Kittila Mine & Exploration Update

Analyst Presentation
June 14th, 2006
Forward-Looking Statement

The information in this document has been prepared as at June 5, 2006. Certain statements and information contained in this document constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, or forward looking information under provisions of Canadian provincial securities laws. When used in this document, the words “anticipate”, “expect”, “estimate,” “forecast,” “planned” and similar expressions are intended to identify forward-looking statements or information.

Forward looking statements in this document include, but are not limited to: the Company’s outlook for 2006; statements regarding future earnings, and the sensitivity of earnings to gold and other metal prices; anticipated trends for prices of gold and byproducts mined by the Company; estimates of future mineral production and sales; estimates of future capital expenditures and other cash needs, and expectations as to the funding thereof; statements as to the projected development of certain ore deposits, including estimates of exploration, development and production and other capital costs and estimates of the timing of such development and production or decisions with respect to such development and production; estimates of reserves and resources, and statements regarding anticipated future exploration and feasibility study results; the anticipated timing of events with respect to the Company’s minesites, including the newly acquired Kittila (Suurikuusikko) and Pinos Altos projects; the anticipated timing of the Company obtaining advance possession of the Riddarhyttan shares that it does not own and the completion of the compulsory acquisition of such shares; estimates of future costs and other liabilities for environmental remediation; and other anticipated trends with respect to the Company’s capital resources and results of operations. Such statements reflect the Company’s views as of the date this document was prepared and are subject to certain risks, uncertainties and assumptions, and undue reliance should not be placed on such statements. Many factors, known and unknown, could cause the actual results to be materially different from those expressed or implied by such forward looking statements. Such risks include, but are not limited to: the volatility of prices of gold and other metals; uncertainty of mineral reserves, mineral resources, mineral grades and mineral recovery estimates; uncertainty of future production, capital expenditures, and other costs; currency fluctuations; financing of additional capital requirements; cost of exploration and development programs; mining risks; risks associated with foreign operations; risks related to title issues at the Pinos Altos project; governmental and environmental regulation; risks associated with the Company’s byproduct metal derivative strategies; and risks associated with internal control over financial reporting. For a more detailed discussion of such risks and material factors or assumptions underlying these forward looking statements, see “Risk Factors” in this prospectus supplement, the Form 20-F, as amended, as well as the Company’s other filings with the Canadian Securities Administrators and the SEC. The Company does not intend, and does not assume any obligation, to update these forward looking statements except as required by law.

Certain of the statements and information, primarily related to projects, are based on preliminary views of the Company with respect to, among other things, grade, tonnage, processing, mining methods, capital costs and location of surface infrastructure, and actual results and final decisions may be materially different from those currently anticipated.

About Agnico-Eagle

Agnico-Eagle is a long established Canadian gold producer with operations located in Quebec and exploration and development activities in Canada, Finland, Mexico and the United States. Agnico-Eagle’s LaRonde Mine is Canada’s largest gold deposit. The Company has full exposure to higher gold prices consistent with its policy of no forward gold sales. It has paid a cash dividend for 26 consecutive years.
AGENDA

- Introduction & Project Overview
- History
- Geology
- Reserves
- Feasibility 2006
  - Strategy
  - Open Pit Mining
  - Surface Plan
  - Underground Mining
    - Rock Mechanics
  - Metallurgy
  - Environment
  - Economic Analysis
- 2006 Up-date and Program
- Summary & Conclusions
Kittilä Mine

Introduction & Project Overview

- Hosts reserves of 14.2 million tonnes containing over 2.3 Moz gold
- Resources of more than 8 million tonnes containing additional 1.2 Moz gold
- Will be mined using Surface and Underground mining methods. This will decrease mining risk
- Average annual production of 150,000 oz gold based on LOM
- Excellent exploration – camp potential
- Pro mining region, supportive Federal & Local Governments
- Qualified work force – excellent infrastructure
- Qualified management team
HISTORY
- Discovered in 1986 by GTK;

- April 1998, Riddarhyttan become owner after public tendering;

- Between 1999 to 2005, more than 136,000 metres Exploration Drilling Program to investigate main Suurikuusikko auriferous structure;

- In 1999, Engineering studies are initiated to determine the Feasibility of a mining project;

- In 2000, Excavation of the first Test Pit to obtain material required for further processing tests;
In 2002, Riddarhyttan was granted an environmental permit for mining (open pit and underground) at Suurikuusikko;

In 2003, Riddarhyttan was granted a mining permit and concession over Suurikuusikko deposit;

In 2004, Agnico-Eagle Mines Limited became Riddarhyttan’s shareholder

From 2004 to 2005, resources increased from 2.0 Moz Gold to 3.7 Moz Gold

In 2005, additional engineering studies were initiated to complete a Feasibility Study on the project. Agnico-Eagle announced the successful closing of a share exchange offer to acquire the remainder of the shares of Riddarhyttan;
Geological Setting

Gold Deposits in Central Lapland

Suurikuusikko Deep Seated Structure

Suurikuusikko Deposit
EXTENSIVE GREENSTONE BELT

The Greenstone Belt stretches from the Norwegian cost, through Sweden and Finland and into Russia.

