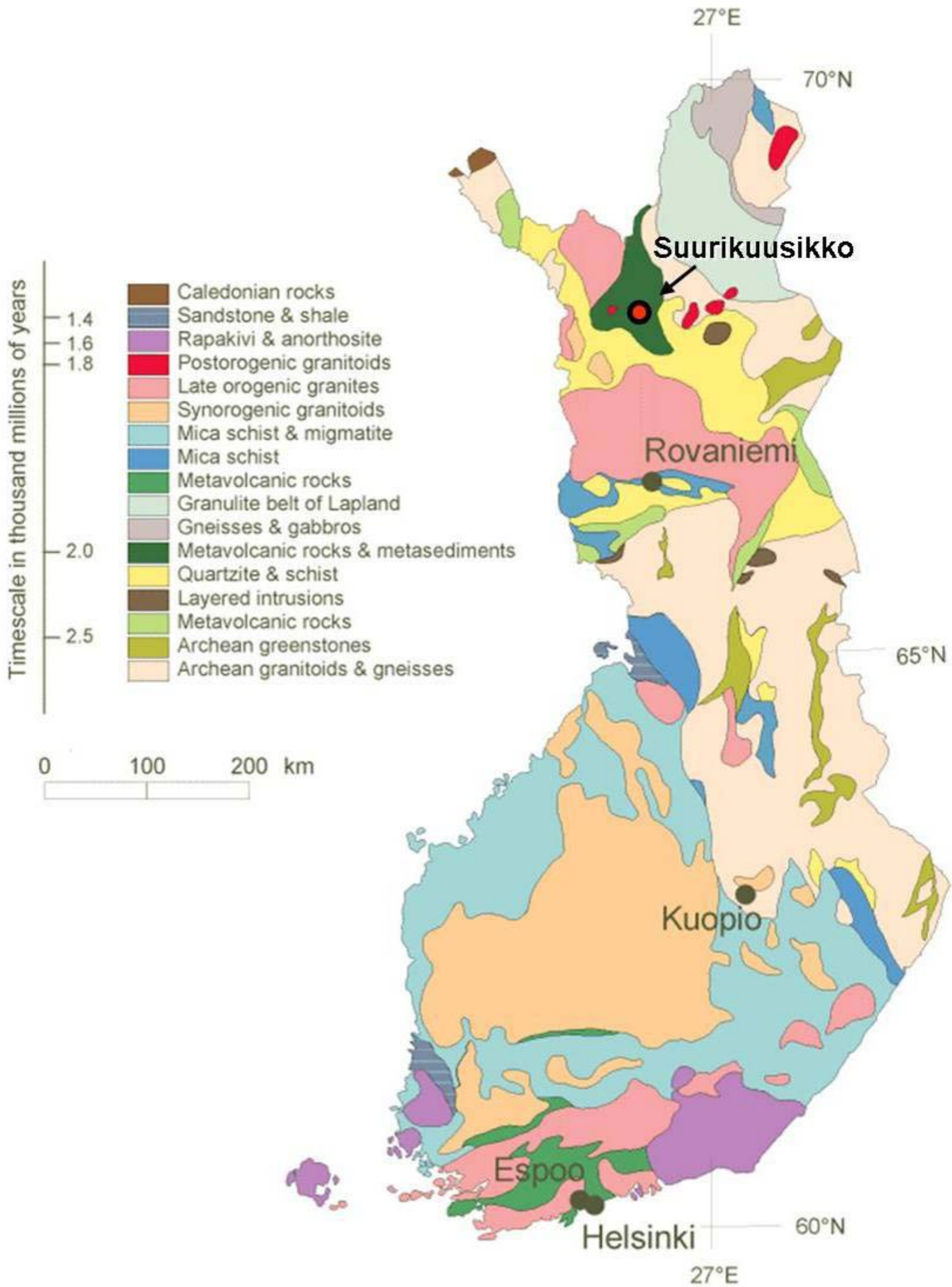

Figure 5 - Geology of Finland and location of the Suurikuusikko property (Source: Geological Survey of Finland)

9.2 Property Geology

The Kittila Mine and the Suurikuusikko property are hosted by Proterozoic rocks of the Svecofennian province. The geology and metallogeny of this area is very similar to that of the Canadian Shield or the Birimian Shield of West Africa.

The geology of the property is situated within the Lapland Greenstone belt and is underlain by late Proterozoic mafic volcanic and sedimentary rocks ascribed to the Kittila Greenstone Belt. In this portion of northern Finland, bedrock is typically covered by a thin (1- to 10-m) but uniform blanket of unconsolidated glacial till. Bedrock exposures are scarce and irregularly distributed. The geological and structural patterns are mostly derived from the interpretation of field data gathered through airborne geophysical surveys and remote sensing supplemented with limited core drilling.

At the Kittila Mine, there are no natural bedrock exposures in the immediate vicinity of the gold mineralization. Bedrock is overlain by 2 to 7 m of glacial moraine or till. In the vicinity of the gold deposit, the overburden thickness profile is varied. Along the main north-south axis of the deposit overburden thickness varies from 2 m in the south to 7 m in the north, but reaches 15 m west of the deposit's main axis.

The overburden is characterized by well graded and packed till that contains angular boulders of underlying bedrock. It is overlain by discontinuous sand and gravels formed from scouring and washing of the till unit and by a peat layer 1 to 2 m thick.

The Kittila Mine is underlain by volcanic and sedimentary rocks metamorphosed to greenschist assemblages (chlorite-carbonate) and assigned to the Kittila Group. In the vicinity of the project area, the major rock units strike north to north-northeast and are near-vertical. The volcanic rocks have been further subdivided into iron-rich and magnesium-rich tholeiitic basalts (Figure 6). Iron-rich tholeiitic basalts ascribed to the Kautoselka Formation occur primarily in the western part of the property and represent the oldest rock unit. The eastern portion of the property is characterized by rocks of the Vesmajarvi Formation consisting of magnesium-rich tholeiitic basalt, coarse volcaniclastic units, graphitic schist and minor chemical sedimentary rocks.

The contact between the Kautoselka and Vesmajarvi formations consists of a transitional zone, the Porkonen Formation, comprising mafic tuffs, graphitic metasedimentary rocks, black chert and banded iron formation. It varies in thickness between 50 and 200 m and is characterized by strong heterogeneous penetrative strain, narrow shear zones, breccia zones and intense hydrothermal alteration (carbonate-albite-sulphide) and, most importantly, gold mineralization on the Suurikuusikko property.

Minor mafic dykes intrude the Porkonen Formation. Two of the more extensive dykes are mafic in composition and have been traced by drilling across several hundred metres of strike length (north-south). The dykes range in thickness from a few metres up to 65 metres.

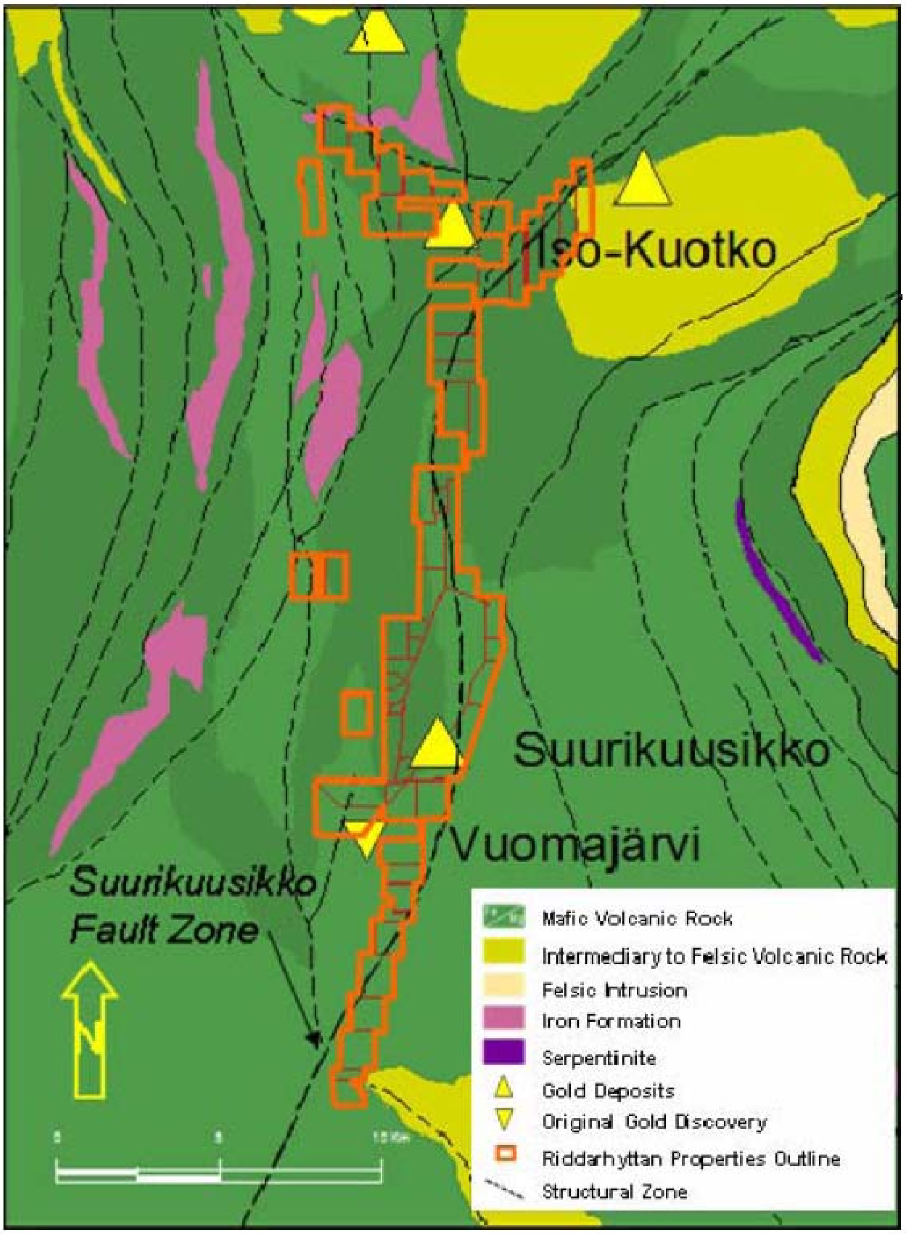

Figure 6 - Regional geology of the Suurikuusikko property area (Source: Riddarhyttan)

The Porkonen Formation, which includes the Suurikuusikko Gold Trend, is the main host for the gold mineralization on the Suurikuusikko property and the Kittila Mine project (Figure 7). The distribution of subunits is very irregular, attenuated by intense deformation, and as a consequence they are difficult to correlate between drill holes.

The internal geometry of the Porkonen Formation is very complex and exhibits features consistent with those observed in major brittle-ductile deformation zones such as heterogeneous strain, strong planar cleavages, oblate strain features, narrow shear zones, striated slip surfaces, transposition and minor disrupted folding. Theses characteristics suggest that this rock unit represents a significant structural discontinuity where strain was concentrated during regional deformation.

The Suurikuusikko Trend shear zone, which is well imaged by airborne geophysical data, has been traced by drilling over a strike length of more than 15 km along a north-northeast trend. It represents the principal metallogenic target on the Suurikuusikko property.

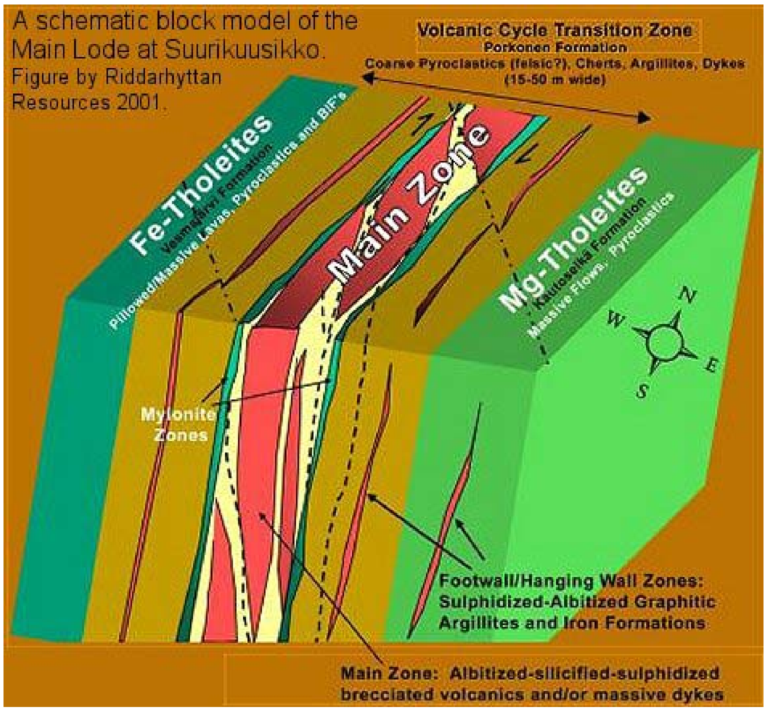

Figure 7 - Schematic block diagram through the rock units in the Kittila gold deposit (from Riddarhyttan data)

Item 10. Deposit Type

Gold mineralization in the Kittila Mine and elsewhere on the Suurikuusikko property is associated with strong disseminated sulphide mineralization (principally arsenopyrite and lesser pyrite) and associated hydrothermal alteration, and is hosted in an extensive brittle/ductile shear zone possibly developed during the Late Proterozoic Age as a result of regional east-west compression. The characteristics of the gold mineralization are similar to a class of hydrothermal gold deposits referred to as "orogenic" gold deposits, which typically exhibit a strong relationship with regional arrays of major shear zones.

Such deposits are thought to be formed by the circulation of gold-bearing hydrothermal fluids in structurally-enhanced permeable zones developed in supracrustal rocks during regional metamorphism, which typically follows orogenic (mountain-building) processes. Gold deposition typically occurs as a result of changes in fluid solubility triggered by wall-rock alteration and irregularities in the local stress field. These deposits exhibit strong lithological and structural controls, are hosted in a wide range of lithologies, and occur across a wide range of crustal depths, all of which are characteristics observed on the Suurikuusikko property.

Although the mineralization is associated with major shear zones, local variations in the style of the mineralization are common and typically exert strong local controls on the geometry of individual deposits. These include but are not restricted to: shear parallel veining, oblique and perpendicular tension veins, layer-parallel veins, breccia zones and a wide range of hydrothermal replacement zones.

In this type of deposit, the gold can be free-milling or locked in sulphide minerals and, therefore, refractory. Where free-milling, gold particles are typically hosted in veins or associated with hydrothermal minerals. In refractory deposits, the gold particles are typically locked in the crystal lattice of hydrothermal sulphides (chiefly pyrite or arsenopyrite) or as very fine inclusions inside sulphides. In the case of Kittila, almost all the gold is refractory.

The exploration for such deposits relies heavily on the conceptual analysis of regional data sets, which allows interpretation of regional lithological and structural patterns. The driving principal is the recognition that these gold deposits are associated with regional shear zones that have been infiltrated by large volumes of gold-bearing hydrothermal fluids. It is recognized that gold deposits preferentially occur in rocks that exhibit strong mechanical resistance to deformation, and/or iron-rich rocks that act as chemical traps favouring hydrothermal alteration. In the former case the mechanical behaviour potentially enhances the permeability of the rock mass, whereas in the latter case the iron content of the host rock may act as a chemical buffer, driving hydrothermal alteration and causing gold deposition.

The exploration strategy for orogenic deposits therefore involves recognizing structural patterns and preferred traps through analyzing the available data. In areas of limited bedrock exposure, such as the Suurikuusikko property, the selection of drill targets relies heavily on indirect information such as geophysical and geochemical data. Once targets are identified, exploration consists of drilling as many targets as are indicated.

At Suurikuusikko, this strategy was used initially by GTK and led to the discovery of gold mineralization in bedrock in 1987. Starting in 1989, step-out drilling based on the results of previous drilling proved very successful in outlining continuous zones of gold mineralization.

Item 11. Mineralization

At the Kittila Mine and on the larger Suurikuusikko property, the known gold mineralization is almost exclusively refractory. Gold particles are locked inside fine-grained arsenopyrite (approximately 73% of the gold) or arsenic-rich pyrite (approximately 23% of the gold). Only very minor gold occurs as very fine free grains in the hydrothermally altered rock.

The gold mineralization consists of sulphide-rich rock (up to 30% or more disseminated sulphides but averaging 10%) exhibiting variable textures, alteration and deformation features (Figure 8 to Figure 13). The main sulphide minerals are arsenopyrite, arsenic-rich pyrite and subordinate amounts of pyrrhotite. The sulphides are commonly associated with abundant carbon (amorphous or graphite) and intense silica, albite and carbonate alteration.

This mineralization forms primarily as replacement bodies that were emplaced during active brittle-ductile deformation. Deformation outlasted the mineralization so that overprinting deformation modified the geometry of the gold replacement zones. The resulting gold mineralization exhibits variable form and styles but is generally very consistent despite the fact it was overprinted by deformation. The gold mineralization is generally very easily distinguished visually, primarily because of its arsenopyrite content and visible alteration patina, whereas the original host rock is often very difficult to determine. Therefore, the continuity and the boundaries of the auriferous zones are defined and inferred from alteration, sulphide content and assay data.

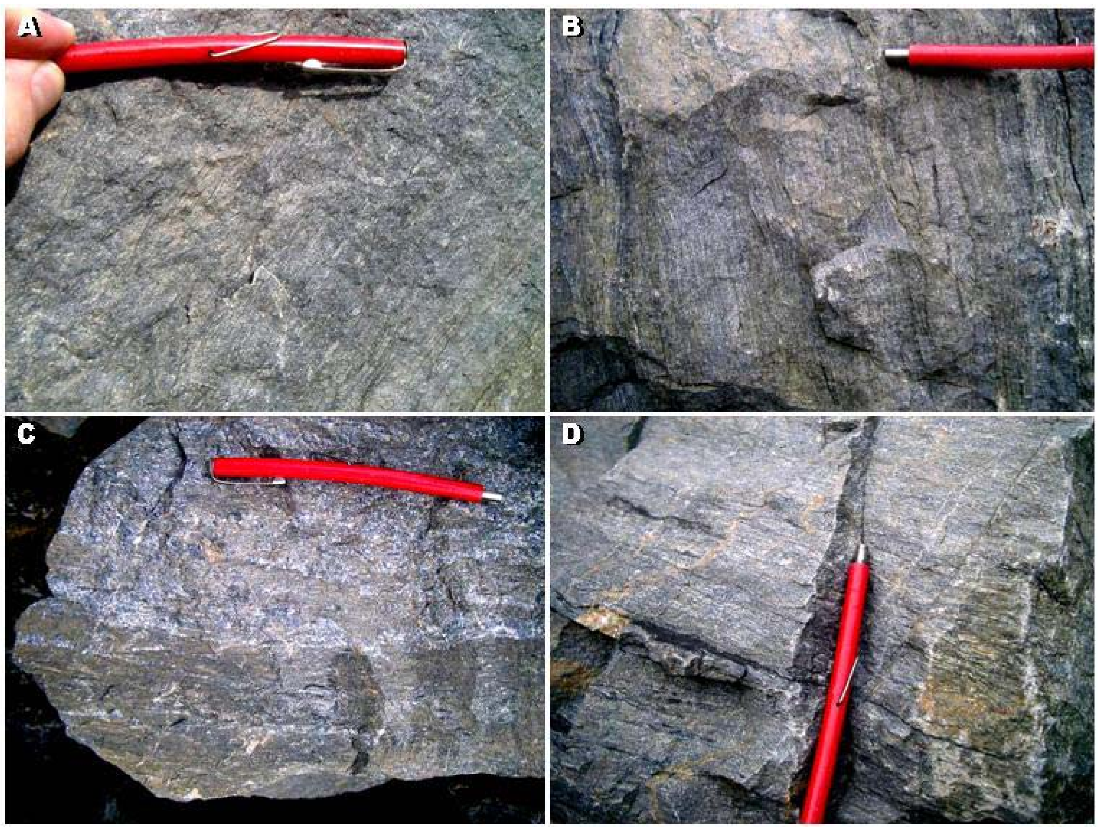

Figure 8 - Typical samples from the Kittila Mine

Photographs from boulders extracted from a test pit in 2005 (from SRK Consulting, 2005).

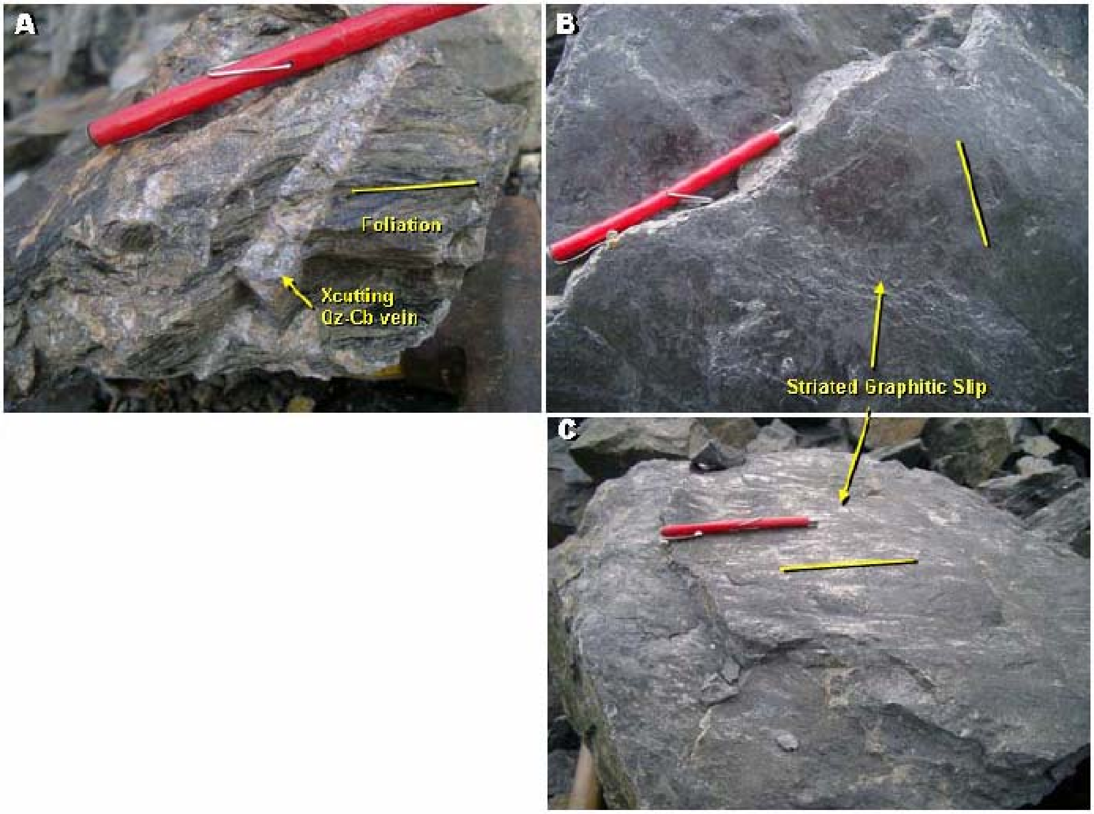

Figure 9 - Structural features of the gold mineralization at the Kittila Mine

A) Quartz-carbonate vein with minor sulphide crosscutting foliated arsenopyrite-rich altered schists.
B) and C) Striated graphite-rich slip plane (from SRK Consulting, 2005)

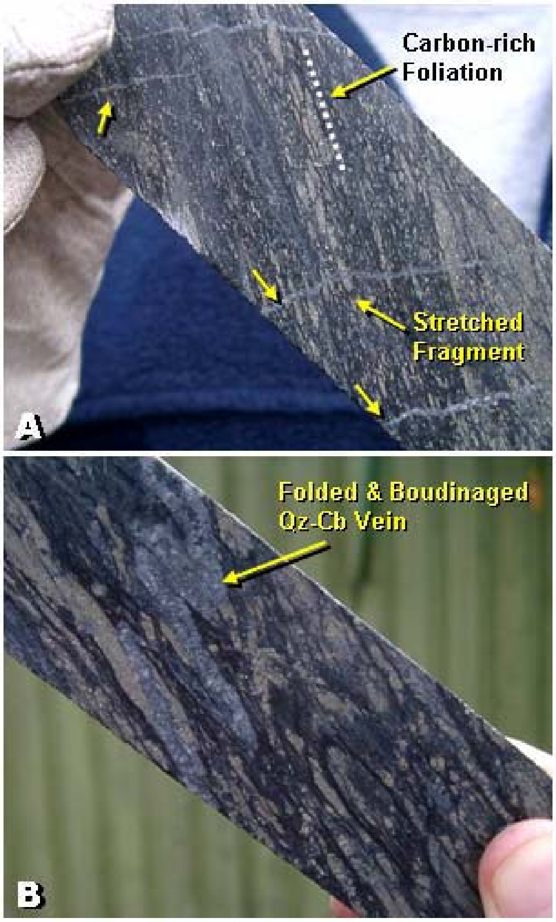

Figure 10 - Structural features of the gold mineralization in borehole SUBH-0524

Drill core pieces are held in their assumed true orientation with the foliation steeply dipping east (from SRK Consulting, 2005). A) Stretched arsenopyrite-rich fragments cut by subhorizontal quartz-carbonate veins.B) Folded quartz-carbonate vein cut by graphite slip surfaces.

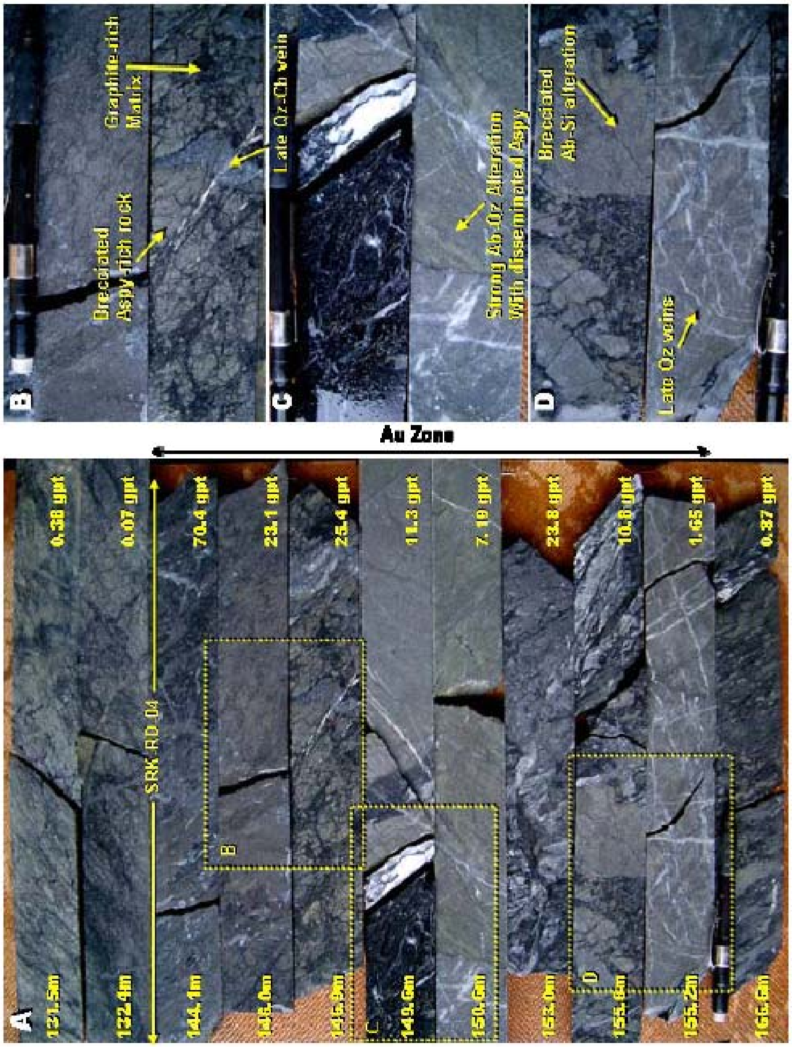

Figure 11 - Structural features of the gold mineralization intersected in borehole SUBH-03019

A) Composite samples across the full auriferous zone. The close-up shots B, C, and D show various textural features. Note position of verification sample SRL-RD-04 (from SRK Consulting, 2005).

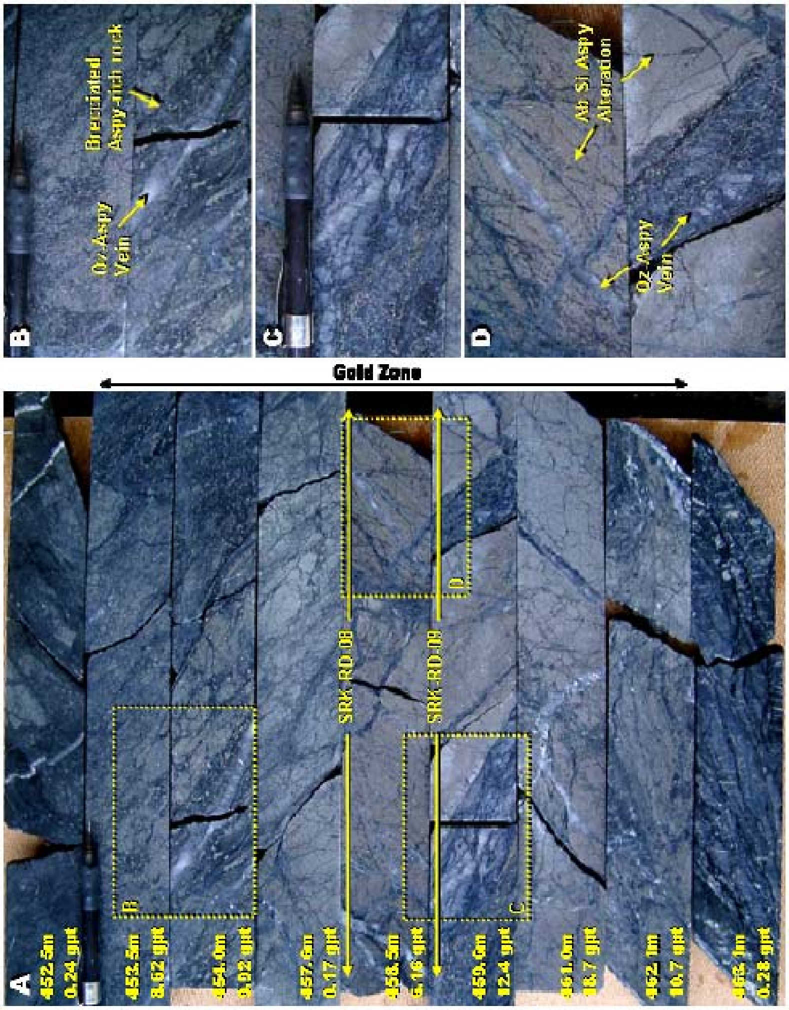

Figure 12 - Structural features of the gold mineralization intersected in borehole SUBH-0517

A) Composite samples across the full auriferous zone. B, C and D are close-up shots of various textural features. Note the abundant quartz veining crosscutting the brecciated arsenopyrite-rich altered rock (from SRK Consulting, 2005).

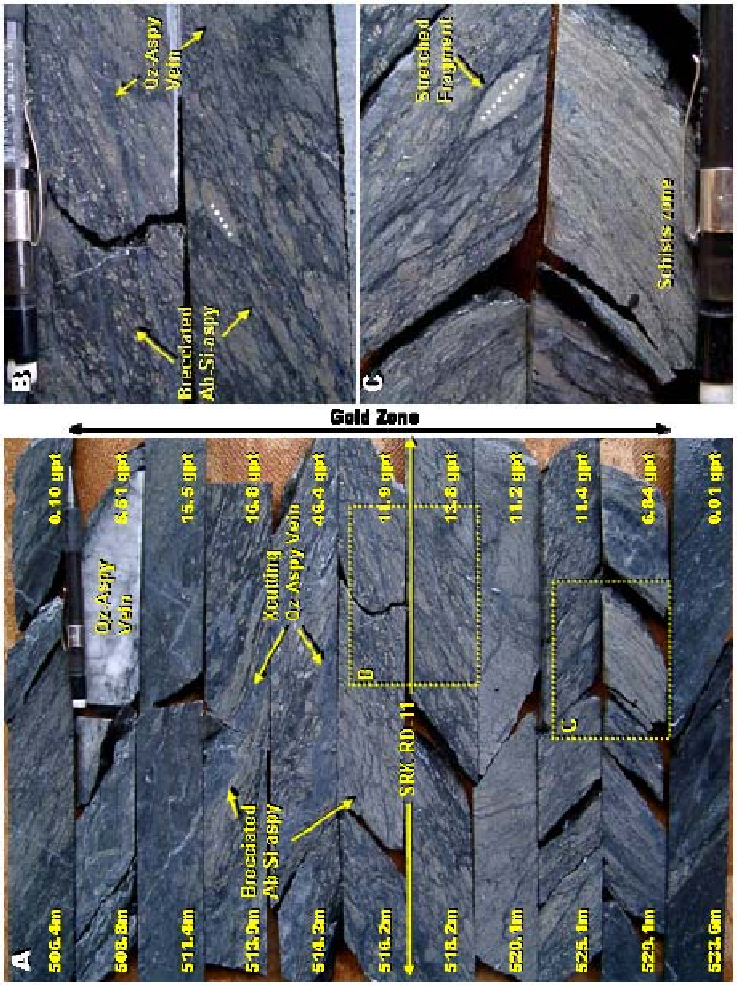

Figure 13 - Structural features of the gold mineralization intersected in borehole SUBH-05024

A) Composite samples across the full auriferous zone (from SRK Consulting, 2005). B and C are close-up shots of various textural features. Note how the arsenopyrite-rich fragments are stretched.

Exploration drilling has targeted a tabular zone of the Suurikuusikko Trend extending over 15 km in strike length in a north-south direction. Within this area, eight main auriferous zones have been discovered over a 4.5-km strike length and define the Kittila deposit. These zones exhibit reliable continuity, grade and thicknesses to warrant more study. From south to north they are: Ketola, Etela, Suuri (Western, Central and Eastern subzones), Suuri/Roura Extension, Roura-C (Central Rouravaara), Roura-N (North Rouravaara), Rimpi-S and Rimpi-N (South and North Rimminvuoma) (Figure 14 and Figure 15). Including drilling information to the end of December 2009, the latest mineral reserve and mineral resource models include gold mineralization in a total of 76 distinct auriferous lenses within these seven zones. The average content of sulphide is around 10% with a range between 2% to 30%. In general, the ore zones show no major differences in terms of mineralogy. All zones have areas where there have locally predominant albite and graphite or pyrite and arsenopyrite.

In 2009, the coding of the ore lenses was changed and standardized to cover the whole Kittila Mine area. All lenses now have a four-digit code that indicates roughly the position of the lens in the north-south and east-west directions. The first digit indicates the relative position of the ore lens in the north-south direction:

- code 1xxx indicates that the main part of the ore lens is <35500N
- code 2xxx indicates that the main part of the ore lens is between 35500N and 36000N
- code 3xxx indicates that the main part of the ore lens is between 36000N and 36500N
- code 4xxx indicates that the main part of the ore lens is between 36500N and 37000N
- code 5xxx indicates that the main part of the ore lens is between 37000N and 37500N
- code 6xxx indicates that the main part of the ore lens is between 37500N and 38000N
- code 7xxx indicates that the main part of the ore lens is between 38000N and 38500N
- code 8xxx indicates that the main part of the ore lens is between 38500N and 39000N
- code 9xxx indicates that the main part of the ore lens is >39000N

The second digit of the code indicates the location of the ore lens in the east-west direction relative to the main ore trend. The main ore trend is a curved line going approximately along the centre of the current ore zones and dipping 80 degrees eastward. The second digit indicates:

- code x4xx indicates that the main part of the ore lens is inside the main trend
- codes x0xx to x3xx indicate that the main part of the ore lens is west from the main trend (x3xx is closer to the main trend and x0xx is farthest to the west)
- codes x5xx to x9xx indicate that the main part of the ore lens is east from the main trend (x5xx is closer to the main trend and x9xx is farthest to the east)

The explanation of the new coding is in Figure 14. The correlation between the old and new lens-coding is discussed below in each zone. Ore lenses may crosscut each other and extend through several zones.

