



# **Agnico-Eagle Mines Limited**

**MELIADINE PROJECT  
UPDATE**

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**And**

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Meliadine Project Manager**

# Meliadine Project



AEM

## Forward Looking Statements

The information in this document has been prepared as at February 16, 2011. Certain statements contained in this document constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward looking information under the provisions of Canadian provincial securities laws. When used in this document, the words "anticipate", "expect", "estimate", "forecast", "will", "planned", and similar expressions are intended to identify forward-looking statements or information.

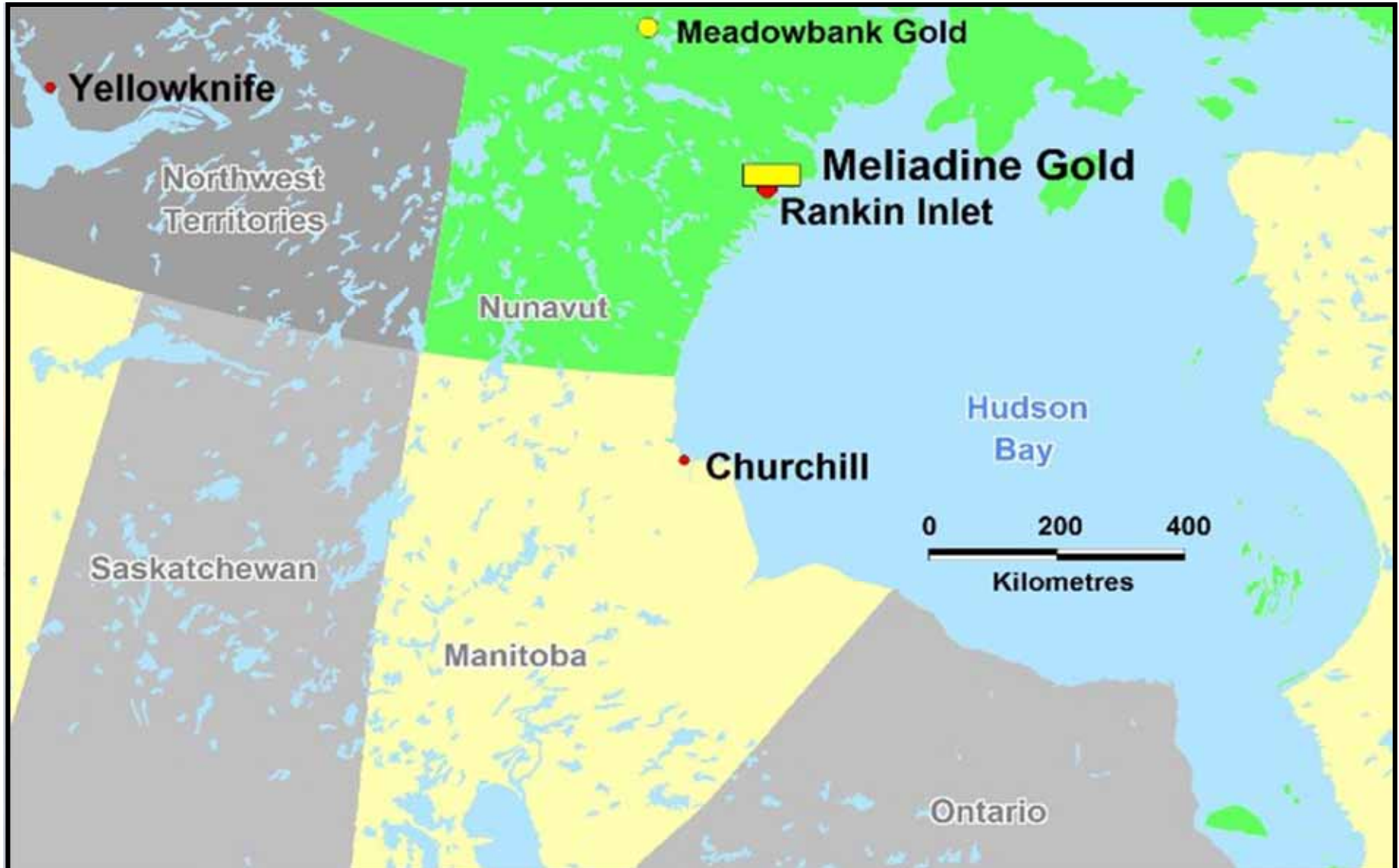
Such statements include without limitation: statements regarding timing and amounts of capital expenditures and other assumptions; estimates of future reserves, resources, mineral production, optimization efforts and sales; estimates of mine life; estimates of future internal rates of return, mining costs, cash costs, minesite costs and other expenses; estimates of future capital expenditures and other cash needs, and expectations as to the funding thereof; statements and information 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 exploration, development and production or decisions with respect to such exploration, development and production; estimates of reserves and resources, and statements and information regarding anticipated future exploration; the anticipated timing of events with respect to the Company's minesites and statements and information regarding the sufficiency of the Company's cash resources. Such statements and information reflect the Company's views as at the date of this document and are subject to certain risks, uncertainties and assumptions, and undue reliance should not be placed on such statements and information. Many factors, known and unknown could cause the actual results to be materially different from those expressed or implied by such forward looking statements and information. 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; community protests; risks associated with foreign operations; governmental and environmental regulation; the volatility of the Company's stock price; and risks associated with the Company's byproduct metal derivative strategies. For a more detailed discussion of such risks and other factors that may affect the Company's ability to achieve the expectations set forth in the forward-looking statements contained in this document, see the Company's Annual Report on Form 20-F for the year ended December 31, 2009, as well as the Company's other filings with the Canadian Securities Administrators and the U.S. Securities and Exchange Commission. The Company does not intend, and does not assume any obligation, to update these forward-looking statements and information. Marc Legault, a Qualified Person and the Company's Vice-President, Project Development, reviewed the technical information disclosed herein. For a detailed breakdown of the Company's reserve and resource position see the February 16, 2011 press release on the Company's website. That press release also lists the Qualified Persons for each project.