Covers a considerable area in the Nordic Countries.

Same type as greenstones in the large goldfields (Australia, North America and Africa).

Unexplored compared to other Greenstone Belts.

In spite of this, several notable deposits have been found and mined:

- Pahtohavare (Cu, Au)
- Viscaria (Cu, Au)
- Kautokeino (Cu, Au)
- Saattopora (Au)
- Pahtavaara (Au)

Suurikusikko, in the Kittilä greenstone, is centrally located in the belt.
The Oijärvi deposits, located approximately 60 km southeast of Kemi, owned 50/50 by Agnico-Eagle and Troy Resources.

**SUURIKUUSIKKO**
Suurikuusikko is located 35 km northeast of Kittilä and approximately 110 km north of Rovaniemi.

**ISO-KUOTKO**
Iso-Kuotko is situated along the Suurikuusikko Trend approximately 10 km north of the planned process plant.

**OIJÄRVI**
The Oijärvi deposits, located approximately 60 km southeast of Kemi, owned 50/50 by Agnico-Eagle and Troy Resources.
KNOWN GOLD DEPOSITS AND OCCURRENCES THE KITTILÄ GREENSTONE BELT

1. SAATTOPORA
2. PAHTAVAARA
3. KITTLÄN HANHILAMPA
4. LOUKINEN
5. MUUSANLAMMIT
6. SIRKKA KAIVOS
7. SIRKKA W
8. HARRILOMMOL
9. LÄLLEÄVUOMA
10. SORETAVUOMA
11. SORETIALEHTO
12. HIRVILAVANMAA
13. KITTLÄN PALOVAARA
14. AHVENJÄRVI
15. LAMMASVUOMA
16. PIKKU MUSTAVAARA
17. TUONGANKUUSIKKO
18. OUTAPÄÄ
19. KUTKOVUOMA
20. KOPPELOKANGAS
21. KAARESTUNTURI
22. KAARESSELKÄ
23. HOOKANEN
24. ROVASELKÄ
25. SOKSETON
26. ROUPPAPALO
27 SUURIKUUSIKKO
28 ISO KUOTKO
The Suurikuusikko Trend is covered by a total of 83 claims (6,475 hectares) and a mining license (846 hectares) which was granted in January 2003.

South of Suurikuusikko parts of another gold potential structure is covered by 18 claims (1,335 hectares).

The claims and the mining license cover the main parts of the Suurikuusikko and Iso Kuotko shear zones.
ONLY A SMALL PORTION OF THE PROSPECTIVE SUURIKUUSIKKO STRUCTURE HAS BEEN EXPLORED

**CENTRAL SUURIKUUSIKKO**
Only 5 km of the >15 km long shearzone has been investigated with drilling.

**ISO-KUOTKO**
A small area has been tested by shallow drilling.
ISO-KUOTKO
(NORTHERN PART OF THE TREND)

10 km to the north (along the strike of the shearzone) another four mineralized zones have been discovered.

The Retu Zone
The Tiira Zone
The Kati Zone
The Nimetön Zone

So far only narrow zones have been found in this area.

<table>
<thead>
<tr>
<th>Drill hole</th>
<th>Section m</th>
<th>Grade g/t</th>
</tr>
</thead>
<tbody>
<tr>
<td>R 305</td>
<td>1.3</td>
<td>16.4</td>
</tr>
<tr>
<td>R 327</td>
<td>2.0</td>
<td>13.4</td>
</tr>
<tr>
<td>R 317</td>
<td>2.0</td>
<td>23.0</td>
</tr>
<tr>
<td>R 338</td>
<td>1.1</td>
<td>17.9</td>
</tr>
<tr>
<td>R 341</td>
<td>1.2</td>
<td>20.7</td>
</tr>
<tr>
<td>R 341</td>
<td>1.0</td>
<td>67.5</td>
</tr>
<tr>
<td>R 343</td>
<td>1.1</td>
<td>22.4</td>
</tr>
<tr>
<td>R 344</td>
<td>1.0</td>
<td>29.0</td>
</tr>
<tr>
<td>R 324</td>
<td>2.0</td>
<td>10.5</td>
</tr>
<tr>
<td>R 326</td>
<td>2.0</td>
<td>16.1</td>
</tr>
<tr>
<td>R 112</td>
<td>1.0</td>
<td>73.2</td>
</tr>
</tbody>
</table>
Generally three, more or less parallel, mineralized zones can be followed along the investigated part of the Suurikuusikko shear zone.

- The Western Zone
- The Central Zone
- The Eastern Zone

The Ketola Zone has only been found in the southern part of the Trend.