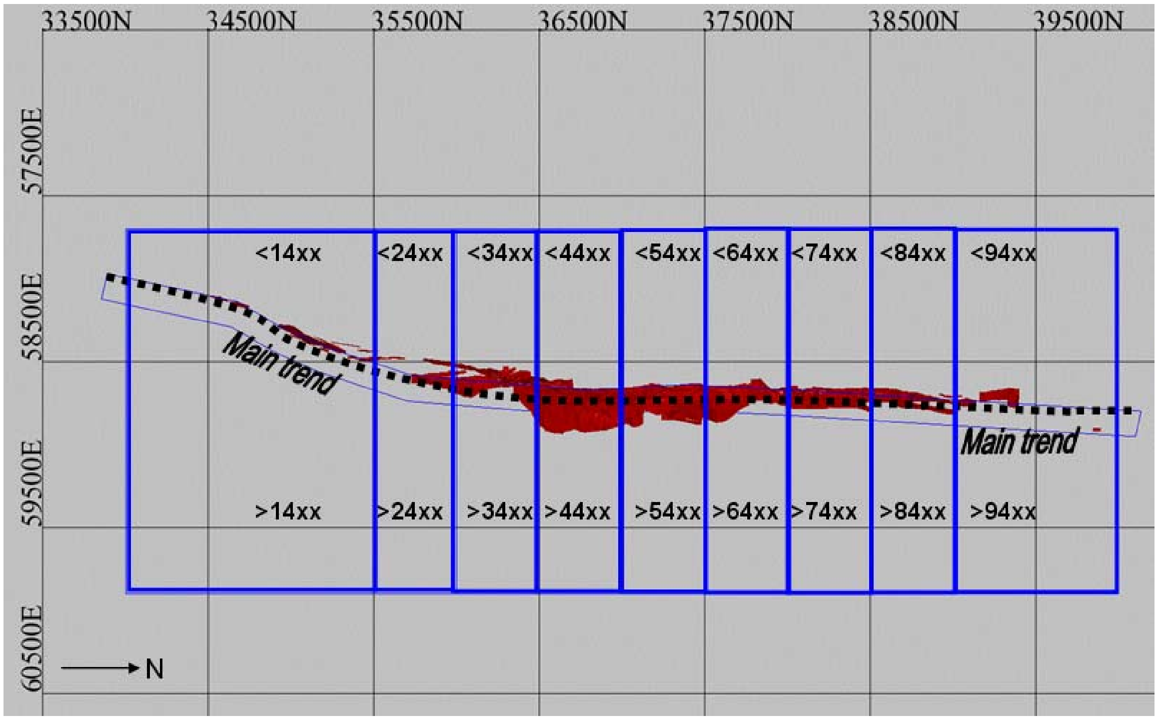

Figure 14 - New coding principle of the ore lenses of the Kittila Mine

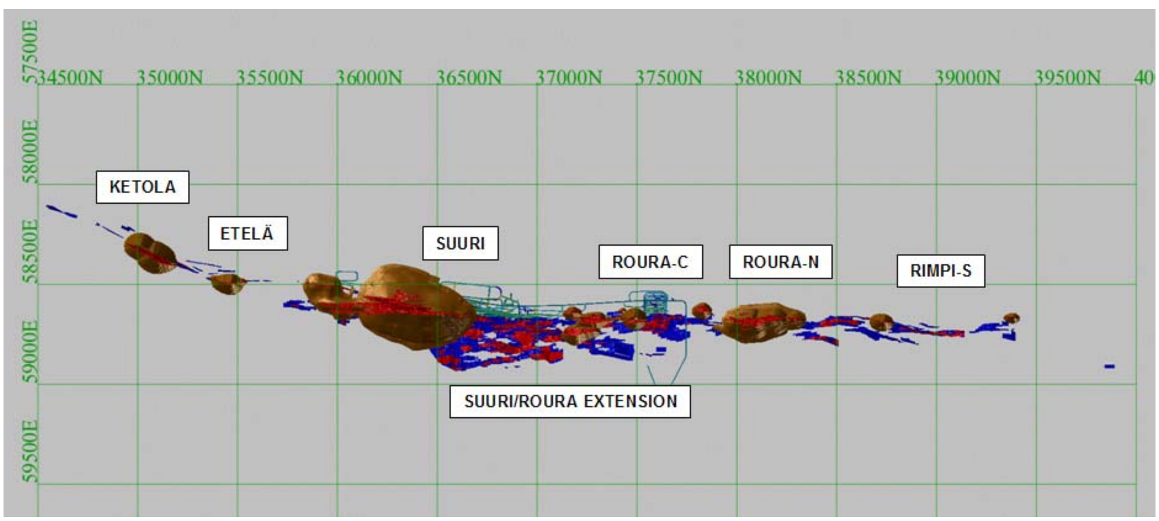

Figure 15 - Plan view of the mineralized zones at the Kittila Mine.
Red areas = probable reserves; blue areas = resources; red line = mining licence boundary; scale = 500-m grid; north is to the right.

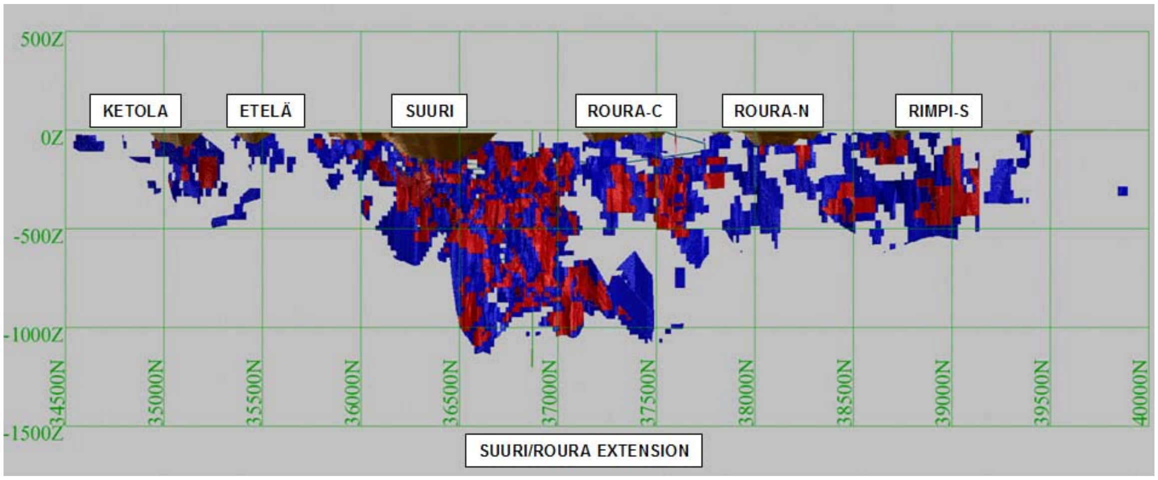

Figure 16 – Longitudinal view of mineralized zones at the Kittila Mine , looking west
Red = probable reserves; blue = resources; scale = 500-m grid.

11.1 Ketola Zone

The Ketola Zone is the southernmost auriferous zone discovered by drilling along the Suurikuusikko Trend (Figure 15 and Figure 16). It has been tested by drilling over a strike length of approximately 960 m (between sections 34340N and 35300N). The gold mineralization occurs in seven lenses (lenses 1020, 1320, 1340, 1420, 1440, 1520 and 1620). The average thickness of these lenses is 4.5 m, ranging between 3 and 9 m. These values indicate the thickness of individual lenses only. Some lenses merge together so that the combined thickness may easily exceed these values. The bulk of the mineral resource is between surface and 200 m depth. Low grade intercepts in the plunge of the zone indicate that this auriferous zone remains open at depth (Figure 17).

The Ketola Zone represents 2.1% of total probable reserves in the Kittila deposit (85,400 oz of gold in 0.6 million tonnes grading 4.48 g/t), 4.5% of total indicated resources (64,400 oz of gold in 1.0 million tonnes grading 2.07 g/t) and 1.5% of the total inferred resources (9,000 oz of gold in 0.1 million tonnes grading 2.17 g/t). The ore-lens coding used in the mineral resource estimates completed between 2009 and 2008 has changed due to new interpretation (seven lenses in 2009 compared with five lenses in 2008). These lenses do not exactly match each other, but generally the relationships between interpretations are:

- lens 1020 was not included in the 2008 model
- lens 1320 was partly included in wireframe 480 in the 2008 model
- lens 1340 was not included in the 2008 model
- lens 1420 was partly included in wireframe 510 in the 2008 model
- lens 1440 was partly included in wireframe 490 in the 2008 model
- lens 1520 was partly included in wireframe 540 in the 2008 model
- lens 1620 was partly included in wireframe 551 in the 2008 model

At the time of this report, the Ketola Zone is located immediately south of the current Kittila Mine licence area. Expansion of the mining licence southward is in progress to include the Ketola zone lenses.

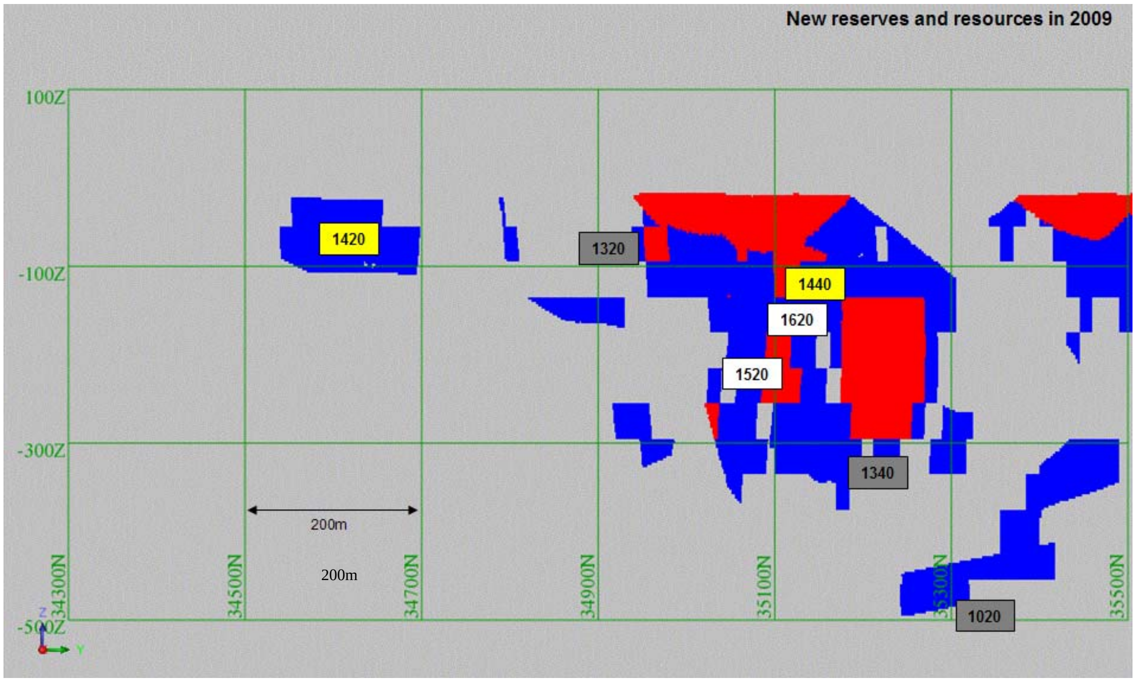

Figure 17 – Longitudinal view of the Ketola Zone, looking west
Red = probable reserves; blue = resources; grey boxes = lens west of the main trend; yellow boxes = lens along the main trend; white boxes = lens east from the main trend

11.2 Etela Zone

The Etela Zone has been delineated between sections 35300N and 35700N, over a 400-m strike length (Figure 18). The average thickness of the lenses is 3.1 m, ranging between 3 and 4 m. These values indicate the thickness of individual lenses only. Some lenses merge together so that the combined thickness may easily exceed these values. The gold mineralization occurs in four lenses (lenses 1020, 1040, 1340 and 2020).

The Etela zone makes up 0.2% of total Probable Reserves (8,900 oz of gold in 0.06 million tonnes grading 4.32 g/t), 1.6% of total Indicated Resources (23,300 oz of gold in 0.3 million tonnes grading 2.87 g/t) and 1.9% of the Inferred Resources (11,000 oz of gold in 0.1 million tonnes grading 2.52 g/t).

The ore-lens coding used in the Mineral Resource estimates completed between 2009 and 2008 has changed due to new interpretation (4 lenses in 2009 compared with 1 lens in 2008). These lenses do not exactly match each other, but generally the relationships between interpretations are:

- lens 1020 was not included in the 2008 model
- lens 1040 was not included in the 2008 model
- lens 1340 was not included in the 2008 model
- lens 2020 was partly included in wireframe 1050 in the 2008 model

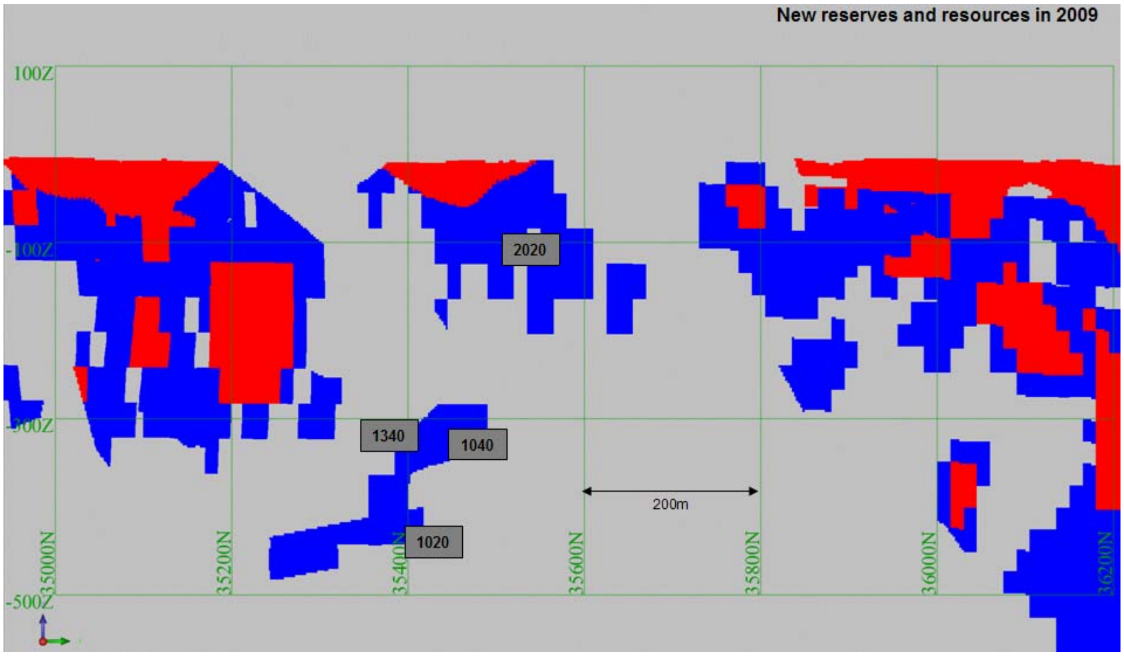

Figure 18 - Longitudinal view of the Etela Zone (centre of section), looking west
Red = probable reserves; blue = resources; grey boxes = lens west from the main trend

11.3 Suuri Zone (Western, Central and Eastern Subzones)

The Suuri Zone is currently the most important zone of gold mineralization in the Kittila Mine. Each of the three subzones, composed of several subparallel lenses each, can occur (alone, in pairs or together) within a 100- to 200-m-wide corridor east to west within the main Suurikuusikko structure. They have been traced almost continuously for over 1,300 m north-south (Figure 19 and Figure 20). Three to five sub-parallel, irregular, tabular lenses of mineralization are generally present between sections 35700N and 37100N. The lowest level of Suuri Zone is 675 m. The next level (700 m) below belongs to Suuri/Roura Extension zone.

The gold mineralization occurs in 33 lenses (lenses 2120, 2140, 2520, 3020, 3120, 3140, 3160, 3180, 3220, 3360, 3620, 4120, 4140, 4220, 4240, 4260, 4320, 4340, 4360, 4420, 4520, 4620, 4720, 4820, 4840, 4920, 5520, 5610, 5620, 5720, 5820, 5920 and 5940). The average thickness of the lenses is 5.6 m, ranging between 3 and 32 m. These values indicate the thickness of individual lenses only. Some lenses merge together so that the combined thickness may easily exceed these values.

The Suuri Zone makes up 53.1% of the total probable reserves (2.14 million oz of gold in 13.6 million tonnes grading 4.89 g/t), 38.2% of the total indicated resources (552,700 oz of gold in 8.1 million tonnes grading 2.11 g/t) and 18.7% of the inferred resources (110,200 oz of gold in 1.1 million tonnes grading 3.05 g/t).

The ore-lens coding used in the mineral resource estimates completed between 2008 and 2009 has changed due to a new interpretation (33 lenses in 2009 compared with 15 lenses in 2008). These lenses do not exactly match each other, but generally the relationships between interpretations are:

- lens 2120 was not included in the 2008 model
- lens 2140 was not included in the 2008 model
- lens 2520 was partly included in wireframe 2270 in the 2008 model
- lens 3020 was partly included in wireframes 2070, 3290, 3270, 4853 and 3250 in the 2008 model
- lens 3120 was partly included in wireframe 4512 in the 2008 model
- lens 3140 was partly included in wireframe 3210 in the 2008 model
- lens 3160 was partly included in wireframes 3210 and 3250 in the 2008 model
- lens 3180 was partly included in wireframe 3210 in the 2008 model
- lens 3220 was partly included in wireframe 3270 in the 2008 model
- lens 3360 was partly included in wireframes 3270 and 3290 in the 2008 model
- lens 3620 was partly included in wireframe 2350 in the 2008 model
- lens 4120 was partly included in wireframes 2070 and 3270 in the 2008 model
- lens 4140 was not included in the 2008 model
- lens 4220 was partly included in wireframes 3270 and 3290 in the 2008 model
- lens 4240 was not included in the 2008 model
- lens 4260 was partly included in wireframe 4399 in the 2008 model
- lens 4320 was partly included in wireframe 4400 in the 2008 model
- lens 4340 was partly included in wireframe 4400 in the 2008 model
- lens 4360 was not included in the 2008 model
- lens 4420 was partly included in wireframes 2270, 3371 and 4400 in the 2008 model
- lens 4520 was partly included in wireframe 3371 in the 2008 model
- lens 4620 was partly included in wireframe 4814 in the 2008 model
- lens 4720 was partly included in wireframes 3371 and 4690 in the 2008 model
- lens 4820 was not included in the 2008 model
- lens 4840 was partly included in wireframe 4690 in the 2008 model
- lens 4920 was partly included in wireframe 4651 in the 2008 model
- lens 5520 was partly included in wireframe 4400 in the 2008 model
- lens 5610 was partly included in wireframe 3371 in the 2008 model
- lens 5620 was partly included in wireframe 5420 in the 2008 model
- lens 5720 was not included in the 2008 model
- lens 5820 was not included in the 2008 model
- lens 5920 was partly included in wireframe 5580 in the 2008 model
- lens 5940 was not included in the 2008 model

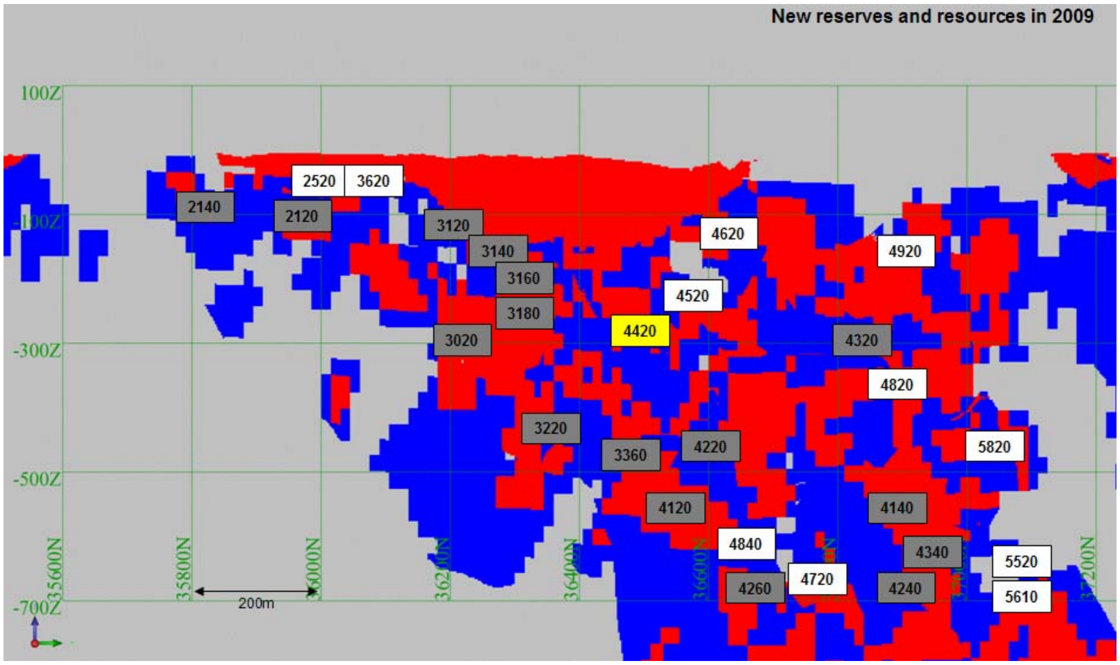

Figure 19 - Longitudinal view of the Suuri Zone, looking west
Red = probable reserves; blue = resources; grey boxes = lens west of the main trend; yellow box = lens along the main trend; white boxes = lens east from the main trend

11.4 Suuri/Roura Extension Zone

Deep exploration drilling during 2007 and 2008 below 800 m depth between sections 36400N and 37200N led to the discovery of the downward extension (currently to 1,100 m depth) of the Eastern envelope of Suuri Zone – the Suuri Extension Zone (Figure 20). Drilling during 2009 confirmed the existence of several parallel lenses and also the fact that the ore lenses continue northward below the Roura-C zone. That is why the name of this zone was changed in 2009 from Suuri Deep into Suuri/Roura Extension, extending 1700 m between sections 36100N and 37800N.

The Suuri/Roura Extension Zone consists of several subparallel, irregular, tabular lenses of gold. The gold mineralization occurs in 19 lenses (lenses 3020, 3360, 4120, 4140, 4220, 4240, 4260, 4340, 4420, 4720, 4840, 5220, 5520, 5610, 5640, 5660, 5740, 5840 and 6760). The average thickness of the lenses is 6.7 m, ranging between 3 and 35 m. These values indicate the thickness of individual lenses only. Some lenses merge together so that the combined thickness may easily exceed these values. The zone is open at depth below level 1,100 m and to the north. According to the current drilling results, the ore lenses seem to decrease in thickness and grade below economic values to the south. This may represent only temporary pinching of the lenses; additional drilling to the south should clarify this.

The Suuri/Roura Extension Zone makes up 22.9% of the total probable reserves (921,900 oz of gold in 5.8 million tonnes grading 4.96 g/t), 21.2% of the total indicated resources (307,000 oz of gold in 4.1 million tonnes grading 2.29 g/t) and 61.7% of the inferred resources (362,900 oz of gold in 2.9 million tonnes grading 3.90 g/t) (see Appendix B).

The ore-lens coding used in the mineral resource estimates completed between 2008 and 2009 has changed due to new interpretation (19 lenses in 2009 compared with two lenses in 2008). These lenses do not exactly match each other, but generally the relationships between interpretations are:

- lens 3020 was partly included in wireframes 2070, 3250, 3270, 3290 and 4853 in the 2008 model
- lens 3360 was partly included in wireframes 3270 and 3290 in the 2008 model
- lens 4120 was partly included in wireframes 2070 and 3270 in the 2008 model
- lens 4140 was not included in the 2008 model
- lens 4220 was partly included in wireframes 3270 and 3290 in the 2008 model
- lens 4240 was not included in the 2008 model
- lens 4260 was partly included in wireframe 4399 in the 2008 model
- lens 4340 was partly included in wireframe 4400 in the 2008 model
- lens 4420 was partly included in wireframes 2270, 3371 and 4400 in the 2008 model
- lens 4720 was partly included in wireframes 3371 and 4690 in the 2008 model
- lens 4840 was partly included in wireframe 4690 in the 2008 model
- lens 5220 was not included in the 2008 model
- lens 5520 was partly included in wireframe 4400 in the 2008 model
- lens 5610 was partly included in wireframe 3371 in the 2008 model
- lens 5640 was not included in the 2008 model
- lens 5660 was not included in the 2008 model
- lens 5740 was not included in the 2008 model
- lens 5840 was not included in the 2008 model
- lens 6760 was not included in the 2008 model

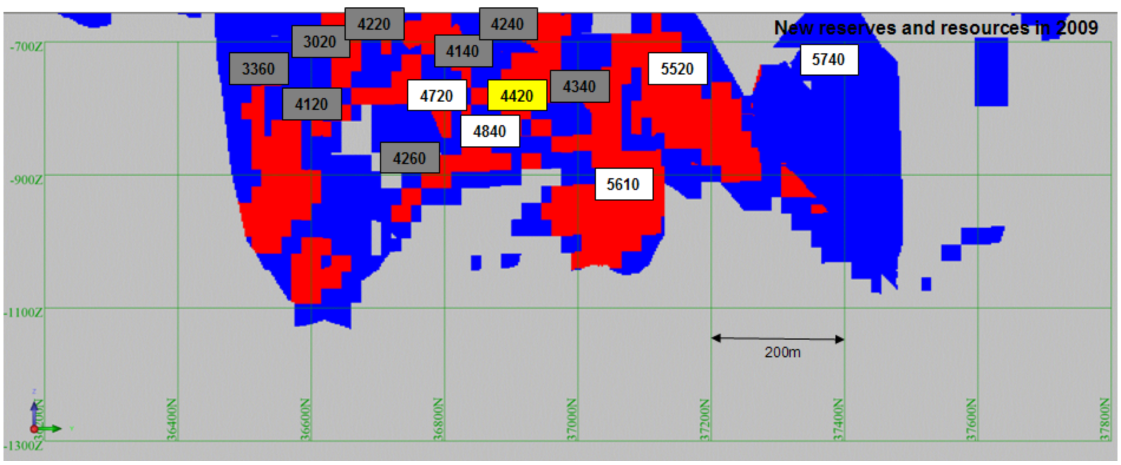

Figure 20 - Suuri/Roura Extension Zone – longitudinal view looking west
Red = reserves; blue = resources; grey boxes = lens west of the main trend; yellow box = lens along the main trend; white boxes = lens east from the main trend

11.5 Roura-C (Central Rouravaara) Zone

The Roura-C Zone (Figure 21) extends 750 m along strike north-south from section 37100N to 37850N (last year the northern boundary was at 37700N). Due to new drilling results in 2009, the location of this zone was moved to better fit the natural boundaries between the different ore lenses. The lowest level of Roura-C Zone is 650 m. The next level (670 m) below belongs to Suuri/Roura Extension Zone.

The gold mineralization occurs in 21 lenses (lenses 4420, 5320, 5340, 5520, 5540, 5560, 5620, 5680, 5720, 5740, 5920, 5940, 6220, 6240, 6420, 6440, 6520, 6620, 6720, 6820 and 7420). The average thickness of the lenses is 4.8 m, ranging between 3 and 18 m. These values indicate the thickness of individual lenses only. Some lenses merge together so that the combined thickness may easily exceed these values.

The Roura-C Zone makes up 13.3% of the total probable reserves (533,800 oz of gold in 3.5 million tonnes grading 4.77 g/t), 14.9% of the total indicated resources (215,100 oz of gold in 3.0 million tonnes grading 2.20 g/t) and 3.2% of the inferred resources (18,500 oz of gold in 0.2 million tonnes grading 2.58 g/t).

The ore-lens coding used in the mineral resource estimates completed between 2008 and 2009 has changed due to a new interpretation (21 lenses in 2009 compared with 10 lenses in 2008). These lenses do not exactly match each other, but generally the relationships between interpretations are:

- lens 4420 was partly included in wireframes 2270, 3371 and 4400 in the 2008 model
- lens 5320 was not included in the 2008 model
- lens 5340 was partly included in wireframes 5280, 5290 and 5380 in the 2008 model
- lens 5520 was partly included in wireframe 4400 in the 2008 model
- lens 5540 was partly included in wireframe 6420 in the 2008 model
- lens 5560 was partly included in wireframe 5400 in the 2008 model
- lens 5620 was partly included in wireframe 5420 in the 2008 model
- lens 5680 was not included in the 2008 model
- lens 5720 was not included in the 2008 model
- lens 5740 was not included in the 2008 model
- lens 5920 was partly included in wireframe 5580 in the 2008 model
- lens 5940 was not included in the 2008 model
- lens 6220 was not included in the 2008 model
- lens 6240 was not included in the 2008 model
- lens 6420 was not included in the 2008 model
- lens 6440 was partly included in wireframes 5380 and 6485 in the 2008 model
- lens 6520 was partly included in wireframe 6455 in the 2008 model
- lens 6620 was not included in the 2008 model
- lens 6720 was not included in the 2008 model
- lens 6820 was not included in the 2008 model
- lens 7420 was partly included in wireframe 6360 in the 2008 model

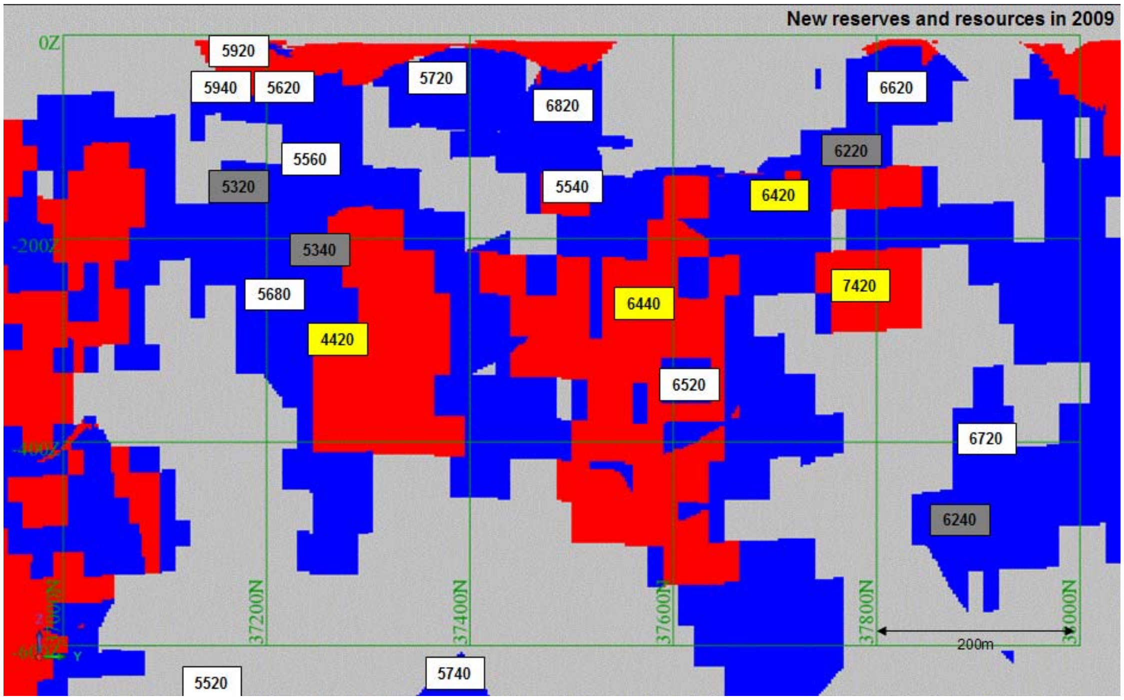

Figure 21 – Longitudinal view of the central Roura-C Zone, looking west
Red = reserves; blue = resources; grey boxes = lens west of the main trend; yellow boxes = lens along the main trend; white boxes = lens east from the main trend

11.6 Roura-N (Northern Rouravaara) Zone

The Roura-N Zone (Figure 22) extends 670 m along strike north-south from section 37850N to 38520N. In 2008, the Roura-N Zone existed between sections 37700N and 38350N. Due to new drilling results in 2009, the location of this zone was moved to better fit the natural boundaries between the different ore lenses.

The gold mineralization occurs in 13 lenses (lenses 6240, 6540, 6620, 6720, 6740, 7320, 7340, 7420, 7720, 7740, 7820, 7920 and 8520). The average thickness of the lenses is 3.9 m, ranging between 3 and 9 m. These values indicate the thickness of individual lenses only. Some lenses merge together so that the combined thickness may easily exceed these values.

The Roura-N zone makes up 3.3% of the total probable reserves (134,000 oz of gold in 1.0 million tonnes grading 4.19 g/t), 10.8% of the total indicated resources (155,700 oz of gold in 2.1 million tonnes grading 2.26 g/t) and 4.3% of the inferred resources (25,100 oz of gold in 0.3 million tonnes grading 2.94 g/t).

The ore-lens coding used in the mineral resource estimates completed between 2008 and 2009 has changed due to a new interpretation (21 lenses in 2009 compared with six lenses in 2008). These lenses do not exactly match each other, but generally the relationships between interpretations are:

- lens 6240 was not included in the 2008 model

- lens 6540 was not included in the 2008 model
- lens 6620 was not included in the 2008 model
- lens 6720 was not included in the 2008 model
- lens 6740 was not included in the 2008 model
- lens 7320 was partly included in wireframe 7411 in the 2008 model
- lens 7340 was not included in the 2008 model
- lens 7420 was partly included in wireframe 6360 in the 2008 model
- lens 7720 was partly included in wireframe 6440 in the 2008 model
- lens 7740 was partly included in wireframe 7633 in the 2008 model
- lens 7820 was partly included in wireframe 6440 in the 2008 model
- lens 7920 was not included in the 2008 model
- lens 8520 was not included in the 2008 model

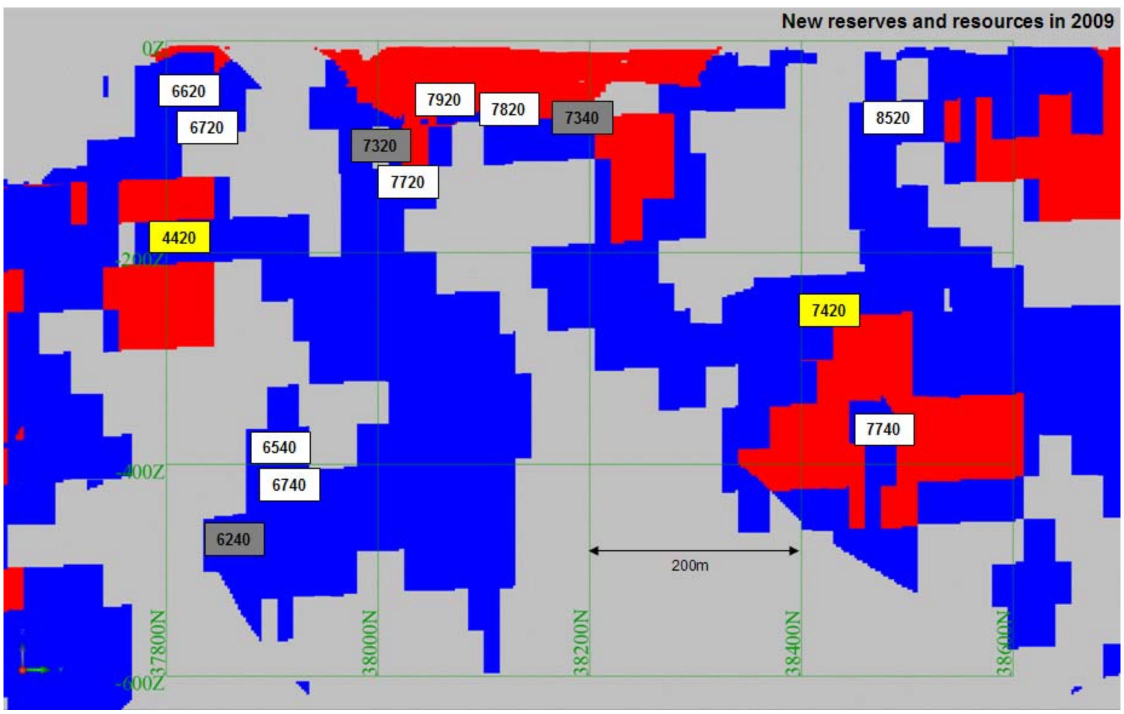

Figure 22 – Longitudinal view of the Roura-N Zone, looking west
Red = reserves; blue = resources; grey boxes = lens west of the main trend; yellow boxes = lens along the main trend; white boxes = lens east from the main trend

11.7 Rimpi-S (Rimminvuoma South) Zone

The Rimpi-S Zone (Figure 23) extends 1380 m northward from 38520N to 39900N. In 2008 the Rimpi-S existed between sections 38350N and 39200N. During 2009, additional drilling at the northern end of Rimpi-S enabled the combination of Rimpi-S and Rimpi-C zones into the new Rimpi-S zone.

