

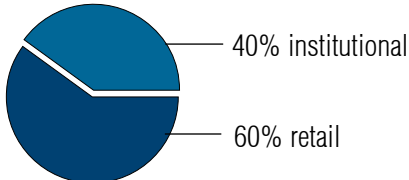


Business Review 2005



AGNICO-EAGLE MINES LIMITED

# Agnico-Eagle Mines Limited

<b>Trading symbols</b>	NYSE - <b>AEM</b> / TSX - <b>AGE</b>
<b>Shares outstanding</b>	<b>86.1</b> million
<b>Shareholder base</b>	 <p>40% institutional 60% retail</p>
<b>Dividend record</b>	<b>25</b> consecutive annual cash dividends
<b>Market capitalization</b>	> US\$ <b>1.2</b> billion
<b>Average daily trading volume</b>	NYSE - <b>766,000</b> / TSX - <b>368,000</b>

## A Strong Gold Growth Story

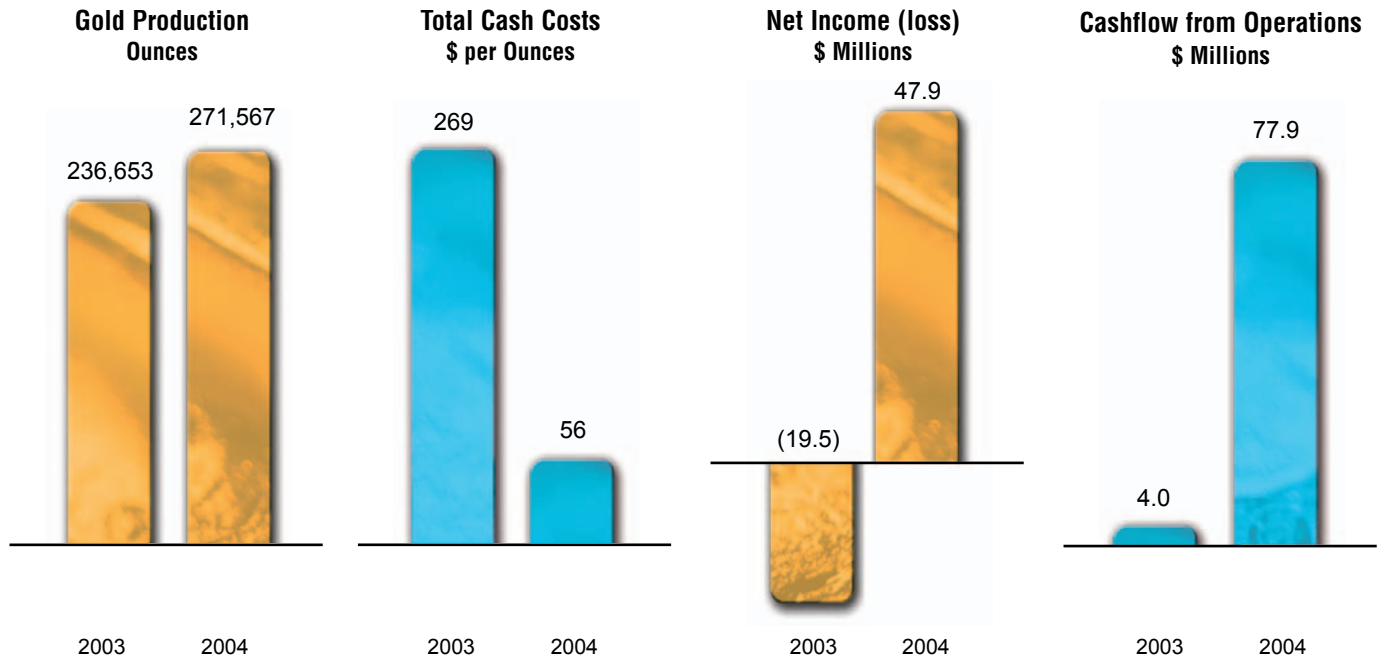
- » Increasing gold production
- » Low production costs
- » Record earnings and cashflow
- » Strong balance sheet
- » Growing gold reserves
- » Excellent exploration potential
- » Full participation in rising precious metal prices



This presentation contains certain “forward-looking statements” (within the meaning of the United States Private Securities Litigation Reform Act of 1995) that involve a number of risks and uncertainties. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from those anticipated in such statements. Risks and uncertainties are disclosed under the heading “Risk Factors” in the Company’s Annual Information Form (AIF) filed with certain Canadian securities regulators (including the Ontario and Quebec Securities Commissions) and with the United States Securities and Exchange Commission (as Form 20-F).

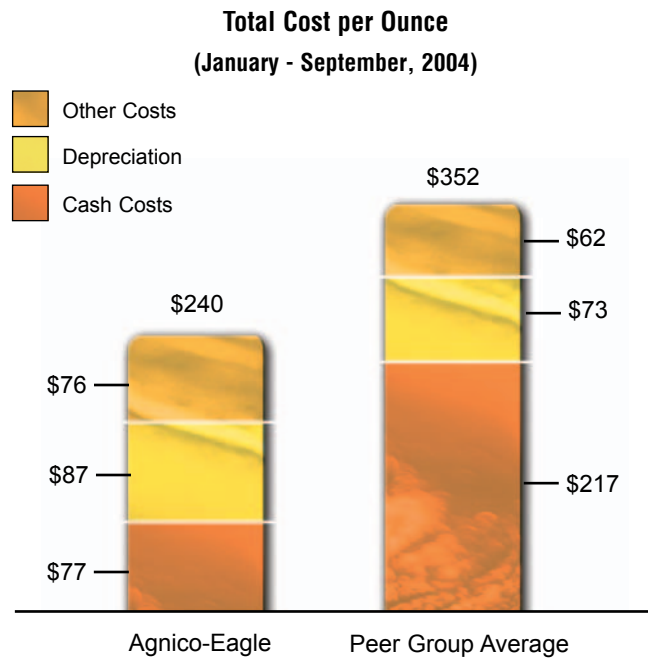
# Record Earnings & Cashflow

## 2004 Results



## Leading Low Cost Position

All in Costs (\$/oz)



Source: Company reports & Merrill Lynch research.

Note: Total cost per ounce consists of total cash operating costs, depreciation and other corporate costs. Peer Group consists of Agnico-Eagle, Goldcorp, Meridian, Hecla, Golden Star, Cambior, Glamis, Newmont, Barrick, Kinross, IAMGOLD, Eldorado and Bema.