Geographically the Zones have been divided in seven “Deposits” which from south to north are:

- Ketola
- Etelä
- Main
- Central Rouravaara
- Northern Rouravaara
RESULTS OF THE LAST YEARS INTENSIVE EXPLORATION

THE KETOLA ZONE (APRIL 2006)

THE WESTERN ZONE (APRIL 2006)

THE CENTRAL ZONE (APRIL 2006)

THE EASTERN ZONE (APRIL 2006)
RESERVES
KITTILÄ MINE

DRILLING

GTK: (1987-1997)
- Drilled 72 holes
- Over 9 kilometres drilled

Riddarhyttan: (1999-2005)
- Drilled 462 holes
- Over 136 kilometres drilled

Current Status
- 8 drills on site (2 condemnation)
Reserves contained in 10 lenses

- Subvertical
- Variable thickness

### Reserve Details

#### Suurikuusikko
Probable Reserves : Diluted

<table>
<thead>
<tr>
<th>Location</th>
<th>Tonnes</th>
<th>g/t</th>
<th>Ounces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suurikuusikko</td>
<td>4 334 124</td>
<td>5.13</td>
<td>714 805</td>
</tr>
<tr>
<td>Rouravaara</td>
<td>488 387</td>
<td>3.71</td>
<td>58 267</td>
</tr>
<tr>
<td>North Suurikuusikko</td>
<td>15 193</td>
<td>3.09</td>
<td>1 509</td>
</tr>
<tr>
<td>Etela</td>
<td>62 576</td>
<td>3.56</td>
<td>7 162</td>
</tr>
<tr>
<td>Ketela</td>
<td>64 172</td>
<td>3.26</td>
<td>6 731</td>
</tr>
</tbody>
</table>

**Total Open Pit**

<table>
<thead>
<tr>
<th>Tonnes</th>
<th>g/t</th>
<th>Ounces</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 964 452</td>
<td>4.94</td>
<td>788 474</td>
</tr>
</tbody>
</table>

#### Underground Zone

<table>
<thead>
<tr>
<th>Location</th>
<th>Tonnes</th>
<th>g/t</th>
<th>Ounces</th>
</tr>
</thead>
<tbody>
<tr>
<td>702</td>
<td>2 346 928</td>
<td>4.64</td>
<td>350 024</td>
</tr>
<tr>
<td>3031</td>
<td>3 065 058</td>
<td>4.83</td>
<td>475 916</td>
</tr>
<tr>
<td>3032</td>
<td>240 242</td>
<td>5.44</td>
<td>42 054</td>
</tr>
<tr>
<td>5021</td>
<td>2 643 924</td>
<td>6.35</td>
<td>539 418</td>
</tr>
<tr>
<td>5022</td>
<td>965 819</td>
<td>5.29</td>
<td>164 229</td>
</tr>
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</table>

**Total Underground**

<table>
<thead>
<tr>
<th>Tonnes</th>
<th>g/t</th>
<th>Ounces</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 261 971</td>
<td>5.28</td>
<td>1 571 641</td>
</tr>
</tbody>
</table>

**Grand Total**

<table>
<thead>
<tr>
<th>Tonnes</th>
<th>g/t</th>
<th>Ounces</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 226 798</td>
<td>5.16</td>
<td>2 360 115</td>
</tr>
</tbody>
</table>

Typical view of lenses : Section N6405
<table>
<thead>
<tr>
<th></th>
<th>Tonnes (kt)</th>
<th>Au g/t</th>
<th>Au (kOz.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Probable</td>
<td>14,226</td>
<td>5.16</td>
<td>2,360</td>
</tr>
<tr>
<td>Measured</td>
<td>67</td>
<td>4.07</td>
<td>8.8</td>
</tr>
<tr>
<td>Indicated</td>
<td>1,460</td>
<td>4.39</td>
<td>206</td>
</tr>
<tr>
<td>Inferred</td>
<td>6,688</td>
<td>4.35</td>
<td>934</td>
</tr>
</tbody>
</table>
FEASIBILITY STRATEGY

- Accelerate development of open pitable reserves
- Access higher grade ore production in earlier years
- Provide underground access for initial exploration & phased in production
- Initial contract mining & underground development
- Maximize local resources & infrastructure
- Minimize capital cost at beginning of production due to high mill capital costs
- Increase profitability of overall project by deferring underground mine development
- Underground mine production phased in over three years
- Conservative approach with respect to metallurgy and environment
FEASIBILITY 2006
SURFACE PLAN
KITTILÄ MINE