# Meliadine Project - Agenda

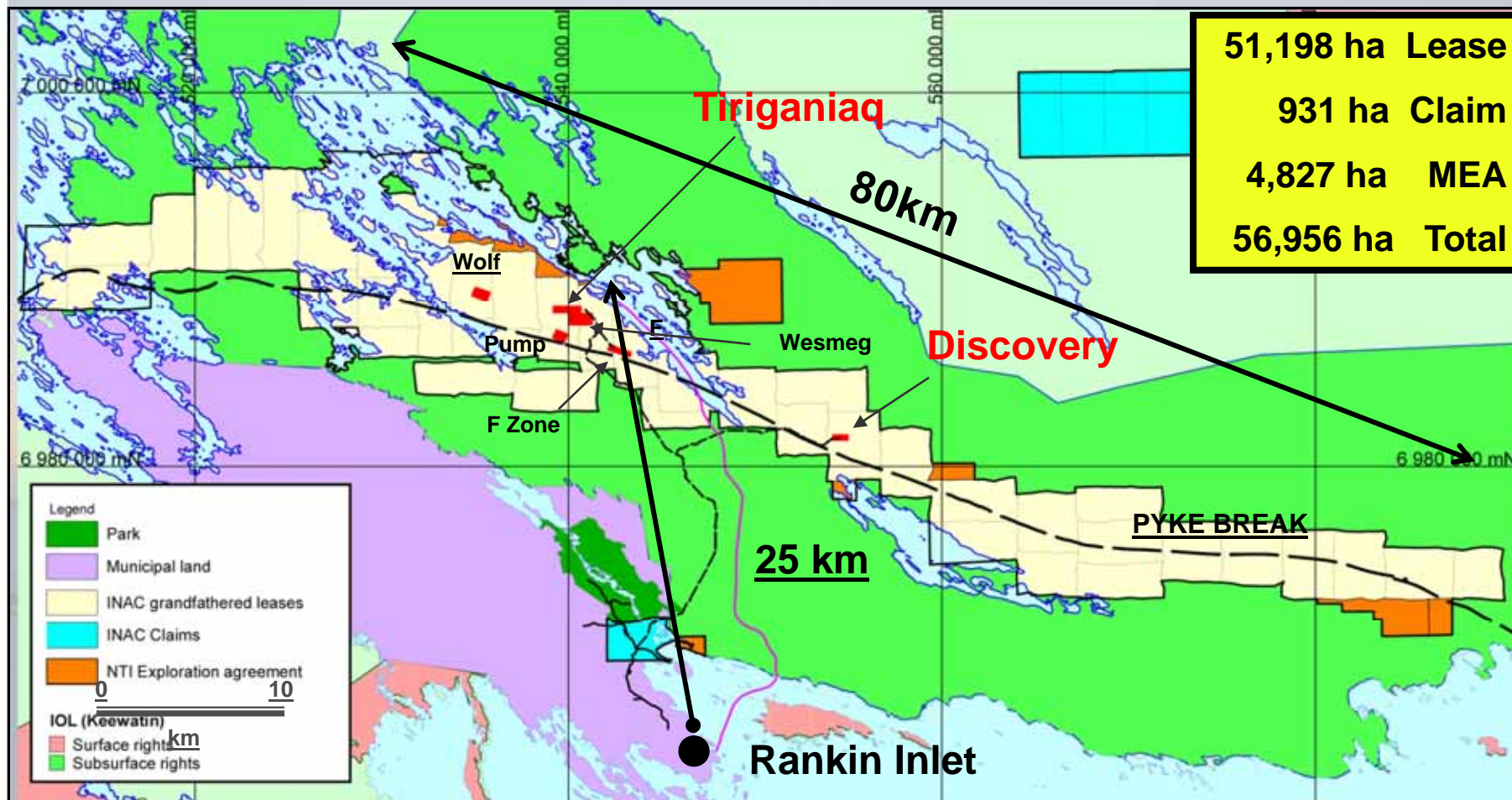


- Location and claims
- Geology
- Reserve 2011 and Exploration works
- Bulk Sampling program
- New Camp installation and Ice Road transportation
- Fuel Bladder farm installation
- Road Construction
- Permitting and feasibility study