## Strong Balance Sheet

December 31, 2004 (US\$ million)

<b>Cash and cash equivalents</b>	\$	106
<b>Working capital</b>	\$	178
<b>Convertible debt</b>	\$	144
<b>Bank debt</b>	\$	-
<b>Undrawn portion of credit facility</b>	\$	100
<b>Shares outstanding - Basic</b>		86 million
<b>- Fully diluted</b>		106 million



## The Abitibi Mining Belt

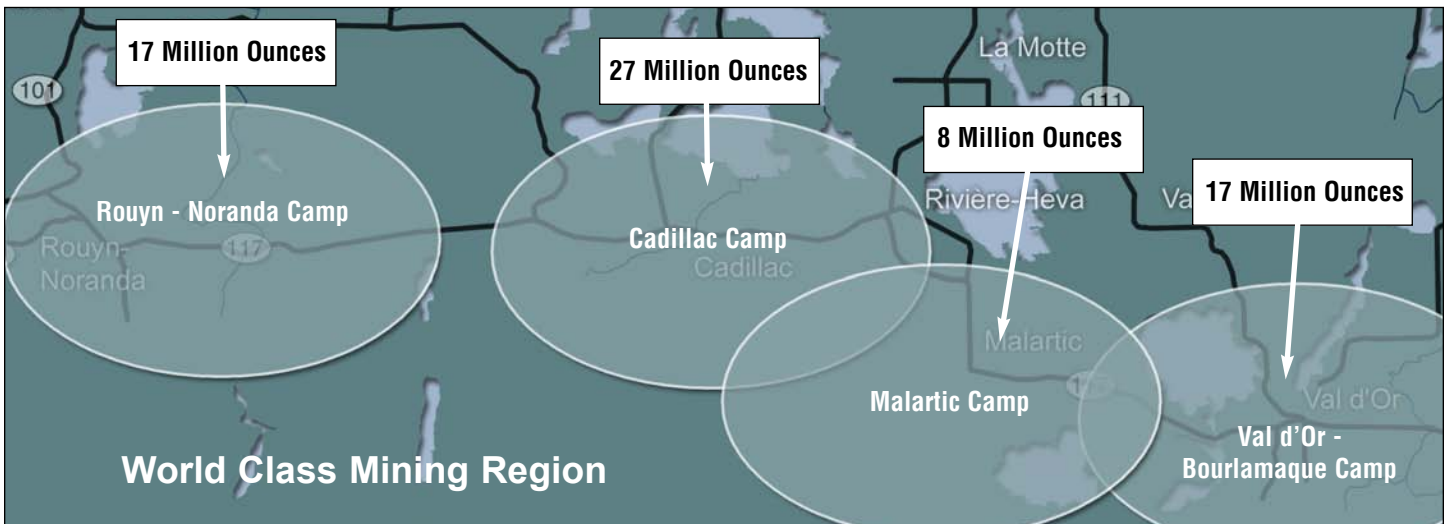
Northwestern Quebec

- » Pro-mining environment
- » Favourable geology
- » Excellent infrastructure
- » Large property position and data base

- » Low discovery costs /oz
  - » LaRonde \$ 3.00
  - » Lapa \$ 7.00<sup>1</sup>
  - » Goldex \$ 20.00<sup>2</sup>

1. Includes acquisition costs
2. Includes underground program

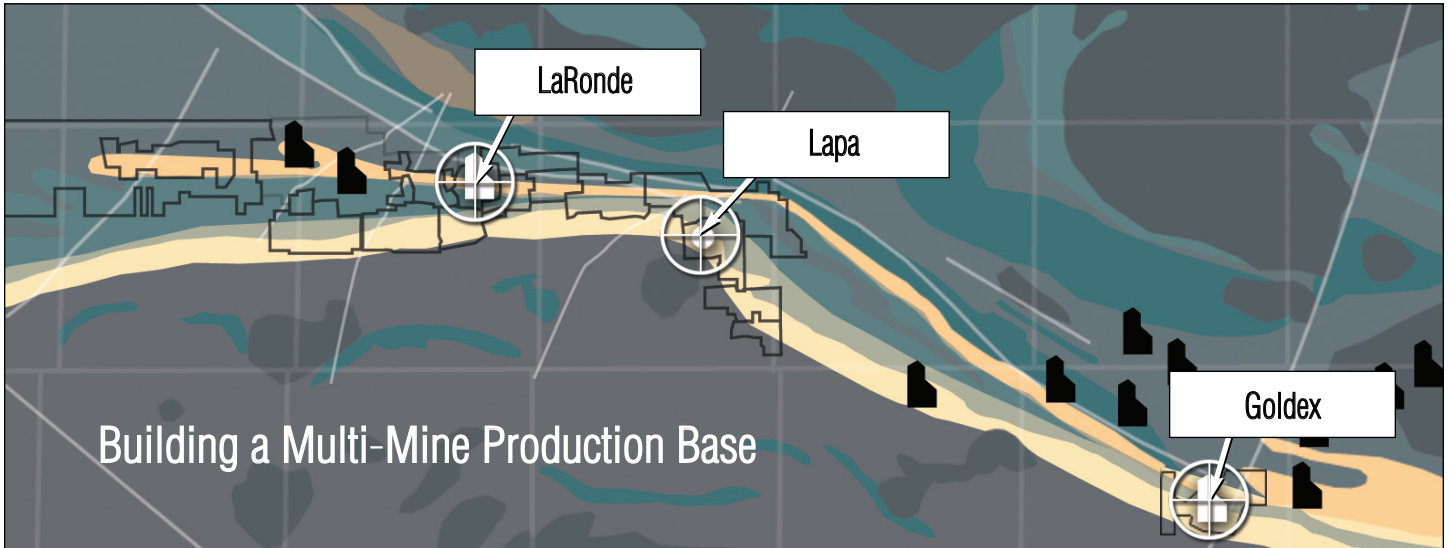
**Cumulative Historical  
Production & Current  
Reserves of  
78 Million Ounces**