The gold mineralization occurs in seven lenses (lenses 7420, 8520, 8620, 9220, 9320, 9420, 9520). The average thickness of the lenses is 4.3 m, ranging between 3 and 9 m.

These values indicate the thickness of individual lenses only. Some lenses merge together so that the combined thickness may easily exceed these values.

The Rimpi-S zone makes up 5.0% of the total probable reserves (203,100 oz of gold in 1.4 million tonnes grading 4.37 g/t), 8.8% of the total indicated resources (127,200 oz of gold in 1.8 million tonnes grading 2.14 g/t) and 8.7% of the inferred resources (51,200 oz of gold in 0.6 million tonnes grading 2.76 g/t).

The ore-lens coding used in the mineral resource estimates completed between 2008 and 2009 has changed due to a new interpretation (seven lenses in 2009 compared with one lens in 2008). These lenses do not exactly match each other, but generally the relationships between interpretations are:

- lens 7420 was partly included in wireframe 6360 in the 2008 model
- lens 8520 was not included in the 2008 model
- lens 8620 was not included in the 2008 model
- lens 9220 was not included in the 2008 model
- lens 9320 was not included in the 2008 model
- lens 9420 was not included in the 2008 model
- lens 9520 was not included in the 2008 model

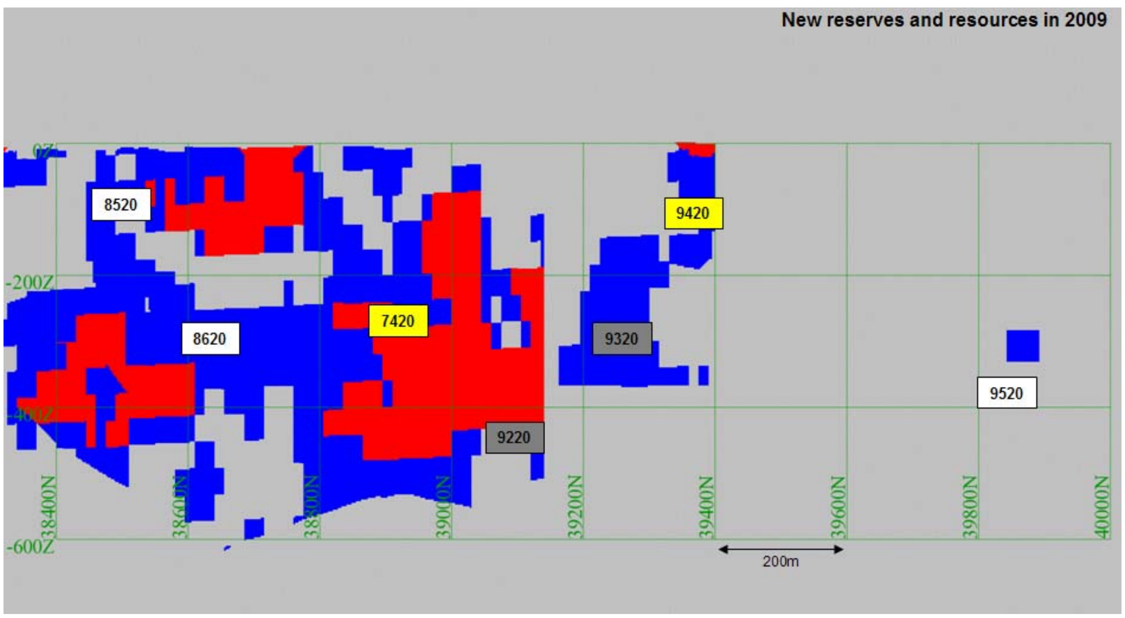

Figure 23 – Longitudinal view of the Rimpi-S Zone, looking west
Red = reserves; blue = resources; grey boxes = lens west of the main trend; yellow boxes = lens along the main trend; white boxes = lens east from the main trend

11.8 Rimpi- N (Rimminvuoma North) Zone

The Rimpi-N Zone is the northernmost auriferous zone currently known along the main Suurikuusikko Trend within the Kittila Mine licence, extending 450 m from sections 39900N to 40350N. There are still 100- to 200-m gaps between individual drill holes and mineralized parts that have not yet been connected to form mineral resource subzones. Additional exploration is planned for these areas.

Item 12. Exploration

Exploration on the Kittila Mine project has been carried out by three separate operators. The nature and extent of all relevant exploration work on the Suurikuusikko property, as presented below, were compiled from the Geological Survey of Finland ("GTK"), Riddarhyttan Resources and Agnico-Eagle Exploration Finland.

12.1 GTK

The initial exploration work in the Suurikuusikko property was conducted by GTK following the discovery of visible gold along a road cut in 1986 (refer also to Item 8, History). There are no records of prior exploration work. GTK's initial efforts involved drilling fences of percussion holes through the glacial cover to recover till samples and bedrock chips. This strategy involved drilling a series of vertical holes using a percussion drill, typically on 10-m centres across the targeted geophysical structure. The fences were spaced several hundred metres apart. When drilling yielded interesting geochemical results, the hole spacing was typically reduced to approximately 5 m, and infill fences were drilled on 50- to 100-m spacing. A total of 52 fences of percussion holes were drilled by GTK over a strike length of approximately 7 km.

GTK performed ground geophysical measurements (magnetic-electromagnetic, IP and VLF surveys) (Figure 24) from 1990 to 1998, and between 1987 and 1997 drilled 72 holes (9,030 m) in the Kuotko area. Most of the drilling was completed to a depth of approximately 100 m along approximately 2 km of the Suurikuusikko Trend (near the northern edge of the current property block, on sections spaced 40 to 80 m apart.

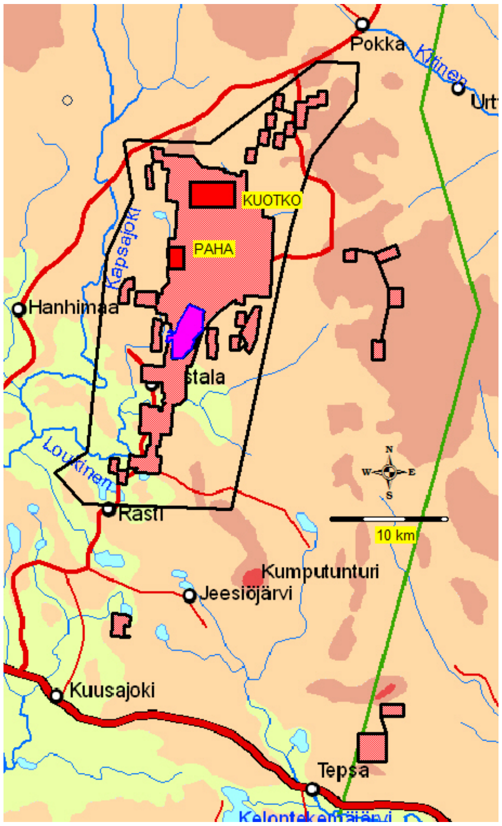

Figure 24 - Airborne geophysical surveys on the Kittila Mine project
Black outline = airborne survey area; red blocks = ground survey areas; pink block + Agnico-Eagle claims; green line + municipality border

12.2 Riddarhyttan

Following the acquisition of the Suurikuusikko project from the Finnish Government in 1998, Riddarhyttan deployed aggressive exploration programs designed to improve the delineation of the known gold zones and expand the mineral resource base. The exploration work included extensive diamond drilling, geological and geophysical studies and metallurgical test work, carried out on behalf of Riddarhyttan by the independent Swedish contracting firms Mirab AB ("Mirab") and GeoVista AB ("GeoVista").

Riddarhyttan conducted geophysical tests (magnetic-electromagnetic and IP surveys) on widely spaced lines in the vicinity of the Kittila Mine licence area. From 2000 to 2004, the company drilled 10 holes totalling 1,645 m in the same area.

Between 1998 and December 2005, Riddarhyttan completed over 460 diamond drill holes totalling more than 136 km. Geological and information obtained from this drilling was continuously integrated to improve the geological understanding of the nature of the gold mineralization and its distribution. Mineralogical, petrographic and structural studies were completed on drill core (with limited or no orientation information) to further the understanding of the geological and structural setting of the gold mineralization.

In conjunction with the drilling, ground geophysical surveys were carried out to improve the imaging of the Suurikuusikko Gold Zone host rocks and structural patterns on the property. Throughout this period, Riddarhyttan continued to investigate the metallurgical properties of the refractory gold mineralization in order to demonstrate its recoverability and assess suitable processing methods (Micon, 2001). As exploration results continued to yield encouraging results and the resource grew, Riddarhyttan initiated engineering and environmental studies to investigate other aspects and assess the feasibility of a mining project at the Kittila deposit (Micon, 2000, 2001).

12.3 Agnico-Eagle Finland

Since gaining control of the Suurikuusikko property in late 2005, Agnico-Eagle Finland drilled six main targets on the Suurikuusikko structure from 2006 to 2009 (233 drill holes totalling 56,127 m). The target areas outside the Kittila Mine licence area and drill collar locations are presented in Figure 26. The most advanced targets are Kuotko/Retu and Hako located north of the Mine Licence area. Geological and assay information obtained from this drilling was used to continually update the geological model. The diamond drilling was carried out by several contractors including Protek Norr AB from Sweden and Arctic Drilling, SMOY and KATI OY from Finland. Wireline core recovery systems were used, capable of drilling core holes between 40 and 66 mm diameter.

During the late summer of 2006, GTK carried out an airborne survey for Agnico-Eagle Finland in the region of the Suurikuusikko structure amounting to 9,911 line km (797 flight lines with a 50-m line spacing). The flight area covered the entire Suurikuusikko structure (Figure 24), with flight lines oriented east-west. The results of the survey are presented in the report “Aero geophysical survey in Suurikuusikko area” (Geological Survey of Finland, August 2008).

Agnico-Eagle Finland also participated in 2008 in a nation-wide deep seismic (vibroseismic) survey program carried out by GTK. Part of the program was designed specifically for Agnico-Eagle’s Suurikuusikko structure. Figure 25 shows the location of the surveyed lines. Results of the vibroseismic survey were reported at the end of 2008 (Kukkonen *et al*., 2010).

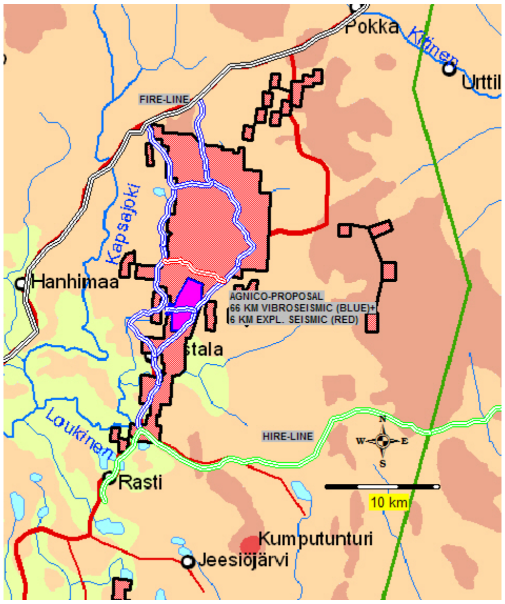

Figure 25 - Vibroseismic lines in the Kittila region
Blue and red = Agnico-Eagle lines; green = contractor line (GTK);grey = fire line. (year 2006/GTK)

Agnico-Eagle Finland completed deep IP surveys during the winter of 2007 on the Paha target. Figure 26 shows the areas where ground geophysics was conducted.

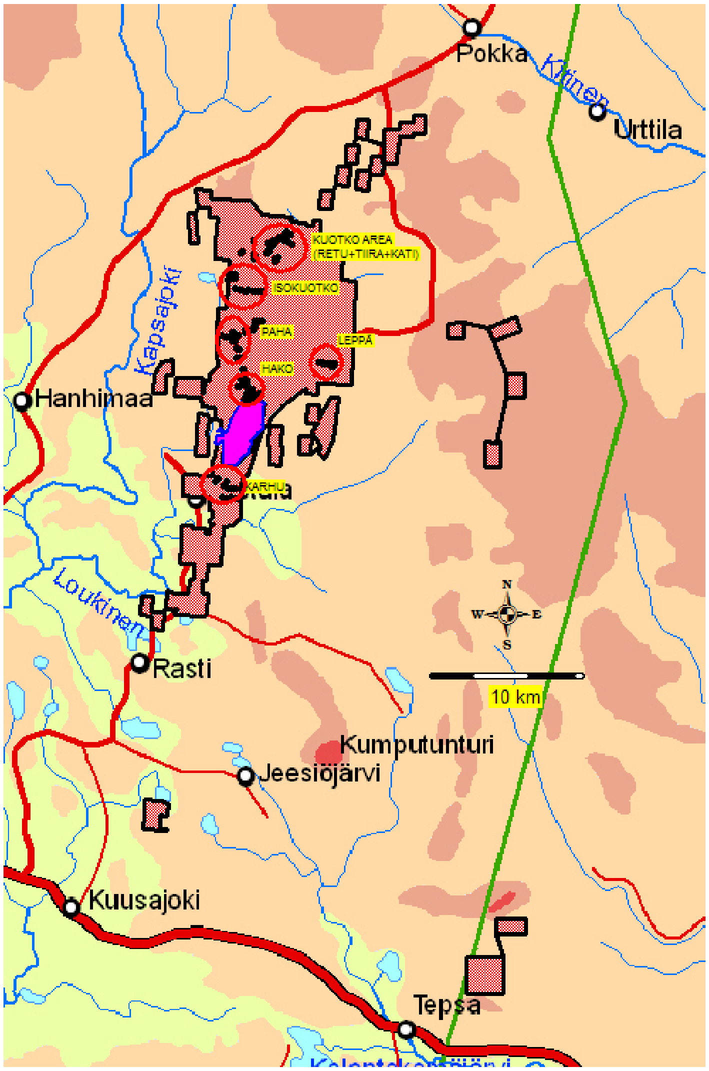

Figure 26 - Collar locations (black dots) and main targets shown by the red circles (Agnico-Eagle, 2006-2009)

Agnico-Eagle Finland also conducted percussion drilling, taking about 11,585 soil and moraine samples throughout the years 2006-2009 (Figure 27). About 40% are chip samples from bedrock and about 60% are basal till samples. The typical sample grid has a line spacing of 100 m and sample intervals averaging 20 m. All samples were analyzed by GTK/Labtium, which reported ppm or ppb Au, Te, Bi, Sb, As and base metals values. Figure 27 shows sample grid locations within the Suurikuusikko property area.

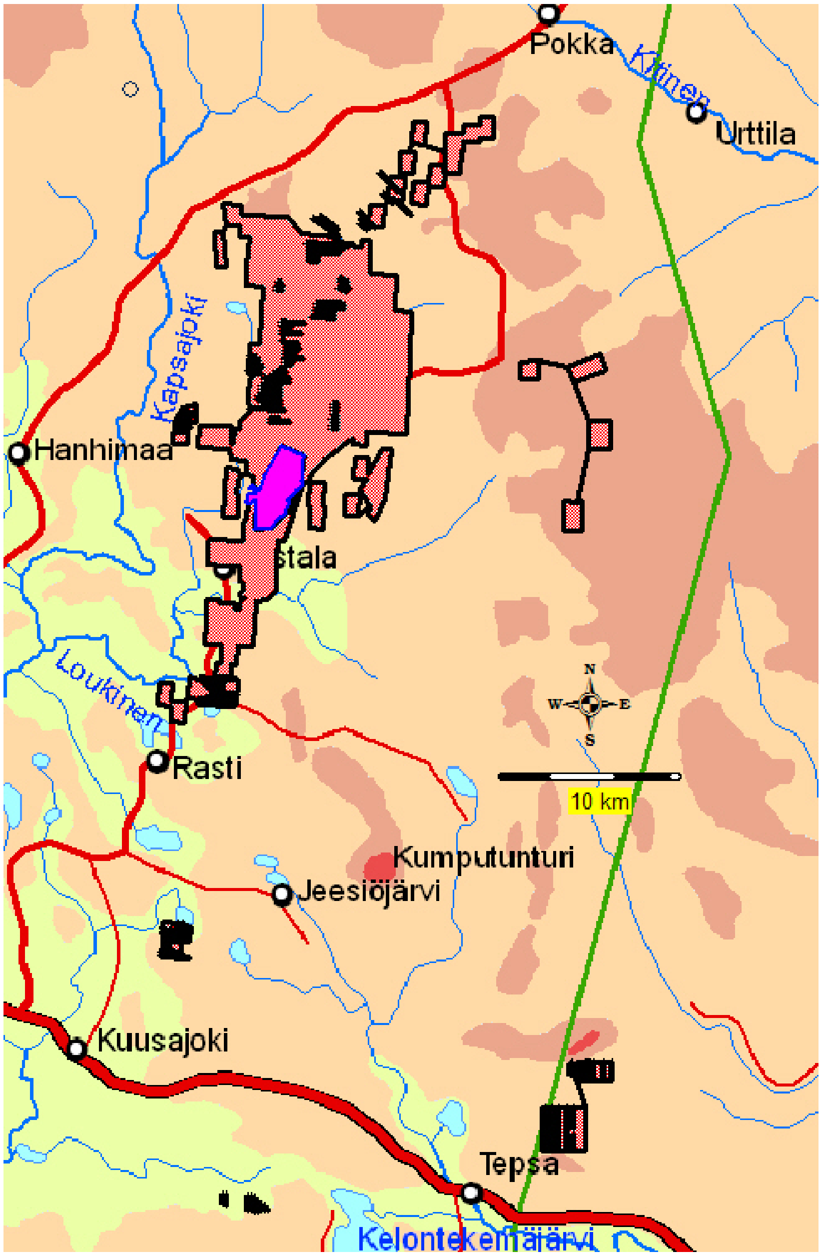

Figure 27 - Geochemical sampling points (shown in black) from percussion drilling in the Suurikuusikko region (Agnico-Eagle, 2006-2009)

Item 13. Drilling

Diamond drilling is the principal exploration tool used to test for gold mineralization in the Kittila Mining project area, as the bedrock is covered by a thin blanket of unconsolidated glacial sediments.

All coordinates used in this report are according to the Finnish KKJ Zone 2 National Coordinate System currently being used by Agnico-Eagle.

Local coordinates are calculated as:

- Mine-Northing = KKJ2 Northing - 7 500 000
- Mine-Easting = KKJ2 Easting - 2 500 000
- Mine-Elevation = KKJ2 Elevation - 220 (mine elevation below ground is negative)

Note that KKJ Zone 3 was used by Riddarhyttan and Agnico-Eagle in previous Technical Reports (*e.g.*, SRK Consulting, 2005; Agnico-Eagle Mines Limited and SRK Consulting, 2006).

13.1 Geological Survey of Finland ("GTK")

Between 1987 and 1997, GTK drilled 72 inclined diamond drill holes (R-407 to R-517) over the project area but principally at two locations, Suurikuusikko and Rouravaara as indicated in Table 11. In 1995, five reverse circulation boreholes were also drilled by GTK in the Etela area. The sampling results for these reverse circulation holes are not in the current Kittila Mining project borehole database.

Table 11 - Summary of diamond and reverse circulation drilling completed by GTK on the Kittila Mine project

Year	Area	No of holes	Hole_id	Hole Size (mm)	Length (m)
Core Diamond Drilling					
1987	Suurikuusikko	10	R407-410, R418-423	46	1,042.2
1989	Suurikuusikko	11	R424-434	46	972.1
1995	Suurikuusikko	10	R467-476	56	1,527.2
1996 (winter)	Suurikuusikko	21	R477-497	56	2,583.9
1996 (summer)	Suurikuusikko	10	R498-506 , R508	56	1,233.7
1996 (summer)	Rouravaara	2	R507,510	56	460.0
1997	Rouravaara	8	R509, R511-517	56	1,211.3
	total	72			9,030.4
Reverse Circulation Drilling					
1995	Suurikuusikko	5	R462-466	124	289.0

Diamond drilling was carried out by drilling contractors (SMOY OY) or by GTK itself using a conventional (non-wireline) core recovery system and T-56 drill bits that yield a core measuring approximately 42 mm in diameter. Due to the steep easterly dip of the zone, most boreholes were inclined at 40 to 65 degrees and were drilled on an azimuth of 270 degrees to attack the projected gold mineralization from the east.

The drilling strategy used by GTK was to drill the interpreted north-striking and steeply-east-dipping gold target using fences of inclined core boreholes drilled towards the west to intersect the interpreted plane hosting the gold mineralization as closely as possible to a normal (90-degree) angle. Drilling was conducted on east-west sections spaced from 40 to 200 m apart, with one to three boreholes per section. In the main part of the deposit, drilling was conducted on sections spaced at 40 m apart, generally with two holes per section. With this pattern, the main parts of the deposit were delineated to a depth of approximately 80 to 100 m.

The collar positions of all boreholes drilled by GTK were surveyed, after Riddarhyttan acquired the project, using an optical surveying instrument by GTK surveyors. Most casings were left in place. The azimuth and plunge of the collar were determined for each hole during drilling.

Borehole trajectory was monitored for plunge deviation only during drilling using an electronic clinometer, with readings taken roughly every 10 m below the collar with the exception of a few holes for which only a few measurements are available. None of the boreholes drilled by GTK were surveyed for lateral azimuth deviation. With the exception of a few boreholes, most boreholes drilled by GTK were relatively short in length (between 100 and 150 m). The risks introduced by uncertainties in the trace position of the GTK boreholes were considered to be relatively minor by SRK who reviewed the Kittila mineral resource in 2005 (SRK Consulting, 2005).

The results of the GTK drill holes have been incorporated into the Kittila deposit mineral resource model.

13.2 Riddarhyttan

Between 1999 and December 2005, Riddarhyttan drilled a total of 462 surface diamond drill holes (136,280 m) on the Kittila deposit essentially following the same drilling pattern used by GTK on 40-m section spacing.

Diamond drilling was carried out by several drilling contractors including Drillcon Core AB, Dala Prospeketering and Protelk Norr AB from Sweden, and SMOY Drilling OY and Katy Drilling OY from Finland. Wireline core recovery systems were used, capable of drilling core holes between 40 and 56 mm in diameter.

The drilling strategy was to infill the widely spaced sections and drill down-plunge from previous drilling to depths ranging from 50 to 700 m below surface. The drilling pattern however is very irregular throughout the gold deposits. The main gold deposits (Central, Western and Eastern Suuri zones) were drilled to a depth of 500 to 700 m, with hole spacing increasing with depth. Measured on a longitudinal vertical section, drill hole spacing was roughly on 40- to 60-m centres down to a depth of approximately 200 m, on 60- to 80-m centres from 200 to 400 m depth, and on 100- to 120-m centres to a depth of approximately 700 m.

The Central Rouravaara Zone was tested with a drill-hole spacing roughly 60 by 80 m to a depth of 500 m. The smaller gold zones were been tested to depths of 280 m at Ketola, 100 m at Etela, and from 150 to 200 m for the North Rouravaara Gold Zone. The drill-hole spacing was typically on 40-m centres near surface, increasing to a spacing of 100 to 150 m at depth.

The Riddarhyttan drilling strategy for investigating the depth extensions of the gold deposits was to drill down-plunge from previous drilling, as suggested by the rake of grade thickness contour plots on vertical longitudinal sections. This strategy proved to be very successful.

In the field, the location of each borehole collar was positioned using the easting coordinate of the drill section relative to a cut and surveyed baseline or a nearby surveyed borehole collar. Pickets were used to mark the collar position and to provide a reference line for orienting the drill along the desired azimuth.

Upon completion of drilling, aluminum caps were placed on the casings and properly identified with borehole numbers. Each borehole was surveyed using both GPS and Total Station Electronic Distance Measurement ("EDM") devices. A surveyor was also contracted to survey all boreholes. Boreholes drilled in 2000 were also surveyed by GeoBotania as part of a topographical survey using GPS and tachymeter units. Each borehole at that time was assigned a planned azimuth and plunge. The true collar azimuth and plunge of each hole were not verified or measured during drilling.

During November 2005, all available borehole collars were resurveyed for azimuth and collar location by Heikki Forss, surveyor for GTK. Forty-eight borehole collars were not found. They are either located in the area of the test pit work or in a nearby farm field. Most of them, however, are short holes, and the uncertainty in hole location due to downhole deviation is not considered material (SRK Consulting, 2005).

Boreholes drilled by Riddarhyttan were monitored for plunge deviation using an electronic clinometer, with readings generally taken at 10-m intervals below the casing. Downhole azimuth deviation was surveyed in a total of 214 boreholes using a Reflex Maxibor optical device insensitive to the magnetic susceptibility of the host rocks. Maxibor readings were conducted at 3-m intervals from the borehole collar. Maxibor data suggest that borehole lateral deviation is not consistent. Lateral deviation to the left and to the right of the planned azimuth was recorded at a rate of up to approximately one degree per 100 m.

Two-hundred and forty-eight boreholes have no down-hole azimuth deviation data, and therefore their traces are assumed to be straight in the planes of the sections drilled. Approximately 53% of those boreholes (132 boreholes) are 150 m in length or less. The lengths of another 116 unsurveyed boreholes vary between 150 and 300 m.

Where measured, borehole lateral and dip deviations were often found to be significant. Accordingly, the absence of deviation data for a large percentage of the boreholes drilled by Riddarhyttan at Suurikuusikko introduces some uncertainty as to the true position of each borehole trace. However, given the relatively tight drilling pattern within the core of the gold mineralization (generally 40- to 60-m centres) and the systematic west sighting of the boreholes, the resulting uncertainty in the relative assay sample position introduced by the lack of deviation data is considered immaterial (SRK Consulting, 2005).

The results of the Riddarhyttan drill holes have been incorporated into the Kittila deposit mineral resource model.

13.3 Agnico-Eagle Drilling

The total amount of drilling that has been done in the Kittila Mine area to the end of 2009 is 1,478 boreholes totalling 418,449 m (Table 12). During 2009, 336 new boreholes totalling 105,886 m were drilled at the Kittila Mine site. Most of the drilling (111 holes, 56,672 m) targeted exploration inside the Kittila Mine area. Other drilling projects were resource to reserve conversion drilling (109 holes, 32,072 m) and underground definition drilling (116 holes, 17,138 m) (Table 13).

Table 12 - Diamond drilling at Kittila Mine through 2009 by location

Area	**All drillholes**		**Drilling in 2009**	
	num	**m**	**num**	**m**
Ketola	69	17 388	18	8 141
Etelä	59	15 138	8	4 201
Suuri	763	225 466	183	56 880
Roura	406	116 368	85	21 220
Rimpi	110	32 131	40	13 736
Seuru	2	1 709	2	1 709
Technichal	69	10 249		
Total	**1 478**	**418 449**	**336**	**105 886**

Table 13 - Diamond drilling at Kittila Mine in 2009 by project

Drilling categories	**Drilling in 2009**	
	num	**m**
Definition	116	17 138
Conversion	109	32 072
Exploration	111	56 672
Total	**336**	**105 886**

Diamond drilling in 2009 was carried out by several drilling contractors including Protek Norr AB and North Scandinavia Drilling AB from Sweden, and Arctic Drilling, SMOY, NTKOY and KATI OY from Finland. Wireline core recovery systems were used, capable of drilling core holes between 40 and 76 mm in diameter.

In the field, the location of each surface borehole collar was positioned by a surveyor using both a GPS and a tachymeter. Pickets were used to mark the collar position and to provide a reference line for orienting the drill along the desired azimuth. Each borehole was assigned a planned azimuth and plunge. The true collar azimuth and plunge of each hole were not verified nor measured during drilling.

Upon completion of drilling, caps are placed on the casings and properly identified with borehole numbers. Each borehole collar location is surveyed using both a GPS and a tachymeter. The surveyor also checks the drill collar azimuth and plunge from the casing using a tachymeter.

Of the 336 new boreholes drilled in 2009, down-hole azimuth and plunge deviations were surveyed using Maxibor (one hole), Deviflex (24 holes) or Gyrosmart (270 holes) devices. Of the 41 short holes, only the dip was measured.

The results of the 2009 Agnico-Eagle Finland drill holes have been incorporated into the Kittila deposit mineral resource model.

Item 14. Sampling Method and Approach

The Kittila Mine project mineral resource database contains drill core sample results from exploration programs completed by the Geological Survey of Finland (GTK), Riddarhyttan and Agnico-Eagle. This item describes the sampling method and approach for each of the groups

The sampling methodology used by GTK during the period 1987 to 1998 is according to industry standards. Assay samples from core recovered by drilling were taken from half core sawed lengthwise with a diamond saw. The remaining half cores were replaced in core boxes for archiving at the government core archiving facility located in Loppi, Finland. Core from only two boreholes completed by GTK was retrieved by Riddarhyttan and is now archived in Kittila.

Sampling intervals were determined by an appropriately qualified GTK geologist based on visual indications of alteration and mineralization. Accordingly, sample lengths depended on the geology. In general, assay samples collected by GTK were between 0.1 and 4.4 m in length, averaging 1.09 m (Figure 28). From the 77 boreholes drilled by GTK on the Kittila deposit, a total of 4,442 assay samples were collected.

When Riddarhyttan took over the project in 1998, the sampling procedures used by GTK were maintained. Continuity of field and sampling procedures were ensured by the fact that Vesa Kortelainen (now senior geologist in Agnico-Eagle exploration) has remained on the project. Assay samples were collected from half core sawed lengthwise with a diamond saw. Sampling intervals were determined by appropriately qualified geologists from MIRAB, the independent consulting company that had been contracted by Riddarhyttan.

The database examined by SRK in November 2005 contained records for a total of 419 core holes from which 22,384 assay samples were collected (SRK Consulting, 2005). The mean sample length recorded is 0.99 m (Figure 28).

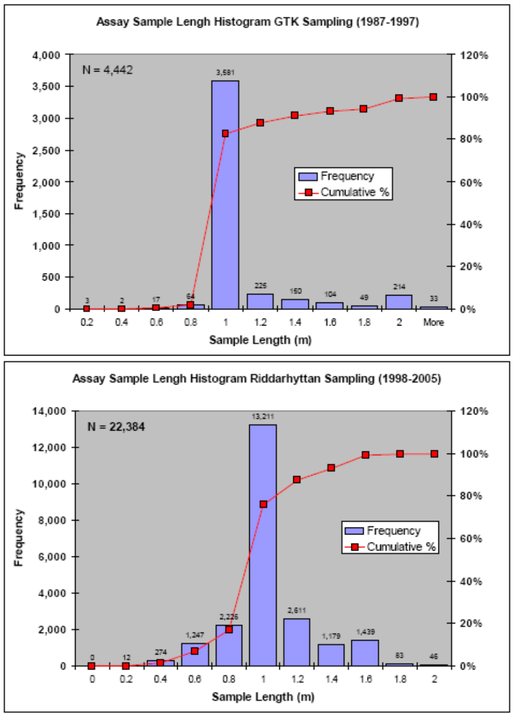

Figure 28 - Histograms of assay sample lengths.
Top: Core samples collected by GTK; Bottom: Core samples collected by Riddarhyttan.

The sampling, sample preparation and assay methodology used by Agnico-Eagle since 2006 is similar to what had been used in Suurikuusikko by GTK and Riddarhyttan. In general, most assay samples have been collected from half core sawed lengthwise with a diamond saw. In the open pit and underground definition drilling areas, where drill-hole spacing is 20 to 40 m, some drill-hole samples have not been cut, and whole core has been selected for assay samples.

Of the 336 drill holes drilled between January and December 2009, 11,206 samples were assayed from 131 drill holes, with an average sample length of 0.99 m.

Sampling procedures have therefore remained almost constant since the start of the project (Figure 29). Sample quality also appears to have been very good since the start of the Kittila Mine project; core sample recovery from drilling is generally excellent. There is no known sampling or recovery factors from drilling that could materially impact the accuracy and reliability of the results.

Whole core sampling or (more commonly at Kittila) half-core sub-sampling (using core-saw techniques) ensures that unbiased samples are sent to the assaying labs. Because care is taken to obtain representative half-core sub-samples, no systematic sample bias is possible; the results from the SRK study presented in Item 16.2 confirm this. The core samples are considered to be representative of the mineralization at Kittila, and no known sample bias exists.

The Qualified Person, Daniel Doucet, has conducted a review and appraisal of the information and judges that the sampling protocols used by GTK at the beginning of the Kittila project and followed by Agnico-Eagle Mines since 2005 are well-defined and are according to industry standards. He states that the samples used for the mineral resources and reserves estimates are produced using industry-standard procedures and are of good quality. There are no significant flaws that could impact the final results of the 2009 mineral resources and reserves estimate.

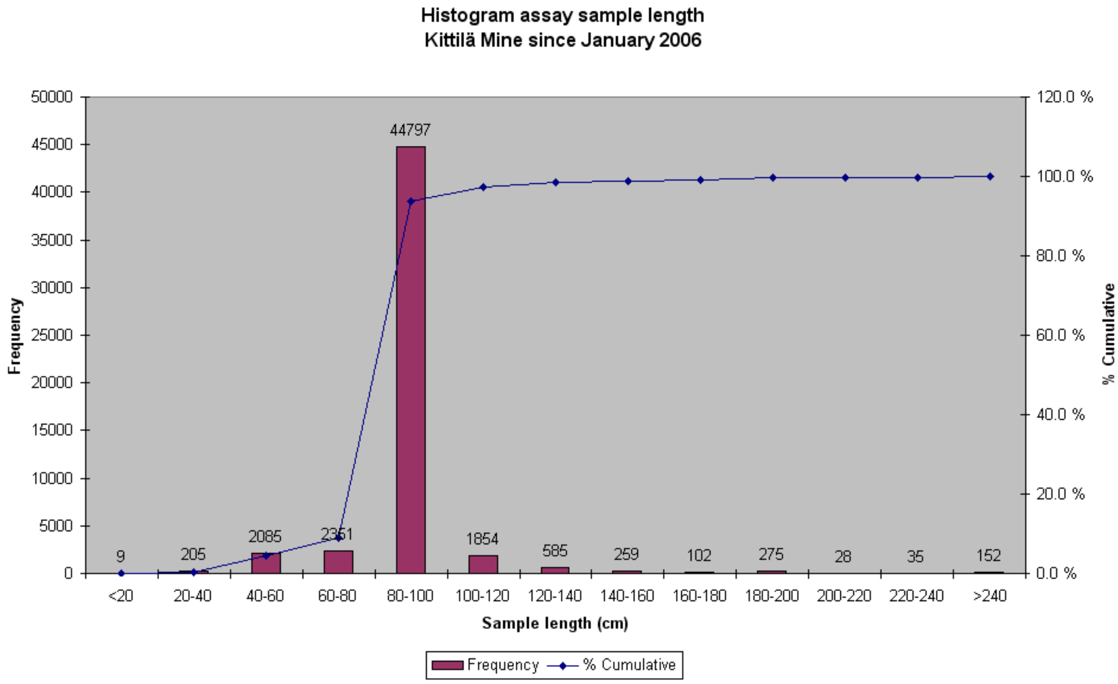

Figure 29- Histogram of assay sample lengths from Kittila Mine since January 2006

Item 15. Sample Preparation, Analyses and Security

15.1 Sample Preparation

All core assay samples collected by GTK and Riddarhyttan were submitted to the Labtium Oy Geolaboratory facilities (before September 1, 2007, Labtium Oy was called “Geological Survey of Finland Geolaboratory”) located in nearby Rovaniemi and in Sodankyla for preparation and assaying.