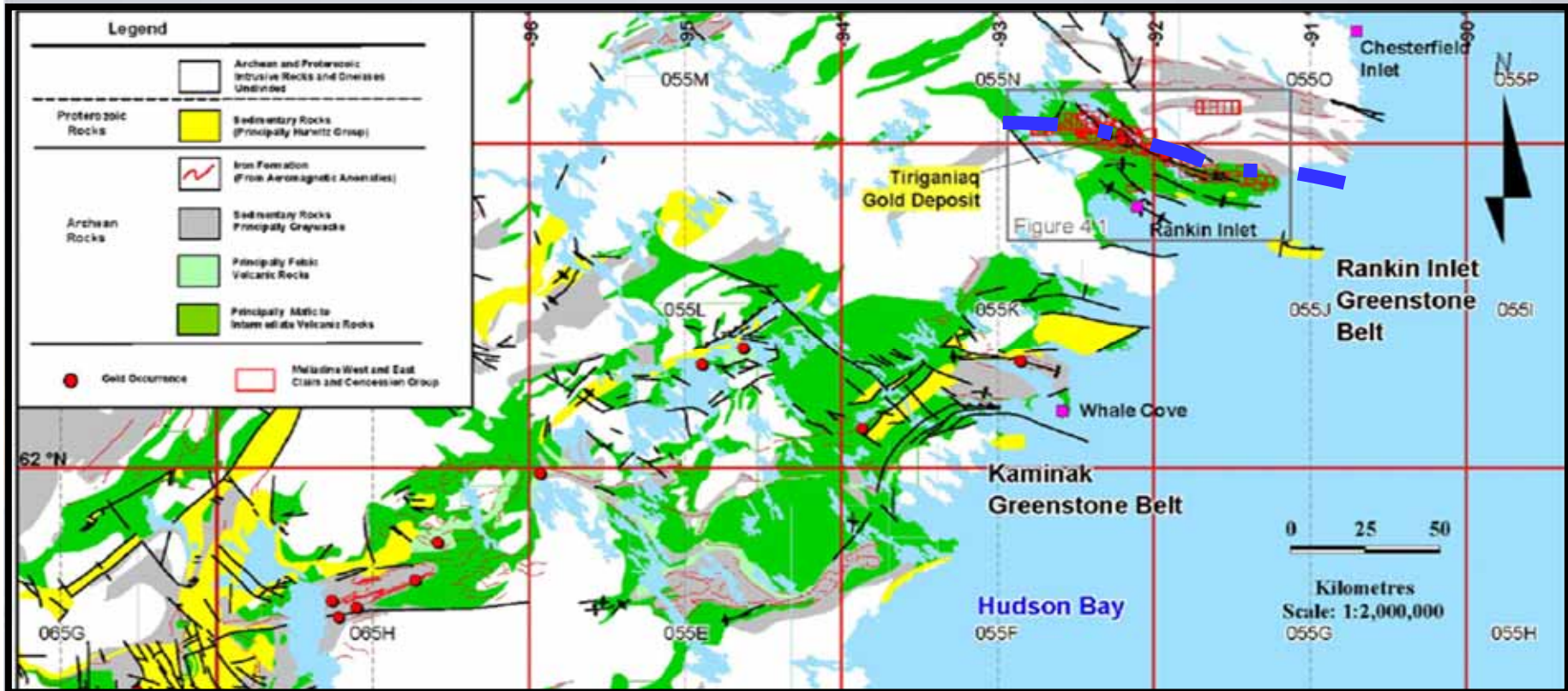
# Meliadine Project - Location



# Meliadine Project – Claims and Leases



# Meliadine Project : Regional Geology

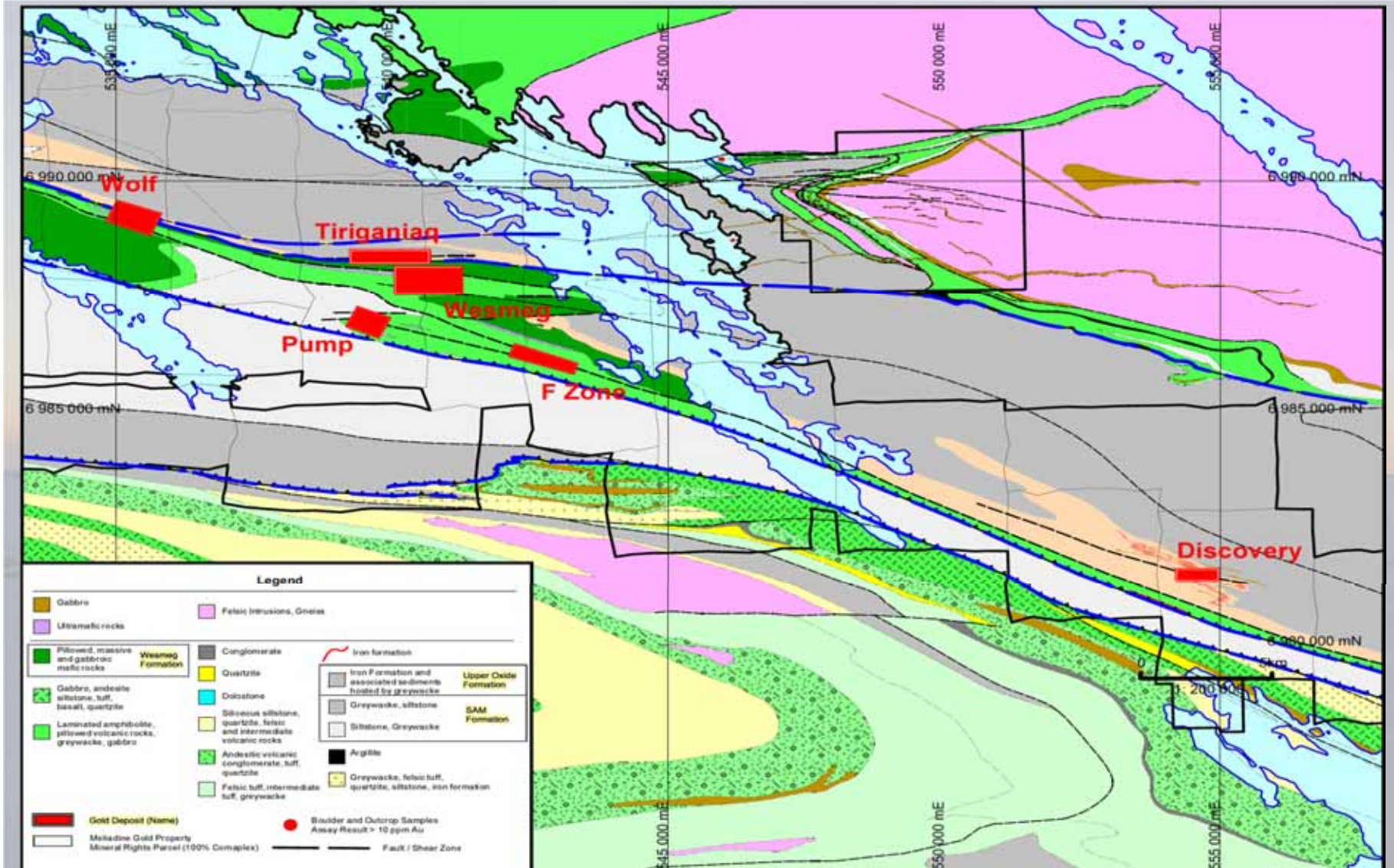


**2,663 Ma Rankin Inlet Archaean greenstone belts**

**Hearne sub-domain of the