FEASIBILITY 2006
OPEN PIT MINING
AEM

OPEN PIT LOCATIONS

ROURAVAARA PIT
NORTH SUURIKUUSIKKO PIT
SUURIKUUSIKKO PIT
ETELÄ PIT
KETOLÄ PIT

KITTIMÄ MINE
**OPEN PIT MINING: DILUTED* PIT RESERVES**

<table>
<thead>
<tr>
<th>Pit</th>
<th>Ore Tonnage</th>
<th>Ore Grade (g/t)</th>
<th>Gold Contain (oz)</th>
<th>Waste Tonnage</th>
<th>Stripping Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suurikuusikko</td>
<td>4,334,124</td>
<td>5.13</td>
<td>714,805</td>
<td>36,429,501</td>
<td>8.53</td>
</tr>
<tr>
<td>Rouravaara</td>
<td>488,387</td>
<td>3.71</td>
<td>58,267</td>
<td>2,583,358</td>
<td>5.42</td>
</tr>
<tr>
<td>North Suurikuusikko</td>
<td>15,193</td>
<td>3.09</td>
<td>1,509</td>
<td>97,707</td>
<td>6.56</td>
</tr>
<tr>
<td>Etela</td>
<td>62,576</td>
<td>3.56</td>
<td>7,162</td>
<td>444,817</td>
<td>7.24</td>
</tr>
<tr>
<td>Ketela</td>
<td>64,172</td>
<td>3.26</td>
<td>6,731</td>
<td>407,780</td>
<td>6.48</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4,964,452</strong></td>
<td><strong>4.94</strong></td>
<td><strong>788,474</strong></td>
<td><strong>39,963,163</strong></td>
<td><strong>8.05</strong></td>
</tr>
</tbody>
</table>

*Dilution is evaluated at 15% with a grade of 0.70 g/t Gold
## KITILÄ MINE

### OPEN PIT: LOM

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>TOTAL OP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ore (tonnes)</td>
<td>32,889</td>
<td>166,839</td>
<td>840,907</td>
<td>1,181,552</td>
<td>1,146,558</td>
<td>1,017,545</td>
<td>462,790</td>
<td>115,371</td>
<td>0</td>
<td>4,964,451</td>
</tr>
<tr>
<td>Ore Grade*</td>
<td>4.30</td>
<td>4.01</td>
<td>4.01</td>
<td>4.52</td>
<td>5.72</td>
<td>6.26</td>
<td>3.61</td>
<td>3.45</td>
<td>0</td>
<td>4.94</td>
</tr>
<tr>
<td>(g/t)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gold (oz)</td>
<td>0**</td>
<td>0**</td>
<td>130,971</td>
<td>143,468</td>
<td>176,070</td>
<td>178,306</td>
<td>46,667</td>
<td>11,119</td>
<td>0</td>
<td>689,601</td>
</tr>
<tr>
<td>Recovered</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste (tonnes)</td>
<td>1,073,861</td>
<td>925,992</td>
<td>11,188,641</td>
<td>12,169,836</td>
<td>6,624,619</td>
<td>2,693,725</td>
<td>1,563,811</td>
<td>516,050</td>
<td>0</td>
<td>36,756,534</td>
</tr>
<tr>
<td>Over burden</td>
<td>1,338,363</td>
<td>1,147,886</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>267,932</td>
<td>178,531</td>
<td>0</td>
<td>0</td>
<td>2,932,712</td>
</tr>
<tr>
<td>(tonnes)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Production cut-off is 1.40 g/t Gold

**Waste produced in years 2006 and 2007 will be use for tailings dam construction. The ore associate with that waste will be stockpiled and will be processed in year 2008.
**OPEN PIT: INITIAL PIT AND FINAL FEASIBILITY PARAMETERS**

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Initial Pit Parameters</th>
<th>Feasibility Parameters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exchange Rate (US$/Euro)</td>
<td>1.20</td>
<td>1.20</td>
</tr>
<tr>
<td>Gold Price (US$/oz)</td>
<td>450.00</td>
<td>450.00</td>
</tr>
<tr>
<td>Mining Cost Ore and Waste (Euro/tonne)</td>
<td>1.40</td>
<td>1.04*</td>
</tr>
<tr>
<td>Mining Cost Overburden (Euro/tonne)</td>
<td>1.20</td>
<td>1.09*</td>
</tr>
<tr>
<td>Milling Cost (Euro/t)</td>
<td>11.90</td>
<td>14.00</td>
</tr>
<tr>
<td>G &amp; A Cost (Euro/t)</td>
<td>3.24</td>
<td>2.40</td>
</tr>
<tr>
<td>Royalties (%)</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Density - Rock (tonne/m³)</td>
<td>2.9</td>
<td>2.9</td>
</tr>
<tr>
<td>Density - Overburden (tonne/m³)</td>
<td>1.8</td>
<td>1.8</td>
</tr>
<tr>
<td>Mill Recovery (%)</td>
<td>89</td>
<td>87**</td>
</tr>
<tr>
<td>Overall Pit Slope</td>
<td>45°</td>
<td>45°-48°</td>
</tr>
</tbody>
</table>

*Based on quotations received from Finland.