The Labtium Geolaboratory is accredited according to the SFS-EN ISO/IEC 17025 standard to perform chemical analyses of geological and environmental samples. The accreditation was awarded by the Centre for Metrology and Accreditation (FINAS) in November 1994, by evaluating the performance of the laboratory and finding it to comply with the requirements. The accreditation was renewed in 1998 and awarded according to the ISO/IEC 17025 standard in 2001. The accreditation code of the laboratory is T025. The quality system of the laboratory also complies with the requirements of the Standards Council of Canada’s (CAN-P-1579) “Guidelines for Accreditation of Mineral Analysis Testing Laboratories”. The laboratory participates in annual independent, international proficiency tests in the mineral sector run by companies such as Geostats Pty Ltd, Australia and the GeoPT sponsored by the International Association of Geoanalysts.

Preparation procedures and assaying techniques used by Labtium to assay Suurikuusikko samples are covered by this accreditation.

The lab sample preparation and assaying methodology currently being used by Agnico-Eagle is mostly similar to what has been used by GTK, Riddarhyttan and Agnico-Eagle previously on the Suurikuusikko property (and the Kittila Mine). The most important difference is that during 2007, the pulverizing procedure was changed from total pulverizing (the entire sample was pulverized previously) to pulverizing a sub-sample. The correlation between the two methods was confirmed by internal Company test work and study, and the procedure was adopted in 2007.

During 2006-2008, sample preparation and analysis was done by GTK/Labtium Oy laboratories in Finland. In 2009 most of the sample preparation and analysis was done by ALS Minerals laboratories in Finland and Romania.

15.1.1 GTK / Labtium Oy

The sample preparation procedure used by GTK/Labtium Oy 2006-2009 is described below.

Upon being received, samples are stored in a locked temporary storage area at Labtium's facilities. Samples are dried in an oven heated at 70 degrees Celsius. The whole sample is crushed in a jaw crusher with manganese steel jaws to <2.0 mm. The jaw crusher is cleaned with compressed air between samples.

The previous pulverizing method included pulverizing the whole sample (90% <100 microns) in a hardened steel bowl (up to 3 to 4 kg). The pulverizer was cleaned with barren quartz sand between each sample.

During 2007, the pulverizing method was changed to first splitting the crushed material with a riffle splitter to a 100- to 150-g sub-sample. This sub-sample is then pulverized in a hardened steel bowl. The pulverizer is cleaned with barren quartz sand between each sample.

A 50-g sub-sample is collected for fire assaying and 5- or 20-g sub-samples are selected for acid digestion assaying, depending on the instructions from the geologist. Another sub-sample is then collected in a pre-labelled plastic capsule and archived for further testing. The remaining pulverized sample is placed in a pre-numbered plastic bag and stored for archiving.

Pulverized sub-samples are organized in batches of 15 samples and one sample blank (barren quartzite), plus one in-house standard and one pulp replicate that are inserted into prepared trays of 18 samples for assaying. In addition, one certified reference material sample is inserted at a rate of approximately one sample per batch of 50 samples.

15.1.2 ALS Minerals

The sample preparation procedure used by ALS Minerals in 2009 is described below.

Upon being received, samples are stored in a locked temporary storage area at ALS Minerals' facilities in Outokumpu, Finland. The whole sample is crushed in a jaw crusher with manganese steel jaws to >70% passing <2.0 mm. The jaw crusher is cleaned with compressed air between samples.

Crushed material is split with a riffle splitter to a 250-g sub-sample. This sub-sample is then pulverized in a hardened steel bowl to >85% passing 75um. The pulverizer is cleaned with barren quartz sand between each sample.

A 100-g sub-sample is collected, labelled, packed and transported by courier to ALS Minerals' assay laboratory in Rosia Montana, Romania.

15.1.3 Quality of Sample Preparation

Based on the information provided above, the Qualified Person, Daniel Doucet, judges that the sample preparation procedures used by GTK, Riddarhyttan and Agnico-Eagle are well-defined and are according to industry standards. He states that the samples used for the mineral resource and reserve estimates are produced using industry-standard procedures and are of good quality. There are no significant flaws that may impact the final results of the 2009 resources and reserves estimate.

15.2 Assaying

During 2006-2008, drill-core samples collected by Agnico-Eagle were all assayed for gold at the Labtium Geolaboratory by fire assay on 25- or 15-g sub-samples (Labtium method code 704A or 703P, respectively) with an ICP-AES finish.

Pulp splits for all core assay samples collected by Agnico-Eagle were stored in plastic capsules organized by assaying batch and archived at Agnico-Eagle's Kittila office in nearby Pakatti. These pulps remain available for further testing.

In 2009, most of the drill-core samples collected by Agnico-Eagle were all assayed for gold at the ALS Minerals assay laboratory in Rosia Montana, Romania, by fire assay on 30-g sub-samples (ALS Minerals method code Au-AA25) with an AAS finish.

Pulp splits for all core assay samples collected by Agnico-Eagle were stored in paper bags organized by assaying batch and archived at Agnico-Eagle's Kittila office in nearby Pakatti. These pulps remain available for further testing.

Assay quality control procedure used by Agnico-Eagle in 2009 involved inserting one quality control sample per 10 samples. These quality control samples included:

- a commercial pulverized standard sample
- an in-house blank sample made out of barren mafic volcanic rock drill core
- duplicate pulverized samples made by ALS Minerals based on Agnico-Eagle's instructions

Each quarter of the year, about 5-6% of the pulps received were divided into three classes depending on the gold grade (<2 ppm, 2-5 ppm and >5 ppm), and the samples were sent to a secondary laboratory (mostly Labtium Oy, methods as described above) for replicate analysis. Correlation between the laboratories was excellent (0.99). All results of the quality-control samples were monitored and reported per quarter. There were no major problems.

15.3 Specific Gravity

Specific gravity data available for the Kittila Mine was derived from three sources: GTK, Riddarhyttan and Exploration Associates. No new specific gravity measurements have been made since 2006.

A total of 250 determinations were made by GTK using drill-core samples from two boreholes (R-473 and R-485). Specific gravity was measured approximately every metre down the hole on core samples. Although determination procedures were not documented, the data provided by GTK suggest that specific gravity was measured using a volumetric method by weighing the sample in air and measuring the sample volume. Density was calculated by dividing the weight by the volume. Samples weighed between 49 and 472 g, corresponding to core pieces that measured between roughly 10 and 20 mm in length.

In January 2000, Riddarhyttan collected specific gravity determinations from 119 core samples from six boreholes drilled in 1998 and 1999 (SUDH-98003, SUDH -98008, SUDH-99002, SUDH-99007, SUDH-99014 and SUDH-99018) and from 10 auriferous grab samples derived from the bulk sample test pit on the Suuri zone (see Item 8, History). On drill core, specific gravity determinations were collected down each hole on irregular intervals ranging between 5 and 25 m and averaging approximately 10 m. Specific gravity data obtained by Riddarhyttan were collected by Mirab Consultants' technical staff at the Kittila core-logging and sampling facility. Specific gravity was measured by the water immersion method. Core samples measuring approximately 10 cm in length (approximately one-third of the samples were half core) were weighed in air and immerged in water using a Mettler 3000 electronic scale (precise to 0.1 g). The dry weights of the core samples varied between 150 and 750 g. The dry weights of grab samples from the test pit varied between 370 and 1,160 g.

A further 55 bulk density determinations were obtained by the Exploration Associates testing laboratory in Newcastle, UK, on core samples from geotechnical core boreholes drilled during 2000 (SUDH-20405, SUDH-20407, OP3-OP6). Measurements were collected down each hole on unsplit core pieces approximately 12 cm in length and collected at irregular down-hole intervals ranging from 5 to 30 m. Bulk densities were obtained using a volumetric method involving dry sample weight and measuring core volume. According to Riddarhyttan this information was not digital.

The specific gravity database for the Kittila Mine project includes a total of 434 determinations principally from core samples representing all rock, alteration and gold mineralization types recognized. Mean specific gravity data for various rock and mineralization types were analyzed by Micon in 2001 as reproduced below in Table 14 (Micon, 2001).

Table 14 - Mean specific gravity data by various rock and mineralization types from the Kittila Mine

Rock Type	S.G.	Rock Type	S.G.	Rock Type	S.G.
Albite tuff	2.90	Graphitic tuff	2.89	Talc schist	2.80
Gold-bearing albite tuff	2.93	Gold-bearing graphitic tuff	2.95	Gold-bearing mafic tuff	2.87
Albite	2.81	Mafic lava	2.92	Mafic tuff	2.85
Gold-bearing albite	2.81	Gold mineralization	2.90	M Mafic tuff breccia	2.89
Calcareous tuff	2.82	Graphitic schist	2.93		

Source: Micon International Limited, 2001

Item 16. Data Verification

Historic data that has been used in the Kittila Mine mineral resource model has been verified in three periods: Riddarhyttan verified the pre-1998 exploration information provided by GTK; beginning in mid-2005, Qualified Persons (according to the NI 43-101 definition) from Agnico-Eagle and SRK (SRK Consulting, 2005; Agnico-Eagle Mines Limited and SRK Consulting, 2006) verified exploration information from both GTK and Riddarhyttan; and finally, since 2005, Agnico-Eagle has verified all of the exploration information it has collected prior to inserting it into the Kittila mineral resource model.

Based on the information provided in Items 16.1, 16.2 and 16.3, the Qualified Person, Daniel Doucet, judges that the data verification procedure is adequate to conduct a judgement on the quality and the integrity of the database. There are no significant flaws that may impact the final results of the 2009 mineral resource and reserve estimate.

16.1 Verifications by Riddarhyttan

Following the acquisition of the Suurikuusikko project, Riddarhyttan retrieved project data from GTK and initiated routine verifications of all exploration data. (See Item 13 for the verifications of the borehole locations and down-hole orientations.) Historical core samples initially assayed by acid digestion by GTK were re-assayed using a more conventional fire assay procedure.

In 2000, after three seasons of core drilling, Micon (the independent consulting engineers working for Riddarhyttan) submitted a suite of 273 pulp samples to OMAC Laboratories Limited in Ireland (ISO 9002 registered) for check-assaying. Pulps were selected from a total of 108 boreholes that had been drilled by GTK (26 holes) and Riddarhyttan (12 holes drilled in 1998, 36 holes drilled in 1999, and 34 holes drilled in 2000). The suite of pulp samples represented all grade classes and was selected to approximate the frequency distribution of the gold assay data (Micon, 2001; SRK Consulting, 2005; Agnico-Eagle Mines Limited and SRK Consulting, 2006).

At OMAC, pulp samples were assayed for gold by fire assay on a 30-g charge (OMAC method code Au4) and for a suite of 47 elements by aqua regia digestion followed by inductively coupled plasma atomic emission spectrometry (OMAC method code ICP-

AR/ES). No quality control samples were included with the pulps submitted for assaying, but OMAC did insert its own control samples with each batch of samples.

Check assay data were visually inspected by Riddarhyttan for consistency, and Micon analyzed the check data in their 2001 mineral resource estimation report. Summary statistics comparing check-assay results with original GTK assays are presented in Table 15 as reported by Micon (2001; SRK Consulting, 2005; Agnico-Eagle Mines Limited and SRK Consulting, 2006).

Micon reported that the check-assay data generally indicated that original GTK assay data for gold, silver, iron and sulphur were reliable, while noting that check assay data for arsenic, copper, antimony and zinc exhibited a higher degree of variability, which could be attributed to the extreme range of concentration of these elements in the gold mineralization, or to difficulties in the digestion of antimony and zinc minerals.

Table 15 - Summary statistics for check-assay data collected by Micon

	OMAC	GTK	Error	%Error	OMAC	GTK	Error	%Error
	Au gpt	**Au gpt**	**Au gpt**	**(O-G)/G**	**As %**	**As %**	**As %**	**(O-G)/G**
Number	266	266	266	266	241	241	241	241
Mean	7.21	7.12	0.1	0%	1.33	1.23	0.1	7%
Minimum	0.03	0.1	-5.88	-70%	0.01	0.02	-0.09	-24%
Maximum	43.2	44.1	3.78	40%	5.22	4.96	0.73	24%
	Fe %	**Fe %**	**Fe %**	**(O-G)/G**	**S %**	**S %**	**S %**	**(O-G)/G**
Number	197	197	197	197	240	240	240	240
Mean	8.62	8.48	0.14	3%	3.97	4.02	-0.05	0%
Minimum	4.76	4.43	-2.89	-17%	0.12	0.12	-1	-17%
Maximum	25.49	25.8	1.39	20%	24.02	24.2	0.55	16%
	Ag gpt	**Ag gpt**	**Ag gpt**	**(O-G)/G**	**Cu %**	**Cu %**	**Cu %**	**(O-G)/G**
Number	135	135	135	135	226	226	226	226
Mean	3.3	3.2	0	2%	89	87	2	4%
Minimum	0.3	1	-5.9	-79%	7	4	-18	-9%
Maximum	33.3	33	2	105%	453	471	30	75%
	Sb ppm	**Sb ppm**	**Sb ppm**	**(O-G)/G**	**Zn %**	**Zn %**	**Zn %**	**(O-G)/G**
Number	224	224	224	224	200	200	200	200
Mean	492	487	6	-19%	119	102	17	46%
Minimum	6	20	-307	-71%	19	10	-12	-5%
Maximum	31,000	28,600	2,400	26%	3083	2920	163	181%

* Source: Micon International Ltd. Interim Report 2 Scoping Study, May 2001.

To examine the check-assay data for gold, SRK generated a ranked plot showing the absolute relative deviation between original GTK assays and check assays at the OMAC laboratory. Figure 30 presents a ranked absolute relative deviation plot for 272 pairs of gold assays (one pair was omitted because gold was not determined). Gold check-assay results are also presented as a conventional bias chart for comparison. These charts show very good reproducibility of gold assays from the same pulp. The relative precision measured as an absolute relative deviation suggests that 90% of the data had an accuracy of better than 8%. SRK did not review the check-assay data further.

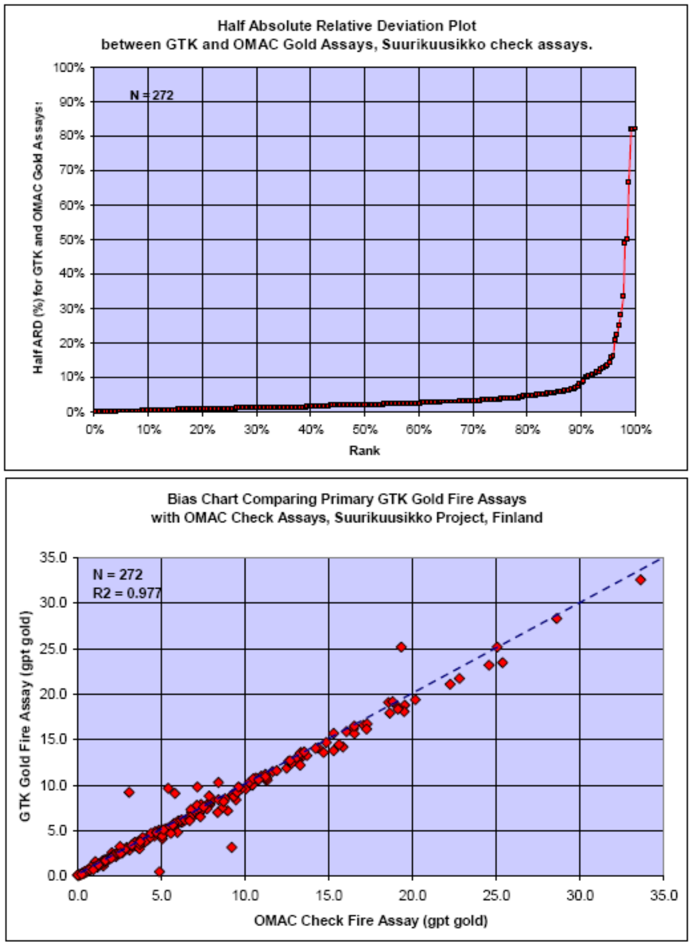

Figure 30 - Comparison of primary GTK gold fire assays with OMAC check assays, Kittila Mine
Top = Ranked half absolute relative deviation plot. Bottom = Bias chart. (from SRK Consulting, 2005)

16.2 Verifications by Agnico-Eagle and SRK

There were two periods of verification of the Kittila exploration information by Agnico-Eagle prior to its acquisition of Riddarhyttan in late 2005, namely in 2002 and in 2005.

During the fourth quarter of 2002, when Agnico-Eagle first invested in Riddarhyttan, it also completed an audit of the Suurikuusikko project. The verifications included independent verifications of the drill information including check-assaying selected core intervals, sampling selected intervals of archived drill core, geological investigations to ascertain the controls on the distribution of the gold mineralization, and drilling two independent core holes.

The verification program was completed for Agnico-Eagle under the direct supervision of Mr. Bill Fleshman, an appropriately qualified geologist from Reno, USA (SRK Consulting, 2005; Agnico-Eagle Mines Limited and SRK Consulting, 2006).

Agnico-Eagle selected two areas of near-surface gold mineralization for independent testing. Two boreholes (AE-1 and AE-2) were drilled on section 6305N and 6705N. The boreholes were subsequently relabelled SUBH-02058 and SUBH-02059 and incorporated in the overall project database. Borehole AE-1 tested the central portion of the main Suurikuusikko Gold Zone (Figure 31) between two existing boreholes SUBH-98006 and SUBH-00730. Borehole AE-2 attempted to duplicate the intersection obtained by borehole SUBH-00406 in the Main Zone area (Figure 31).

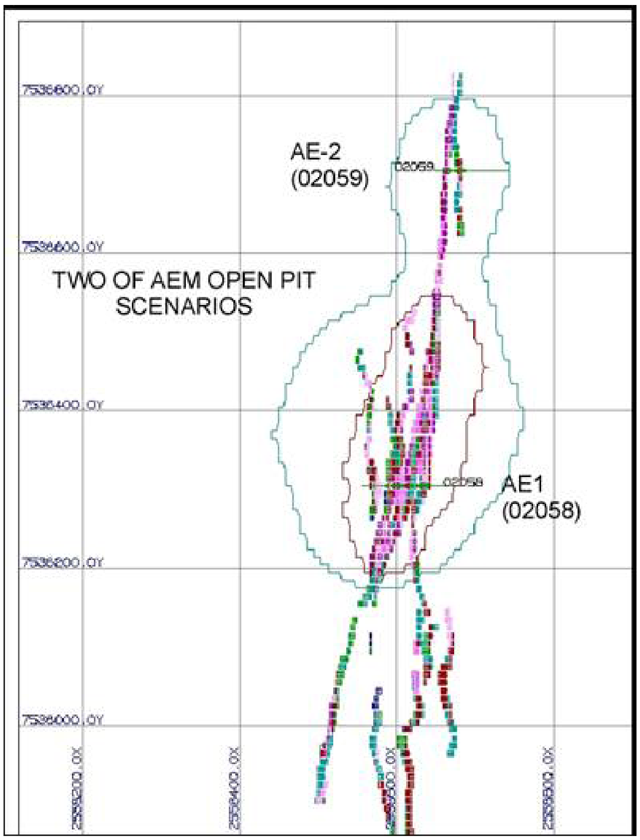

Figure 31 - Location of the two verification boreholes drilled by Agnico-Eagle in 2002

Drilling was performed by SMOY of Finland under the supervision of Mr. Fleshman. Down-hole deviation with a Maxibor instrument and core-handling were also conducted under the strict surveillance of Mr. Fleshman. Core samples were collected as half core sawed lengthwise with a diamond saw. A total of 146 assay samples were collected in the two boreholes. They were submitted to the accredited GTK laboratory (accreditation code: SFS-EN ISO/IEC 17025) along with two certified reference material samples (Rocklabs S2 and S5). Core samples were prepared and assayed for gold only using the same procedures used by Riddarhyttan at this laboratory. Gold was determined by a conventional fire assay procedure on 25-g charges with flame atomic absorption spectrometry finish (GTK method code 704A).

Subsequently, pulps (including control samples) prepared by GTK were also submitted to the ISO-accredited ALS-Chemex Laboratory in Vancouver, Canada, for check-assaying along with the core samples. Gold was assayed using a fire assay procedure and an atomic absorption finish on 25-g charges.

In addition to the verification drilling, Mr. Fleshman selected a suite of 31 previous assay intervals from archived drill core for sub-sampling. Sub-samples were collected by cutting the remaining half core in half and carefully duplicating the original sampling interval. Assay samples were renumbered and submitted to the GTK laboratory for preparation and assaying using the same procedures described for the core samples. Sub-sample pulps retrieved from the GTK laboratory were also submitted to the ALS-Chemex Laboratory for check-assaying.

A comparison of assay results between GTK and ALS-Chemex is presented in Figure 32. Except for two outliers, assay results between both laboratories compare very well. The GTK laboratory does not exhibit any obvious bias. The two verification boreholes reached their targets and intersected the gold mineralization as expected. Borehole AE-1 intersected two gold zones. The first intersection yielded 3.6 g/t gold over 33 m of core length. The second intercept yielded 4.7 g/t gold over 5.3 m (Figure 33). This intersection is somewhat shorter than the intersections in adjacent holes, but length-weighted grades are comparable.

Borehole AE-2 intersected three gold zones. The first two auriferous zones yielded higher grades compared with similar length zones in borehole SUDH-00406. The third intercept returned an average grade of 8.3 g/t gold over 12.5 m core length. This compares very well with the average grade of 8.76 g/t gold over 13.5 m core section that was intersected in borehole SUDH-00406 (Figure 33).

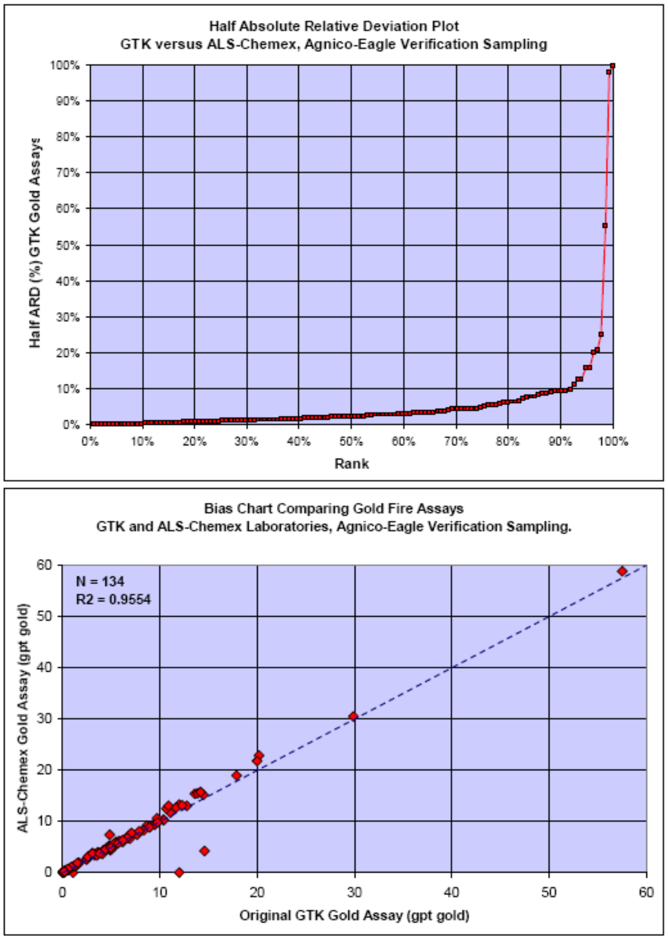

Figure 32 - Comparison of primary GTK gold fire assay with ALS-Chemex check-assays Top = Ranked half absolute relative deviation plot. Bottom = Bias chart (from SRK Consulting, 2005).

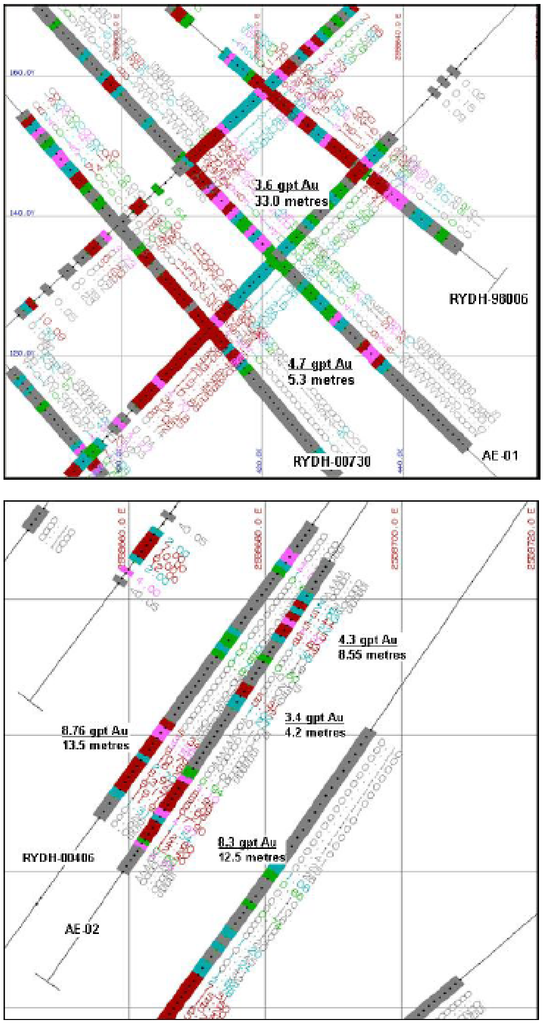

Figure 33 - Verification drilling results
Top. Section 6305N with borehole AE-1. Bottom. Section 6705N with borehole AE-2 (from SRK Consulting, 2005)

In preparing a technical report on the material assets of Riddarhyttan (SRK Consulting, 2005), SRK visited the Kittila Mine project on August 9, 2005, accompanied by Riddarhyttan personnel. The aim of the visit was to verify the exploration work carried out by Riddarhyttan on the Kittila Mine project. When SRK visited the project, five drill rigs were active there.

SRK witnessed the existence of the pit where test mining had been done in 2002 and 2005; the pit was flooded at the time of the visit. SRK examined geological and structural features on large boulders and collected one composite representative verification rock sample from the rock stockpile.

Moreover, SRK inspected past and recent drill sites, and held discussions with the drilling contractor and Riddarhyttan staff about drilling and core-handling procedures, and surveying and positioning of boreholes. One rig was drilling borehole SUBH-05060 during the visit. SRK also examined the abandoned site of borehole SUB-05057. One trench excavated in 2000 to expose bedrock to the east of the Suurikuusikko Trend was also examined. Weakly strained and weakly altered massive and pillowed mafic lavas were observed in the trench. This trench is situated outside the main corridor of deformation and gold mineralization.

SRK reviewed the previous verifications completed by Micon for Riddarhyttan on the historic GTK exploration information (Item 16.1). In order to examine the check-assay data for gold, SRK generated a ranked plot showing the absolute relative deviation between original GTK assays and check assays at the OMAC laboratory. The chart in Figure 32 presents a ranked absolute relative deviation plot for 272 pairs of gold assays (one pair was omitted because gold was not determined). Gold check-assay results are also presented as a conventional bias chart for comparison. These charts suggest very good reproducibility of gold assays from the same pulp. The relative precision measured as an absolute relative deviation suggests that 90% of the data had an accuracy that was better than 8%. SRK did not review the check-assay data further.

SRK examined archived core from several of the distinct auriferous zones of the Kittila gold deposit. The core was archived in properly identified core box piles stored inside a locked warehouse. Core can be easily retrieved for review. Selected core sections from boreholes SUBH-98008, SUBH-00906, SUBH-03019, SUBH-05017 and SUBH-05024 were examined.

SRK collected 10 verification samples (SRK-RD-01 to SRK-RD-11) from the core examined (Table 16). Each sample consisted of the remaining half sawed core and duplicated as closely as possible the original sampling interval. Each sample was indicated by the SRK sample identification number written in the core box. Core pieces were placed in clearly identified plastic bags and remained in the custody of SRK.

Verification samples were submitted to ALS-Chemex laboratories in Mississauga for preparation and assaying, along with three certified reference materials. They were assayed for gold and silver by conventional fire assay and gravimetric finish on 30-g charges (ALS method code ME-GRA21). Samples were also assayed for a suite of 27 elements using a multi-acid “near total” digestion and hydrochloric acid leach, followed by inductively coupled plasma atomic emission spectrometry (ALS “ICPAES” method code ME-ICP61). In addition, the specific gravity was determined by pycnometry (ALS method code OA-GRA08b).

Partial assay results are presented in Table 17. Assay results for certified reference materials inserted among the verification samples submitted for assaying by SRK were found to be within an acceptable tolerance, indicating that assay results for the verification samples are satisfactory.

SRK commented that the small number of samples that it collected could not be considered statistically representative for assessing the average metallic grades at each deposit, but nonetheless they were sufficiently relevant to indicate the presence of useful metals in the boreholes sampled by SRK, and to attest to the existence of the reported gold mineralization at the Suurikuusikko deposit.

Table 18 shows assay results for gold, silver and arsenic for SRK’s verification samples as well as the original assays obtained from the GTK laboratory. Assay results obtained from the ALS-Chemex laboratory are in good agreement with the GTK laboratory results.

Daniel Doucet, Agnico-Eagle Mines Limited's Corporate Director Geology, a Qualified Person according to NI 43-101, has reviewed the verification work by SRK and Agnico-Eagle of the exploration information compiled prior to 2006, and is of the opinion that it is reliable.

Table 16 - Verification samples collected by SRK on the Kittila Mine project (SRK, August 2005)

Sample_ID	Weight (kg)	Description	Lab_ID
SRK-RD-01	1.93	Composite sample collected from ore piles from the 2005 test pit at the Suurikuusikko deposit. Massive fine-grained rock with finely disseminated arsenopyrite (15%) and pyrite (5%).	SRK-0801
SRK-RD-02	2.00	Remaining half sawed core from borehole SUBH-00906, between 490.6 and 491.7 metres yielding 17.8 g/t gold. Foliated rock with minor graphite and 5% finely disseminated arsenopyrite.	SRK-0802
SRK-RD-03	1.83	Remaining half sawed core from borehole SUBH-00906, between 492.8 and 493.85 metres yielding 12.9 g/t gold. Strongly altered (Cb-Ab) massive rock with very finely disseminated sulphides and cut by graphite-rich fractures.	SRK-0804
SRK-RD-04	1.72	Remaining half sawed core from borehole SUBH-03019, between 144.1 and 145.1 metres yielding 70.4 g/t gold. Massive altered rock with abundant finely disseminated arsenopyrite (15-20%) and minor pyrite. Cut by late carbonate-silica veins with no sulphides.	SRK-0805
SRK-RD-05	1.79	Remaining half sawed core from borehole SUBH-03019, between 137.0 and 138.0 metres yielding 14.2 g/t gold. Carbonate-albite-altered rock cut by foliated graphite-rich fractures. 10% disseminated arsenopyrite.	SRK-0806
SRK-RD-06	1.04	Remaining sawed quarter core from borehole SUBH-98008, between 109.0 and 110.0 metres yielding 47.1 g/t gold. Vein breccia or vein stockwork, highly deformed with strong arsenopyrite and minor graphite. Very fine arsenopyrite and pyrite (10-15%).	SRK-0808
SRK-RD-07	0.97	Remaining sawed quarter core from borehole SUBH-98008, between 110.0 and 111.0 metres yielding 53.50 g/t gold. Vein breccia stockwork with strong arsenopyrite and graphite and strong carbonate alteration. 10% finely disseminated arsenopyrite.	SRK-0809
SRK-RD-09	1.90	Remaining half sawed core from borehole SUBH-05017, between 458.3 and 459.1 metres yielding 6.16 g/t gold. Massive carbonate- and albite-altered rock containing finely disseminated arsenopyrite (5-10%) and cut by late undeformed quartz-graphite stockwork.	SRK-0811
SRK-RD-10	1.65	Remaining half sawed core from borehole SUBH-05017, between 459.1 and 459.7 metres yielding 12.4 g/t gold. Silica-rich rock and strong massive albite-carbonate rock cut by quartz stockwork with graphite, arsenopyrite and pyrite (5-10%).	SRK-0812
SRK-RD-11	1.43	Remaining half sawed core from borehole SUBH-05024, between 518.0 and 518.9 metres yielding 13.8 g/t gold. Strongly foliated volcanic fragmental rock with 0.1- to 1.5-cm elongated rock fragments. Graphite and very fine sulphide parallel to foliation plane. Strongly flattened rock.	SRK-0813

Table 17 - Partial assay results for verification samples collected at the Kittila Mine project (SRK, August 2005)

Sample_ID	Lab_ID	S.G. Unity	Au ppm	Ag ppm	As ppm	As %	Cd ppm	Co ppm	Cr ppm	Cu ppm	Mo ppm	Ni ppm	Pb ppm	S %	Zn ppm	W ppm
SRK-RD-01	SRK-0801	2.87	16.6	2.6	>10000	1.66	<0.5	87	87	67	1	79	2	5.8	14	70
SRK-RD-02	SRK-0802	2.90	17.8	0.7	>10000	1.38	<0.5	724	724	103	2	548	6	1.9	54	<10
SRK-RD-03	SRK-0804	2.87	12.7	1.7	>10000	1.46	<0.5	431	431	109	2	340	8	3	27	10
SRK-RD-04	SRK-0805	3.07	47.2	1.1	>10000	5.87	<0.5	97	97	29	<1	94	14	5.7	17	80
SRK-RD-05	SRK-0806	2.88	14	1.3	>10000	2.20	<0.5	75	75	26	<1	61	5	4.3	27	30
SRK-RD-06	SRK-0808	2.88	47.5	2.4	>10000	3.77	<0.5	330	330	41	1	266	7	4.3	24	10
SRK-RD-07	SRK-0809	3.01	67	2.2	>10000	6.41	<0.5	272	272	30	2	237	15	5.3	21	10
SRK-RD-09	SRK-0811	2.72	7.17	2.9	>10000	1.49	<0.5	156	156	123	<1	76	17	2.6	70	<10
SRK-RD-10	SRK-0812	2.71	13.2	7.6	>10000	1.45	11	70	70	71	<1	30	14	2.7	1000	<10
SRK-RD-11	SRK-0813	3.00	14.5	0.6	>10000	1.18	<0.5	16	16	54	<1	32	3	5.6	47	30

* Au assayed by Fire assay with ICPAES finish on 30g pulverized sub-sample (ME-GRA21); Other elements assayed by sodium peroxide fusion, acid digestion followed by ICPAES (ME-ICP61). Ag for sample SRK-0810 assayed by Fire Assay with ICPAES finish on 30g pulverized sub-sample (ME-GRA21)

Table 18 - Comparison of assay results for gold, silver and arsenic in verification samples collected at the Kittila Mine project (SRK, August 2005)

Hole_Id	From metre	To metre	Length metre	Sample_ID	Lab_ID	ALS-Chemex Results Au ppm	Ag ppm	As %	GTK Results Au ppm	Ag ppm	As ppm
				SRK-RD-01	SRK-0801	16.6	2.6	1.66	n/a*	n/a	n/a
SUBH-00906	490.60	491.70	1.10	SRK-RD-02	SRK-0802	17.75	0.7	1.38	17.80	0.93	14000
SUBH-00906	492.80	493.85	1.05	SRK-RD-03	SRK-0804	12.65	1.7	1.46	12.90	0.89	14800
SUBH-03019	144.10	145.10	1.00	SRK-RD-04	SRK-0805	47.2	1.1	5.87	70.40	1.00	64100
SUBH-03019	137.00	138.00	1.00	SRK-RD-05	SRK-0806	13.95	1.3	2.20	14.20	1.00	24700
SUBH-98008	109.00	110.00	1.00	SRK-RD-06	SRK-0808	47.5	2.4	3.77	47.10	2.00	34800
SUBH-98008	110.00	111.00	1.00	SRK-RD-07	SRK-0809	67	2.2	6.41	53.50	3.00	65500
SUBH-05017	458.30	459.10	0.80	SRK-RD-09	SRK-0811	7.17	2.9	1.49	6.16	n/a	n/a
SUBH-05017	459.10	459.70	0.60	SRK-RD-10	SRK-0812	13.15	7.6	1.45	12.40	n/a	n/a
SUBH-05024	518.00	518.90	0.90	SRK-RD-11	SRK-0813	14.5	0.6	1.18	13.80	n/a	n/a

*n/a = not assayed

16.3 Current Verifications by Agnico-Eagle

After acquiring the Kittila Mine project in 2005, assay QA/QC was conducted for Agnico-Eagle by Keith Blair, a Qualified Person under NI 43-101 from Applied Geoscience LLC. During 2006, Mr. Blair reviewed the assay quality control data three times:

- checking Labtium (GTK) internal QA/QC samples between August 2005 and November 2006
- checking Labtium (GTK) internal QA/QC samples between November 2006 and January 2007
- check-assays done in the ALS-Chemex laboratory in Vancouver, representing GTK assays between October 2005 and November 2006

Mr. Blair's QA/QC reports concluded that generally results indicated very good agreement between the original and check analyses at the GTK assay lab (Labtium) indicating good reproducibility. Blair also recommended that Agnico-Eagle begin inserting its own QA/QC samples (blank, duplicates and standard reference materials).

