



## **KIA and Agnico Eagle Sign IIBA for the Whale Tail Gold Project**

**Baker Lake, NU; June 15, 2017:** The Kivalliq Inuit Association (KIA) and Agnico Eagle Mines Limited (Agnico Eagle) announce the formal signing of an Inuit Impact and Benefit Agreement (IIBA) for the Whale Tail Project located approximately 50 km northwest of the Meadowbank mine. An official signing ceremony was held today in Baker Lake with the executive members of KIA and representatives from Agnico Eagle's senior management team, along with the community of Baker Lake.

KIA President David Ningeongan stated, "KIA has strived to balance the need to protect the environment with the promotion of economic development. KIA has worked hard to ensure that the IIBA works for the benefit of Inuit in the Kivalliq region and is another step towards a better future for Inuit of Nunavut."

The Whale Tail IIBA addresses protection of Inuit values, culture and language and provides for enhanced access by Inuit to employment, training and business opportunities. The IIBA contains implementation and monitoring measures that will ensure these goals are achieved.

"Our decision to invest in the Whale Tail and Meliadine projects solidifies Agnico Eagle's commitment to Nunavut as it will be a main contributor to this next phase of growth for the Company," said Ammar Al-Joundi, President, Agnico Eagle. "We are proud to partner with KIA in our continued growth in Nunavut and in developing strong, sustainable communities in the Kivalliq Region. Only through combined partnership efforts will we achieve success and including our vision of seeing mines in Nunavut being operated and managed by Inuit."

### **IIBA HIGHLIGHTS**

- \$6.5 million payment to KIA including \$3 million towards a community initiative fund (June 15, 2017);
- Resource royalties and fees paid to KIA and Nunavut Tunngavik Inc. from the Whale Tail, Meadowbank and Meliadine projects. The Whale Tail project provides KIA with a 1.4% net smelter return on production;
- \$3.6 million invested in annual training programs with an additional \$1 million investment in the event that 50% Inuit employment is not reached;
- Preference points for NTI-registered companies to permit Inuit-owned businesses to compete more effectively with southern business

### **WHALE TAIL PROJECT**

The Whale Tail gold deposit is part of the Amaruq discovery located approximately 50km north of the Meadowbank mine and will be a main contributor to this next phase of growth for Agnico Eagle. The Company has approved the project for development pending the receipt of the required permits, which are currently expected to be received by the second quarter of 2018.

As a satellite deposit to the Meadowbank mine, Whale Tail will use the existing mine infrastructure – including mining equipment, mill, tailings, camp and airstrip – to begin open pit mining on the Whale Tail deposit, which is forecast for the third quarter of 2019.



## **AGNICO EAGLE'S FUTURE GROWTH IN NUNAVUT**

- Agnico Eagle expected to invest \$1.2 billion (\$US) over the next 3 years to develop the Whale Tail and Meliadine projects;
- 2 operating gold mines by 2019;
- 2,000 employees of which approximately 700 will be Inuit and 500 contractors;
- \$66 million per year in payroll reaching Kivalliq communities;
- Approximately \$500 million per year in contracts for goods and services after 2019.

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