Churchill structural province of the Canadian shield**

**Archaean to Proterozoic high deformation zone of the Pyke Fault**

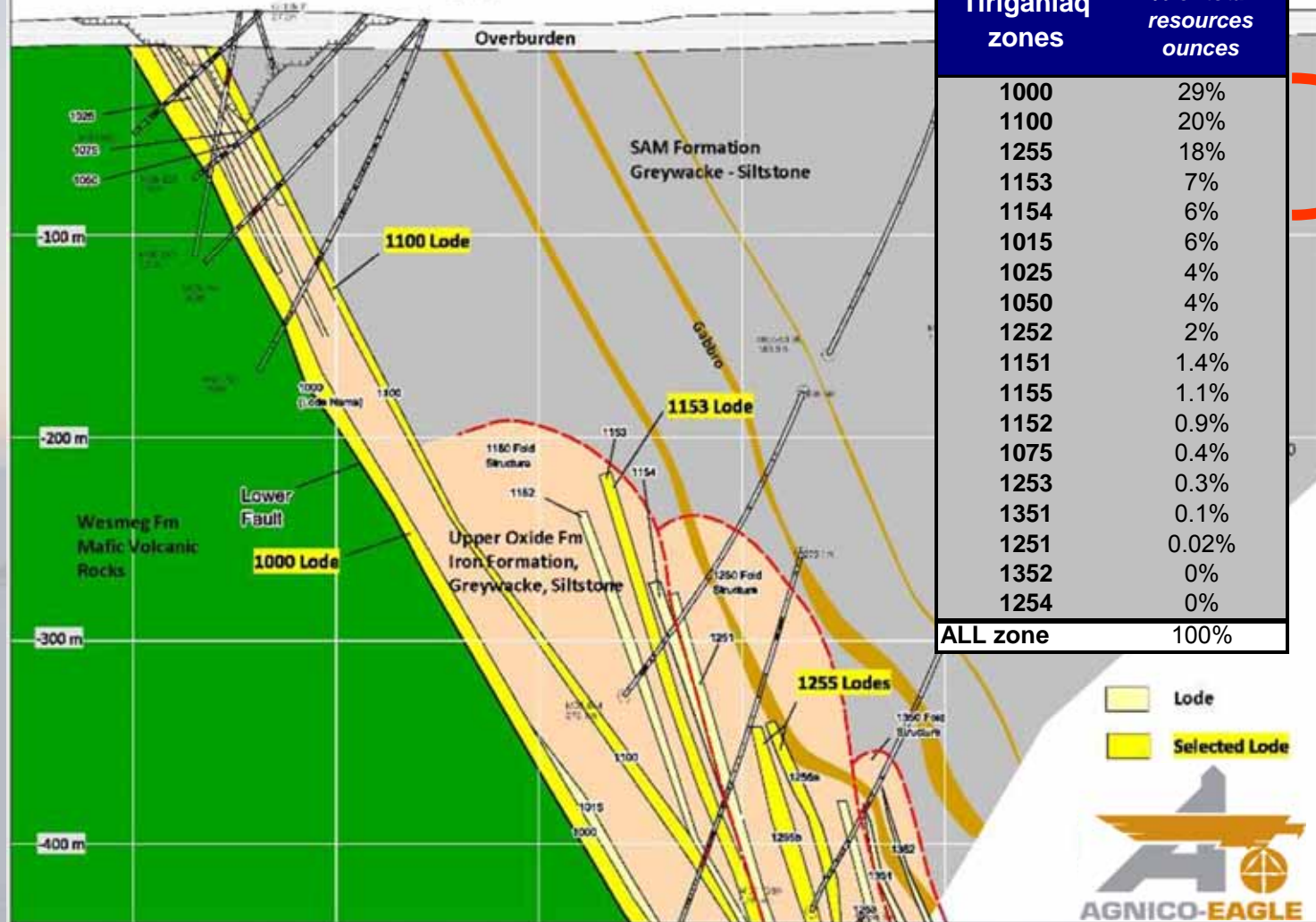
# Meliadine Project : Regional Geology



# Meliadine Project - Typical Cross Section



s Schematic Geology Section