Since 2007, the Kittila Mine has had an internal QA/QC program in place, with project staff (under the supervision of an Agnico-Eagle Qualified Person) monitoring the QA/QC of the assay data.

In 2009, the primary assay laboratory was ALS Minerals laboratory in Rosia Montana, Romania. Sample preparation was done in ALS Minerals' laboratory in Outokumpu, Finland. Check analysis was done at the Labtium Oy laboratory in Rovaniemi, Finland.

A total of 399 laboratory reports containing 36,745 project samples were reviewed. Gold analyses were done by ALS Minerals' Au-AA25 method (fire assay fusion with AAS using a 30-g nominal sample weight, with a detection limit of 0.01-100 ppm). Check (replicate) analyses were made from 227 reports (1,219 samples) using Labtium's lead fire assay fusion using a 25-g charge with FAAS metal determination (method 704A), or ICP-AES metal determination (method 704P).

Study of the ALS Minerals reference sample and check analysis results and check-analyses from a secondary laboratory (Labtium Oy) indicate that there are no significant problems apparent in the data. Analysis results from some of the high-gold standards (AEF) seem to be higher than expected. However, the secondary laboratory check-analyses have a very good correlation (R^2 = 0.995) (Figure 34). This indicates that the analytical difference is likely caused by different sample material (free gold *vs.* refractory) and their different behaviours in sample preparation (fire assay fusion and flux) rather than analytical problems. This can be solved by making internal standard(s) from local material.

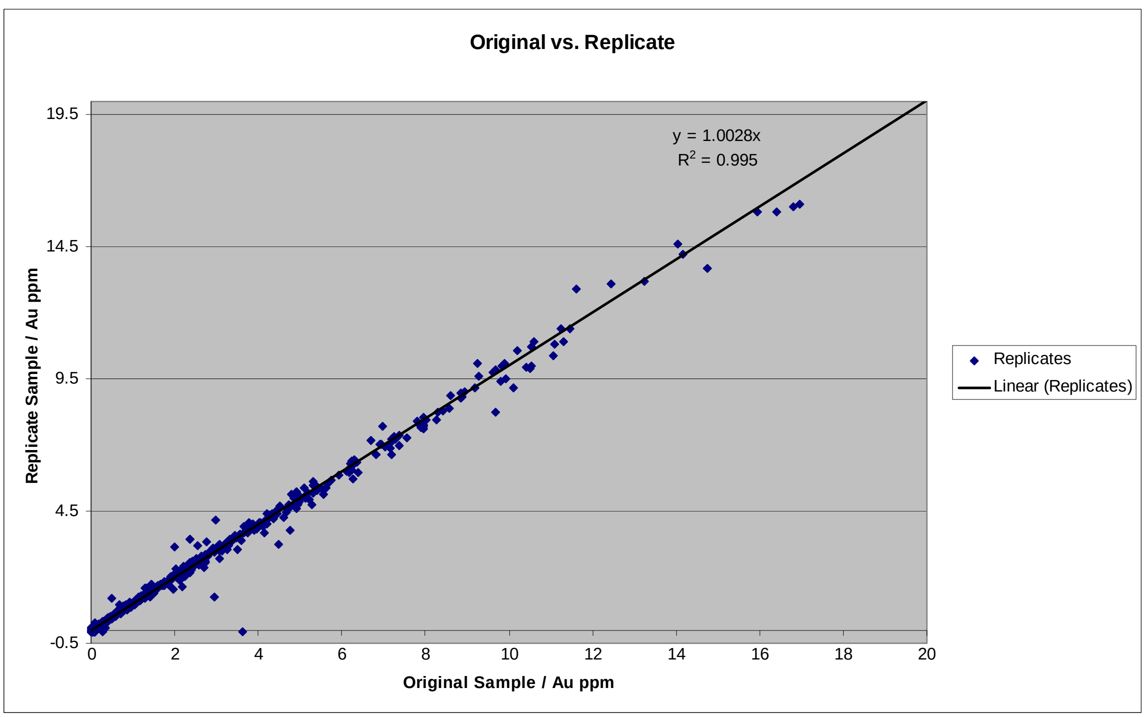

Figure 34 - Comparison of primary ALS Minerals gold fire assay results with Labtium Oy check-assays

During the period reviewed, a commercial standard was inserted by Agnico-Eagle in every laboratory batch. Reference samples were inserted into the samples stream in approximately a 1:10 ratio.

The results in 2009 generally indicated very good agreement between the original (ALS Minerals) and check-analyses at Labtium indicating good reproducibility. The results show that the use of commercially available standard reference materials is adequate, but that reference materials custom-made from Kittila Mine mineralized rock would improve and optimize the QA/QC procedures currently being employed.

Item 17. Adjacent Properties

There are no other mining operations or late-stage developments in the vicinity of the Kittila Mine and Suurikuusikko property.

Item 18. Mineral Processing and Metallurgical Testing

The Kittila mineral processing plant began to operate in the last quarter of 2008 with the commissioning of the crushing, flotation and grinding circuits followed closely by the autoclave and downstream process. Mill performances improved during 2009 through gaining more experience with the plant.

18.1 Grinding

Throughput

The plant is designed to treat 1,000,000 tonnes/year at a mill feed throughput of 124 tonnes/hour, and the design criteria have been confirmed by the plant’s operation. During 2009 the grinding mill’s throughput steadily increased, achieving the designed monthly average starting in October. In December the throughput averaged 143.8 dry tonnes/hour and for nine days it achieved over 150 dry tonnes/hour. At this higher throughput, the grain size product was slightly coarser than design, but the flotation gold recovery was not negatively affected.

The Kittila mill processed 750,660 tonnes of ore in 2009.

Availability

Mill availability averaged 80% over 2009 and reached the target value of 92% in two months. The availability improved during 2009 through gaining more experience with the SAG mill and the autoclave. In November and December the autoclave ran continuously for a 47-day period.

18.2 Carbon Pre-Flotation

Kittila ore contains organic carbon, which hinders gold recovery by offering sites on its surfaces for the precipitation of gold-chloride complexes, during the pressure oxidation operations. Past laboratory test work has shown that the organic carbon contained in the sulphide concentrate from Kittila negatively affects the gold extraction downstream, in the pressure oxidation (POX) and carbon-in-leach (CIL) circuits.

During the last quarter of 2009, organic carbon pre-flotation recoveries averaged 30%, with a corresponding gold loss of 1.3%. These results fall well within the post-feasibility enhancement work model, which established organic carbon recovery at almost 20% for a corresponding gold loss of 1.5%. There is still room for organic carbon flotation improvements that should have a beneficial downstream affect on POX operations and CIL gold extraction. Any reduction in organic carbon reporting to POX feed would reduce the sites available for precipitation of elemental gold onto the organic carbon surfaces. GTK in Finland is currently performing optimization tests to improve organic carbon recovery.

18.3 Sulphide Flotation

Sulphide flotation gold recoveries increased during 2009 through optimization, reaching the design recovery of 93% on many days in the last quarter. The stability of the operation and chemical adjustments were key to the improvement. Gold recovery in sulphide flotation averaged 92.2% in December 2009. Test work is underway at GTK to assist with further optimization.

18.4 Pressure Oxidation

The average sulphur oxidation has been more than 95% for most of 2009. Since April, systematic trials have been conducted, adjusting the autoclave oxidation environment to minimize the amount of gold that dissolves via chlorides, and precipitates on the surfaces of organic carbon. Laboratory leaching tests are performed daily from samples taken at the discharge of the autoclave. Those tests are providing immediate information, and the results are correlating well with the CIL circuit performance. Combined with plant optimization trials, a detailed oxidation testing program is being developed for implementation in 2010.

18.5 CIL Recovery

Post-feasibility enhancement test work helped confirm the relationship of gold recovery to carbon content. Testing on CIL tails samples in February 2009 by Amtel LTD showed that the majority of the gold loss was due to preg-robbing by organic carbon during POX operation. This gold deposited on carbon is held so tightly that it is not amenable to cyanide leaching in the CIL circuit.

Given an average carbon content of near 0.45% for the orebody, the CIL gold recovery was established at 96%. However, the actual gold recovery is lower on average than that, at this time. Since start-up, various techniques have been applied attempting to prevent the gold from dissolving in the autoclave. Success in this area has increased the CIL gold recoveries significantly, up to 90% at times. Future mineralogical investigation is planned on more recent CIL tails.

18.6 Metallurgical Testing of Suuri Extension Ore

A 100-kg composite sample from the lower (Suuri Extension Zone) part of the Kittila deposit was produced in order to assess metallurgical performance under standard testing conditions in 2009. The composite was treated by GTK in Outokumpu, Finland, where it was subjected to crushing, grinding, and then carbon- and sulphide-flotation testing. The sulphide concentrate then underwent batch pressure oxidation and cyanide leaching at Sherritt Technologies' facility in Fort Saskatchewan, Alberta. This program yielded results similar to or better than those from the original feasibility study, with above 90% gold extraction from the sulphide concentrate after POX. This performance is better than expected, considering that the sulphide concentrate's carbon content was in the high end of the acceptable range, at about 2% total organic carbon.

18.7 Global Recovery

With optimization of the float circuit and the autoclave operation, the global gold recovery progressively improved in 2009, reaching a monthly high of 78% in December, as shown in Figure 35. The plant's global gold recovery was over 80% on 18 days during the last quarter of 2009.

The target overall gold recovery has been set at 89% at the average organic carbon content of 0.45%. The plant's performance improvements and continuing optimization work during 2009 indicate that this target recovery is achievable.

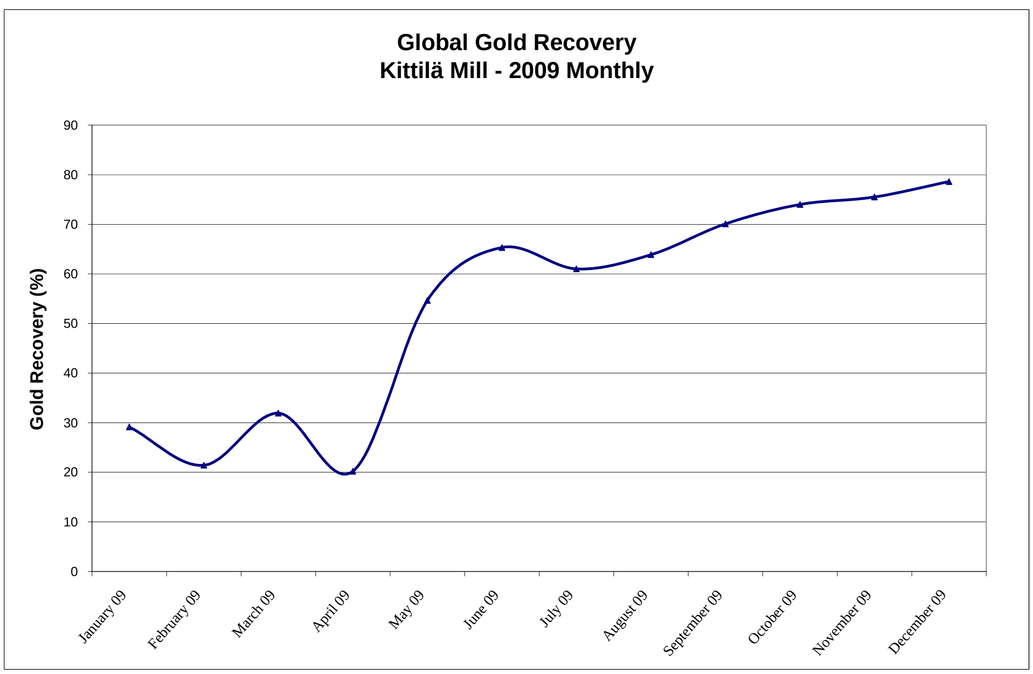

Figure 35 - Global gold recovery by the Kittila processing plant in 2009

Item 19. Mineral Resource and Mineral Reserve Estimates

The following section summarizes the methodology used by Agnico-Eagle in estimating the mineral resources and the mineral reserves for the Kittila Mine completed at the end of December 2009.

19.1 Definitions

Agnico-Eagle Mines Limited reports mineral resource and reserve estimates in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") guidelines for the estimation, classification and reporting of resources and reserves that was adopted by CIM Council on November 23, 2003.

Agnico-Eagle reports mineral reserves that are separate from and not a portion of the mineral resources.

According to the CIM Definition Standards for Mineral Resources and Mineral Reserves adopted on December 11, 2005:

1. A Mineral Resource is a concentration or occurrence of natural solid inorganic material or natural solid fossilized organic material in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity. An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonable assumed. An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling 33and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through

appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

2. A Mineral Reserve is the economically mineable part of a mineral resource. The economics of the mineral reserve should be demonstrated by a Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined. A Proven Mineral Reserve is the economically mineable part of a Measured Mineral Resource demonstrated by a Feasibility Study. A Probable Mineral Reserve is the economically mineable part of an Indicated Mineral Resource demonstrated by a Feasibility Study.

3. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

The most current mineral resource and mineral reserve estimate was disclosed by Agnico-Eagle in a news release dated February 17, 2010. Estimates were calculated using the gold price and foreign exchange assumptions used for the mineral reserves and resources estimate reported by the Company, based on three-year average prices for the period ending December 31, 2009, of $848 per ounce gold and an exchange rate of $1.41 per €1.00, in accordance with the SEC Industry Guide 7. Industry Guide 7 requires the use of prices that reflect current economic conditions at the time of the reserve determination.

The Kittila Mine mineral resource and mineral reserve estimate of December 31, 2009, was prepared by Jyrki Korteniemi, Geology Superintendent for the Kittila Mine under the supervision of Daniel Doucet, ing., the Company's Corporate Director, Geology and a Qualified Person. The effective date of the estimate was December 31, 2009.

The gold grade cut-off (mill feed) used to determine the mineral resources was 1.96 g/t, 2.80 g/t and 3.10 g/t for open pit, underground above 700-level and underground below 700-level, respectively. (Note that 700-level is a mining level and is not horizontal. It is actually 650-m depth in the Roura Zone and 700-750-m depth in the Suuri Zone.)

The mineral reserve cut-off grade (before dilution) used was 2.21 g/t, 3.31 g/t and 3.86 g/t gold for open pit, underground above 700-level and underground below 700-level, respectively. The other key parameters, assumptions and methods that were used to estimate the mineral resources and reserves are not significantly different from those found in the Technical Report on the Kittila Mine project that was posted on SEDAR on December 11, 2008. There were no known environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues that materially affect the Kittila mineral resources or mineral reserves for December 31, 2009.

The economic viability of the Kittila Mine's mineral reserves declared as of December 31, 2009, were based (among several other factors) on operating cost and capital cost assumptions according to the Kittila Mine Life of Mine study that was completed in December 2009 (see Item 25.9 of this report).

19.2 Data

19.2.1 Drill-Hole Database

The December 31, 2009, drill-hole database prepared by Agnico-Eagle Finland staff formed the basis for a new MS Access database; new data generated by Agnico-Eagle since 2006 were added to generate the December 31, 2009, mineral resource and reserve estimate for the Kittila Mine.

19.2.2 Mineralization Solids

The mineralization solids used for the December 31, 2009, mineral resource estimate were modified by Agnico-Eagle to incorporate the newly available drill information and a revised geological interpretation of the Kittila Mine area. Auriferous lenses were combined where available data supported geological continuity.

Gold mineralization outlines were defined from exploration information using a 2.21-g/t gold cut-off for the near-surface mineralization with potential for open pit mining, and a 3.31-g/t gold cut-off elsewhere. A minimum horizontal width of 3.0 m was also used with few exceptions.

A total of 76 wireframe gold mineralization solids (see Table 19) were constructed and considered in the December 31, 2009, mineral resource model, compared with 37 for the December 31, 2008, model. Because of the complex geology of the gold zones, the current lithologic information is not sufficient to develop hard geological boundaries or domains to delineate the gold mineralization. As such, “grade shells” were developed by Agnico-Eagle to outline the zones of gold mineralization within the Suurikuusikko structural zone inside the Kittila Mine licence.

Table 19 - Summary of resource solid models constructed for the Kittila gold deposit by Agnico-Eagle

Area	Lens	Probable reserves (tonnes)			Indicated resources (tonnes)	Inferred resources (tonnes)
		Open Pit	Underground	Total		
Ketola	1020					38,880
Ketola	1320				7,536	23,871
Ketola	1340				88,186	
Ketola	1420				111,805	14,736
Ketola	1440	161,518	293,784	455,302	445,598	51,412
Ketola	1520	39,491	97,421	136,912	285,673	
Ketola	1620	1,028		1,028	28,901	
Etelä	1020					32,001
Etelä	1040				50,861	3,725
Etelä	1340					35,291
Etelä	2020	63,814		63,814	200,775	64,325
Suuri	2120	748		748	16,378	3,344
Suuri	2140				117,025	1,658
Suuri	2520	57,207		57,207	48,642	
Suuri	3020	621,680	2,964,667	3,586,348	874,349	504,468
Suuri	3120	7,565		7,565	28,351	
Suuri	3140	74,133	21,890	96,023	10,375	
Suuri	3160	151,824	66,034	217,858	109,786	

Suuri	3180	32,955		32,955	42,020	1,387
Suuri	3220		26,360	26,360	107,305	7,070
Suuri	3320	25,389		25,389		
Suuri	3340	34,808		34,808		
Suuri	3360	100,927	254,901	355,828	411,433	24,441
Suuri	3620	50,418	35,074	85,492	65,220	
Suuri	4120		653,974	653,974	315,096	33,114
Suuri	4140		40,489	40,489	345,210	382,149
Suuri	4220		311,375	311,375	182,766	2,284
Suuri	4240				151,709	6,770
Suuri	4260				245,863	14,464
Suuri	4320		498,512	498,512	478,188	7,123
Suuri	4340		182,798	182,798	321,907	8,428
Suuri	4360		43,490	43,490	33,799	
Suuri	4420	703,528	4,047,397	4,750,924	2,401,840	42,032
Suuri	4520	45,933	63,131	109,064	162,276	27
Suuri	4620	687	63,098	63,786	95,266	299
Suuri	4720	90	1,855,742	1,855,832	1,071,838	74,658
Suuri	4820		92,002	92,002	150,072	707
Suuri	4840		22,870	22,870	192,457	5,764
Suuri	4920		168,053	168,053	35,465	2,311
Suuri	5520				39,151	
Suuri	5620				9,983	
Suuri	5720				14,485	
Suuri	5820		27,665	27,665	58,300	
Roura	4420	17,094	1,597,655	1,614,749	1,221,383	66,718
Roura	5320					25,312
Roura	5340		254,834	254,834	187,951	5,628
Roura	5540	11,449		11,449	101,201	6,008
Roura	5560	2,542		2,542	222,408	17,998
Roura	5620	45,498		45,498	77,293	20,118
Roura	5680				47,044	14,954
Roura	5720	54,185		54,185	250,561	21,125
Roura	5740					815
Roura	5920	18,295		18,295	23,358	
Roura	5940	51,623		51,623	83,813	1,985
Roura	6240					4,541
Roura	6420		32	32	28,319	
Roura	6440		803,460	803,460	264,490	870
Roura	6520					22,619
Roura	6620	40,153		40,153	93,534	
Roura	6720	841		841	66,097	
Roura	6820	19,656		19,656	87,630	14,221
Roura	7420	30,966	534,467	565,432	284,005	
Suuri/Roura Extension	3020				11,343	12,344
Suuri/Roura Extension	4120				16,008	3,589
Suuri/Roura Extension	4140		6,340	6,340	38,242	122,862
Suuri/Roura Extension	4240		71,177	71,177	110,921	12,261
Suuri/Roura Extension	4260		418,350	418,350	580,069	232,402
Suuri/Roura Extension	4340		424,416	424,416	368,498	69,057

Suuri/Roura Extension	4420		1,071,687	1,071,687	1,069,894	325,112
Suuri/Roura Extension	4720		1,852,590	1,852,590	725,837	298,332
Suuri/Roura Extension	4840		497,362	497,362	789,457	38,905
Suuri/Roura Extension	5220					45,567
Suuri/Roura Extension	5520		1,343,534	1,343,534	163,342	296,141
Suuri/Roura Extension	5610		24,306	24,306	72,002	63,816
Suuri/Roura Extension	5640					385,172
Suuri/Roura Extension	5660				34,415	190,572
Suuri/Roura Extension	5740		66,262	66,262	26,563	500,154
Suuri/Roura Extension	5840				157,728	224,119
Suuri/Roura Extension	6760					76,594
Roura-N	6240					18,270
Roura-N	6540				69,005	
Roura-N	6620				27,862	
Roura-N	6740				24,697	
Roura-N	7320	17,132		17,132	56,702	5,954
Roura-N	7340	23,099		23,099	12,821	
Roura-N	7420	397,774	289,976	687,750	1,694,612	131,942
Roura-N	7720	9,533	22,479	32,012	653	8,020
Roura-N	7740		129,454	129,454	182,798	47,822
Roura-N	7820	93,661		93,661	74,648	
Roura-N	7920	10,765		10,765		9,189
Roura-N	8520					44,071
Rimpi	7420	27,264	1,411,948	1,439,212	924,735	303,443
Rimpi	8520					54,374
Rimpi	8620				528,622	29,987
Rimpi	9220				116,893	
Rimpi	9320	7,790		7,790	230,855	139,663
Rimpi	9420				45,448	27,922
Rimpi	9520					22,647
Total		**3,053,064**	**22,651,056**	**25,704,119**	**20,549,645**	**5,349,954**

19.2.3 Grade Capping

In July 2009, GPC made new geostatistical study of the Suuri Zone, and its recommendation was not to use capping at all (D’Amours, 2009). This recommendation was followed in making this (December 31, 2009) resource estimate. It should be noted that in the geological database used for this resource estimation, there are altogether 87,055 assay results, only 12 samples of which have gold assays with more than 50 g/t. The maximum value is 78.9 g/t gold.

19.2.4 Variography

In the current (December 31, 2009) resource estimate, the recommendations from GPC (D'Amours, 2009) have been used, based on the new geostatistical study done in July 2009. New parameters created by GPC divide ore lenses into three distinct groups (A, B and C) with different parameters:

- group A: maximum search distance X 90-m, Y 100-m and Z 6-m; rotation angles -94 (1st), -78 (2nd) and 147 (3rd)
- group B: maximum search distance X 70-m, Y 80-m and Z 15-m; rotation angles -86 (1st), -83 (2nd) and -46 (3rd)
- group C: maximum search distance X 60-m, Y 50-m and Z 12-m; rotation angles -80 (1st), -91 (2nd) and 11 (3rd)
- rotation axis for all groups: Z (1st), X (2nd) and Z (3rd)
- relations between groups: A is cut by B and both are cut by C

19.2.5 Specific Gravity

Considering that the boundary between weathered and unweathered rock is not well constrained, a uniform tonnage factor of 2.9 was used in the current resource model.

19.3 Estimation Methodology

Since January 2007, Surpac vision resource-modelling software has been used in the block model interpolation at the Kittila Mine project. In the current (December 31, 2009) resource estimate, recommendations from GPC (D'Amours, 2009) have been used, based on the new geostatistical study done in July 2009.

In the current resource estimation (and also previous ones), an inverse-distance-squared estimator was used for estimating the gold grade of the mineral resources for each of the mineralized envelopes for the project. The procedures for grade estimation are outlined below:

- Search type in 2009 was ellipsoidal. In the previous estimations, the octant search method was used.
- Ellipsoids were built according to new parameters created by GPC, which divide ore lenses into three distinct groups (A, B and C) with different parameters, as described in Item 19.2.4 (Variography) above.
- The minimum number of composite assay intervals used for estimating a block grade was five (5) for the first and second pass, and two (2) for the third pass.
- The maximum number of composites is 15.

Overburden was excluded from the resource estimate. Blocks or partial blocks excluded from the estimate were defined by a surface representing the bottom of overburden material.

In the current estimate, the compositing method was changed from fixed-length 1-m composites (previous estimations) to best-fit composites (current December 31, 2009 resource estimate), in accordance with GPC recommendations. This change had a very small effect on the length of the composites, as the length of the new composites varied between 0.91 and 1.22 m (average 0.9993 m).Using a drill-hole database composited to average 1-m intervals, zone intervals were used to estimate grades into a block model for each zone. Selective mining units chosen for all zones were based on blocks with the dimensions of 5-m x 3-m x 5-m in the north, east and depth directions, respectively. (Same block dimensions had been used in previous estimations, also with the exception of the January 2006 model, which used 10-m x 3-m x 5-m dimensions.

The block models were evaluated using the wireframe solids as constraints, and sub-blocks were used to fill the boundaries. The minimum size of the sub-blocks is 2.5 m along the north axis, 2.5 m in the depth direction and 1.5 m in the east direction. (The same sub-block dimensions had been used in previous estimations, with the exception of the January 2006 estimation, where the minimum size of the sub-blocks was 5 m in the north axis and 2.5 m in the depth direction, with no minimum in the east direction).

In the current (December 31, 2009) resource estimate, the Kittila Mine area was subdivided into six block models. In the 2008 model, three different block models were used.

19.4 Estimation of the Dilution

Waste rock dilution was added to the ore block model related to the mining method during the calculation of mineral reserves. For the open pit, the dilution rate was fixed at 15% using a grade of 0.28 g/t gold. For the underground reserves above 700-level, the dilution rate was fixed at 20% for both longitudinal and transverse mining. For the underground reserves below 700-level, the dilution rate was calculated using an estimated amount of dilution of 0.5 m from the footwall and 1.0 m from the hanging wall side. This matches the dilution estimated for the Suuri Extension Zone in the internal feasibility study (Matte *et al*., in preparation). A dilution grade was estimated for the underground reserves (using the same method to determine grades in mineralization) within dilution envelopes of 2.5 m located immediately adjacent to and on either side of each of the mineralized zone envelopes. For the calculation of the underground cut-off gold grade, the dilution grade was set at 0.28 g/t gold and the dilution rate at 20%.

19.5 Mineral Resource Classification

Mineral resources for the Kittila Mine were classified according to the CIM Standards on Mineral Resources and Reserves – Definitions and Guidelines (see Item 19.1).

In order to classify the mineral resources of the Kittila Mine, individual resource blocks located outside the open pit shell designs were first composited into larger “stope” blocks using Surpac modelling software. This was done to facilitate the eventual calculation of underground mineral reserves for these resource blocks.

The “stope” dimensions were set at 40 m or 25 m tall (depending on the sector) by 15 m wide (north-south), and by the full thickness of the particular gold zone but never below 3 m The dimensions of the underground mining stope blocks were designed from engineering studies. The stope height for the Suuri zones is 25 m due to the more complex geology with several parallel ore lenses, whereas everywhere else the stope height is 40 m.

The mineral resource in each "stope" was classified primarily on the basis of data density, as evaluated by the number of estimation passes required to interpolate a gold grade into a block, and the distance from the nearest composite and borehole considered.

Measured and Indicated Mineral Resources:
The measured and indicated mineral resources comprise the "stope" with estimation pass between 1 and 1.5 and diluted gold grade between 1.40 and 2.80 g/t for the upper mine (above 700-level) or diluted gold grade between 1.55 and 3.10 g/t for the lower mine (below 700-level).

Inferred Mineral Resources:
The inferred mineral resources comprise the "stope" with estimation pass more than 1.5 and undiluted gold grade between 1.65 and 3.31 g/t for the upper mine (above 700-level) or undiluted gold grade between 1.93 and 3.86 g/t for the lower mine (below 700-level).

19.6 Conversion of Mineral Resources into Mineral Reserves

The December 31, 2009, mineral reserves for the Kittila Mine were estimated by converting mineral resources using the parameters and assumptions presented below (and described in Item 25). Only the measured and indicated resources were considered for conversion into mineral reserves. Inferred mineral resources were not considered. Mineral reserves are separate from and not a portion of the mineral resources.

The mineral reserves consist of contiguous zones of mineralization delineated within a mineral resource stope block (or open pit bench) above a certain minimum gold cut-off, estimated at 2.21 g/t gold for open pit mining, 3.31 g/t gold for underground mining above the 700-level, and 3.86 g/t gold for underground mining below the 700-level. The minimum gold cut-off grade is applied to the in situ gold grades, before dilution and mill recovery.

In the open pit, the incremental material that is inside the ore wireframes is added into mineral reserves. The cut-off for incremental ore (1.11 g/t gold) is calculated using 50% of the gold cut-off for the mineral reserves. Ore wireframes for the open pits were defined using a 2.21 g/t in-situ gold cut-off.

The cut-off values used for estimating the mineral resources on December 31, 2009, are based on the assumptions presented in Table 20. Dilution factors of 15% and 20% were applied to the mineral reserves for open pit mining and underground mining above level 700, respectively. For the underground reserves below 700-level, the dilution factor was calculated using an estimated amount of dilution of 0.5 m from the footwall and 1.0 m from the hanging wall side (see Item 25.1 of this report). The dilution factors and dilution grades represent estimates supported by engineering studies set out in the Kittila Mine Life of Mine plan (December 2009). The metal recovery and operating cost estimates are also stated in the December 2009 LOM plan and are described in items 25.4 and 25.9 of this report. These parameters will be reassessed using the results of current and future open pit mining operations and underground test mining planned for the Kittila Mine.

A gold price of $848 per ounce was used as well as an exchange rate of $1.41 per €1.00 (refer to Item 19.1) in determining the December 31, 2009, estimate.

Table 20 - Factors used by Agnico-Eagle in the conversion of mineral resources into mineral reserves

Factors	Open pit	Underground above 700-level	Underground below 700-level
Geological losses (%)	0%	0%	0%
Mining losses (%)	0%	0%	0%
Extraction ratio (%)	100%	100%	100%
Planned dilution (%)	15%	20%	1.5 m
Dilution gold grade (g/t gold)	0.28 g/t gold	0.28 g/t gold	0.55 g/t gold
Mill recovery	89.3%	89.3%	89.3%
Gold price	$848/oz	$848/oz	$848/oz
Exchange rate (US$ per €1.00)	$1.41/€	$1.41/€	$1.41/€
Royalties (%)	1.61%	1.61%	1.61%
Total operating costs	€33.28/tonne	€47.64/tonne	€52.63/tonne
Cut-off grade (mill feed)	1.96 g/t gold	2.80 g/t gold	3.10 g/t gold
Cut-off grade (before dilution)	2.21 g/t gold	3.31 g/t gold	3.86 g/t gold

19.6.1 Cut-Off Grade for Open Pit Reserves

The December 31, 2009, cut-off grade of 2.21 g/t gold for open pit mining was calculated as follows:

Gold price €/oz:
$848/oz gold price divided by $1.41 per €1.00 exchange rate = €601.42/oz

Revenue per gram of gold:
€601.42/oz multiplied by (100% minus 1.61% royalty) multiplied by 89.3% gold recovery divided by 31.1035 g/oz = €16.99/gram

Cut-off after dilution:
€33.28/tonne operating cost divided by €16.99/gram of gold revenue = 1.96 g/t gold;

Cut-off before dilution:
(1.96 g/t minus (15% multiplied by 0.28 g/t) gold in dilution) divided by (100% minus 15% dilution) = 2.21 g/t

Therefore, the gold cut-off grade (before dilution) for open pit mining is about 2.21 g/t.

19.6.2 Cut-Off Grade for Underground Reserves above 700-level

The December 31, 2009, cut-off grade of 3.31 g/t gold for underground mining was calculated as follows:

Gold price €/oz:
$848/oz gold price divided by $1.41 per €1.00exchange rate = €601.42/oz

Revenue per gram of gold:
€601.42/oz multiplied by (100% minus 1.61% royalty) multiplied by 89.3% gold recovery divided by 31.1035 g/oz = €16.99/gram

Cut-off after dilution:
€47.64/tonne operating cost divided by €16.99/gram of gold revenue = 2.80 g/t gold;

Cut-off before dilution:
(2.80 g/t minus (20% multiplied by 0.28 g/t) gold in dilution) divided by (100% minus 20% dilution) = 3.31 g/t

Therefore, the gold cut-off grade (before dilution) for underground mining is about 3.31 g/t.

19.6.3 Cut-Off Grade for Underground Reserves below 700-level

The December 31, 2009, cut-off grade of 3.31 g/t gold for underground mining was calculated as follows:

Gold price €/oz:
$848/oz gold price divided by $1.41 per €1.00exchange rate = €601.42/oz

Revenue per gram of gold:
€601.42/oz multiplied by (100% minus 1.61% royalty) multiplied by 89.3% gold recovery divided by 31.1035 g/oz = €16.99/gram

Cut-off after dilution:
€52.63/tonne operating cost divided by €16.99/gram of gold revenue = 3.10 g/t gold;

Cut-off before dilution:
(3.10 g/t minus (30% multiplied by 0.55 g/t) gold in dilution) divided by (100% minus 30% dilution) = 3.86 g/t

Therefore, the gold cut-off grade (before dilution) for underground mining is about 3.86 g/t.

19.7 Mineral Reserve and Mineral Resource Statement

Using the above assumptions and the positive results of the economic analysis presented in Item 25.10, the mineral reserves for the Kittila Mine, dated December 31, 2009, are estimated at 26.0 million tonnes grading 4.82 g/t gold (4.0 million ounces of contained gold; see Table 21). Mineral reserves are all classified as proven and probable. Proven mineral reserves include only the open pit and underground ore stockpiles at the Kittila Mine as of December 31, 2009. The mineral resources reported in Table 21 do not include the mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability. There are no environmental, permitting, legal, title, taxation, socio-economic, marketing, political or other relevant factors that could materially affect this estimate of mineral resources and mineral reserves. Based on the results of the Kittila Mine project Technical Report (December 2008) and more recent information, the mineral reserves and resources dated December 31, 2009, are not likely to be materially affected by recent changes to mining, metallurgical, infrastructure and other relevant factors.

Table 21 - Mineral resource and mineral reserve statement, Kittila Mine (Agnico-Eagle, December 31, 2009)

Resource/reserve category	Tonnage (000's tonnes)	Gold grade (g/t)	Contained gold (000's oz)
Proven mineral reserve			
Open pit	255	3.71	30
Underground	1	3.81	0
Total proven mineral reserve	**257**	**3.71**	**31**
Probable mineral reserve			
Open pit	3,053	5.05	496
Underground	22,651	4.80	3,499
Total probable mineral reserve	**25,704**	**4.83**	**3,994**
Total proven + probable mineral reserve	**25,961**	**4.82**	**4,025**
Indicated mineral resource			
Underground	20,550	2.19	1,445
Total indicated mineral resource	**20,550**	**2.19**	**1,445**
Inferred mineral resource			
Underground	5,350	3.42	588
Total inferred mineral resource	**5,350**	**3.42**	**588**

Mineral reserves are reported using a 2.21-, 3.3-1 and 3.86-g/t gold cut-off (before dilution), and mineral resources are reported at a 1.11-, 1.65- and 1.93-g/t gold cut-off for open pit, underground mining above 700-level and underground mining below 700-level, respectively. In the open pit, the incremental material that is inside the ore wireframes is added into mineral reserves. Cut-off for incremental ore (1.11 g/t) is calculated using 50% of the gold cut-off for the mineral reserves. Ore wireframes for the open pits were defined using a 2.10-g/t in-situ gold cut-off.
Mineral reserves are not a portion of the total mineral resources.
Tonnage amounts and contained metal amounts presented in the tables have been rounded to the nearest thousand.