**Mill recovery is evaluated to 83.5% for years 2008 to 2010 and at 87% for the rest of LOM.
The Suurikuusikko and the Rouravaara pits will be excavated using 5 meter bench height to minimize mining dilution.

A Triple-Benching configuration will be used incorporating 7.7 metre safety berm - increasing worker safety and pit slope stability.

All final walls will be pre-sheared increasing safety and wall stability.

OPEN PIT: DESIGN PARAMETERS SUURIKUUSIKKO

- **Face Angle:** 75°
- **Safety Berm:** 7.7m
- **Ramp Gradient:** 10%
- **Ramp Width:**
  - >1070EL: 20m
  - <1070EL: 10m
- **Inter Ramp Angle:** 52°
- **Benching:**
  - **Bench 1:** 5m
  - **Bench 2:** 5m
  - **Bench 3:** 5m
- **Total Benching:** 15m
**OPEN PIT: IMPROVEMENTS**

**IMPROVEMENTS**

- Compare geotechnical model with initial production from top benches

- Compare mine plan with initial production data with respect to increasing double bench height to 7.5 m from 5.0 m

- Compare (planned dilution vs actual dilution) - optimize bench height.

**POTENTIAL RESULTS**

- Reduce stripping ratio

- Reduce Opex & improve productivity

- Reduce Opex & improve productivity
FEASIBILITY 2006
UNDERGROUND MINING
Develop a mining sequence by maximising gold grade to the mill during the first years of the underground mine

Provide platform from which to convert Resource to Reserves

Test deposit at depth
Sub-level long hole:

- High productivity
- Highly mechanized
- Low cost
- Same method as LaRonde
- Main infrastructure located within the best rock conditions

- Ground support will consist of steel fibre reinforced shotcrete, Re-bar and cable (Shotcrete will be used in all drifts)
**KITTILÄ MINE**

**UNDERGROUND MINING: DILUTED* RESERVES**

<table>
<thead>
<tr>
<th>Zone</th>
<th>Ore Tonnage</th>
<th>Ore Grade (g/t)</th>
<th>Gold Contained (oz)</th>
</tr>
</thead>
<tbody>
<tr>
<td>702</td>
<td>2 346 928</td>
<td>4.6</td>
<td>350 024</td>
</tr>
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<td>475 916</td>
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<td>5022</td>
<td>965 819</td>
<td>5.3</td>
<td>164 229</td>
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<td>TOTAL</td>
<td>9 261 971</td>
<td>5.28</td>
<td>1 571 641</td>
</tr>
</tbody>
</table>

*Dilution is evaluated at 20% with a grade of 0.70 g/t Gold*
2.9 Millions Tonnes recovered

Grade 4.83 g/t

452 120 oz Gold

Zone between 50 to 490 meters of depth

Transverse 53% (primary/secondary) and longitudinal 47%

Average profit 410 502 $US/stope

High flexibility with numerous extraction area
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Ore (tonnes)</td>
<td>155,310</td>
<td>585,773</td>
<td>902,087</td>
<td>956,389</td>
<td>1,017,634</td>
<td>1,020,638</td>
<td>1,071,716</td>
<td>1,072,790</td>
<td>1,058,954</td>
<td>957,582</td>
<td>8,798,873</td>
</tr>
<tr>
<td>Ore Grade* (g/t)</td>
<td>5.36</td>
<td>5.80</td>
<td>5.44</td>
<td>5.28</td>
<td>5.19</td>
<td>5.47</td>
<td>5.44</td>
<td>5.46</td>
<td>5.24</td>
<td>4.46</td>
<td>5.29</td>
</tr>
<tr>
<td>Gold** (oz) Recover</td>
<td>28,949***</td>
<td>94,993</td>
<td>137,188</td>
<td>141,160</td>
<td>147,721</td>
<td>156,201</td>
<td>163,183</td>
<td>164,312</td>
<td>154,841</td>
<td>119,852</td>
<td>1,308,401</td>
</tr>
</tbody>
</table>

*Production cut-off is 3.4 g/t Gold diluted
**Including development ore
***Includes 5,681 oz from year 2010
### Global LOM