## Growth Plan - Building on Strength

### Solid Regional Foundation

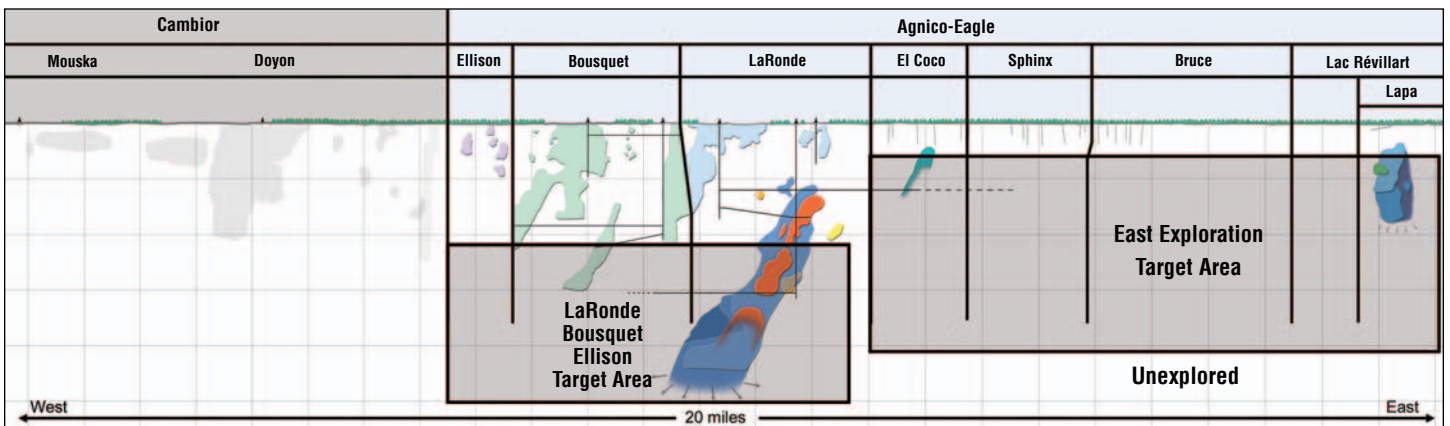
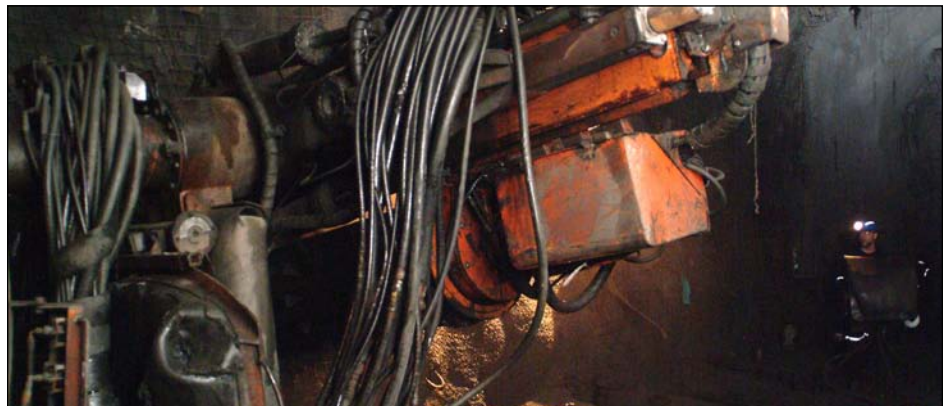
- » **LaRonde** - low cost production base
- » **LaRonde II** - higher grade core, feasibility in progress
- » **Lapa deposit** - larger reserve / resource, underground program in progress
- » **Goldex deposit** - feasibility in progress  
- reserves confirmed  
- higher gold grade



## World Class Gold Belt

### Building More Value Centered on LaRonde

- » Large reserve base
- » Centralized processing plant
- » Strong technical team
- » Dominant land position
- » Potential for new gold discoveries