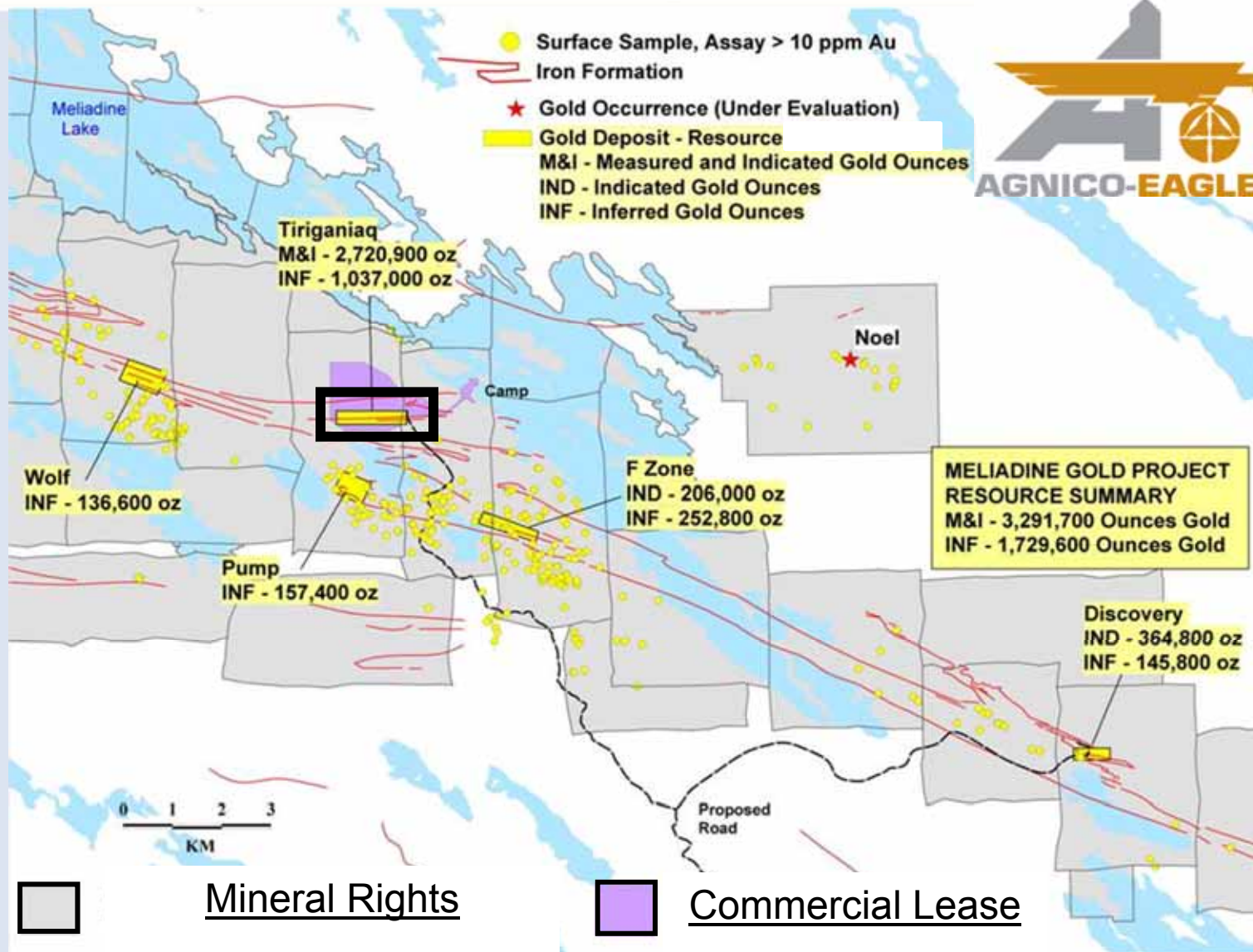


Tiriganiaq zones	% of total resources ounces
1000	29%
1100	20%
1255	18%
1153	7%
1154	6%
1015	6%
1025	4%
1050	4%
1252	2%
1151	1.4%
1155	1.1%
1152	0.9%
1075	0.4%
1253	0.3%
1351	0.1%
1251	0.02%
1352	0%
1254	0%
<b>ALL zone</b>	<b>100%</b>