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ore (tonnes)</td>
<td>32,889</td>
<td>166,839</td>
<td>840,907</td>
<td>1,181,552</td>
<td>1,183,555</td>
<td>1,172,855</td>
<td>1,048,563</td>
<td>1,017,458</td>
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<tr>
<td>Ore Grade (g/t)</td>
<td>4.30</td>
<td>4.01</td>
<td>4.01</td>
<td>4.52</td>
<td>5.72</td>
<td>6.14</td>
<td>4.83</td>
<td>5.21</td>
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<tr>
<td>Gold (oz)</td>
<td>0</td>
<td>0</td>
<td>133,970</td>
<td>143,468</td>
<td>181,751</td>
<td>201,574</td>
<td>141,661</td>
<td>148,308</td>
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<tr>
<td>Recovered</td>
<td>1,073,861</td>
<td>925,992</td>
<td>11,188,641</td>
<td>12,169,836</td>
<td>6,624,619</td>
<td>2,693,725</td>
<td>1,563,811</td>
<td>516,050</td>
</tr>
<tr>
<td>Waste (tonnes)</td>
<td>1,338,363</td>
<td>1,147,886</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>267,932</td>
<td>178,531</td>
<td>0</td>
</tr>
<tr>
<td>Over burden</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
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<td>1,058,954</td>
<td>957,582</td>
<td>13,800,321</td>
</tr>
<tr>
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<td>5.28</td>
<td>5.19</td>
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<td>5.44</td>
<td>5.48</td>
<td>5.23</td>
<td>4.47</td>
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</tr>
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<td>Gold (oz)</td>
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<td>156,201</td>
<td>163,183</td>
<td>164,312</td>
<td>154,841</td>
<td>119,852</td>
<td>1,998,002</td>
</tr>
<tr>
<td>Recovered</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
- Recover heat generated in milling process to heat U/G workings. Heat exchanger system with mill an oxygen plant heating underground mine ventilation and buildings.

- Paste backfill plant for underground would lower production costs and capital expense LOM CAPEX.

- Trade off study to optimize open pit depth at higher gold prices would extend life of the open pit.
FEASIBILITY 2006

METALLURGY
Testwork performed since 1999
± 2 M$ invested in metallurgical testwork

**VALIDATED PROCESSES**
1. Grinding
2. Sulphide Flotation
3. Thickening
4. Sulphur Oxidation
5. C.C.D. & Neutralisation
6. Gold Recovery & Detox

**OUTSTANDING ISSUES**
- Gold chloride assisted preg robbing
- Presence of organic carbon in ore
Au extraction vs. Sulphur Oxidation
(all tests)

Global Gold Recovery (%)

C.I.L. Gold Extraction (%)

S Oxidation (%)

Target Operating Window

LGC #1
HGC #1
HGC #2 - (cleaned LGC#1)
Gold Recovery Model

Global Gold Recovery vs. Organic Carbon in Ore

Gold Recovery = -11.69 \times (C_{organic})^2 - 3.74 \times (C_{organic}) + 87.82

Feasibility Model
Years
1,2,3

Feasibility Model
Years
4 & +

LOM
Yearly Averages
Enhancement program started - expected timeline: 3 to 6 months

Recovery challenge identified: gold chloride assisted preg robbing

**UPSIDE (not included in study)**

Alternatives being evaluated and tested showing early promise

- Autoclave chemistry optimisation
- Organic carbon removal and sale post oxidation (new)
- Organic carbon removal prior to oxidation
Post nitric flotation and CIL testwork:

- **Gold Extraction (%)** vs. **Total Organic Carbon in Concentrate (%)**
- **Flotation & CIL**
- **Flotation**
- **Au vs. C Model**
- **LOM Yearly Averages**

Graph showing relationship between Gold Extraction and Total Organic Carbon in Concentrate post nitric flotation and CIL testwork.
# MILL OPEX – 3000 mtpd

<table>
<thead>
<tr>
<th>Sector</th>
<th>$US/mt</th>
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<tbody>
<tr>
<td>MANPOWER (Operation)</td>
<td></td>
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<tr>
<td>Staff</td>
<td>0.79</td>
</tr>
<tr>
<td>Hourly</td>
<td>1.27</td>
</tr>
<tr>
<td>MATERIAL (Operation)</td>
<td>0.22</td>
</tr>
<tr>
<td>REAGENTS</td>
<td>3.40</td>
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<tr>
<td>MECHANICAL</td>
<td></td>
</tr>
<tr>
<td>Labour</td>
<td>0.47</td>
</tr>
<tr>
<td>Material</td>
<td>1.15</td>
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<tr>
<td>ELECTRICAL / INSTRUM.</td>
<td></td>
</tr>
<tr>
<td>Labour</td>
<td>0.19</td>
</tr>
<tr>
<td>Material</td>
<td>0.29</td>
</tr>
<tr>
<td>POWER &amp; HVAC</td>
<td>3.24</td>
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<tr>
<td>ANALYTICAL SERVICES</td>
<td></td>
</tr>
<tr>
<td>Labour</td>
<td>0.16</td>
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<tr>
<td>Material</td>
<td>0.05</td>
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<tr>
<td>OXYGEN</td>
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<tr>
<td>Monthly Fee</td>
<td>3.61</td>
</tr>
<tr>
<td>Variable Fee</td>
<td>1.96</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>16.80</td>
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</tbody>
</table>
### LOM Recovery Profile