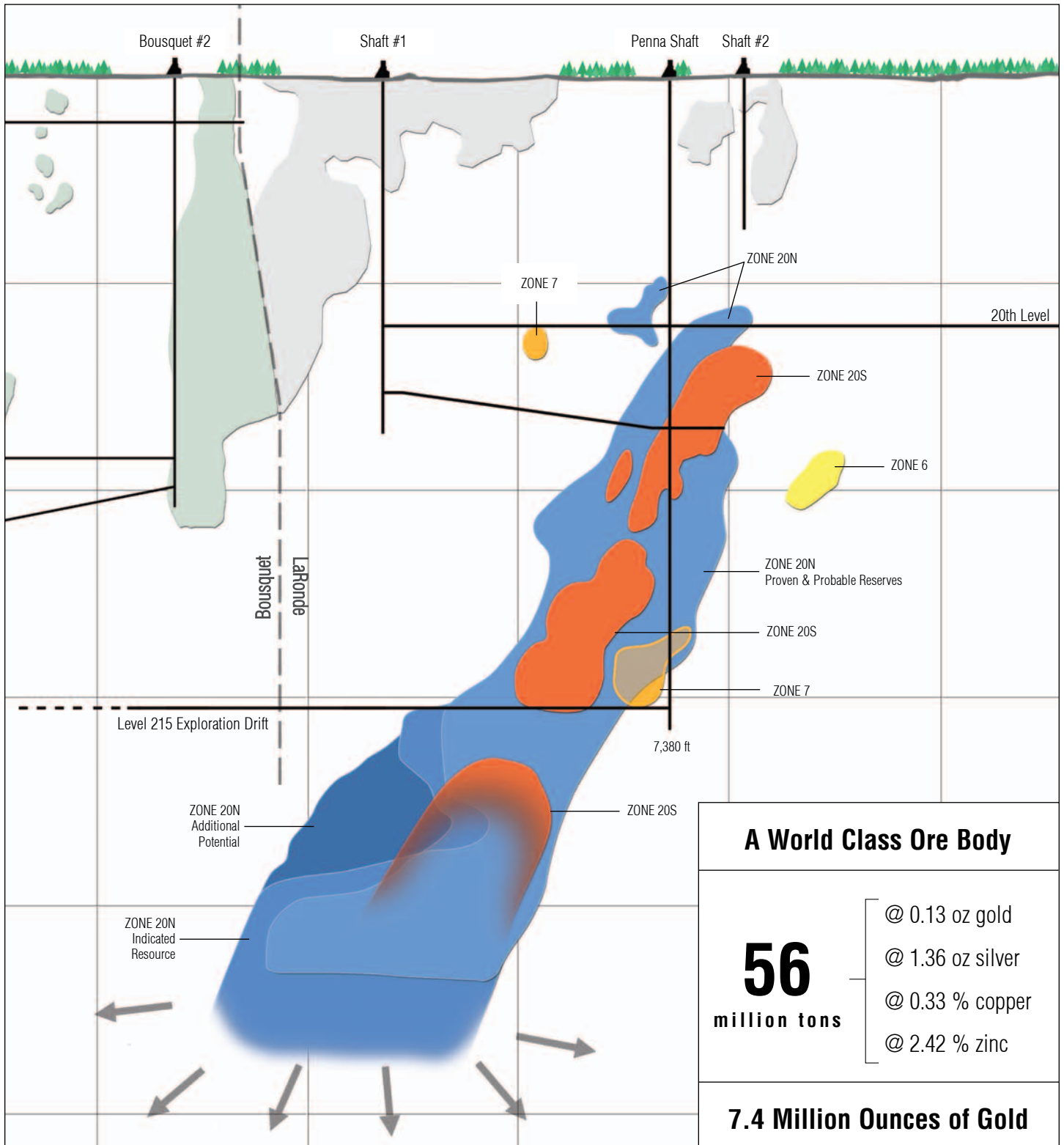
# LaRonde I

## Operations

» Record tonnage

» Record reserves

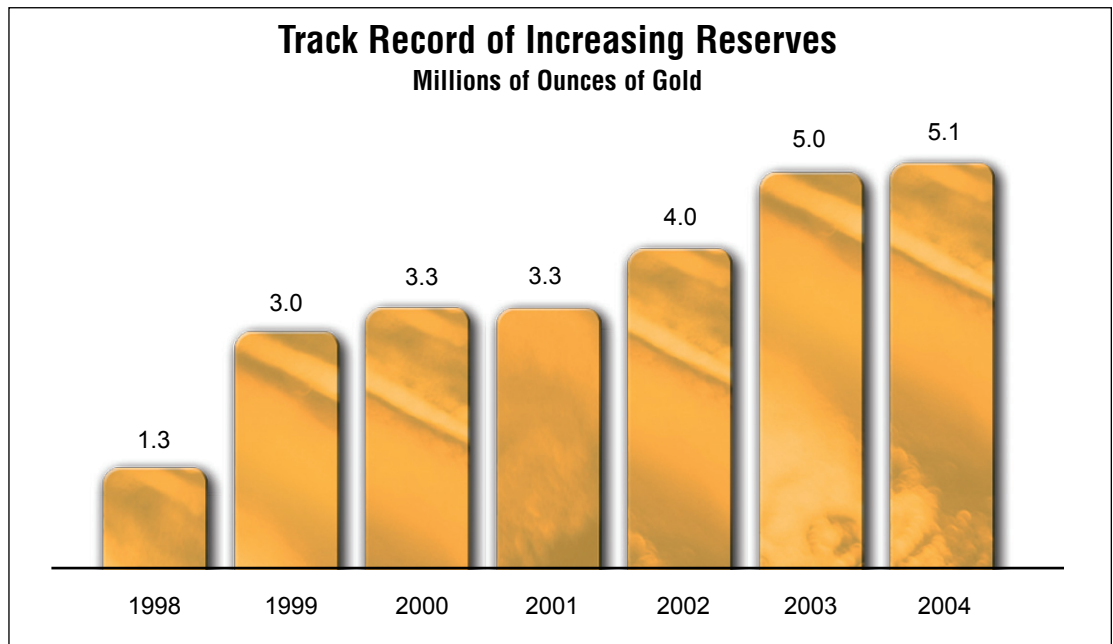
» Operating at 8,000 TPD



# LaRonde I

## Gold Reserves

- » Replaced 2004 production
- » Record reserves
- » Continue resource conversion

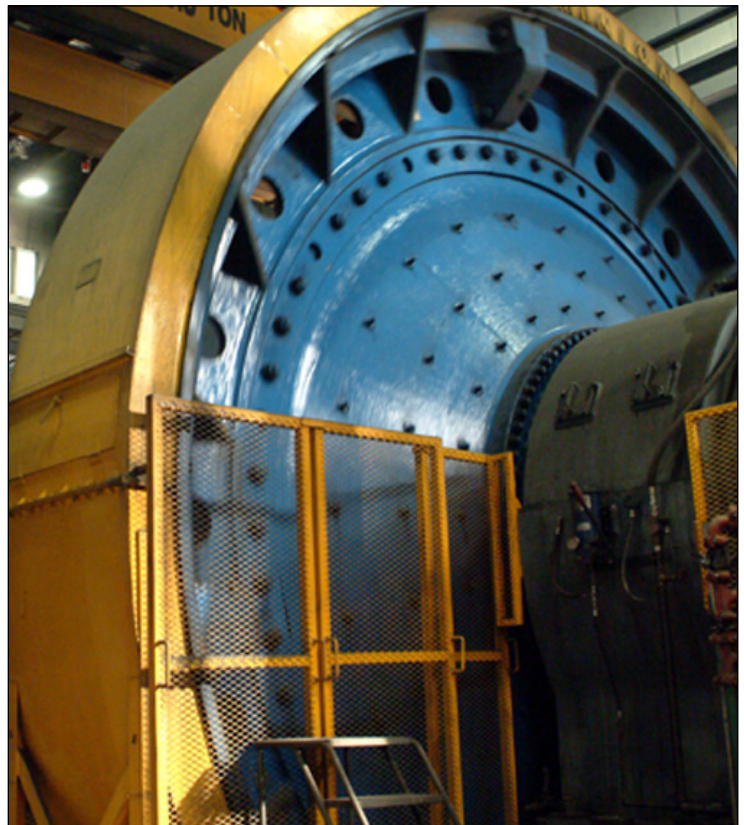


## Production & Development

Operating at Design Capacity

### Q4 Production

<b>Gold (ounces)</b>	68,909
<b>Silver (ounces in thousands)</b>	1,512
<b>Zinc (pounds in thousands)</b>	44,803
<b>Copper (pounds in thousands)</b>	6,087
<b>Cost per ton (c\$)</b>	\$ 48
<b>Total cash operating costs (\$/oz)</b>	\$ 13



# LaRonde I

## 2005 Operating Budget

Low Cost Production



Assumptions (US\$)					
<b>Gold (\$/oz)</b>	\$	375	<b>Silver (\$/oz)</b>	\$	6.00
<b>Zinc (\$/lb)</b>	\$	0.45	<b>Copper (\$/lb)</b>	\$	1.15
<b>US\$ / C\$</b>	\$	1.27			

Breakdown			
<b>Tons</b>			2,911,000
<b>Tons per Day</b>			7,975
<b>Payable Production:</b>			
	Au (ounces)		280,000
	Ag (ounces in thousands)		5,500
	Cu (pounds in thousands)		18,000
	Zn (pounds in thousands)		160,000
<b>Cost / ton (C\$)</b>			\$48 - \$50
<b>Cost / oz (US\$)</b>			\$135 - \$145

## Building a Multi-Mine Production Base

US\$ Millions

### Advanced Projects - 2005 Budget

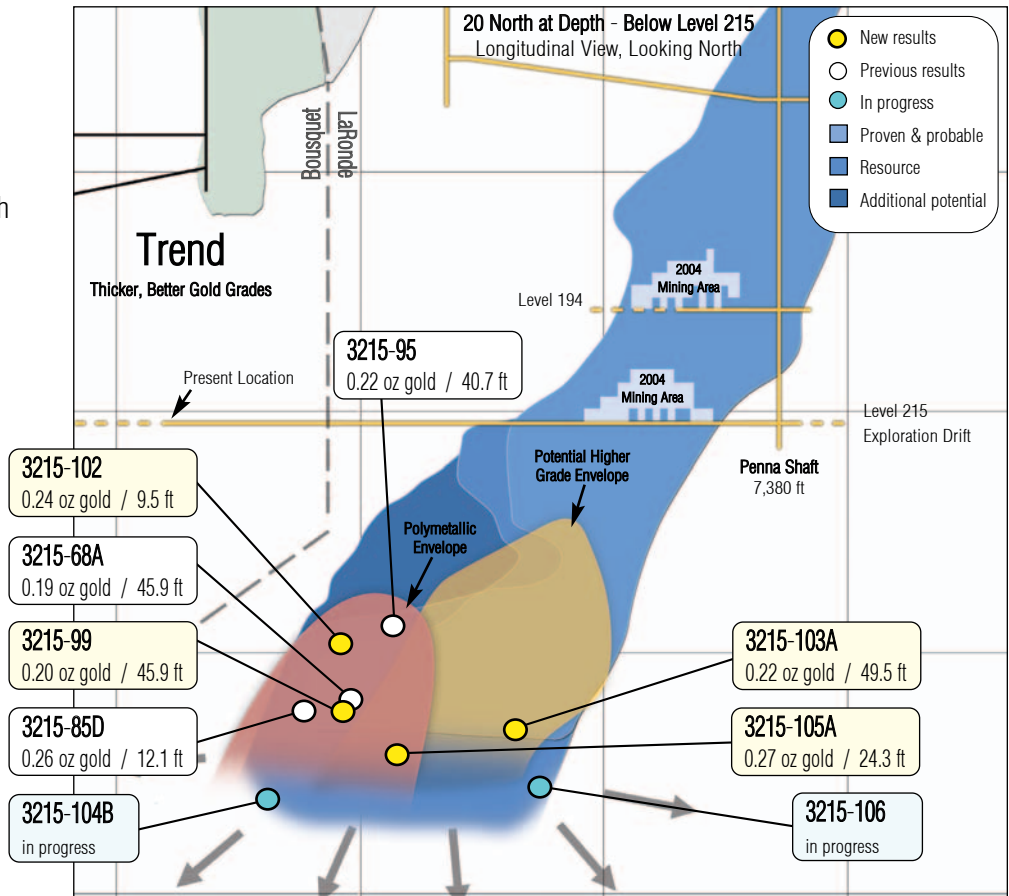
Project	Budget	Program	Objective	Completion
<b>Lapa</b>	\$ 12.1	Phase 1 U/G Program	Validate Grade & Prefeasibility	Q3 2006
<b>Goldex</b>	\$ 1.5	Drilling, Engineering, Bulk Sample	Feasibility	Q2 2005
<b>Bousquet/Ellison</b>	\$ 1.6	Drilling	Exploration - LaRonde Extension	Q2 2005
<b>LaRonde II</b>	\$ 12.7	Drilling, Development, Engineering	Feasibility	Q2 2005
<b>Total</b>	\$ 27.9			