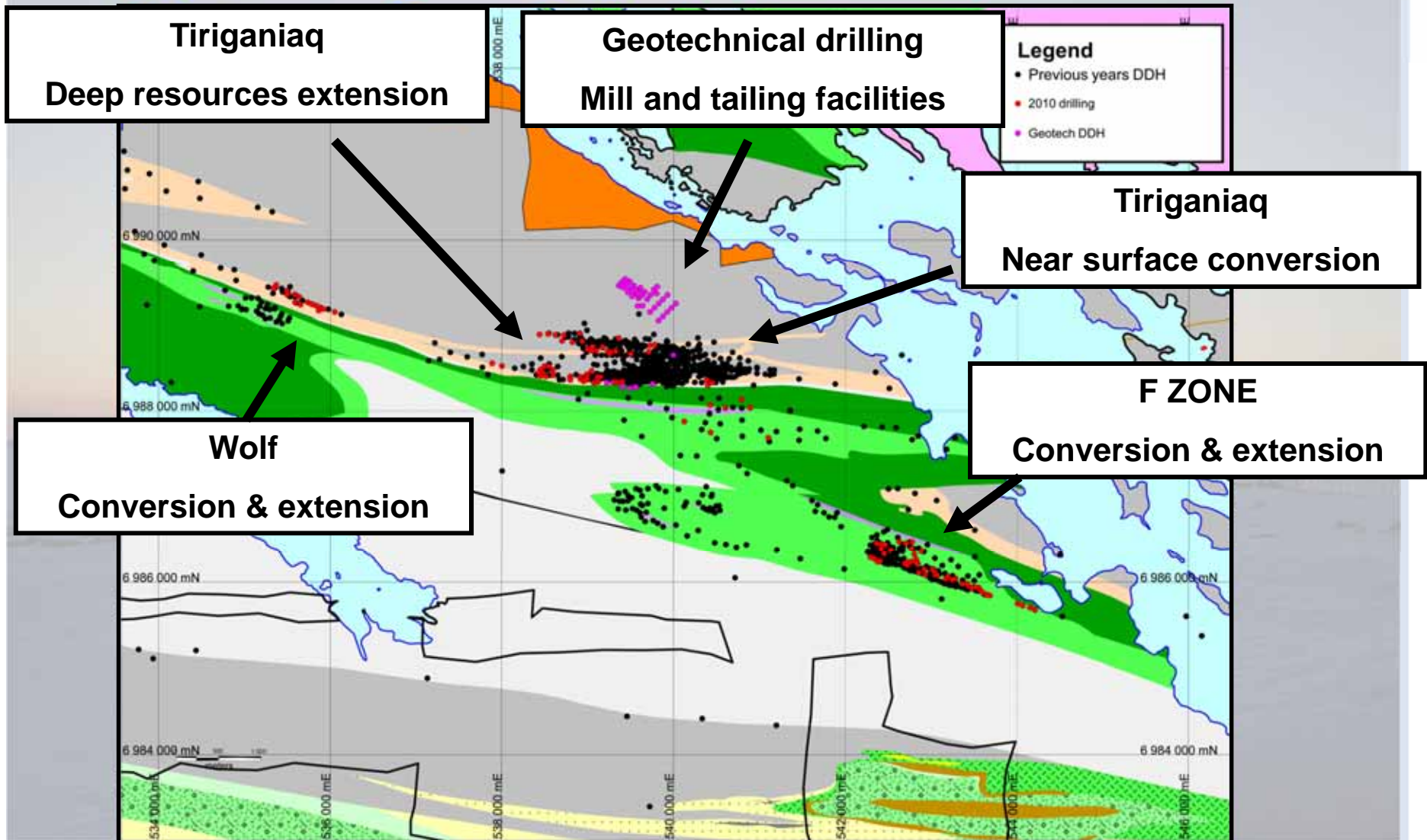
80%



# Meliadine Project – 2009 Resources



# Meliadine Project - 2010 Drilling Completed (33,130m as of Oct 31th)



# Meliadine Project - AEM reserve and resource (March 2011)



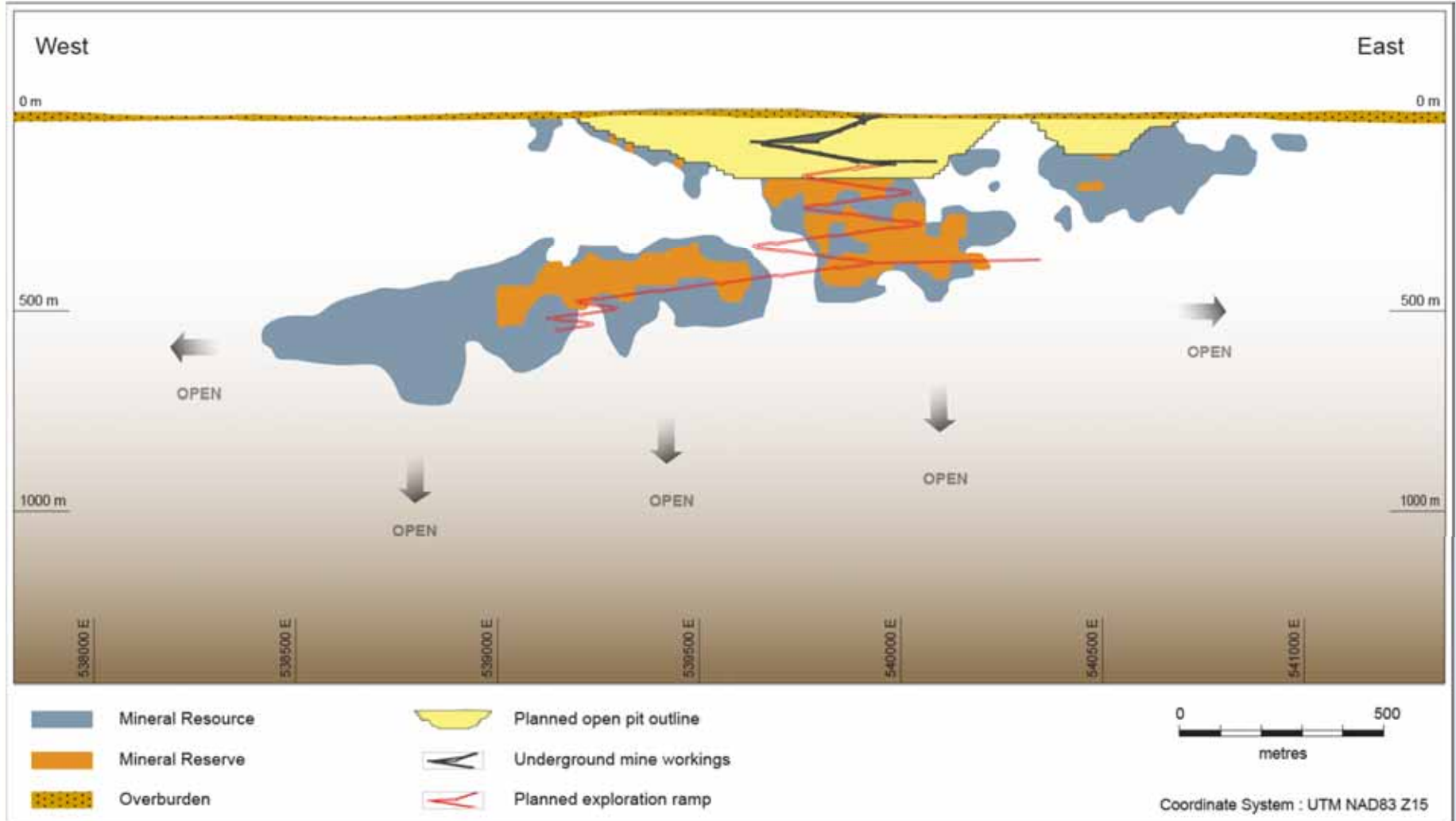
Categories	2010			2011		
	Tonnes '000 Tm	Grade g/t Au	Oz '000 oz	Tonnes '000 Tm	Grade g/t Au	Oz '000 oz
Probable				9 467	8.54	2 600
Mesured and Indicated	12 948	7.91	3 292	8 807	5.21	1 476
Inferred	8 386	6.42	1 730	11 834	6.94	2 642



# Meliadine Project - Longitudinal



Tiriganiaq - Longitudinal Section 2010



# Meliadine Project -



- **2011 Program**
- 6 300 m drilled to date
- Condemnation drilling for feasibility Study
- Resources conversion
- Resources extension
- Grassroots exploration
- Total 95,000 m of diamond drilling in 2011