<table>
<thead>
<tr>
<th>YEAR</th>
<th>RECOVERY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 3</td>
<td>±83.5%</td>
</tr>
<tr>
<td>4 &amp; +</td>
<td>±87.0%</td>
</tr>
</tbody>
</table>

- Years 1 to 3 gold recovery based on carbon content of ore (0.475%)
- Years 4 and onward based on 3.5% increase from R&D benefit
VIRTUAL MILL TOUR
FEASIBILITY 2006
ENVIRONMENT
Property is currently fully permitted for bioxidation process

Pressure oxidation is a “friendlier” process

Very good relationship with the Ministry of the Environment

Ministry in favour of amendment rather than repermitting
- Amend permit to reflect new process
- Tailings facility requires liners
- Waste rock management (contains minor arsenic)
- Amendment process is in progress
- “Friendlier” process will permit less restrictive water discharge
- Build small “starter” (lined) tailings facility
  - Initial test work on unlined facility positive
- Block model demonstrating waste rock as distribution will be built – will assist management
Using 1 Mm³ of waste rock from pit stripping

Construction between August 2006 and September 2007
ENVIRONMENT: TMF at the end of mine life
FEASIBILITY 2006
ECONOMICS
### CAPITAL COSTS US$

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost (US$)</th>
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</thead>
<tbody>
<tr>
<td>EPCM &amp; Indirect Costs</td>
<td>16.3</td>
</tr>
<tr>
<td>Surface Infrastructure</td>
<td>8.8</td>
</tr>
<tr>
<td>Surface Mine</td>
<td>3.2</td>
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<tr>
<td>Underground Mine</td>
<td>17.8</td>
</tr>
<tr>
<td>Mill</td>
<td>65.9</td>
</tr>
<tr>
<td>Tailings</td>
<td>6.8</td>
</tr>
<tr>
<td>G&amp; A</td>
<td>5.2</td>
</tr>
<tr>
<td>Contingency</td>
<td>11.0</td>
</tr>
<tr>
<td><strong>Total (US$)</strong></td>
<td><strong>135.0</strong></td>
</tr>
</tbody>
</table>
## KITTIŁĀ MINE

### OPERATING COSTS

<table>
<thead>
<tr>
<th></th>
<th>MILL</th>
<th>16.80$US/t</th>
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</thead>
<tbody>
<tr>
<td>SURFACE SERVICES</td>
<td>0.47$US/t</td>
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<tr>
<td>ADMINISTRATION</td>
<td>2.88$US/t</td>
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</tr>
<tr>
<td>OPERATING COSTS</td>
<td>34.07$US/t</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>OPEN PIT MINE</th>
<th>10.72$US/t</th>
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<tbody>
<tr>
<td>Definition</td>
<td>0.38$US/t</td>
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<tr>
<td>Production</td>
<td>10.11$US/t</td>
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</tr>
<tr>
<td>O/P Services</td>
<td>0.23$US/t</td>
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<tr>
<td>TOTAL OP</td>
<td>10.72$US/t</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>UNDERGROUND MINE</th>
<th>17.72$US/t</th>
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<tbody>
<tr>
<td>Definition</td>
<td>0.36$US/t</td>
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<tr>
<td>Development</td>
<td>3.03$US/t</td>
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<tr>
<td>Production</td>
<td>8.00$US/t</td>
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<tr>
<td>U/G Services</td>
<td>6.33$US/t</td>
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</tr>
<tr>
<td>TOTAL UG</td>
<td>17.72$US/t</td>
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</table>
## Comparaison: Operating Costs

<table>
<thead>
<tr>
<th></th>
<th>Laronde Mine (Budget 2006)</th>
<th>Suurikuusikko U/G</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>*<em>US</em>/t</td>
<td>*<em>US</em>/t</td>
</tr>
<tr>
<td>Definition</td>
<td>0.31</td>
<td>0.36</td>
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<tr>
<td>Development</td>
<td>3.39</td>
<td>3.03</td>
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<tr>
<td>Production</td>
<td>8.72</td>
<td>8.00</td>
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<tr>
<td>U/G Services</td>
<td>14.78</td>
<td>6.33</td>
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<tr>
<td>Mill</td>
<td>14.02</td>
<td>16.80</td>
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<tr>
<td>Surface Services</td>
<td>1.25</td>
<td>0.47</td>
</tr>
<tr>
<td>Administration</td>
<td>3.34</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45.81</strong></td>
<td><strong>37.87</strong></td>
</tr>
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</table>

Note: All costs are in US dollars per metric tonne (US$/t).
<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
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<tbody>
<tr>
<td>Gold Price = 450 $US/ounce</td>
<td>May 2006</td>
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<tr>
<td>Exchange Rate = 1.20 $US/Euro</td>
<td>14.0 M t @ 5.15 g/t</td>
</tr>
<tr>
<td>CAPEX Preproduction</td>
<td>135.0 M $US</td>
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<tr>
<td>CAPEX Sustaining</td>
<td>49 M $US</td>
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<tr>
<td>OPEX</td>
<td>34.07 $US/t</td>
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<tr>
<td>IRR (after tax)</td>
<td>15.01%</td>
</tr>
<tr>
<td>Net Cash flow (pre tax)</td>
<td>223.0 M US$</td>
</tr>
</tbody>
</table>
2006 EXPLORATION PROGRAM