# LaRonde II

## Zone 20 North Higher Metal Values

- » Deposit expanding to the west
- » Continue resource conversion
- » Higher gold grade core confirmed
- » Confirmed Polymetallic zone at depth

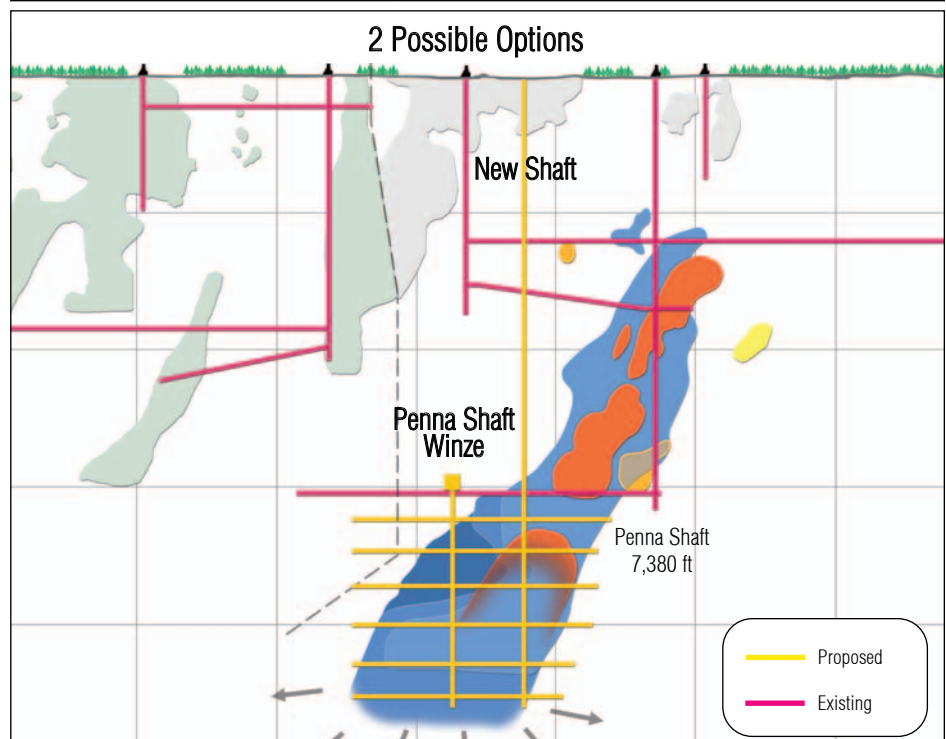


### Scoping Study

- » Based on current reserve/resource
- » Development options evaluated
- » Mining methods evaluated

### Next Steps

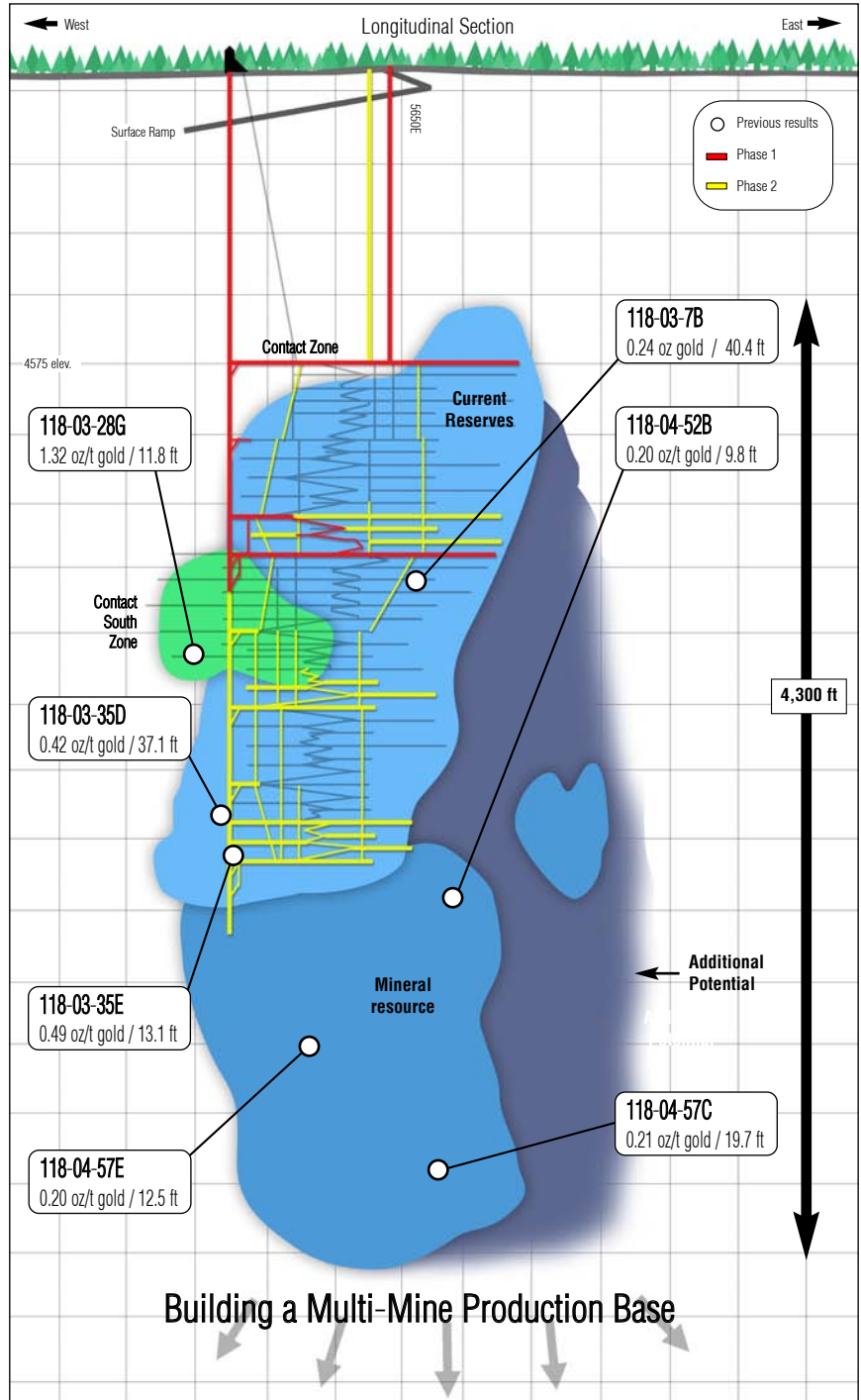
- » Complete Level 215 exploration drift & diamond drilling program
- » Define deposit to the west
- » Continue studies
  - » rock mechanics
  - » mining method & rate
  - » air cooling
  - » hoisting & sinking
- » Complete feasibility study - Q2 2005