# Meliadine Project -



## Meliadine Project – Bulk sample program

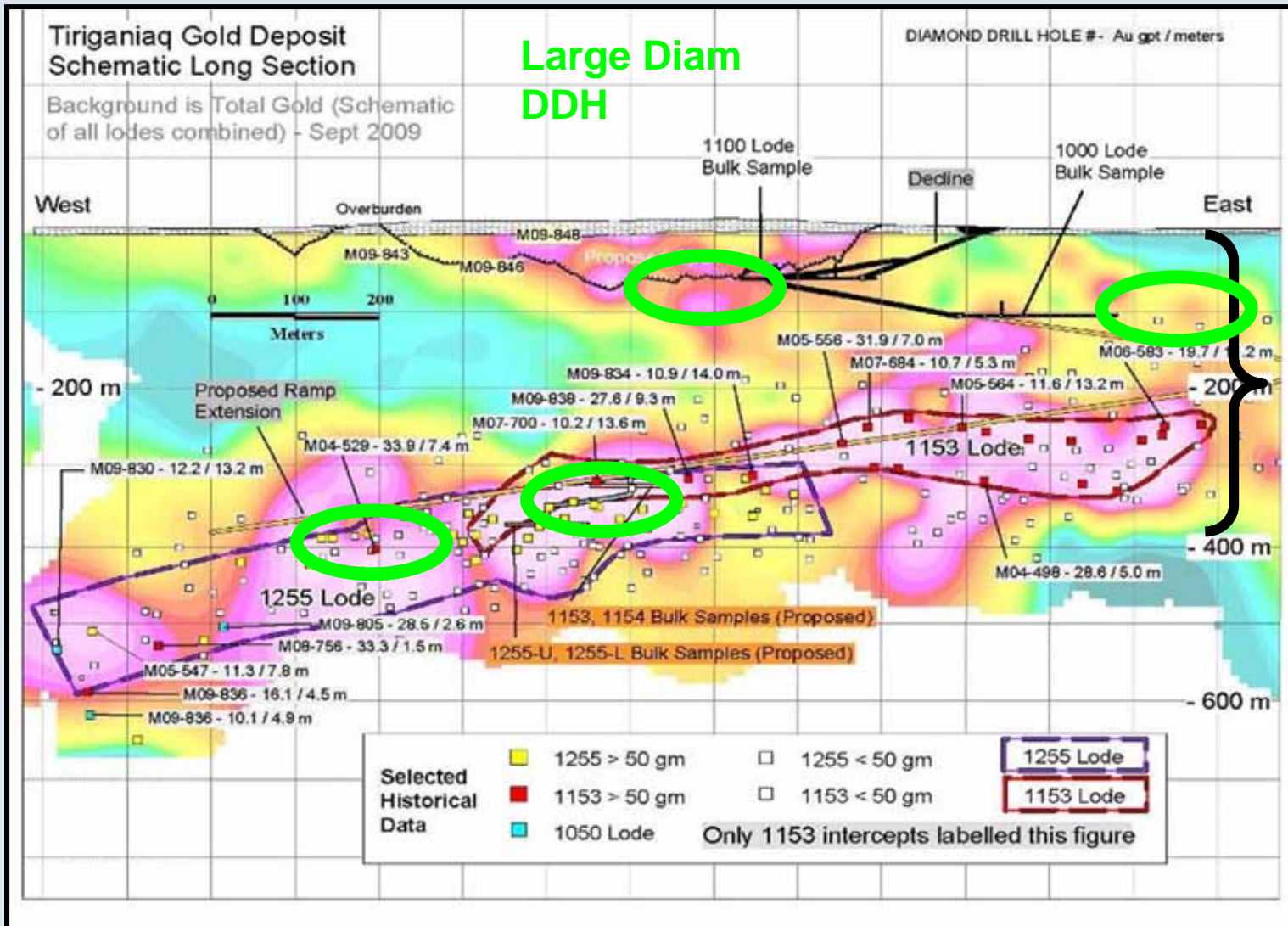


A bulk sample is proposed to increase our confidence in grade for the resources estimated and the feasibility based on the variability observed through the due diligence completed in the different type and generation of samples

We proposed to:

- Extend the existing development done in 2008-2009 by Comaplex in zone 1000 & 1100 (**125m in each for a total of 250m**).
- Execute large diameter DDH from surface (**HQ total 2,000m**) prior to underground development to validate existing DDH and reconcile with the new bulk sample.
- Use the existing sampling tower on site to estimate the grade of the bulk sample

# Bulk Sample and large diameter DDH



# Ore Underground – 5 metres across



## 6 yard Scooptram



# Jumbo drill



## Meliadine Project - 2010 Sealift



- Winter Road supply
  - AEM signed contract with M&T for Fuel & Materials transport
  - Winter road started on 22th January 2011
  - ~ 400 loads inclusive of
    - Diesel fuel ~2M Liter - +200 loads
    - Jet A ~ 30 loads
    - Geological supplies + 40 container
    - New camp ~ 30 loads
    - Inukshuk site services equipment +20 loads
    - Bulk sample underground consumables <10 loads

# Meliadine Project - 2010 Sealift



# Winter Road Hauling



# New Camp



- Accommodation for ~ 100 people
- 3 x kitchen units
- 2 x 800kW Gensets
  
- Kivalliq Summit contract
  - Purchased Units & adapt as required
  - Ship
  - Store in Rankin
  - Ship to Meliadine site & install

## New 100 men camp (25th March 2011)



## Meliadine Site Services



- AEM signed contract with Inukshuk for site services
- Need 42 000 m<sup>3</sup> esker
  - Pad for new camp
  - Bladder berm
  - Road to Tiriganiak Esker
  
- Pad construction for camp – Inukshuk, **February 2011**
- Fuel Berm Construction – Inukshuk, **March-April**
- Road to Esker construction – Inukshuk, **April**



# Camp Pad





Berm construction – Inukshuk, Q1 2011  
10 x 114,000 liter bladders adjacent to  
current tank farm