Objectives

- 21,000 m planned
- Convert resource into reserves
- Test mineralized zones at depth
- Test land position to the north
- Definition of additional targets along structure
2006 Exploration Program - Western Zone

ETELÄ
KETOLA
MAIN WEST ZONE
MAIN EAST ZONE
CENTER ROURAVAARA ZONE
NORTH ROURAVAARA ZONE

2006 PROGRAM

Grade*True Width (gram/t*meter)

-900 m -600 m -300 m 0 m 300 m 600 m 900 m
0 m 200 m

5000N 6000N 7000N

SUBH06040
NEW POTENTIAL ZONE
OPEN
2006 Exploration Program - Center Zone

MAIN ZONE

CENTER ROURAVAARA ZONE

NORTH ROURAVAARA ZONE

Grade*True Width (gram/t*meter)

0
5
10
20
40
80
120
160
200

0 m
-300 m
-600 m
-900 m
0 200
5000
6000
8000
metres

KETOLA

ETELÄ

MAIN WEST ZONE

CENTER ROURAVAARA ZONE

NORTH ROURAVAARA ZONE

0.5 Km

SUBH0596
SUBH06005
SUBH05102
SUBH06009
SUBH06012
SUBH05018
SUBH060101
SUBH06006
SUBH06040

OPEN

OPEN

OPEN

OPEN
SUMMARY & CONCLUSIONS
AEM

KITTILÄ MINE

SUBSTANTIAL GOLD PRODUCTION GROWTH

LaRonde Goldex LaRonde II Lapa Kittila

0 100 000 200 000 300 000 400 000 500 000 600 000 700 000 800 000 900 000

2006 2007 2008 2009 2010 2011
The Suurikuusikko deposit is a long life asset

The belt has “camp” potential

The project has an experienced management team

The project is close to existing infrastructure

Finland is supportive & has a mining culture

The project has positive economics

Project has short lead time

Major technical risks are metallurgical

Present study does not incorporate Government assistance (+1% IRR)
MANAGEMENT

- Managing Director – Ingmar Haga, MSc Geology 30 years
- Financial Manager – Jarmo Frii, MSc Mining 30 years
- Mine Controller – Johan Renstrom, MBA 10 years
- Mine Manager – Heino Alaniska, MSc Mining 36 years
- Mine Superintendent – Juha Riikonen, MSc Mining 30 years
- Mill Superintendent – Mike Timmins, MSc Metallurgy 5 years
- Chief Geologist – Jyrki Korteniemi, MSc Geology 10 years
- Environ. Manager – Juhani Itkonen, MSc Environ. Sciences 25 years
- Construction Manager - Antti Kuivalainen, MSc Civil 20 years
Francois Vézina, Eng., Manager of the Technical Services, B. Mining Engineering, Certificate in Business Administration
Jean Robitaille, CET, Vice-President Metallurgy & Marketing
Daniel Racine, P Eng., Eng., Manager of Operations
Paul-Henri Girard, Eng., Regional General Director, B. Mining Engineering
Bennett McLaughlin, Eng., Senior Project Engineer, Technical Services, B. Mining Engineering, Certificate in Business Administration
Christian Roy, Eng., Project Engineer, Technical Services, B. Mining Engineering
Yoan Roy, Jr. Eng., Project Engineer, Technical Services, B. Mining Engineering
Paul Cousin, Eng., Chief Project Metallurgist, Regional Office, B. Mining Engineering
Paul Blatter, Eng., Senior Project Metallurgist, Regional Office, B. Metallurgical Engineering
Louise Grondin, P. Eng., Eng. M. Sc., Regional Environment Manager, Regional Office, B. Physics MSc
Pascal Noël, Project Technician, Technical Services, Mining Technologist
Geneviève St-Pierre, Project Technician, Technical Services, Mining Technologist
Alain Galarneau, Project Technician, Technical Services, Mining Technologist
Normand Bédard, P. Geo., Chief Geologist, Technical Services, B. Geological
Laurence Gozdz, Geology Technician, Technical Services, Mining Technologist
Lars-Goran Ohlsson, Managing Director, Riddarhyttan Resources AB
Ingmar Haga, MSc. Geo Agnico-Eagle Finland
Thomas Lindholm, Agnico Eagle, Finland
Antti Kuivalainen, MSc Agnico Eagle Finland
Heino Alaniska, MSc Mining Agnico Eagle Finland
Vesa Kortelainen, MSc Geology, GTK
Kittilä Mine