# Lapa

## Potential New Mine

- » Open at depth
- » High grade visible gold
- » 82% - 85% recoveries confirmed
- » Reserves: 4.5 million tons @ 0.26
  - » 1.2 million ounces
- » Resources: 0.5 million ounces
- » \$30 million shaft sinking, underground program initiated - \$80 million to reach full production
- » Sinking to start early March
- » Potential production of 125,000 ounces per annum at cash costs of \$175/oz by late 2008



# Goldex

## Potential New Mine

- » Location : 3 miles west of Val-d'Or, Québec
- » Extensively drilled and sampled
- » Reserves: 22.1 million tons @ 0.074
  - » 1.6 million ounces
- » Underground sampling programs confirm grade
- » Grade higher than in previous studies
- » Feasibility complete April 2005

### Preliminary Economic Analysis - 7,500 TPD - US\$

	Base case	Bulk sample Feb. 2004
<b>Capital</b>	<b>\$ 120 million</b>	<b>\$ 120 million</b>
<b>Grade</b>	<b>0.062 oz/t</b>	<b>0.069 oz/t</b>
<b>Ounces</b>	<b>1.5 million</b>	<b>1.54 million</b>
<b>Gold price</b>	<b>US\$ 360/oz</b>	<b>US\$ 360/oz</b>
<b>IRR (pre tax)</b>	<b>11%</b>	<b>15%</b>

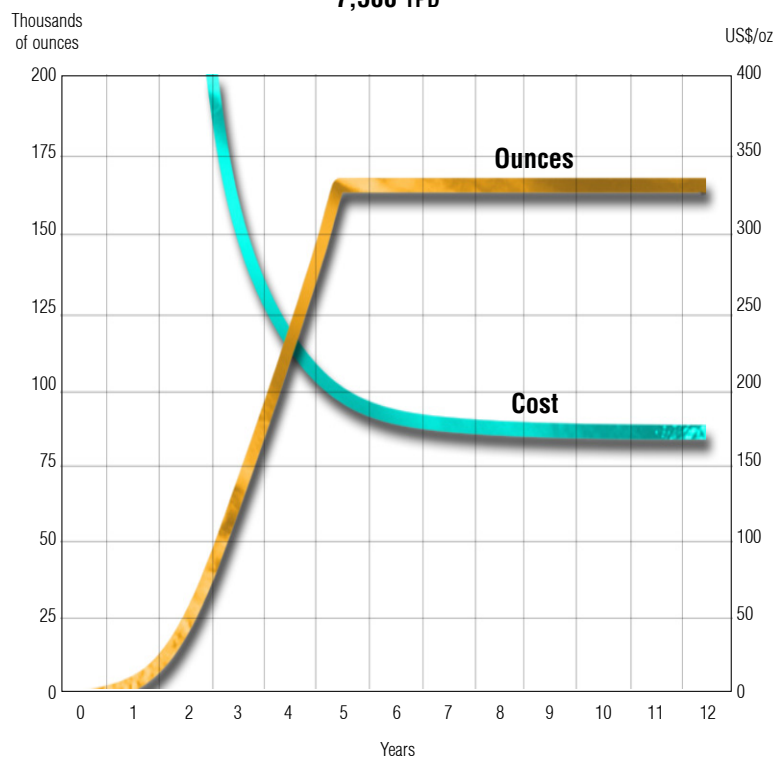
### Operating Cost Distribution Long Hole Mining Method - 7,500 TPD – C\$

<b>Waste development</b>	<b>\$ 0.26 / ton</b>
<b>Ore development</b>	<b>\$ 0.77 / ton</b>
<b>Stoping</b>	<b>\$ 4.46 / ton</b>
<b>U/G services</b>	<b>\$ 3.00 / ton</b>
<b>General services &amp; admin</b>	<b>\$ 1.75 / ton</b>
<b>Milling &amp; env.</b>	<b>\$ 5.53 / ton</b>
<b>Operating cost / s.t.</b>	<b>\$15.77 / ton</b>