19.8 Discussion

The area covered by the mineral resource model for the Kittila Mine is currently over 4.5 km long and 100 to 1,100 m or more deep. Drill-hole spacing for the mineral resource model making up the probable reserve category areas is now 20 to 40 m in open pit areas and 40 to 60 m in underground areas. The inferred resource in the Kittila resource model generally has a drill-hole spacing between 60 and 120 m. The mineralized zones in the Suurikuusikko property area and specifically the Kittila Mine licence area seems to be very continuous, so that definition and conversion drilling has usually confirmed the existence of the mineral resource and mineral reserves discovered by earlier, more widely spaced exploration drilling.

Since 2008, the resource estimation parameters used in the Kittila mineral resource and reserve model have been be put to the test with production underway. Indications so far suggest that the estimation parameters have been valid.

During 2009, the area of Suuri/Roura9 Extension Zone was the target of an extensive drilling program. Several parallel ore lenses were found and the continuity of the zones was confirmed. Some of the new intercepts in this zone were among the best ever found on the Suurikuusikko property (Appendix B). The best portions of the Suuri/Roura Extension Zone seem to have a similar 50-degree plunge northward as is also typical of the lenses closer to surface. All features indicate that there are also minable ore lenses that continue below the current Suuri/Roura Extension Zone.

There is significant potential for finding more potentially economic mineralization within the Suurikuusikko property area, especially in the Kittila Mine licence, down-dip and along-strike from the known deposits. Essentially all of the 4.5-km-long zone has been drill-tested to 100 m below surface, about 80% to 300 m, about 40% to 500 m, and only about 15% to 1,000 m below surface.

These facts together with positive new indications from Rimpi suggest that the current reserves containing 4.0 million ounces of gold could be only a fraction of the total potential of this deposit. Kittila Mine may well be on its way to becoming a truly world-class gold deposit.

Item 20. Other Relevant Data and Information

Agnico-Eagle is not aware of any other relevant data or information about the Kittila Mine.

Item 21. Interpretation and Conclusions

The mineral reserve and resource estimate set out in this report represents a material increase, particularly in the Suuri Extension Zone, and can be used for long-term mine planning.

Based on the information provided in the Items 14, 15, 16 and 19, the quantity and the quality of the data used for the new mineral reserve and resource estimate are adequate and follow industry-standard procedures. The area covered by the mineral resource model for the Kittila Mine is currently over 4.5 km long and 100 to 1,100 m deep. Drill-hole spacing in the mineral resource model making up the proven and probable reserve category areas is now 20 to 40 m in open pit areas and 40 to 60 m in underground areas. Inferred resource areas in the Kittila resource model generally have a drill-hole spacing of 60 to 120 m.

Assay quality assurance / quality control (QA/QC) results show that some of the high-gold standards (AEF) seem to be higher than expected, while the secondary laboratory check-analyses correlate very well. This suggests that the difference in assay results is likely caused by different sample material (free gold *vs*. refractory gold). Their different behaviour in sample preparation (fire assay fusion and flux) is the cause of the different assays results rather than analytical problems.

The continuity of the mineralized zones on the Suurikuusikko property and specifically in the Kittila Mine licence area seems to be very high. The 2009 drilling program met both its major objectives by confirming the continuity of economic mineralized zones, and converting a large amount of the previously-defined inferred mineral resources in the deep extension of the Kittila deposit (below 700-level) into economic mineral reserves. For the moment there is no indication or information suggesting that the exploration team has reached the limit of the mineralization.

The resource estimation parameters used in the Kittila mineral resource and reserve model have been revised based on the new data added into the database from actual mine results since 2008. With the exception of small modifications to the search ellipsoid, results from the new drill holes confirm and validate the estimation parameters and the previous intersections. Based on this information, the mineral reserves and resources seem to be accurate and appropriate for the mine plan design.

Ongoing development work and mining in the ore zones of the open pits and underground mine should allow a better validation and reconciliation of estimated reserves.

The economic study that forms the basis of Item 25 in this report has succeeded in demonstrating that the Suuri Extension Zone can be mined profitably using an extension to the current ramp system, with the ore being processed through the existing Kittila plant.

Item 22. Recommendations

Because of the demonstrated economic potential of the deep part of the Kittila deposit, it is recommended to continue exploring along the plunge of the known ore zones. Moreover, a drill program should be initiated for the conversion of the inferred resources to reserves below 700-level.

Deep directional drilling at the Kittila Mine using the Devico method proved to be a very successful tool in 2009 for drilling deep targets, such as the inferred resources of the Suuri Extension Zone. This was crucial to the discovery and delineation of reserves in Suuri Extension, as there was no other underground access available at the time. Most of the “easy targets” (above 500-m depth) will be tested with normal drilling during 2010. After 2010, most of the surface drilling will be concentrated on targets between 500- and 1,000-m depth to the south and north of the Suuri/Roura Extension Zone. Deeper targets along the plunge of this zone can be drilled either from surface using 1,500- to 2,000-m-long drill holes, or more effectively from underground when exploration drilling bays have been built in suitable locations.

The exploration program and budget recommended for Kittila Mine in 2010 is shown in Table 22.

Table 22 - Recommended 2010 exploration program at the Suurikuusikko property

Program	Diamond drilling (m)	Budget (€)	Budget ($)
Resource exploration	55,600	9,063,800	12,689,320
Resource conversion	25,000	2,549,000	3,568,600
Total for 2010	80,600	11,612,800	16,257,920

The development of an exploration ramp to be used for deeper exploration is currently being considered. The information that could be gained from a deep exploration program would be invaluable if Kittila decides in the future to sink a production shaft near the Suuri Extension.

The new parameters adopted for the December 31, 2009, mineral resource and reserve estimate will need to continue to be fine-tuned to fit the actual results coming from the open pits and underground mine. This will include applying more realistic dilution parameters to the upper portion of underground mine, as well. It is recommended to put in place a stope-reconciliation protocol to expedite the comparison of underground ore production with reserves.

It is recommended that the assay QA/QC phenomenon related to higher grade commercial standards (that is likely related to differences in the sample matrix) be solved by preparing custom assay standard from local material.

Since the discovery of the Suurikuusikko deposit, the average gold grade of has remained around 5 g/t, and it seems likely that this will continue into the future. It will be necessary for the Kittila Mine to continue to find and use mining methods and procedures that will keep the operating costs and dilution as low as possible, particularly as mine goes deeper.

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Item 24. Date and Signature Page

The data on which the contained Mineral Resource and Mineral Reserve estimate are based were current as of the Effective Date, December 31, 2009. The undersigned are all qualified persons and were responsible for preparing or supervising the preparation of parts of this Technical Report, as described in Item 4.1.

(Signed by) *Daniel Doucet*

Mr. Daniel Doucet, Ing

(OIQ #39106), (sealed)

(Signed by) *Dominique Girard*

Mr. Dominique Girard, Ing.

(OIQ #125253), (sealed)

(Signed by) *Louise Grondin*

Ms. Louise Grondin, P.Eng, Ing.

(PEO #17384504, OIQ #125863), (sealed)

(Signed by) *Pierre Matte*

Mr. Pierre Matte, Ing.

(OIQ #118872), (sealed)

Item 25. Additional Requirements for Technical Reports on Development Properties and Production Properties

On December 11, 2008, Agnico-Eagle released a Technical Report (Doucet *et al*., 2008) about the Kittila Mine project, demonstrating that the mineral reserve estimate disclosed on September 4, 2008, was valid and that economic extraction of the mineral reserve was justified. The open pit mine was put into production in May 2008, with initial start-up of the mill in late 2008 followed by commercial production in May 2009.

Subsequent exploration and conversion drilling led to a new mineral reserves and resources statement dated December 31, 2009 (Item 19), showing that substantial resources had been converted to reserves at depth beneath the Suuri and Roura ore zones, in an area now called the Suuri Extension. The reserves and resources for Suuri Extension are delimited below elevation 675 m and comprise 13 veins: nine from the Suuri Zone and four from the Roura Zone.

A new internal feasibility study that describes the mining of the Suuri Extension Zone (Matte *et al*., in preparation), a Life of Mine (LOM) plan (December 2009) and an economic study completed in January 2010 demonstrate that the Suuri Extension can be mined from underground at a profit, with access gained by using the existing ramp system.

The mineral resource model of Suuri Extension used for the mining study and economic analysis in this section was derived from diamond drilling up to December 14, 2009. These reserves are slightly different from the ones declared in Item 19 because the December 31, 2009, statement was prepared with the results from more recent holes.

The material increase in mineral reserves that is being declared at the Kittila Mine as of December 31, 2009, compared with December 31, 2008, and the difference in the current mining concept compared with the first Feasibility Study (Grondin *et al*., 2006) have triggered the writing of the current Technical Report.

In compliance with Item 25 of Form 43-101F1, the following section presents the additional information required for technical reports on development projects. The information presented in Item 25 is adapted from the December 2009 internal LOM study for the Kittila Mine, reflecting market conditions as of January 2010.

25.1 Mining Operations

At the Kittila Mine, the mineral reserves are mined both at surface and underground. It is estimated that approximately 3.3 million tonnes of ore is extractable from surface mining and 22.6 million tonnes by underground mining. Surface mining began in 2008 and will last five years, during which time the underground mine will be developed.

This item discusses the underground mining method, especially pertaining to the Suuri Extension Zone, as well as the estimation parameters used to define the new reserves in the Suuri Extension.

Agnico-Eagle essentially used the estimation parameters that were developed by Géopointcom (D'Amours, 2009) for the Suuri zones. Datamine resource-modelling software was used by Agnico-Eagle for the underground model. The block models were evaluated using the wireframe solids as constraints, and sub-cells were used to completely fill the wireframe solids. The grade interpolation of the block model was done using the inverse squared distance (ID^2) for each envelope.

The block size is 3 m (east) x 5 m (north) x 5 m (depth) and the minimum sub-cells size is 0.75 m (east) x 1.25 m (north) x 1.25 m (depth). The composites are calculated from the selected samples inside the resource model wireframes. The length of the composite is 1 m and the minimum length for the last composite is 0.2 m. The grade is calculated using a weighted average for each composite.

For the grade interpolation, the minimum and maximum number of samples used for the first and second passes are, respectively, 5 and 15. A minimum and maximum of 2 and 15 samples has been used for the third pass. Search ellipsoid dimensions are doubled (second pass) and then tripled (third pass) in size if the minimum and maximum samples are not encountered.

A dilution grade was estimated for the deep underground reserves (using the same method to determine grades in mineralization) within dilution envelopes of 3 m located immediately adjacent to and on either side of each of the mineralized zone envelopes. For the calculation of the underground cut-off gold grade, the dilution was set at 30% at a grade of 0.55 g/t Au (which is the average grade inside the dilution wireframes of December 31, 2009).

Long-hole mining was chosen as the method to extract ore from underground at Kittila because of the orebody's shape, thickness, orientation and rock mass quality. Two variations of the mining method will be used, depending on the ore zone thickness and the ground conditions. For zones thicker than 6 m, transverse mining will be done with a primary and secondary mining sequence. The width of all stopes (primary and secondary) will be 15 m. In zones less than 6 m thick, the stopes will be mined longitudinally (see Figure 36 and Figure 37).

The Suuri Extension reserves below 675-m depth will be accessed by extending the current ramp from 675-m to 1,100-m depth.

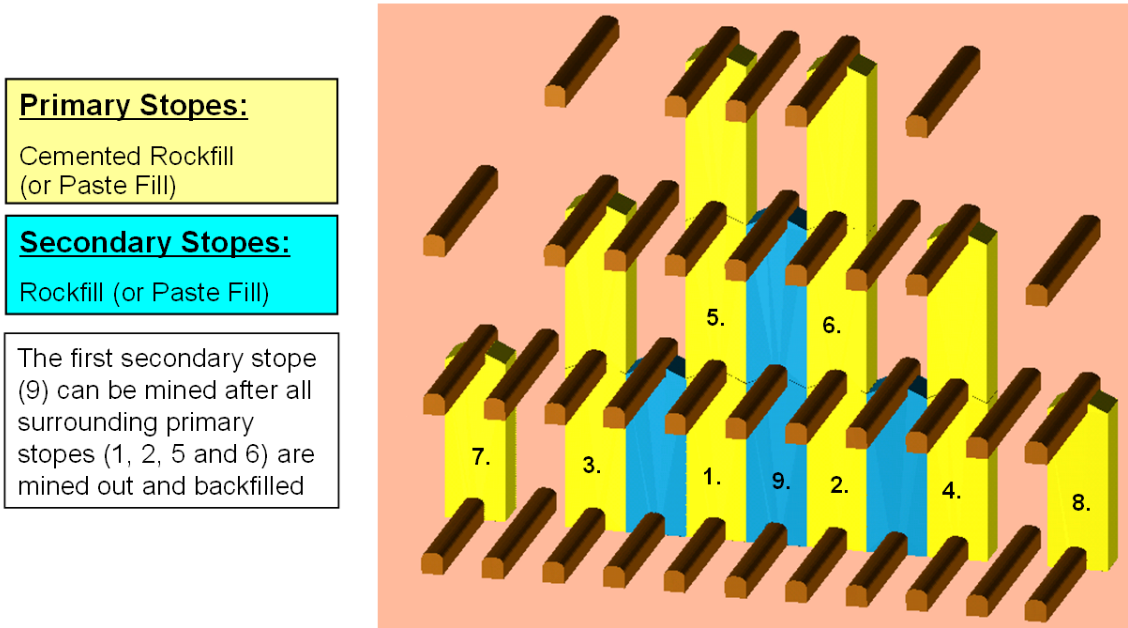

Figure 36 - Mining with primary and secondary stopes at Kittila Mine

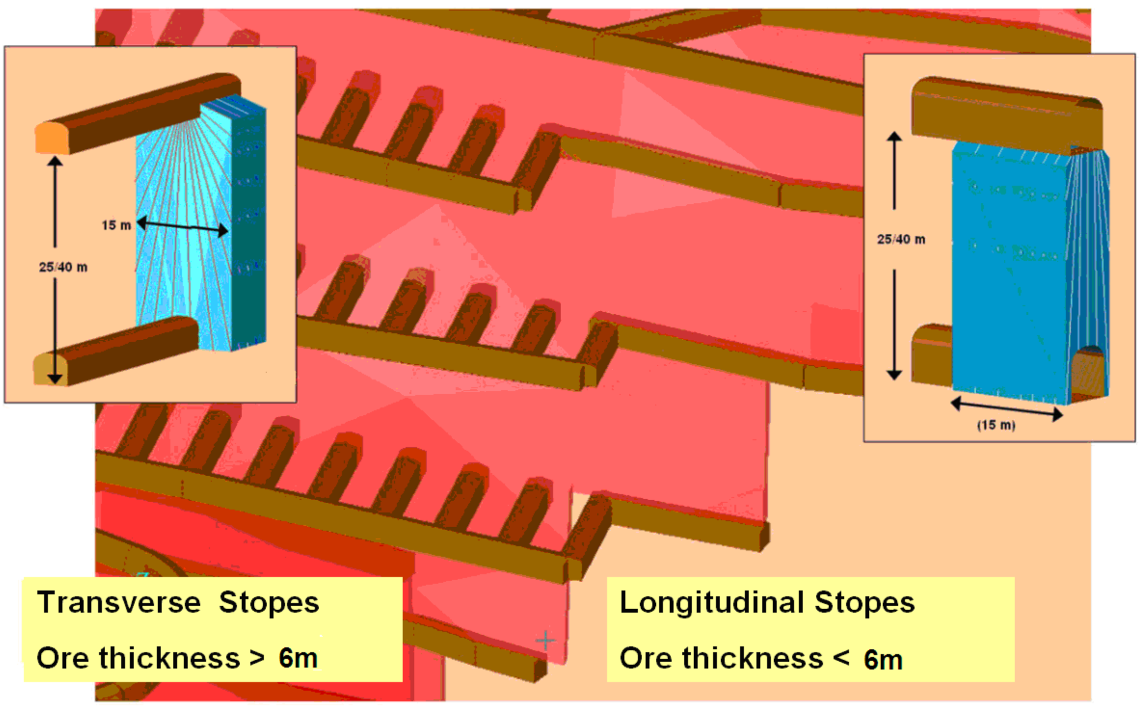

Figure 37 - Transverse and longitudinal stopes at Kittila Mine

Ore production levels within the Suuri Extension zones will be established at 25-m intervals (Figure 38) to control the waste rock dilution and ore losses. The Mathews-Potvin stability graph method was used to determine the stope size.

Long-hole stopes will be drilled with top-hammer electric-hydraulic long-hole drills. Standard speed rods will be used with 76- to 89-mm-diameter bits. If the deviation becomes excessive, tube drilling will replace the speed rods. The stopes will be mucked with 7.5-m^3 scooptrams equipped with remote controls. The scooptrams will load 50-tonne trucks that will haul the ore to surface. There will be no orepasses; instead there will be a storage area for the scooptrams to dump ore and the trucks to be loaded. There will not be an underground crushing facility. The primary crusher will be located on surface near the mill, with multiple ore stockpiles to enable blending of the material.

At present, rock fill with or without cement slurry and paste fill are considered suitable backfill material for the stopes. The rock fill will be waste from the development headings; no additional waste is assumed necessary for backfilling as we will be using mainly paste fill. The paste will come from a paste backfill plant on surface, and will be delivered underground through bore holes and a paste line system.

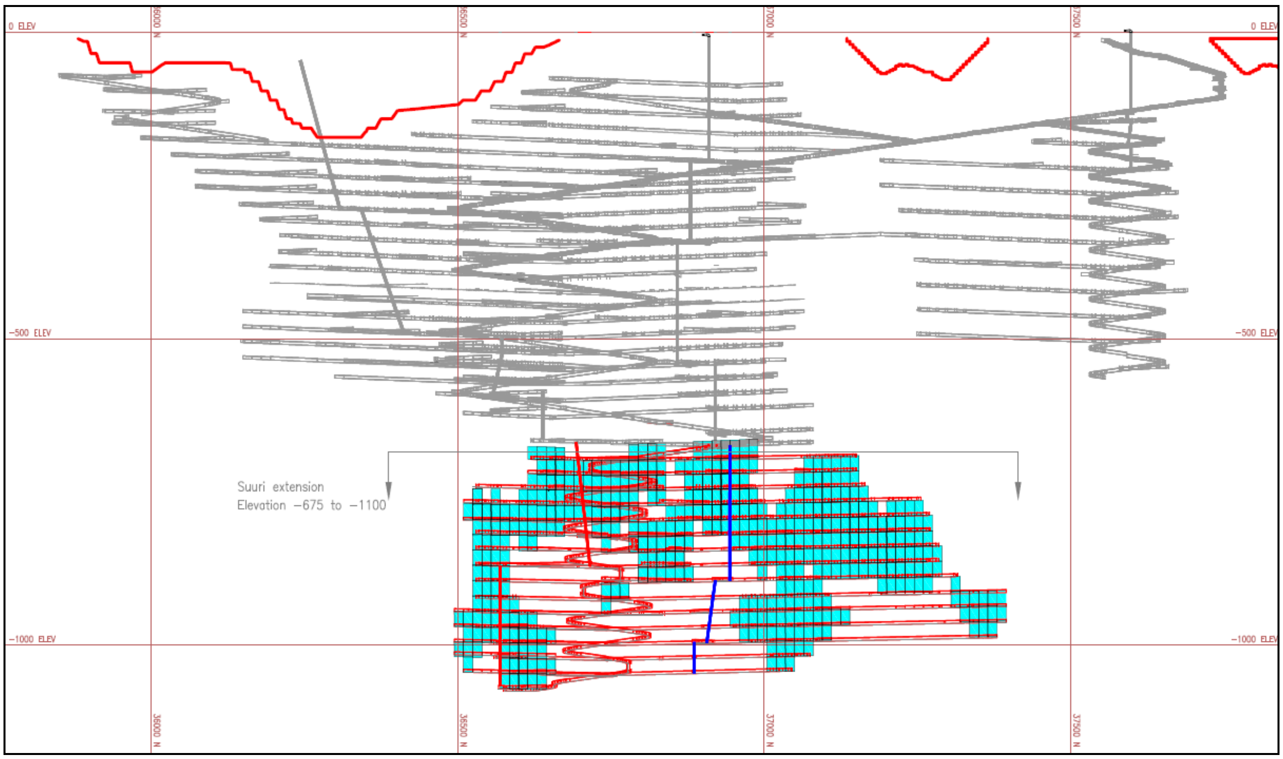

Figure 38 - Simplified layout of the underground mine at Kittila, including the Suuri Extension

The underground mine design used a cut-off grade of 3.86 g/t gold before mining dilution and mill recovery. A mining recovery of 95% was used for determining the Suuri Extension reserves, as is usual for the mine plan, and the mill recovery was set at 89.3%. Waste dilution was estimated by metres of sloughing based on ELOS (Equivalent Linear Overbreak/Sloughing) charts and RQD evaluation.

From the drill-hole database, an RQD block model was built to help determine the rock quality in both the hanging wall and footwall of each stope considered. An average RQD per stope was calculated from the block. All stopes considered in the study were then classified in one of three categories: “good rock” (RQD greater than 70%), “fair rock” (RQD between 35% and 70%) and “poor rock” (RQD below 35%).

To determine the dilution parameters to be applied to each category, both drill-hole and field observations were compiled to calculate the Q´ values necessary for the ELOS stability graph dilution evaluation method (Potvin, 1988; Charrette and Hadjigeorgiou, 1999). In its simplest form, the ELOS value is the representation of the expected dilution tonnes in equivalent metres spread out over the height and width of the entire stope. The evaluated Q´ values are presented in Table 23.

Table 23 - Q' values for the hanging wall and footwall for the Suuri Extension

Footwall			Hanging wall		
Poor	**Fair**	**Good**	**Poor**	**Fair**	**Good**
6.00	37.00	68.00	6.00	36.00	66.00

The ELOS stability graph method consists of a chart with two main inputs: the Stability Index N´ (relative to the rock quality) and the hydraulic radius (relative to the stope dimensions). The Stability Index N is defined by the following relationship:

$$N' = Q' \times A \times B \times C$$

Where :
Q’ is the modified Rock Tunnelling Quality Index,
A is the rock strength factor,
B is the joint orientation adjustment factor,
C is the gravity adjustment factor.

Field and drill-hole observations were used to determine the A, B and C parameters for the ELOS stability graph.

The A and B values were estimated at 0.1 and 0.2, respectively. As expected, the C values are different for the footwall and the hanging wall. The C value for the footwall was calculated to be 3.5, whereas the hanging-wall value was determined to be 6.5.

The other required input for the stability graph method is the hydraulic radius. The hydraulic radius is simply defined as the stope’s area divided by its perimeter. It can be obtained by the following equation:

$$HR = \frac{w \times h}{2 \times (w+h)}$$

Where:
w is the stope’s width (m),
h: is the stope’s height (m)

In the present case, the hydraulic radius is always 4.75.

Figure 39 and Table 24 display the ELOS chart and values.

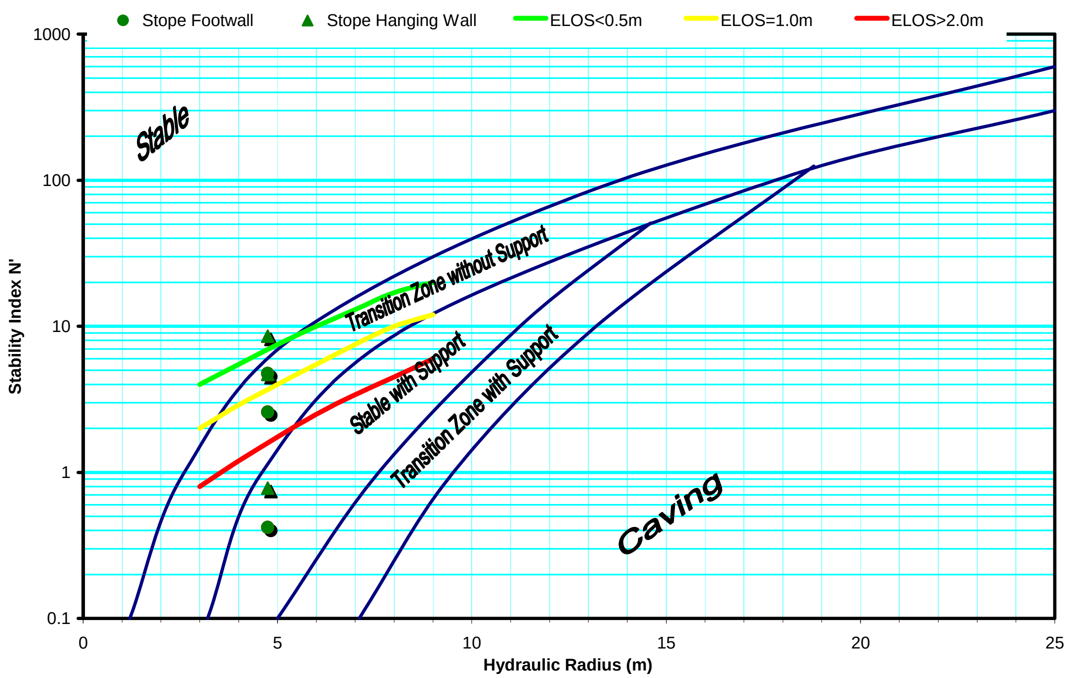

Figure 39 - Stability graph (after Nickson, 1992)

Table 24 - ELOS stability graph values obtained for stope design

Footwall			Hanging wall			Global		
Good	**Fair**	**Poor**	**Good**	**Fair**	**Poor**	RQD>70% **Good**	35%<RQD<70% **Fair**	RQD<35% **Poor**
0.80	1.40	3.00	0.40	0.80	2.50	1.20	2.20	5.50

To summarize, a stope in good ground in the Suuri Extension is expected to yield 1.2 m of dilution; the dilution reaches 2.2 m in fair ground and 5.5 m in poor ground. The dilution has been determined to be 1.5 m on average, which is estimated to result in approximately 24% dilution in this zone.

25.2 Process and Plant Description

The mineral processing plant is located near the western property boundary and approximately equidistant to the Suuri and Roura pits and potential future shaft. Following test work results and process evaluation, a plant utilizing pressure oxidation (“POX”) for treatment of a gold-bearing sulphide concentrate was built. The simplified process flowsheet is shown in Figure 40.

The plant construction and commissioning is completed. Concentrate feed to the autoclave was achieved on November 17, 2008, as one of the last start-up steps. In 2009, 750,660 tonnes of ore was processed and 72,207 ounces of gold produced by the Kittila plant.

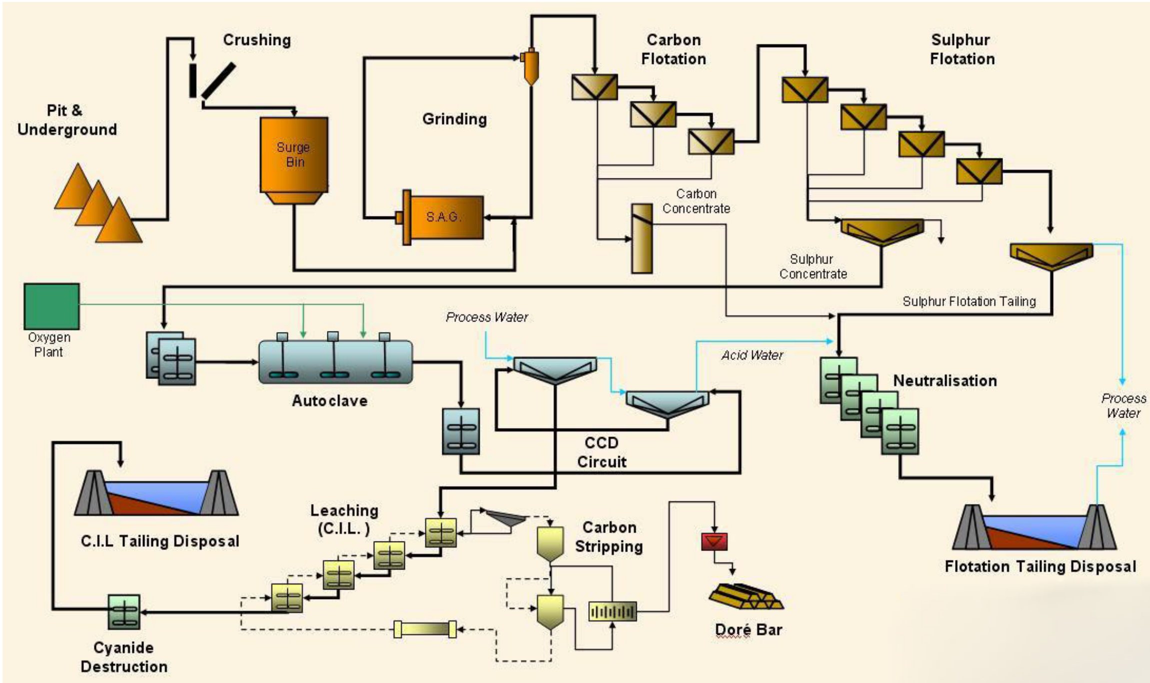

Figure 40 - Kittila Mine plant simplified process flowsheet

25.2.1 Primary and Coarse Ore Handling

Ore is trucked to the surface crusher and placed in a run-of-mine stockpile, and reclaimed using a front-end loader for blending purposes. Ore is reclaimed from the dump hopper using a vibrating feeder and crushed to 80% passing 125 mm in a 950-mm by 1,250-mm Metso C125 jaw crusher. Crushed ore is conveyed to a semi-autogenous (SAG) grinding mill surge bin with a live capacity of 3,000 tonnes. Four vibrating pan feeders are provided for reclaiming ore from the surge bin.

25.2.2 Grinding

The single-stage grinding circuit consists of a SAG mill operating in closed circuit with cyclone classification. The grinding mill has been sized to process ore at an average rate of 124 tonnes per hour and to produce a finished product with a P80 of 75 microns. The primary grinding mill is a trunnion-supported, 5,500-mm-diameter by 9,200-mm-long (effective grinding length) SAG mill. The mill is coupled to a 4,400-kW motor with variable-speed capabilities. The mill is configured for semi-autogenous grinding with a maximum operating ball load of 25%. An inching drive with a hydraulic power pack is provided. A packaged lubrication system, complete with high- and low-pressure pumps, oil heaters, air-to-oil cooling system, filters and all accessories, serves the SAG mill trunnion and pinion bearings.

The SAG mill feed conveyor discharges into the SAG mill via a retractable feed chute. The SAG mill discharges onto a trunnion-mounted trommel screen. Pebble recycling has been integrated into the final design as a cautionary measure. Undersize material from the SAG mill discharge trommel screen flows to a pump box, and is diluted with process water to achieve correct primary cyclone feed density. Two cyclone feed pumps are provided (one operating and one standby). The cyclone feed pumps transport slurry to a six-position cyclone cluster fitted with 375-mm-diameter cyclones. Under normal operating conditions, five out of the six cyclones are put on-line. Cyclone overflow is collected in a common launder and flows to the flotation circuit.

25.2.3 Organic Carbon Pre-Float

The flotation is headed by an organic carbon pre-float stage. Metallurgical optimization test work demonstrated the benefit of organic carbon (TOC) removal in optimizing overall gold recovery. It was therefore integrated into the final process design. Product from the grinding circuit feeds a series of three 40-m^3 Outotec tank cells. Rougher concentrate reports to a 2-m-diameter cleaner column. Cleaner concentrate is recombined with sulphide flotation tails while the TOC flotation tails are pumped to the head of the sulphide flotation circuit. No slurry conditioning is required as neutral pH flotation is appropriate. The objective is to partially float off the organic carbon with minimal gold losses. A 30% TOC removal rate combined with a gold loss of 1.3% have been achieved during 2009.

25.2.4 Sulphide Concentrate Flotation and Handling

Organic carbon flotation tails are pumped to a conditioner tank that provides three minutes of conditioning time. MIBC frother and flotation collector are added to the conditioner tank. Overflow from the conditioner tank proceeds to the rougher/scavenger flotation circuit, which comprises four stages of roughing and two stages of scavenging. All rougher/scavenger flotation cells consist of 40-m^3 tank-type cells that provide approximately 35 minutes of total residence time accounting for circulating flows. Rougher concentrate flows by gravity to the rougher-concentrate pump box, and is pumped to the concentrate thickener. Total mass recovery to concentrate is about 15%. From the thickener feed collection box, slurry flows to the centre well of the 9,000-mm-diameter elevated thickener. Centrifugal pumps at the thickener underflow transport the slurry, at nearly 50% solids by weight, to the concentrate stock tanks. Twenty-four hours of storage capacity is provided. From the storage tank, concentrate can feed either a filtration circuit or the autoclave feed tank.

A filtration circuit has been integrated into the overall process creating partial independence between sulphide concentrate production and the pressure oxidation / precious metal recovery circuit. This provides additional operation flexibility and helps optimize overall mill availability. The circuit comprises two Eimco six-row disc filters. Filtered concentrate is dumped onto an open storage pad.

Scavenger tailings are pumped to a 16,000-mm-diameter high-rate thickener. Underflow (at 50% solids) is pumped to the neutralization circuit, and overflow reports to the process water tank.

25.2.5 Pressure Oxidation

Concentrate is pumped from the concentrate storage tanks to a 7,000-mm-diameter by 9,000-mm-tall autoclave feed tank. The autoclave is fed using two positive-displacement piston diaphragm pumps. Each pump is sized to deliver 100% of the flow; however, both pumps operate simultaneously under normal circumstances. The autoclave is 3,500 mm in diameter (inside steel) by 23,500 mm (T/T) long, and has six compartments for a total residence time of 60 minutes. Operating temperature is 190°C , at an absolute pressure of near 1,900 kilopascals. The vessel is acid brick and lead lined. The first compartment is equipped with a 75-kW agitator to provide oxygen dispersion and solids suspension, while the remaining five are equipped with 55-kW agitators. Process temperature is maintained at 190°C by injection of cooling water. Slurry exiting the autoclave is cooled to near 90°C in a single-stage high flash vessel. Steam produced in the flash vessel reports to a scrubber to recover particulate and acidic vapour. Slurry from the flash vessel reports to a 7,000-mm-diameter by 8,000-mm-tall CCD feed storage tank. Slurry is then pumped to the CCD wash circuit.

25.2.6 Counter-Current Decantation Wash Circuit

In the counter-current decantation (CCD) circuit, acidic solution containing dissolved metals (primarily iron and arsenic) is separated from the solid residue produced in the oxidation circuits. The CCD circuit consists of three high-rate thickeners; the front two are 21,000 mm in diameter and the last is 12,000 mm in diameter. Underflow at 35% solids is pumped counter to the flow of wash solution to progressively reduce the concentration of iron to below 0.5 gram per litre. Washed residue reports to the carbon-in-leach (CIL) circuit, whereas overflow solution reports to the neutralization circuit.

25.2.7 Neutralization

The neutralization circuit consists of four 9,000-mm-diameter by 10,000-mm-tall agitated tanks arranged in series. Solutions from the CCD wash circuit and flotation tailings are combined in the first tank. Carbonate mineralization in the tailings stream reacts with the sulphuric acid, and as pH increases, iron and arsenic precipitates. Lime is added to the third and fourth tank to increase pH to approximately 8.3 and precipitate additional metal species. Slurry exiting the fourth tank is pumped to the tailings facility.

25.2.8 Carbon Circuit

Underflow from the CCD thickeners is pumped to a 1,800-mm-long by 900-mm-wide trash screen mounted above the 5,000-mm-diameter by 8,000-mm-tall CIL conditioning tank. The underflow from the trash screen flows by gravity into the CIL conditioning tank, while the oversize is dumped into a trash bin. Process water and lime are added to the conditioning tank to adjust the density and pH. The slurry from the conditioning tank overflows into the first of six 5,000-mm-diameter by 7,500-mm-tall CIL tanks in series. Cyanide solution is added as required to the first and third CIL tanks. On an intermittent basis, loaded carbon screen underflow and barren strip solution bleed are also pumped to the circuit.

The six CIL tanks provide an estimated 24 hours residence time. Each tank is fitted with an agitator consisting of dual impellers mounted on a central shaft supported from a bridge mounted on the tank shell. Air is introduced into each tank. Each tank is fitted with a NKM-type inter-stage screen. Carbon is forwarded on a sequential basis using vertical recessed impeller pumps. The discharge from the last CIL tank flows by gravity to the carbon safety screen to capture fugitive loaded carbon that might have slipped past the in-tank retention screens. Carbon particles discharged from the safety screens are collected in a tote bin for return to process. The underflow from the safety screen flows by gravity to the 4,500-mm-diameter by 4,500-mm-tall cyanide destruction reactor tank.