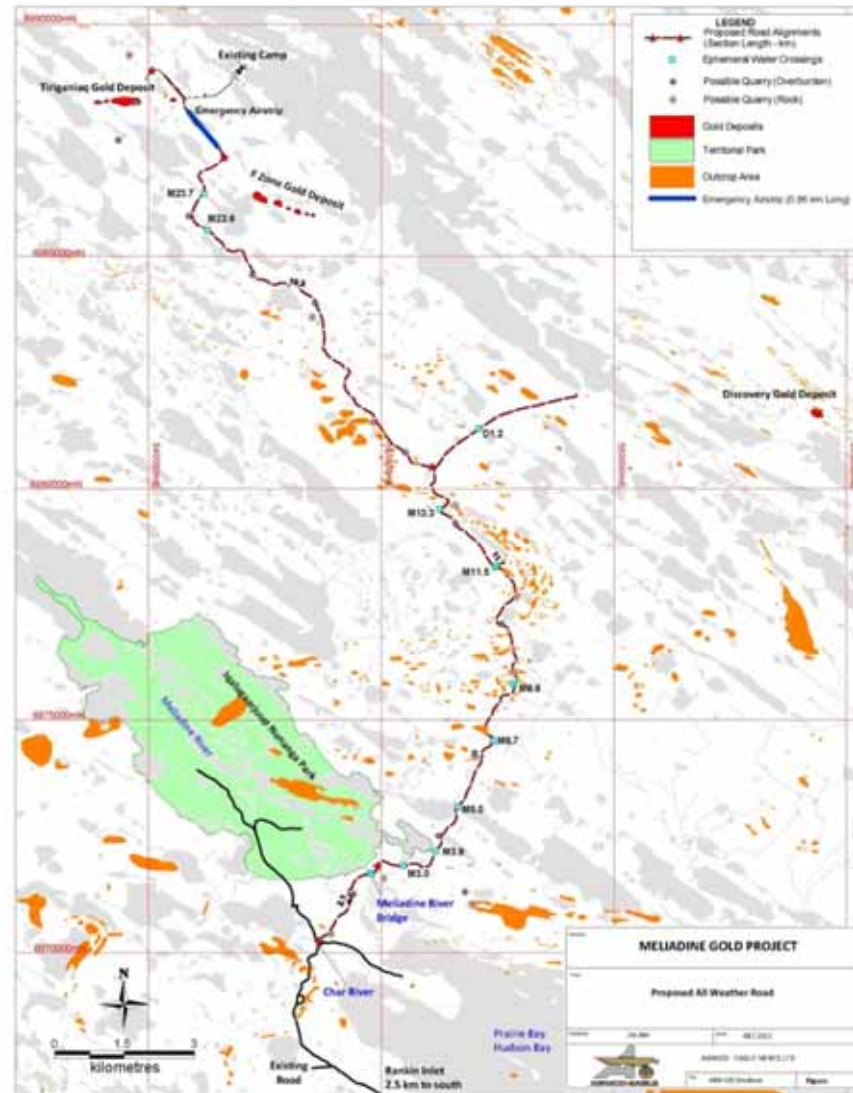
Current  
Tank Farm



# All Weather Road



- Esker and rock quarries will be established along the route
- 3 bridges and 9 culvert crossings along 27 km
- Single span bridges over the Char, Meliadine and M5.0 rivers
- Follows ATV trail to site
- Anyone can use the road, it is open access There will be instances when the road will be closed due to weather, safety concerns or maintenance



# Char River Bridge



# Meliadine River – Future Bridge



## M5.0 – 18 Metre Single Span Bridge





## AWR Rankin to Meliadine

### ■ Bridge and Road Construction Timeframe (if permitted)

#### ■ AEM will give a contract for bridges; **March 2011**

- Fabricate bridge materials - Q2 2011
- Ship materials - Early Q3 2011
- Road and bridges construction - Q3-Q4 2011 and Q1-Q2 2012

#### ■ AEM will go on tender soon for the road construction

- March 21 dead line for Expressions of interest
- Tender out 1st week of April
- Contract award April 20th

# Meliadine Project Budget 2011



<b>10.2 M\$</b>	Road construction
<b>1.0 M\$</b>	Camp Upgrade
<b>2.3 M\$</b>	New 98 men trailers Camp
<b>22.0 M\$</b>	Exploration ddh program (90,000m)
<b>10.7 M\$</b>	Underground bulk sample program
<b>3.9 M\$</b>	Site service
<b>2.8 M\$</b>	Camp cost (board and room)
<b>4.3 M\$</b>	Travelling Cargo Sealift
<b>6.6 M\$</b>	Feasibility overhead G&A
<b><u>2.2 M\$</u></b>	Permitting
<b>66.1 M\$</b>	<b>Total</b>

**Total 129 M\$ from mid 2010 to early 2013**

## Meliadine – Work Force



### Employees at Meliadine - February 28th, 2011

<i>Group</i>	<i>Inuit</i>	<i>Southerner</i>	<i>Total</i>	<i>% Inuit</i>
<b>Contractors</b>	<b>17</b>	<b>64</b>	<b>81</b>	<b>21%</b>
<b>AEM</b>	<b>11</b>	<b>10</b>	<b>21</b>	<b>52%</b>
<b>Total</b>	<b>28</b>	<b>74</b>	<b>102</b>	<b>27%</b>



# Meliadine Feasibility Study Update

- Production rate trade-off started (6,500tpd, 10,000tpd & 15,000tpd)
  - Cut-off grade completed
  - Geological model underway
  - Economic model should be completed end of May
- EIS preparation in parallel (Target date Dec 2011)
- Next Step
  - Start trade-off for tailings, generators & ore handling system
    - Review meeting for geological resources at various production rate - end of April
    - 1st Review meeting for production rate – beginning of May
    - Second review meeting for production rate – end of May
    - Review of tailing options – mid June
    - Review of generator options – mid July



# Meliadine Feasibility Study Update

- Critical Steps for project start-up:
  - Samples shipping for environmental and metallurgical testing
  - Condemnation drilling to determine infrastructure location
  - EIS completed and sent beginning of January 2012
- Anticipated permitting schedule:
  - NIRB review June 2013
  - Water Licence February 2014 (Construction start-up)

# Meliadine Project



# Questions – Mat'na