### Economical Analysis 7,500 TPD – US\$

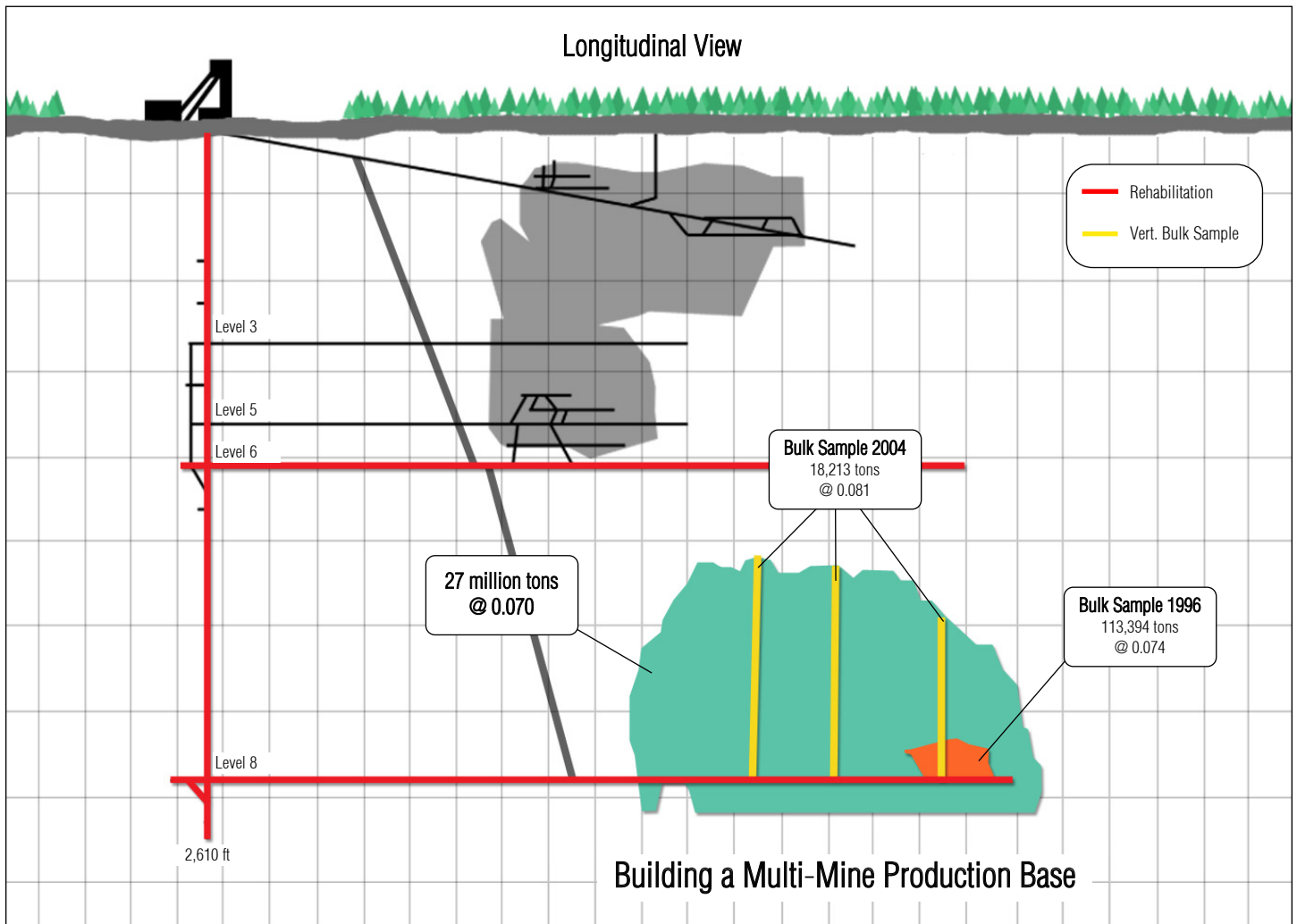
<b>Capital</b>	<b>\$ 120 million</b>
<b>Capital / oz produced</b>	<b>\$ 80</b>
<b>Est. annual production (oz)</b>	<b>160,000</b>
<b>Oper. cost / oz produced</b>	<b>\$ 190</b>

### Ounces Produced & Operating Cost 7,500 TPD



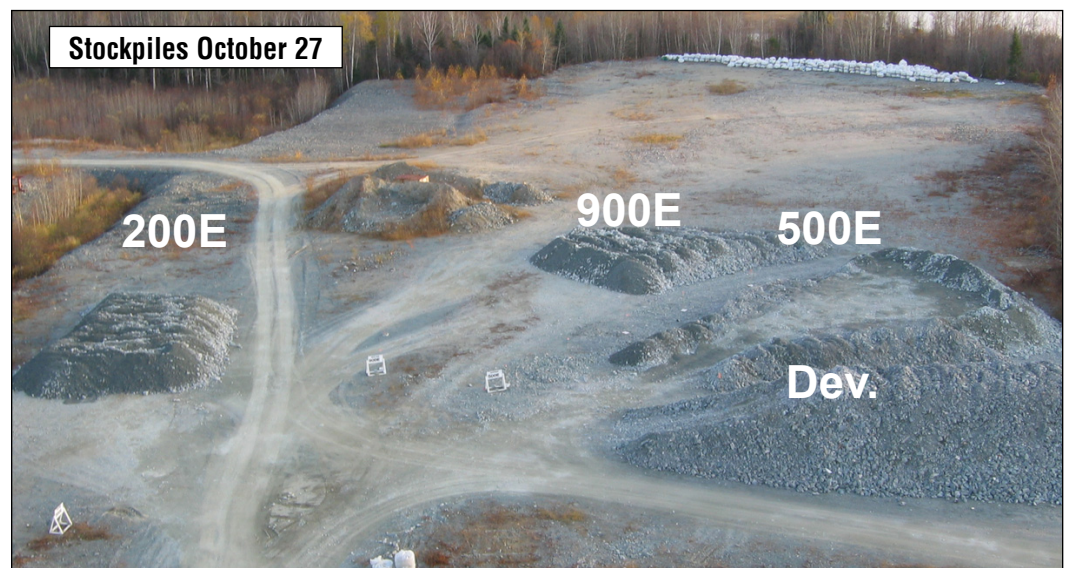
# Goldex

## Potential New Mine



### Present Status

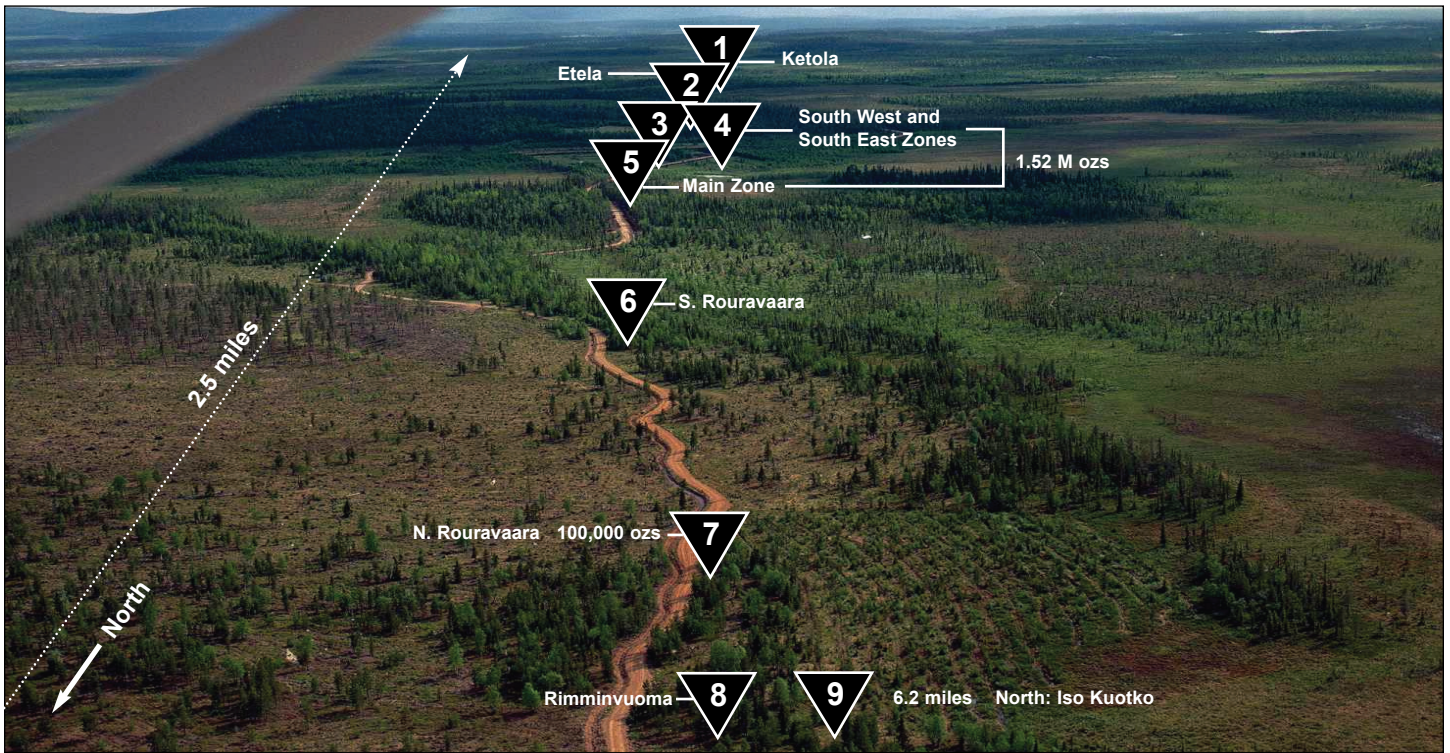
- » Bulk sample complete
- » Revised gold reserve
- » Engineering and permitting in progress
- » Feasibility study in progress