25.2.9 Effluent Treatment

The cyanide destruction process is SO_2/air using sodium metabisulphite as the source of SO_2. The cyanide destruction tank is fitted with an agitator consisting of dual impellers, supported from a bridge mounted on the tank shell. CIL tailings and water treatment sludge are treated in the cyanide destruction process. Sodium metabisulphite solution is added at a rate sufficient to reduce the free titrable cyanide to below detection limits, along with the level of weak-acid-dissociable (WAD) cyanide complexes in the tailings pond water. Provision is made to add lime slurry to maintain the required pH. Provision is also made for the addition of copper sulphate solution as a reaction catalyst. Tailings slurry discharges into the CIL-tailings pump box, from where it is pumped to the impoundment pond.

25.2.10 Carbon Elution & Regeneration

Loaded carbon is transferred from the CIL head tank to a vibrating screen with spray bars and a screen mesh size sufficient to capture the loaded carbon. Loaded carbon passes over the screen deck to the acid wash tank. Screen undersize material moves by gravity back to the trash screen above the CIL conditioning tank. The pumping operation continues until the acid wash tank is full. The acid wash tank is a cylindrical 1,100-mm-diameter by 7,000-mm-tall tank constructed from FRP with a hemispherical bottom. Dilute nitric acid solution is prepared in a separate 10-m^3-capacity tank. It is pumped into the bottom of the acid wash tank through in-line screens, and then up through the bed of carbon. The acid overflows at the top of the tank through a screen, and then back to the acid solution tank. The spent acid-wash solution from the acid-wash tank is drained intermittently to the acid-wash-area sump pump, and pumped to the final-tailings pump box.

Acid-washed carbon from the acid-wash tank is evacuated from the bottom of this tank into the intake of a horizontal recessed impeller pump, which moves the carbon and process water stream to the top of the carbon strip vessel. The carbon strip vessel is 1,100 mm diameter by 7,000 mm tall, and is operated at elevated temperature and pressure. The pre-soak solution tank is filled with fresh water and dilute sodium hydroxide solution, which is then circulated through the carbon bed in the strip vessel to neutralize the nitric acid. The spent neutralization solution from the acid-wash tank is then pumped to the tailings pump box. A single ventilation fan exhausts acid fumes and mist from both the acid-wash and the acid-solution tanks.

The desorption (or elution) cycle starts with the introduction of dilute sodium cyanide and dilute sodium hydroxide solutions into the pre-soak solution tank. This solution, together with fresh water from the elution water tank, is pumped through heat exchangers to the strip vessel. Barren eluate solution at operating temperature and pressure enters the bottom of the elution vessel through in-line screens, and then flows up through the carbon bed. The solution strips the metal loaded onto the carbon, and then exits from the top of the elution vessel and passes through screen baskets to retain carbon. The pregnant solution passes through the solution/solution heat exchangers where it transfers its thermal energy to the incoming barren eluate solution. This pregnant solution stream then flows to the pregnant solution/eluate tank in the electrowinning and refinery area.

Stripped carbon is evacuated from the bottom of the strip vessel into the intake of the horizontal recessed impeller pump, which moves the carbon and process water streams to a vibrating screen located at the top of the carbon-regeneration kiln feed hopper. Carbon is screened out and drops by gravity into the hopper. Screen fines flow by gravity to the carbon fines tank. Water collected in the carbon fines tank overflows into the carbon-transfer water tank, and is pumped back to the carbon-stripping circuit.

The activity of the stripped carbon obtained from each of the elution vessels is restored in the carbon-regeneration kiln. The configuration is a horizontal rotating drum, jacketed by an electrically heated shell. After passing through the kiln, the carbon drops out into a quench tank located at the bottom of the kiln. Carbon loss through attrition is made up with fresh carbon that is introduced into the quench tank, from where it is pumped together with the regenerated carbon to the reactivated/fresh carbon-sizing screen. Screened carbon discharges by gravity to the reactivated-carbon-transfer hopper, where it is pumped to the last leach tank in the CIL train.

25.2.11 Electrowinning and Refining

Pregnant solution from the carbon-stripping operation reports to the carbon-strip pregnant solution tank. Pregnant solution is transported from the tank to the electrowinning cells. Gold metal is plated loosely on the stainless steel wool cathodes in the electrowinning cells. Depleted solution flows from the outlet of the cell to the barren-solution pump box, and is then transported back to the CIL circuit or recirculated back through the electrowinning cells via the carbon-strip pregnant solution tank. At the end of the run, the cathodes are removed from the cells; the gold-bearing sludge is washed off and then pumped to a plate-and-frame filter press. The filtered cake is mixed with fluxes, usually comprising silica, borax, soda ash and occasionally sodium nitrate, and fed to an electric induction furnace. The doré metal and slag separate in the furnace, and the slag is poured off to slag pots. Then the doré metal is poured into bars for shipment. The slag contains metal values and usually is reprocessed for recovery of those values by recycling it back into the grinding plant.

25.3 Production Forecast

The mine operation for Suuri Extension is presently planned to run 26 days/month, 12 months/year, while the processing plant will run continuously. The combined ore production rate at Kittila (open pit and underground mine) will be 3,000 tonnes/day or 1.1 million tonnes/year. Ore production from Suuri Extension has been set at 700 tonnes/day while the near-surface part of the zone will supply the remaining 2,300 tonnes/day. An estimated two years of development and construction underground will be necessary before the Suuri Extension zone will begin to produce ore. See Table 25 for the production details.

Table 25 - Production forecast for the Suuri Extension

Year	Suuri Extension (tonnes)
-2	0
-1	0
1	105,000
2	255,500
3	255,500
4	255,500
5	255,500
6	255,500
7	255,500
8	255,500
9	255,500
10	255,500
11	255,500
12	255,500
13	255,500
14	255,500
15	255,500
16	255,500
17	255,500
18	62,547
Total	**4,255,547**

25.4 Recoverability

The overall (global) gold recovery is determined by multiplying the percent of gold recovery in flotation by the percent of subsequent gold recovery in the carbon-in-leach (CIL) circuit.

The design rate for gold recovery in sulphide flotation at the Kittila plant was expected to be 93.0%. Actual plant flotation gold recovery averaged 91.5% during the last quarter of 2009 and on seven days averaged more than 93%. During the same period, the gold lost in the carbon pre-float averaged 1.3%.

Figure 41 shows that, through current optimization efforts, the flotation gold recovery has almost reached the 93% target.

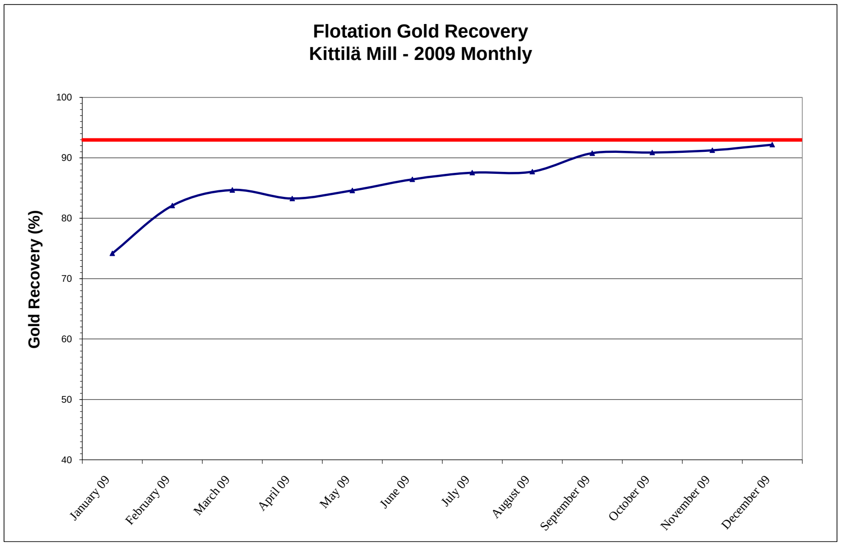

Figure 41 - Flotation gold recovery (monthly average by percentage)

Based on the 2006 feasibility study (Grondin *et al*., 2006), gold recovery in the CIL circuit was expected to average nearly 93%. Further development work shortly afterward increased the expected gold recovery in CIL to 96%.

During 2009, the actual CIL gold recovery significantly increased, as shown in Figure 42. On a daily basis, the CIL circuit averaged gold recovery of at least 90% on 14 days in the last quarter. Key to these results is the continuous improvement of process conditioning and control within the pressure oxidation circuit, as well as the improved performance in organic carbon flotation. The results achieved since start-up suggest that the feasibility model is still within reach, supported by ongoing continuous optimization work.

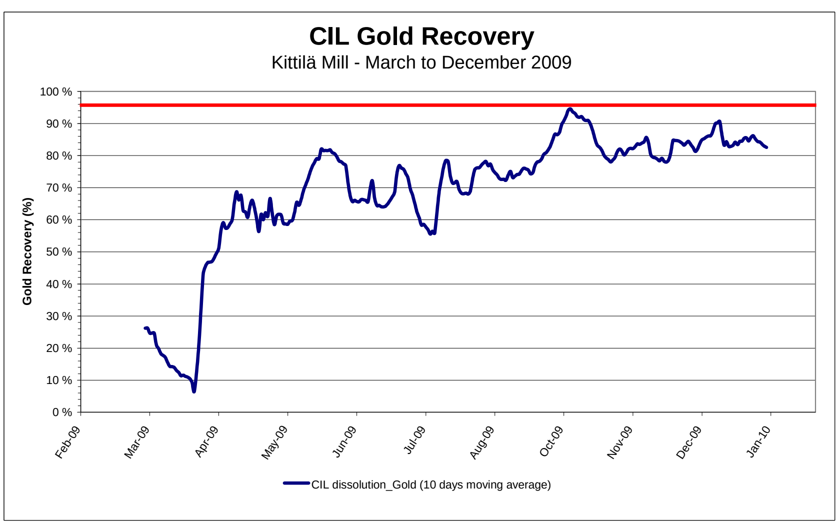

Figure 42 - Carbon-in-leach gold recovery (10-day moving average percentage)

Metallurgical testing was done in 2009 on a 100-kilogram composite ore sample from the Suuri Extension (lower) part of the mine. The results show the gold recovery from Suuri Extension ore to be equivalent to the results achieved with previous testing for the original feasibility study. This, in combination with the plant's recent performance improvements, indicates that gold recovery from Suuri Extension ore should match the original overall gold recovery model, which was set at 89% for the set average organic carbon content. At this stage, Suuri Extension ore is considered to be similar in nature to ore from the main Suuri zone.

25.5 Markets

The Kittila Mine project is forecasted to produce marketable gold in the form of doré bars that will be produced from hydrometallurgical (autoclave) treatment of the sulphide concentrate at the mine site refinery. Further refining to higher purity is done under contract by Argor Heraeus in Mendrisio, Switzerland. The refined Kittila Mine gold is allocated to the Agnico-Eagle account at the Argor Heraeus refinery for future sale on the Spot Market.

25.6 Contracts

The mine uses contractors in sample drilling, diamond drilling, overburden removal, charging and blasting in the open pit, as well as loading and hauling of rock underground, and for specialized works like raise boring. The terms of the contracts are according to local practice, and the duration varies from a few months up to five years.

25.7 Environmental Considerations

In addition to the initial €200,000 bond that the Company posted with the Lapland Regional Environmental Centre, two areas—the waste rock storage pile and the tailings pond area—will require posting of additional environmental bonds, ensuring that sufficient money is available to cover future costs of rehabilitation. The amounts have been calculated by the permitting authority to cover the grading and closure costs as well as the costs of monitoring and follow-up during rehabilitation. Agnico-Eagle has independently estimated the rehabilitation costs for the waste rock pile and tailings pond.

25.7.1 Waste Rock

Approximately 42 million tonnes of waste rock will be stored in a pile covering an area of about 94 ha. The bond for the waste rock is calculated per tonne of waste rock deposited on the pile in any given year, and is to be paid each January for the upcoming year.

An initial bond of €15,000 was provided for waste rock storage at the beginning of operations. Each January an amount will be added to the bond, calculated as €0.013 per tonne of waste rock to be deposited on the piles, based on the mining plan for the year. On that basis, the total bond for the waste rock has been estimated at €561,000 over the life of the mine, as shown in Table 26, below. In comparison, the Company estimates the cost to cover and revegetate an area of 94 ha at approximately €658,000.

25.7.2 Tailings Pond Area

The tailings area consists of the initial cyanide tailings pond (CIL), the two initial neutralized precipitate ponds (NP1-2), and the final precipitate pond (NP3). By the end of the mine life, NP1-2 will also host some of the CIL tails. Together the ponds will ultimately contain approximately 15 million tonnes of tailings and will cover an area of approximately 82.3 ha (823,000 m^2).

The bond for the tailings is calculated for every square metre taken into use. By the end of each January, the bond for the tailings has to be posted to cover the additional square metres to be occupied by tailings in that year, based on the mining plan.

An initial bond of €15,000 was provided for the CIL and NP1-2 ponds at the beginning of operations, and the additional bond per unit area for these surfaces is €15.6/m^2. An initial bond of €2 million was provided for the NP3 pond prior to the start of construction, and the additional bond per unit area for the NP3 pond will be €5/m^2. The total bond for the tailings has been estimated at approximately €10.673 million over the life of the mine, as shown in Table 26.

Table 26 - Closure costs for Kittila Mine, comparing estimates by Finnish Government and Agnico-Eagle

	Dimensions			Finnish Government bond calculation			Agnico-Eagle's best estimate	
	Area		Tonnage	Initial bond	Unit cost	Total bond	Unit cost	Total cost
	(ha)	(m^2)	(tonnes)				€/ha for cover	(€)
Waste rock pile (in 2021)	**94.00**	**940,000**	**42 million**	**€15,000**	**€0.013/tonne**	**€561,000**	**€7,000**	**€658,000**
Tailings								
NP tailings pond (in 2021) (currently NP3)	39.30	393,000	15 million	€2,000,000	€5.000/m^2	€3,965,000	€65,134	€2,559,750
CIL tailings pond (in 2021) (currently NP1-2 + CIL)	43.00	430,000		€15,000	€15.600/m^2	€6,708,000	€96,977	€4,170,000
Tailings subtotal	**82.3**	**823,000**	**15 million**	**€2,015,000**		**€10,673,000**		**€6,729,750**
Totals	**176.3**	**1,763,000**		**€2,030,000**		**€11,234,000**		**€7,387,750**

In comparison, the rehabilitation costs for the CIL and NP tailings ponds were calculated by Agnico-Eagle based on recent experience in tailings pond construction at the Kittila Mine. The unit cost for rehabilitation of NP3 is estimated at €65,134/ha, and €96,977/ha for the CIL/NP1-2 pond, for a total tailings rehabilitation cost estimate of €6.730 million, as shown on Table 26.

25.8 Taxes

The property is situated in Finland but the mining rights are owned by a Swedish company, Agnico-Eagle AB, which has established a branch in Finland for the operations in Finland. Thus, income generated from mining operations will be taxed in both jurisdictions to a maximum of the Swedish corporate tax rate of 28%. The mine alone is not a taxable unit. The whole branch in Finland is taxed including exploration activities; financing costs are also included in taxable income. The cash flow analysis is made before financing and taxes.

The Republic of Finland retains a 2.0% net smelter return (NSR) royalty for the Kittila Mine project payable at the beginning of the next year. The ramp-up period for the processing plant is free of royalty to maximum of 12 months. The economic analysis below was performed using a 2.0% NSR royalty.

The royalty is not a tax issue. It is based on the agreement when the mining rights were purchased from the Republic of Finland. Thus royalty is reported in tax but as a cost issue.

25.9 Capital and Operating Cost Estimates

The capital and operating costs presented in this report are based on the Life of Mine (LOM) plan prepared by Agnico-Eagle Finland in December 2009. The costs are based partly on the feasibility figures and partly on the actual figures and experience from operating, as the Company is just starting to mine underground.

The capital costs estimation used in this report covers underground construction and development, surface infrastructures, tailings expansion and closure costs associated with the Suuri Extension orebody, which extends downward from 675 m to 1,100 m below surface. A 15% contingency was added to the total capital cost. No exploration or conversion drilling within the mining licence was added in these capital costs, as they are already included in the LOM produced in December 2009. Table 27 shows the capital expenditures anticipated for the Suuri Extension mine development project.

The mineral reserves used in the Suuri Extension Zone study presented in this section differ slightly from those presented in Item 19. The mineral resource model of Suuri Extension used in this section (to design the mining project, calculate the costs and make the economic analysis) was derived from diamond drilling information that was current up to December 14, 2009. The drilling continued, however, and the results from more recent holes were added to the resource model used in the December 31, 2009, mineral resource and reserve estimate. This explains the variation of tonnage and ounces declared in the reserves (outlined in Item 19) compared with this economic analysis.

Table 27 - Suuri Extension project capital expenditures

Items	Capital **(€ 000s)**
Mine	52,423
Tailings	1,922
Mine closure and salvage	811
Contingency	8,273
Total	**63,430**

Total capital costs are estimated to be €63.4 million over the Life of Mine model.

Operating costs were also calculated based on the LOM produced in December 2009; this LOM uses actual costs combined with feasibility figures. The average operating costs in the LOM were adjusted to account for additional expenses for the development, haulage, services and maintenance costs associated with the Suuri Extension.

Table 28 - Suuri Extension project operating costs

Items	LOM operating costs (€/tonne)	Suuri Extn. additional costs (€/tonne)	Total operating costs (€/tonne)
Extraction	19.95	7.02	26.97
Processing	19.36	0	19.36
General & Administration	7.79	0	7.79
Other charges	0.54	0	0.54
Total operating cost	**47.64**	**7.02**	**54.66**

The total operating costs over the Life of Mine model for Suuri Extension are estimated to be €232.6 million.

Finland's Ministry of Employment and the Economy retains a 2% Net Smelter Return royalty over the Kittila Mine as a part of the sale of the mining rights (see Item 25.8, "Taxes"). The royalties are currently estimated to be approximately €25 million over the life of the mine. The Net Smelter Return is calculated on the gross revenue minus the cost of processing concentrate to doré gold.

25.10 Economic Analysis

The economic analysis in this Report was done only for the Suuri Extension mine project, which is the part of the Suuri deposit lying between elevations 675 m and 1,100 m below surface. The analysis is based on the Life of Mine plan prepared in December 2009 as well as operating costs for the development, haulage, services and maintenance that will be associated with the Suuri Extension. The gold price and currency exchange rate were determined as of December 31, 2009, to be $848/ounce and $1.41 per €1.00, respectively. The top production capacity from Suuri Extension is 255,500 tonnes of ore per year; Kittila's other zones will supply the remaining tonnes to achieve a total yearly production for the mine of 1.1 million tonnes. Approximately two years of development and construction will be required before ore production begins from Suuri Extension. Ore production in year 1 is planned to be 105,000 tonnes, reaching the full capacity of 255,500 tonnes the next year.

The current total mineable reserve from Suuri Extension is 4.3 million tonnes, giving a life of about 17 years for this portion of the orebody.

The average grade of Suuri Extension ore is 5.0 g/t gold, but the annual average will vary from 4.8 to 5.7 g/t gold. The global gold recovery in the processing plant is calculated by multiplying the flotation recovery by the recovery in leaching. The recovery depends on the mineral content of the mill feed and the functioning of the plant. The expected global recovery of gold from Suuri Extension ore is estimated to be 89% (see Item 25.4), as it will begin to feed the plant after the plant's operation has undergone optimization. The average annual production from the Suuri Extension zone will be 42,000 ounces of gold.

The mine produces gold in the form of doré bars requiring further refining. It is expected that the contracted refinery will recover 100% of the gold. The refined gold will be sold on the spot market by Agnico-Eagle.

The estimated cash flow projection over the life of the Suuri Extension project is presented in Table 29. Calculation of the cash flow took into account the revenues, capital and operating costs and royalties, but not the taxes and financing expenses. Total revenues and total net cash flow are estimated to be, respectively, €360.4 million and €64.3 million over the life of mine that was modeled.

Table 29 - Suuri Extension project cash flow evolution (in € 000s)

Year	Revenues	Capital Expenditure	Operating Expenditure	Net Cash Flow	Cumulative Cash Flow
-2		3,589		-3,589	-3,589
-1		6,032		-6,032	-9,621
1	9,312	7,104	5,739	-3,531	-13,153
2	23,412	3,967	13,966	5,480	-7,673
3	24,552	4,699	13,966	5,888	-1,786
4	21,912	4,256	13,966	3,690	1,905
5	23,630	3,407	13,966	6,257	8,162
6	22,731	6,610	13,966	2,155	10,317
7	20,882	4,073	13,966	2,844	13,161
8	20,882	3,458	13,966	3,459	16,619
9	20,882	2,363	13,966	4,553	21,173
10	20,882	3,005	13,966	3,912	25,084
11	20,882	3,039	13,966	3,877	28,962
12	20,882	1,900	13,966	5,017	33,979
13	20,882	1,865	13,966	5,052	39,030
14	20,882	1,290	13,966	5,626	44,657
15	20,882	1,029	13,966	5,888	50,544
16	20,882	1,108	13,966	6,106	56,650
17	20,882	811	13,966	6,917	63,567
18	5,112		3,419	1,693	65,260
19		933		-933	64,327
Total	**360,365**	**63,430**	**232,608**	**64,327**	

The result of the economic analysis provides a positive internal rate of return (IRR) of 27% for the Suuri Extension project. If taxes were included, the IRR would decrease but would not be low enough to affect the economic viability of the project.

25.11 Sensitivity Analysis

In order to properly evaluate the project, a sensitivity analysis was made to establish the sensitivity of the net cash flow and IRR to variations in the gold price, ore grade, capital expenditures, operations costs and gold recovery in the mill. The results of this analysis are given in Figure 43 and Figure 44.

The charts below were generated using a base case gold price of €601.42/ounce ($848/ounce and an exchange rate of $1.41 per €1.00). The main sensitivities of this project are to the gold price, ore grade and mill recovery.

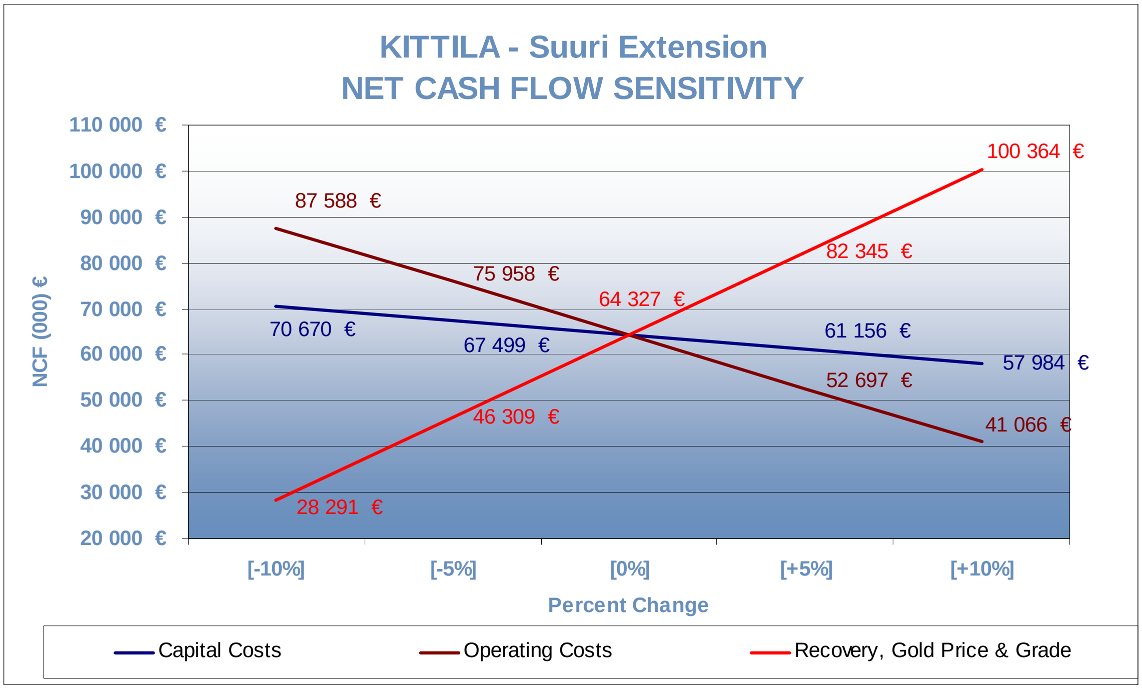

Figure 43 - Sensitivity analysis for Net Cash Flow

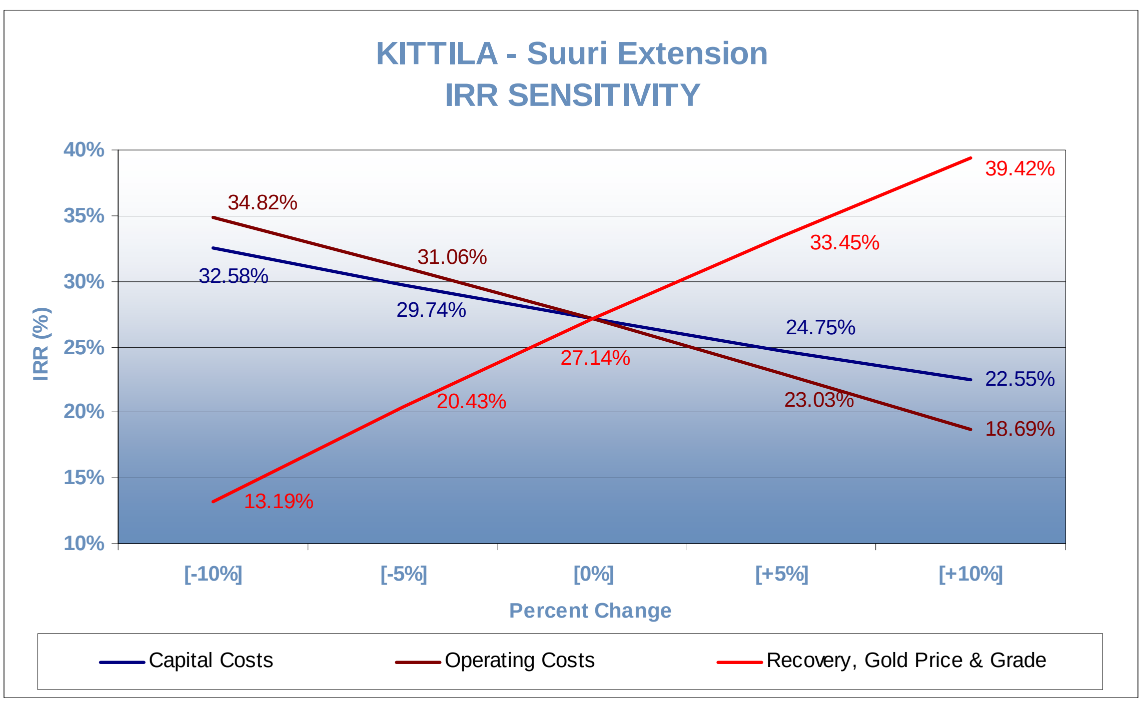

Figure 44 - Sensitivity analysis for Internal Rate of Return

25.12 Payback

The payback period for the Suuri Extension project is estimated as six years after the start of construction (Table 29), using a gold price of $848/oz and an exchange rate of $1.41 per €1.00 (*i.e.*, two years of development and construction followed by four years of production). This payback period does not take into account any interest on loans nor inflation.

25.13 Mine Life

As explained in Item 25.10, the expected production life of the Suuri Extension project is estimated at 17 years with a mining rate of 255,500 tonnes of ore per year; the rest of the mine will supply 844,500 tonnes for a total yearly production from the Kittila Mine of 1.1 million tonnes. The maximum milling rate is dictated by the sulphur content of the ore. A slight variation in sulphur content could result in a higher or lower production rate.

The projected mine life of Suuri Extension could be increased with successful conversion of indicated mineral resources into mineral reserves. In fact, following the cut-off date for this report, additional drilling has proven up more reserves in Suuri Extension (see Item 19 of this Report). At the time of this economic analysis, there is a potential for higher grade material above 3.86 g/t gold (undiluted) in the inferred mineral resources. Up to 253,000 ounces of gold is contained in nearly 1.4 millions tonnes, mainly in zones 118, 136, 159, 211, 230 and 244. More drilling is required to confirm the potential defined in these zones. As well, there is significant potential to increase Kittila Mine's mineral resources through additional exploration drilling at depth and along strike in the Suuri Extension area.

Item 26. Illustrations

For brevity, longitudinal sections and cross sections are not reproduced in this version of the Technical Report.

Appendix A

List of Tenements in the Kittila Mine project as of December 31, 2009

Project	Claim ID	Name of claim	Owner	Application date	Decision date	Extension of validity; decision date	Valid until	Metals	Area (ha)	Status	Annual cost (€)	Remarks
Kittilä	7242/2	Pikku-Rouravaara 2	Agnico-Eagle AB	2001-04-27	2002-09-03	2007-09-03	2010-09-03	Au	21.07	valid claim	352.9	
Kittilä	7242/4	Pikku-Rouravaara 4	Agnico-Eagle AB	2001-04-27	2002-09-03	2007-09-03	2010-09-03	Au	57.86	valid claim	969.2	
Kittilä	7386/1	Heikinselkä 1	Agnico-Eagle AB	2002-01-08	2002-04-15	2007-04-12	2010-04-15	Au	100.00	valid claim	1675.0	
Kittilä	7386/2	Heikinselkä 2	Agnico-Eagle AB	2002-01-08	2002-04-15	2007-04-12	2010-04-15	Au	100.00	valid claim	1675.0	
Kittilä	7386/3	Heikinselkä 3	Agnico-Eagle AB	2002-01-08	2002-04-15	2007-04-12	2010-04-15	Au	100.00	valid claim	1675.0	
Kittilä	7386/4	Heikinselkä 4	Agnico-Eagle AB	2002-01-08	2002-04-15	2007-04-12	2010-04-15	Au	100.00	valid claim	1675.0	
Kittilä	7386/5	Heikinselkä 5	Agnico-Eagle AB	2002-01-08	2002-04-15	2007-04-12	2010-04-15	Au	100.00	valid claim	1675.0	
Kittilä	7564/1	Kaltiojänkkä 1	Agnico-Eagle AB	2003-01-10	2003-04-08	2007-12-27	2010-12-31	Au	54.41	valid claim	911.4	
Kittilä	7564/2	Kaltiojänkkä 2	Agnico-Eagle AB	2003-01-10	2003-04-08	2007-12-27	2010-12-31	Au	21.52	valid claim	360.5	
Kittilä	7564/3	Hanhimaa 1	Agnico-Eagle AB	2003-01-10	2003-04-08	2007-12-27	2010-12-31	Au	92.67	valid claim	1552.2	
Kittilä	7564/4	Lintujänkkä 1	Agnico-Eagle AB	2003-01-10	2003-04-08	2007-12-27	2010-12-31	Au	96.85	valid claim	1622.2	
Kittilä	7565/1	Liikamaa 1	Agnico-Eagle AB	2003-01-10	2003-04-08	2007-12-27	2010-12-31	Au	93.36	valid claim	1563.8	
Kittilä	7565/2	Vantulakso 1	Agnico-Eagle AB	2003-01-10	2003-04-08	2007-12-27	2010-12-31	Au	92.67	valid claim	1552.2	
Kittilä	7565/3	Keuvaara 1	Agnico-Eagle AB	2003-01-10	2003-04-08	2007-12-27	2010-12-31	Au	28.29	valid claim	473.9	
Kittilä	7565/4	Keuvaara 2	Agnico-Eagle AB	2003-01-10	2003-04-08	2007-12-27	2010-12-31	Au	59.48	valid claim	996.3	
Kittilä	7738/1	Rouravaara 1	Agnico-Eagle AB	2003-12-29	2004-03-16		2009-03-16	Au	0.68	valid claim	11.4	3-year extension of claim validity in progress at TEM
Kittilä	7829/1	Hanhimaa 2	Agnico-Eagle AB	2004-07-27	2004-08-31		2009-08-31	Au	93.50	valid claim	1566.1	3-year extension of claim validity in progress at TEM
Kittilä	7829/2	Hanhimaa 3	Agnico-Eagle AB	2004-07-27	2004-08-31		2009-08-31	Au	56.75	valid claim	950.6	3-year extension of claim validity in progress at TEM
Kittilä	7829/3	Hanhimaa 4	Agnico-Eagle AB	2004-07-27	2004-08-31		2009-08-31	Au	96.88	valid claim	1622.7	3-year extension of claim validity in progress at TEM
Kittilä	7829/4	Hanhimaa 5	Agnico-Eagle AB	2004-07-27	2004-08-31		2009-08-31	Au	98.76	valid claim	1654.2	3-year extension of claim validity in progress at TEM
Kittilä	7829/5	Hanhimaa 6	Agnico-Eagle AB	2004-07-27	2004-08-31		2009-08-31	Au	99.32	valid claim	1663.6	3-year extension of claim validity in progress at TEM
Kittilä	7835/1	Iso-Kuotko 9	Agnico-Eagle AB	2004-08-02	2004-08-31		2009-08-31	Au	65.35	valid claim	1094.6	3-year extension of claim validity in progress at TEM
Kittilä	7835/2	Iso-Kuotko 10	Agnico-Eagle AB	2004-08-02	2004-08-31		2009-08-31	Au	94.96	valid claim	1590.6	3-year extension of claim validity in progress at TEM
Kittilä	7836/1	Karhukumpu 1	Agnico-Eagle AB	2004-08-02	2004-08-31		2009-08-31	Au	98.74	valid claim	1653.9	3-year extension of claim validity in progress at TEM
Kittilä	7836/2	Karhukumpu 2	Agnico-Eagle AB	2004-08-02	2004-08-31		2009-08-31	Au	99.63	valid claim	1668.8	3-year extension of claim validity in progress at TEM
Kittilä	7838/1	Kevuvaara 2	Agnico-Eagle AB	2004-07-28	2004-08-31		2009-08-31	Au	90.21	valid claim	1511.0	3-year extension of claim validity in progress at TEM
Kittilä	7838/2	Kevuvaara 3	Agnico-Eagle AB	2004-07-28	2004-08-31		2009-08-31	Au	80.74	valid claim	1352.4	3-year extension of claim validity in progress at TEM
Kittilä	7838/3	Kevuvaara 4	Agnico-Eagle AB	2004-07-28	2004-08-31		2009-08-31	Au	99.99	valid claim	1674.8	3-year extension of claim validity in progress at TEM
Kittilä	8205/1	Outa-Perttunen 1	Agnico-Eagle AB	2006-08-03	2007-05-28		2012-05-28	Au	93.30	valid claim	1562.8	
Kittilä	8205/2	Outa-Perttunen 2	Agnico-Eagle AB	2006-08-03	2007-05-28		2012-05-28	Au	98.20	valid claim	1644.9	
Kittilä	8205/3	Outa-Perttunen 3	Agnico-Eagle AB	2006-08-03	2007-05-28		2012-05-28	Au	92.20	valid claim	1544.4	
Kittilä	8205/4	Outa-Perttunen 4	Agnico-Eagle AB	2006-08-03	2007-05-28		2012-05-28	Au	99.00	valid claim	1658.3	
Kittilä	8205/5	Outa-Perttunen 5	Agnico-Eagle AB	2006-08-03	2007-05-28		2012-05-28	Au	98.40	valid claim	1648.2	
Kittilä	8206/1	Ketola 1	Agnico-Eagle AB	2006-08-03	2007-05-29		2012-05-29	Au	74.60	valid claim	1249.6	
Kittilä	8206/2	Ketola 2	Agnico-Eagle AB	2006-08-03	2007-05-29		2012-05-29	Au	81.40	valid claim	1363.5	
Kittilä	8206/3	Ketola 3	Agnico-Eagle AB	2006-08-03	2007-05-29		2012-05-29	Au	90.50	valid claim	1515.9	
Kittilä	8207/1	Seurujoki 1	Agnico-Eagle AB	2006-08-03	2007-05-30		2012-05-30	Au	82.40	valid claim	1380.2	
Kittilä	8207/2	Seurujoki 2	Agnico-Eagle AB	2006-08-03	2007-05-30		2012-05-30	Au	42.70	valid claim	715.2	
Kittilä	8208/1	Suasjoki 1	Agnico-Eagle AB	2006-08-03	2007-05-30		2012-05-30	Au	99.20	valid claim	1661.6	
Kittilä	8208/2	Suasjoki 2	Agnico-Eagle AB	2006-08-03	2007-05-30		2012-05-30	Au	100.00	valid claim	1675.0	
Kittilä	8208/3	Suasjoki 3	Agnico-Eagle AB	2006-08-03	2007-05-30		2012-05-30	Au	99.20	valid claim	1661.6	
Kittilä	8208/4	Suasjoki 4	Agnico-Eagle AB	2006-08-03	2007-05-30		2012-05-30	Au	98.60	valid claim	1651.6	
Kittilä	8208/5	Suasjoki 5	Agnico-Eagle AB	2006-08-03	2007-05-30		2012-05-30	Au	99.50	valid claim	1666.6	
Kittilä	8208/6	Suasjoki 6	Agnico-Eagle AB	2006-08-03	2007-05-30		2012-05-30	Au	98.70	valid claim	1653.2	
Kittilä	8208/7	Suasjoki 7	Agnico-Eagle AB	2006-08-03	2007-05-30		2012-05-30	Au	99.00	valid claim	1658.3	
Kittilä	8208/8	Suasjoki 8	Agnico-Eagle AB	2006-08-03	2007-05-30		2012-05-30	Au	99.60	valid claim	1668.3	
Kittilä	8208/9	Suasjoki 9	Agnico-Eagle AB	2006-08-03	2007-05-30		2012-05-30	Au	99.70	valid claim	1670.0	
Kittilä	8332/1	Nuuti 1	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	98.45	valid claim	1649.0	
Kittilä	8332/10	Nuuti 10	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	92.89	valid claim	1555.9	
Kittilä	8332/11	Nuuti 11	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	92.90	valid claim	1556.1	
Kittilä	8332/12	Nuuti 12	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	92.90	valid claim	1556.1	
Kittilä	8332/13	Nuuti 13	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	98.03	valid claim	1642.0	
Kittilä	8332/14	Nuuti 14	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	96.37	valid claim	1614.2	
Kittilä	8332/15	Nuuti 15	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	93.43	valid claim	1565.0	
Kittilä	8332/16	Nuuti 16	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	96.35	valid claim	1613.9	
Kittilä	8332/17	Nuuti 17	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	96.47	valid claim	1615.9	
Kittilä	8332/18	Nuuti 18	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	96.18	valid claim	1611.0	
Kittilä	8332/19	Nuuti 19	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	95.85	valid claim	1605.5	
Kittilä	8332/2	Nuuti 2	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	86.29	valid claim	1445.4	
Kittilä	8332/20	Nuuti 20	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	100.00	valid claim	1675.0	
Kittilä	8332/21	Nuuti 21	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	100.00	valid claim	1675.0	
Kittilä	8332/22	Nuuti 22	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	100.00	valid claim	1675.0	
Kittilä	8332/23	Nuuti 23	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	100.00	valid claim	1675.0	
Kittilä	8332/24	Nuuti 24	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	99.73	valid claim	1670.5	
Kittilä	8332/25	Nuuti 25	Agnico-Eagle AB	2007-02-05	2009-03-23		2014-03-23	Au	89.34	valid claim	1496.4	