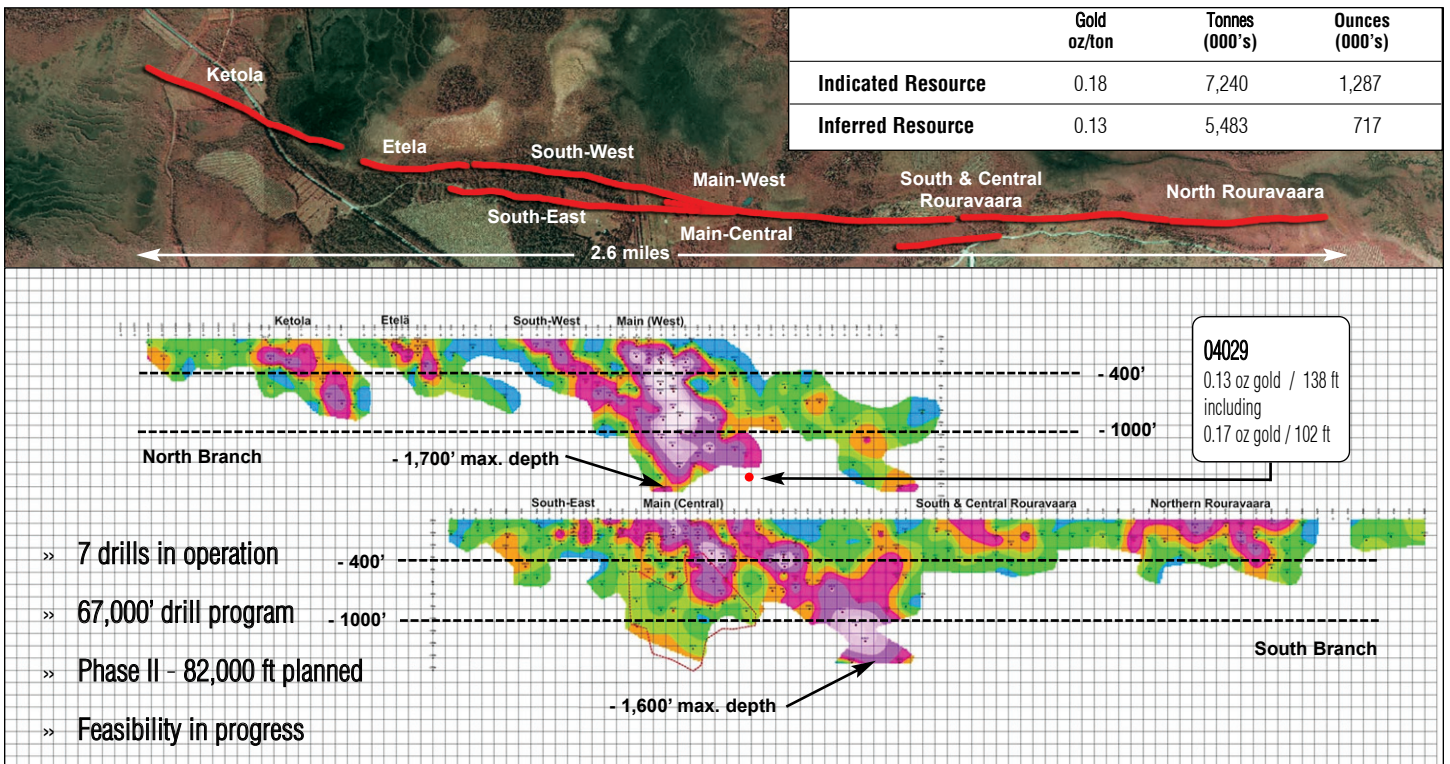
# Surrikuusikko Project

## Agnico-Eagle

14% interest in Riddarhyttan Resource AB



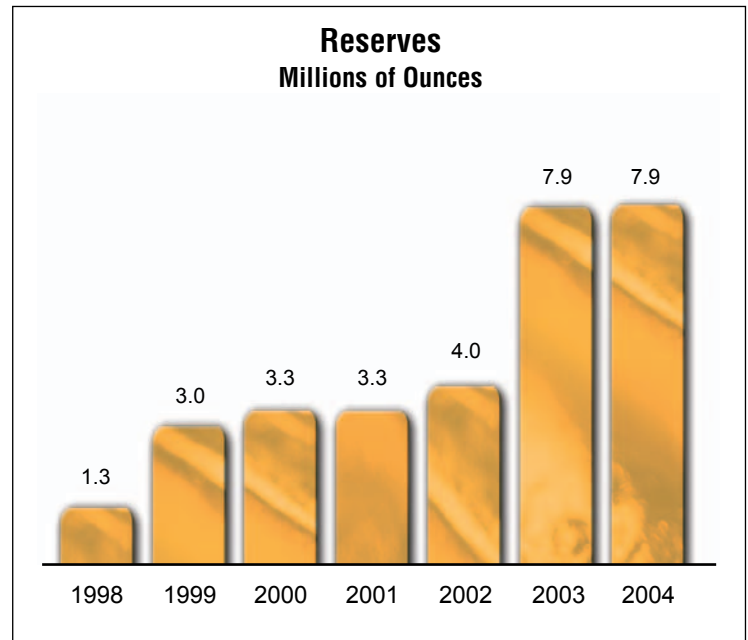
## Growing Mineral Resource



## Summary of Gold Reserves

### » Successful regional exploration & development program

- ✓ Increased gold reserves
- ✓ Potential new gold mines



## A Strong Gold Growth Story

- » Increasing gold production
- » Low production costs
- » Record earnings and cashflow
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- » Growing gold reserves
- » Excellent exploration potential
- » Full participation in rising precious metal prices