Appendix A

List of Tenements in the Kittila Mine project as of December 31, 2009

Kittilä	8332/26	Nuuti 26	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	100.00	valid claim	1675.0
Kittilä	8332/27	Nuuti 27	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	100.00	valid claim	1675.0
Kittilä	8332/28	Nuuti 28	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	100.00	valid claim	1675.0
Kittilä	8332/29	Nuuti 29	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	100.00	valid claim	1675.0
Kittilä	8332/3	Nuuti 3	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	98.69	valid claim	1653.1
Kittilä	8332/30	Nuuti 30	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	100.00	valid claim	1675.0
Kittilä	8332/31	Nuuti 31	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	89.57	valid claim	1500.3
Kittilä	8332/32	Nuuti 32	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	92.83	valid claim	1554.9
Kittilä	8332/33	Nuuti 33	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	28.15	valid claim	471.5
Kittilä	8332/34	Nuuti 34	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	61.70	valid claim	1033.5
Kittilä	8332/35	Nuuti 35	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	37.31	valid claim	624.9
Kittilä	8332/36	Nuuti 36	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	4.78	valid claim	80.1
Kittilä	8332/37	Nuuti 37	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	23.29	valid claim	390.1
Kittilä	8332/38	Nuuti 38	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	30.57	valid claim	512.0
Kittilä	8332/39	Nuutti 39	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	96.12	valid claim	1610.0
Kittilä	8332/4	Nuuti 4	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	100.00	valid claim	1675.0
Kittilä	8332/40	Nuutti 40	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	95.33	valid claim	1596.8
Kittilä	8332/41	Nuutti 41	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	42.72	valid claim	715.6
Kittilä	8332/5	Nuuti 5	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	100.00	valid claim	1675.0
Kittilä	8332/6	Nuuti 6	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	100.00	valid claim	1675.0
Kittilä	8332/7	Nuuti 7	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	93.30	valid claim	1562.8
Kittilä	8332/8	Nuuti 8	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	94.54	valid claim	1583.5
Kittilä	8332/9	Nuuti 9	Agnico-Eagle AB	2007-02-05	2009-03-23	2014-03-23	Au	91.17	valid claim	1527.1
Kittilä	8381/1	Korkeakuusikko 9A	Agnico-Eagle AB	2007-04-10	2008-10-23	2011-10-23	Au	25.70	valid claim	430.5
Kittilä	8381/2	Korkeakuusikko 9B	Agnico-Eagle AB	2007-04-10	2008-10-23	2011-10-23	Au	73.68	valid claim	1234.1
Kittilä	8381/3	Korkeakuusikko 10	Agnico-Eagle AB	2007-04-10	2008-10-23	2011-10-23	Au	93.56	valid claim	1567.1
Kittilä	8419/1	Seuru 1	Agnico-Eagle AB	2007-06-18	2009-07-03	2014-07-03	Au	94.19	valid claim	1577.7
Kittilä	8419/2	Seuru 2	Agnico-Eagle AB	2007-06-18	2009-07-03	2014-07-03	Au	95.89	valid claim	1606.2
Kittilä	8419/3	Seuru 3	Agnico-Eagle AB	2007-06-18	2009-07-03	2014-07-03	Au	96.41	valid claim	1614.9
Kittilä	8419/4	Kuusi 1	Agnico-Eagle AB	2007-06-18	2009-07-03	2014-07-03	Au	98.82	valid claim	1655.2
Kittilä	8419/5	Kuusi 2	Agnico-Eagle AB	2007-06-18	2009-07-03	2014-07-03	Au	92.29	valid claim	1545.9
Kittilä	8419/6	Kuusi 3	Agnico-Eagle AB	2007-06-18	2009-07-03	2014-07-03	Au	96.41	valid claim	1614.9
Kittilä	8421/1	Kuoksu	Agnico-Eagle AB	2007-06-18	2009-04-07	2014-04-07	Au	95.66	valid claim	1602.3
Kittilä	8421/2	Joki-Kolva 1	Agnico-Eagle AB	2007-06-18	2009-04-07	2014-04-07	Au	98.96	valid claim	1657.6
Kittilä	8421/3	Joki-Kolva 2	Agnico-Eagle AB	2007-06-18	2009-04-07	2014-04-07	Au	99.70	valid claim	1670.0
Kittilä	8421/4	Kolva 1	Agnico-Eagle AB	2007-06-18	2009-04-07	2014-04-07	Au	99.96	valid claim	1674.3
Kittilä	8421/5	Kolva 2	Agnico-Eagle AB	2007-06-18	2009-04-07	2014-04-07	Au	79.58	valid claim	1333.0
Kittilä	8421/6	Kolva 3	Agnico-Eagle AB	2007-06-18	2009-04-07	2014-04-07	Au	85.61	valid claim	1434.0
Kittilä	8421/7	Kolva 4	Agnico-Eagle AB	2007-06-18	2009-04-07	2014-04-07	Au	99.47	valid claim	1666.1
Kittilä	8421/8	Kolva 5	Agnico-Eagle AB	2007-06-18	2009-04-07	2014-04-07	Au	78.76	valid claim	1319.2
Kittilä	8422/1	Rasti 1	Agnico-Eagle AB	2007-06-18	2009-03-12	2014-03-12	Au	99.30	valid claim	1663.3
Kittilä	8422/2	Rasti 2	Agnico-Eagle AB	2007-06-18	2009-03-12	2014-03-12	Au	97.27	valid claim	1629.3
Kittilä	8423/1	Ulku 1	Agnico-Eagle AB	2007-06-18	2009-07-03	2014-07-03	Au	97.61	valid claim	1635.0
Kittilä	8423/2	Ulku 2	Agnico-Eagle AB	2007-06-18	2009-07-03	2014-07-03	Au	99.36	valid claim	1664.3
Kittilä	8423/3	Leppä 1	Agnico-Eagle AB	2007-06-18	2009-07-03	2014-07-03	Au	85.48	valid claim	1431.8
Kittilä	8423/4	Leppä 2	Agnico-Eagle AB	2007-06-18	2009-07-03	2014-07-03	Au	95.40	valid claim	1598.0
Kittilä	8424/1	Suasoja 1	Agnico-Eagle AB	2007-06-18	2009-03-25	2014-03-25	Au	99.72	valid claim	1670.3
Kittilä	8424/2	Suasoja 2	Agnico-Eagle AB	2007-06-18	2009-03-25	2014-03-25	Au	96.77	valid claim	1620.9
Kittilä	8437/1	Tuleton	Agnico-Eagle AB	2007-07-10	2009-02-18	2014-02-18	Au	98.57	valid claim	1651.0
Kittilä	8439/1	Kuotko 110	Agnico-Eagle AB	2007-07-16	2009-02-18	2014-02-18	Au	80.00	valid claim	1340.0
Kittilä	8439/2	Kuotko 120	Agnico-Eagle AB	2007-07-16	2009-02-18	2014-02-18	Au	100.00	valid claim	1675.0
Kittilä	8439/3	Kuotko 130	Agnico-Eagle AB	2007-07-16	2009-02-18	2014-02-18	Au	98.00	valid claim	1641.5
Kittilä	8472/1	Outa-Perttunen 6	Agnico-Eagle AB	2007-09-05	2009-02-23	2014-02-23	Au	96.66	valid claim	1619.1
Kittilä	8479/1	Seuru 4	Agnico-Eagle AB	2007-09-14	2009-02-26	2014-02-26	Au	95.08	valid claim	1592.6
Kittilä	8479/2	Seuru 5	Agnico-Eagle AB	2007-09-14	2009-02-26	2014-02-26	Au	100.00	valid claim	1675.0
Kittilä	8490/1	Tie 1	Agnico-Eagle AB	2007-10-02	2009-03-09	2014-03-06	Au	15.09	valid claim	252.8
Kittilä	8608/1	Polku 1	Agnico-Eagle AB	2008-03-26	2009-04-06	2014-04-06	Au	79.40	valid claim	1330.0
Kittilä	8608/2	Polku 2	Agnico-Eagle AB	2008-03-26	2009-04-06	2014-04-06	Au	24.40	valid claim	408.7
Kittilä	8608/3	Polku 3	Agnico-Eagle AB	2008-03-26	2009-04-06	2014-04-06	Au	94.04	valid claim	1575.2
Kittilä	8608/4	Polku 4	Agnico-Eagle AB	2008-03-26	2009-04-06	2014-04-06	Au	98.56	valid claim	1650.9
Kittilä	8608/5	Polku 5	Agnico-Eagle AB	2008-03-26	2009-04-06	2014-04-06	Au	94.40	valid claim	1581.2
Kittilä	8608/6	Polku 6	Agnico-Eagle AB	2008-03-26	2009-04-06	2014-04-06	Au	99.56	valid claim	1667.6
Kittilä	8608/7	Polku 7	Agnico-Eagle AB	2008-03-26	2009-04-06	2014-04-06	Au	81.80	valid claim	1370.2
Kittilä	8608/8	Polku 8	Agnico-Eagle AB	2008-03-26	2009-04-06	2014-04-06	Au	55.70	valid claim	933.0
Kittilä	8608/9	Polku 9	Agnico-Eagle AB	2008-03-26	2009-04-06	2014-04-06	Au	98.30	valid claim	1646.5
Kittilä	8425/1	Riitajänkkä 1	Agnico-Eagle AB	2007-06-18			Au	99.60	claim application	
Kittilä	8425/2	Riitajänkkä 2	Agnico-Eagle AB	2007-06-18			Au	98.89	claim application	

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Kittilä	8710/1	Kuotko 8	Agnico-Eagle AB	2008-11-24	Au	102.47	claim application
Kittilä	8710/2	Kuotko 9	Agnico-Eagle AB	2008-11-24	Au	100.07	claim application
Kittilä	8710/3	Kuotko 10	Agnico-Eagle AB	2008-11-24	Au	99.53	claim application
Kittilä	8739/1	Pahakuusi 1	Agnico-Eagle AB	2009-03-06	Au	98.37	claim application
Kittilä	8739/2	Pahakuusi 2	Agnico-Eagle AB	2009-03-06	Au	92.16	claim application
Kittilä	8739/3	Pahakuusi 3	Agnico-Eagle AB	2009-03-06	Au	71.01	claim application
Kittilä	8751/1	Vuolla 1	Agnico-Eagle AB	2009-04-14	Au	97.95	claim application
Kittilä	8751/10	Vuolla 10	Agnico-Eagle AB	2009-04-14	Au	98.48	claim application
Kittilä	8751/11	Vuolla 11	Agnico-Eagle AB	2009-04-14	Au	98.24	claim application
Kittilä	8751/12	Vuolla 12	Agnico-Eagle AB	2009-04-14	Au	98.11	claim application
Kittilä	8751/13	Vuolla 13	Agnico-Eagle AB	2009-04-14	Au	97.80	claim application
Kittilä	8751/14	Vuolla 14	Agnico-Eagle AB	2009-04-14	Au	99.21	claim application
Kittilä	8751/15	Vuolla 15	Agnico-Eagle AB	2009-04-14	Au	96.55	claim application
Kittilä	8751/16	Vuolla 16	Agnico-Eagle AB	2009-04-14	Au	97.07	claim application
Kittilä	8751/17	Vuolla 17	Agnico-Eagle AB	2009-04-14	Au	97.47	claim application
Kittilä	8751/18	Vuolla 18	Agnico-Eagle AB	2009-04-14	Au	98.37	claim application
Kittilä	8751/2	Vuolla 2	Agnico-Eagle AB	2009-04-14	Au	98.00	claim application
Kittilä	8751/3	Vuolla 3	Agnico-Eagle AB	2009-04-14	Au	96.33	claim application
Kittilä	8751/4	Vuolla 4	Agnico-Eagle AB	2009-04-14	Au	98.53	claim application
Kittilä	8751/5	Vuolla 5	Agnico-Eagle AB	2009-04-14	Au	95.47	claim application
Kittilä	8751/6	Vuolla 6	Agnico-Eagle AB	2009-04-14	Au	96.09	claim application
Kittilä	8751/7	Vuolla 7	Agnico-Eagle AB	2009-04-14	Au	98.01	claim application
Kittilä	8751/8	Vuolla 8	Agnico-Eagle AB	2009-04-14	Au	97.14	claim application
Kittilä	8751/9	Vuolla 9	Agnico-Eagle AB	2009-04-14	Au	98.07	claim application
Kittilä	8752/1	Saukko 1	Agnico-Eagle AB	2009-04-09	Au	98.33	claim application
Kittilä	8752/10	Saukko 10	Agnico-Eagle AB	2009-04-09	Au	78.67	claim application
Kittilä	8752/11	Saukko 11	Agnico-Eagle AB	2009-04-09	Au	88.66	claim application
Kittilä	8752/12	Saukko 12	Agnico-Eagle AB	2009-04-09	Au	99.46	claim application
Kittilä	8752/13	Saukko 13	Agnico-Eagle AB	2009-04-09	Au	95.99	claim application
Kittilä	8752/14	Saukko 14	Agnico-Eagle AB	2009-04-09	Au	98.32	claim application
Kittilä	8752/15	Saukko 15	Agnico-Eagle AB	2009-04-09	Au	88.23	claim application
Kittilä	8752/16	Saukko 16	Agnico-Eagle AB	2009-04-09	Au	94.01	claim application
Kittilä	8752/2	Saukko 2	Agnico-Eagle AB	2009-04-09	Au	97.10	claim application
Kittilä	8752/3	Saukko 3	Agnico-Eagle AB	2009-04-09	Au	96.10	claim application
Kittilä	8752/4	Saukko 4	Agnico-Eagle AB	2009-04-09	Au	94.42	claim application
Kittilä	8752/5	Saukko 5	Agnico-Eagle AB	2009-04-09	Au	86.59	claim application
Kittilä	8752/6	Saukko 6	Agnico-Eagle AB	2009-04-09	Au	87.58	claim application
Kittilä	8752/7	Saukko 7	Agnico-Eagle AB	2009-04-09	Au	79.58	claim application
Kittilä	8752/8	Saukko 8	Agnico-Eagle AB	2009-04-09	Au	77.09	claim application
Kittilä	8752/9	Saukko 9	Agnico-Eagle AB	2009-04-09	Au	94.08	claim application
Kittilä	8753/1	Lintu 1	Agnico-Eagle AB	2009-04-09	Au	99.36	claim application
Kittilä	8753/10	Lintu 10	Agnico-Eagle AB	2009-04-09	Au	99.06	claim application
Kittilä	8753/11	Lintu 11	Agnico-Eagle AB	2009-04-09	Au	95.45	claim application
Kittilä	8753/12	Lintu 12	Agnico-Eagle AB	2009-04-09	Au	97.34	claim application
Kittilä	8753/13	Lintu 13	Agnico-Eagle AB	2009-04-09	Au	97.82	claim application
Kittilä	8753/14	Lintu 14	Agnico-Eagle AB	2009-04-09	Au	86.40	claim application
Kittilä	8753/15	Lintu 15	Agnico-Eagle AB	2009-04-09	Au	83.19	claim application
Kittilä	8753/16	Lintu 16	Agnico-Eagle AB	2009-04-09	Au	91.45	claim application
Kittilä	8753/17	Lintu 17	Agnico-Eagle AB	2009-04-09	Au	99.10	claim application
Kittilä	8753/18	Lintu 18	Agnico-Eagle AB	2009-04-09	Au	95.01	claim application
Kittilä	8753/19	Lintu 19	Agnico-Eagle AB	2009-04-09	Au	92.78	claim application
Kittilä	8753/2	Lintu 2	Agnico-Eagle AB	2009-04-09	Au	96.51	claim application
Kittilä	8753/20	Lintu 20	Agnico-Eagle AB	2009-04-09	Au	85.87	claim application
Kittilä	8753/21	Lintu 21	Agnico-Eagle AB	2009-04-09	Au	97.90	claim application
Kittilä	8753/22	Lintu 22	Agnico-Eagle AB	2009-04-09	Au	96.12	claim application
Kittilä	8753/23	Lintu 23	Agnico-Eagle AB	2009-04-09	Au	97.87	claim application
Kittilä	8753/24	Lintu 24	Agnico-Eagle AB	2009-04-09	Au	95.55	claim application
Kittilä	8753/3	Lintu 3	Agnico-Eagle AB	2009-04-09	Au	97.32	claim application
Kittilä	8753/4	Lintu 4	Agnico-Eagle AB	2009-04-09	Au	93.81	claim application
Kittilä	8753/5	Lintu 5	Agnico-Eagle AB	2009-04-09	Au	99.29	claim application
Kittilä	8753/6	Lintu 6	Agnico-Eagle AB	2009-04-09	Au	97.86	claim application
Kittilä	8753/7	Lintu 7	Agnico-Eagle AB	2009-04-09	Au	79.26	claim application
Kittilä	8753/8	Lintu 8	Agnico-Eagle AB	2009-04-09	Au	86.82	claim application
Kittilä	8753/9	Lintu 9	Agnico-Eagle AB	2009-04-09	Au	81.18	claim application
Kittilä	8754/1	Vasikka 1	Agnico-Eagle AB	2009-04-09	Au	92.76	claim application
Kittilä	8754/10	Vasikka 10	Agnico-Eagle AB	2009-04-09	Au	90.56	claim application
Kittilä	8754/2	Vasikka 2	Agnico-Eagle AB	2009-04-09	Au	96.56	claim application

Appendix A

List of Tenements in the Kittila Mine project as of December 31, 2009

Kittilä	8754/3	Vasikka 3	Agnico-Eagle AB	2009-04-09	Au	98.73 claim application
Kittilä	8754/4	Vasikka 4	Agnico-Eagle AB	2009-04-09	Au	44.25 claim application
Kittilä	8754/5	Vasikka 5	Agnico-Eagle AB	2009-04-09	Au	99.12 claim application
Kittilä	8754/6	Vasikka 6	Agnico-Eagle AB	2009-04-09	Au	96.27 claim application
Kittilä	8754/7	Vasikka 7	Agnico-Eagle AB	2009-04-09	Au	53.45 claim application
Kittilä	8754/8	Vasikka 8	Agnico-Eagle AB	2009-04-09	Au	57.36 claim application
Kittilä	8754/9	Vasikka 9	Agnico-Eagle AB	2009-04-09	Au	96.90 claim application
Kittilä	8755/1	Kapsajoki 1	Agnico-Eagle AB	2009-04-09	Au	97.11 claim application
Kittilä	8755/10	Kapsajoki 10	Agnico-Eagle AB	2009-04-09	Au	98.95 claim application
Kittilä	8755/11	Kapsajoki 11	Agnico-Eagle AB	2009-04-09	Au	98.96 claim application
Kittilä	8755/12	Kapsajoki 12	Agnico-Eagle AB	2009-04-09	Au	99.14 claim application
Kittilä	8755/14	Kapsajoki 14	Agnico-Eagle AB	2009-04-09	Au	99.85 claim application
Kittilä	8755/15	Kapsajoki 15	Agnico-Eagle AB	2009-04-09	Au	93.97 claim application
Kittilä	8755/16	Kapsajoki 16	Agnico-Eagle AB	2009-04-09	Au	98.82 claim application
Kittilä	8755/17	Kapsajoki 17	Agnico-Eagle AB	2009-04-09	Au	98.89 claim application
Kittilä	8755/18	Kapsajoki 18	Agnico-Eagle AB	2009-04-09	Au	96.88 claim application
Kittilä	8755/19	Kapsajoki 19	Agnico-Eagle AB	2009-04-09	Au	80.79 claim application
Kittilä	8755/2	Kapsajoki 2	Agnico-Eagle AB	2009-04-09	Au	98.00 claim application
Kittilä	8755/20	Kapsajoki 20	Agnico-Eagle AB	2009-04-09	Au	95.45 claim application
Kittilä	8755/21	Kapsajoki 21	Agnico-Eagle AB	2009-04-09	Au	98.32 claim application
Kittilä	8755/22	Kapsajoki 22	Agnico-Eagle AB	2009-04-09	Au	95.53 claim application
Kittilä	8755/3	Kapsajoki 3	Agnico-Eagle AB	2009-04-09	Au	97.92 claim application
Kittilä	8755/4	Kapsajoki 4	Agnico-Eagle AB	2009-04-09	Au	98.82 claim application
Kittilä	8755/5	Kapsajoki 5	Agnico-Eagle AB	2009-04-09	Au	98.39 claim application
Kittilä	8755/6	Kapsajoki 6	Agnico-Eagle AB	2009-04-09	Au	96.38 claim application
Kittilä	8755/7	Kapsajoki 7	Agnico-Eagle AB	2009-04-09	Au	97.78 claim application
Kittilä	8755/8	Kapsajoki 8	Agnico-Eagle AB	2009-04-09	Au	96.41 claim application
Kittilä	8755/9	Kapsajoki 9	Agnico-Eagle AB	2009-04-09	Au	99.86 claim application
Kittilä	8758/1	KapsaW 1	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	96.12 claim application
Kittilä	8758/10	KapsaW 10	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	98.45 claim application
Kittilä	8758/11	KapsaW 11	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	97.15 claim application
Kittilä	8758/12	KapsaW 12	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	98.30 claim application
Kittilä	8758/13	KapsaW 13	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	99.73 claim application
Kittilä	8758/14	KapsaW 14	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	98.62 claim application
Kittilä	8758/15	KapsaW 15	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	98.59 claim application
Kittilä	8758/16	KapsaW 16	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	93.03 claim application
Kittilä	8758/17	KapsaW 17	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	100.85 claim application
Kittilä	8758/18	KapsaW 18	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	93.68 claim application
Kittilä	8758/19	KapsaW 19	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	100.33 claim application
Kittilä	8758/2	KapsaW 2	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	94.89 claim application
Kittilä	8758/20	KapsaW 20	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	87.38 claim application
Kittilä	8758/21	KapsaW 21	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	60.42 claim application
Kittilä	8758/3	KapsaW 3	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	99.11 claim application
Kittilä	8758/4	KapsaW 4	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	95.27 claim application
Kittilä	8758/5	KapsaW 5	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	98.50 claim application
Kittilä	8758/6	KapsaW 6	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	98.65 claim application
Kittilä	8758/7	KapsaW 7	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	96.46 claim application
Kittilä	8758/8	KapsaW 8	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	76.79 claim application
Kittilä	8758/9	KapsaW 9	Agnico-Eagle AB	2009-04-22	Au; Cu; Zn; Pb	97.85 claim application
Kittilä	8773/1	Vuomajärvi 1	Agnico-Eagle AB	2009-05-30	Au	59.09 claim application
Kittilä	8773/2	Vuomajärvi 2	Agnico-Eagle AB	2009-05-30	Au	86.42 claim application
Kittilä	8773/3	Vuomajärvi 3	Agnico-Eagle AB	2009-05-30	Au	51.19 claim application
Kittilä	8773/4	Vuomajärvi 4	Agnico-Eagle AB	2009-05-30	Au	91.27 claim application
Kittilä	8773/5	Vuomajärvi 5	Agnico-Eagle AB	2009-05-30	Au	68.46 claim application
Kittilä	8773/6	Vuomajärvi 6	Agnico-Eagle AB	2009-05-30	Au	40.33 claim application
Kittilä	8781/1	Rouravaara 1	Agnico-Eagle AB	2009-06-29	Au	1.10 claim application
Kittilä	8781/2	Rouravaara 2	Agnico-Eagle AB	2009-06-29	Au	6.96 claim application
Kittilä	8781/3	Rouravaara 4	Agnico-Eagle AB	2009-06-29	Au	24.65 claim application
Kittilä	8781/4	Rouravaara 6	Agnico-Eagle AB	2009-06-29	Au	79.69 claim application
Kittilä	8781/5	Rouravaara 7	Agnico-Eagle AB	2009-06-29	Au	70.49 claim application
Kittilä	8781/6	Rouravaara 8	Agnico-Eagle AB	2009-06-29	Au	99.54 claim application
Kittilä	8781/7	Rouravaara 9	Agnico-Eagle AB	2009-06-29	Au	93.52 claim application
Kittilä	8781/8	Rouravaara 10	Agnico-Eagle AB	2009-06-29	Au	90.92 claim application
Kittilä	8833/1	Pahaslehto 1	Agnico-Eagle AB	2009-10-13	Au	88.33 claim application
Kittilä	8833/2	Pahaslehto 2	Agnico-Eagle AB	2009-10-13	Au	97.00 claim application
Kittilä	8833/3	Pahaslehto 3	Agnico-Eagle AB	2009-10-13	Au	94.51 claim application
Kittilä	8833/4	Pahaslehto 4	Agnico-Eagle AB	2009-10-13	Au	82.43 claim application

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List of Tenements in the Kittila Mine project as of December 31, 2009

Kittilä	8833/5	Pahaslehto 5	Agnico-Eagle AB	2009-10-13	Au	53.76	claim application
Kittilä	8834/1	Iso-Kuotko 1	Agnico-Eagle AB	2009-10-13	Au	97.69	claim application
Kittilä	8834/2	Iso-Kuotko 2	Agnico-Eagle AB	2009-10-13	Au	97.80	claim application
Kittilä	8834/3	Iso-Kuotko 3	Agnico-Eagle AB	2009-10-13	Au	96.50	claim application
Kittilä	8834/4	Iso-Kuotko 4	Agnico-Eagle AB	2009-10-13	Au	80.76	claim application
Kittilä	8834/5	Iso-Kuotko 5	Agnico-Eagle AB	2009-10-13	Au	42.07	claim application
Kittilä	8834/6	Iso-Kuotko 6	Agnico-Eagle AB	2009-10-13	Au	92.86	claim application
Kittilä	8834/7	Iso-Kuotko 7	Agnico-Eagle AB	2009-10-13	Au	97.05	claim application
Kittilä	8834/8	Iso-Kuotko 8	Agnico-Eagle AB	2009-10-13	Au	93.46	claim application
Kittilä	8849/1	Lintula 1	Agnico-Eagle AB	2009-10-30	Au	99.92	claim application
Kittilä	8849/2	Lintula 2	Agnico-Eagle AB	2009-10-30	Au	99.85	claim application
Kittilä	8849/3	Lintula 3	Agnico-Eagle AB	2009-10-30	Au	99.97	claim application
Kittilä	8644/1	Ulkuselkä 1	Agnico-Eagle AB	2008-06-13	Au	99.66	claim application
Kittilä	8644/2	Ulkuselkä 2	Agnico-Eagle AB	2008-06-13	Au	98.28	claim application
Kittilä	8644/3	Ulkuselkä 3	Agnico-Eagle AB	2008-06-13	Au	97.25	claim application
Kittilä	8644/4	Ulkuselkä 4	Agnico-Eagle AB	2008-06-13	Au	99.80	claim application

Summary			
Valid	130 claims	11130.26 hectares	186431.855 euros annual cost
Application	152 claims	13730.45 hectares	
Total	**282 claims**	**24860.71 hectares**	**185109.7775 euros annual cost**

Project	Claim ID	Name of the claim	Owner	Decision date	Valid until	Metals	Area (ha)	Status	Annual fee (landowners)	Remarks
Kittilä	5965/1a	Kittilä Mining Concession	Agnico-Eagle AB	30/01/2003	Until further notice	Au	846.4	Valid	10695.4	Landowner other than Agnico-Eagle (534.77 ha)
Kittilä		Auxilary areas	Agnico-Eagle AB	31/01/2003	Until further notice		34.81	Valid	596.6	Landowner other than Agnico-Eagle (29.83 ha)

Annual payments	€/ ha
Fee to TEM	6.75
Compensation to land owners	10
Fees for mining concessions to land owners	20

Appendix B

Suuri Deep drill intercepts as of December 31, 2009

INTERCEPT MIDPOINT - N	INTERCEPT MIDPOINT - E	INTERCEPT MIDPOINT - Z	HOLEID	FROM	TO	HORIZ.WIDTH	AU	ZONE
36825.41	58714.28	-754.11	SUBH04059	843.15	849.25	3.07	4.82	4260
36584.20	58731.91	-1003.96	SUU08005	1067.25	1086.00	9.46	3.95	4260
36598.65	58707.22	-803.62	SUU08008B	861.00	869.00	4.02	3.95	4260
36842.46	58731.98	-837.82	SUU09006D	930.00	939.00	3.85	11.59	4260
36936.89	58745.38	-822.23	SUU08001F	958.00	971.00	8.83	9.03	4340
36913.72	58723.19	-709.44	SUU08001I	889.00	895.00	4.54	7.54	4340
36770.36	58730.99	-787.79	SUU09006C	880.00	886.00	3.02	3.88	4340
36838.28	58741.79	-817.45	SUU09006D	908.00	915.00	2.97	9.27	4340
37313.01	58796.30	-941.05	ROU07010	1011.50	1028.85	6.04	4.64	4420
37243.69	58779.68	-861.20	ROU08003H	945.00	958.00	6.79	6.85	4420
37252.85	58769.29	-791.69	ROU08003I	897.00	903.00	3.92	4.38	4420
37332.48	58788.07	-888.73	ROU08005	974.00	980.00	2.51	4.10	4420
36915.83	58772.14	-857.06	SUU08001B	975.55	980.00	2.70	12.01	4420
36918.26	58765.53	-738.01	SUU08001G	884.00	890.00	4.23	9.97	4420
36576.44	58766.18	-776.88	SUU08003C	910.00	915.00	3.34	5.42	4420
37104.40	58756.83	-797.74	SUU09005B	938.00	942.00	2.68	5.59	4420
37099.65	58726.99	-754.94	SUU09005E	926.00	935.00	7.46	3.85	4420
37040.58	58737.08	-784.01	SUU09005F	933.00	973.00	29.73	7.29	4420
36827.03	58768.39	-761.46	SUU09006D	845.00	852.00	2.93	3.93	4420
36547.92	58879.51	-961.81	SUBH05007	1110.00	1115.00	3.99	4.26	4720
36985.16	58847.81	-945.08	SUBH07003	1054.35	1075.90	10.58	8.33	4720
36559.01	58859.04	-906.73	SUU07015	970.15	975.75	2.33	5.36	4720
36590.60	58907.04	-1008.02	SUU07016	1081.00	1086.40	2.36	6.69	4720
36915.17	58808.33	-808.12	SUU08001B	914.00	919.80	3.38	4.36	4720
36986.64	58825.54	-833.68	SUU08001E	933.00	944.50	5.06	10.32	4720
36934.26	58809.92	-746.00	SUU08001F	862.00	867.00	3.00	5.02	4720
36917.84	58797.29	-705.57	SUU08001G	839.20	844.00	3.33	6.47	4720
36575.01	58836.77	-818.70	SUU08005	860.00	867.00	3.17	6.91	4720
36862.38	58795.18	-791.37	SUU08006	862.50	875.00	6.34	4.34	4720
36627.25	58871.44	-893.00	SUU09003D	962.00	968.00	2.97	4.37	4720
37057.78	58860.48	-954.64	SUU09004	1044.40	1058.40	6.60	9.22	4720
37083.29	58800.55	-783.05	SUU09005D	902.00	907.00	3.27	5.82	4720
36715.03	58803.85	-755.65	SUU09006B	830.00	855.00	3.79	6.99	4720
36649.46	58823.66	-747.09	SUBH05025	879.45	885.70	5.31	17.34	4840
36895.46	58820.34	-776.92	SUU07018	857.95	865.70	3.58	5.88	4840
36914.77	58822.36	-788.25	SUU08001B	890.00	895.15	2.93	7.73	4840
36933.78	58815.20	-738.98	SUU08001F	851.00	860.40	5.64	5.12	4840
36876.95	58874.33	-875.85	SUU09002B	914.00	919.00	2.36	6.63	4840
36721.57	58811.03	-705.07	SUU09006B	778.00	804.00	3.36	4.98	4840
37620.57	58826.07	-750.09	ROU08002	844.60	853.35	5.49	3.98	5520
37283.35	58799.93	-869.93	ROU08003C	949.00	955.00	2.92	5.27	5520
37243.92	58791.07	-842.37	ROU08003H	923.00	936.00	6.69	7.93	5520
36915.68	58783.47	-842.09	SUU08001B	953.00	965.00	7.18	9.31	5520
36936.35	58778.57	-785.51	SUU08001F	912.00	918.00	4.00	8.28	5520
37087.06	58773.46	-800.55	SUU08007	871.99	877.60	2.56	7.07	5520
37087.06	58773.45	-800.56	SUU08007	872.00	877.60	2.56	7.07	5520
37106.39	58763.91	-786.85	SUU09005	920.00	934.00	9.51	5.06	5520
37105.29	58763.82	-789.95	SUU09005B	922.00	937.00	9.92	8.53	5520
37117.19	58775.21	-811.14	SUU09005C	932.00	946.00	8.80	8.75	5520
37076.28	58770.71	-816.00	SUU09005D	936.00	963.00	18.19	8.05	5520
37102.51	58742.98	-744.15	SUU09005E	898.00	924.00	21.06	5.54	5520
37014.97	58817.35	-920.49	SUU07019	1005.00	1013.00	3.84	4.69	5610