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AGNICO EAGLE MINES LTD  
Form 425  
August 08, 2005

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Filed by Agnico-Eagle Mines Limited  
Pursuant to Rule 165 and Rule 425 under  
the United States Securities Act of 1933, as amended

Filing Company: Agnico-Eagle Mines Limited  
Commission File No. 001-13422  
Date: August 8, 2005

**AGNICO-EAGLE MINES LIMITED**

145 King Street East  
Suite 500  
Toronto, Ontario, Canada M5C 2Y7

August 8, 2005

Dear Riddarhyttan Shareholder:

We are pleased to present to you our Offer to purchase all of the outstanding shares of Riddarhyttan. Shareholders accepting the Offer will receive 0.1137 of a common share of Agnico-Eagle Mines Limited for each Riddarhyttan share purchased by Agnico-Eagle.

Our Offer values each Riddarhyttan share at SEK 10.25 based upon the closing price of Agnico-Eagle common shares on the New York Stock Exchange and of Riddarhyttan shares on the Stockholm Stock Exchange on May 11, 2005, the last trading day before the announcement of the Offer. Based upon the closing prices and exchange rate on July 26, 2005, the last practicable day before the mailing of our offer document, the Offer now values each Riddarhyttan share at SEK 11.22.

We believe that our Offer will allow you to realize a substantial premium on your Riddarhyttan shares while reducing the risk of your investment. It also provides you with the opportunity to participate in the growth of the combined companies as Agnico-Eagle brings its technical strength and financial resources to the development of Riddarhyttan's key asset.

We are also making available a simplified share sales process that permits you, subject to meeting certain eligibility requirements, to elect to sell all, but not less than all, of the Agnico-Eagle common shares to which you are entitled under the Offer, subject to a maximum of 570 Agnico-Eagle common shares. To be eligible you must, among other things, not be located in the United States, not be a U.S. Person, as that term is defined under applicable U.S. securities law, and not be a U.S. taxpayer. These sales will be arranged by Agnico-Eagle through a designated broker-dealer at current market prices and the cash proceeds will be remitted to you without any deduction of cost or commissions.

Riddarhyttan shareholders who are located in the United States, who are U.S. Persons or who are U.S. taxpayers, may not participate in the simplified share sales process but may elect to receive US\$1.42 per Riddarhyttan share with respect to all, but not less than all, of their Riddarhyttan shares, subject to a maximum of 5,000 Riddarhyttan shares for each shareholder.

Enclosed with this letter are two offer documents, one in the Swedish language and one in the English language. The Swedish language offer document has been registered and approved by the Swedish Financial Supervisory Authority and is being sent to you in accordance with Swedish rules and regulations. The English language offer document has been filed with the U.S. Securities and Exchange Commission and is being sent to you in accordance with applicable U.S. securities law.

We believe that accepting the Offer will provide benefits to the shareholders of Riddarhyttan, including:

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a substantial 36.5% premium, based upon the closing price of the Agnico-Eagle common shares on the New York Stock Exchange and of the Riddarhyttan shares on the Stockholm Stock Exchange for the 30 trading day period prior to the announcement of the Offer

ownership of shares with greater liquidity, listed on the New York and Toronto stock exchanges, and a 25-year cash dividend record

rollover relief for shareholders for Swedish income tax purposes, except in certain cases

participation in other Agnico-Eagle projects, including our Lapa, Goldex and LaRonde II projects in Canada and our exploration projects in the United States and Mexico

access to our experienced mine-building, operating and exploration team of over 600 people with the expertise to solve the technical challenges of Suurikuusikko

access to our financial resources to provide the capital funding required for the development of Suurikuusikko

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risk reduction by reducing Riddarhyttan shareholders' reliance on Riddarhyttan's Suurikuusikko project

Agnico-Eagle is a long-established mid-tier Canadian gold producer. We have built and now operate the LaRonde Mine on Canada's largest gold deposit. The acquisition of Riddarhyttan will be a significant step in the implementation of our multi-mine growth strategy. We expect that the successful completion of the Offer will provide benefits to all of our shareholders, including:

the addition of a quality gold asset with near-term production potential

opportunities to leverage Agnico-Eagle's mine development and operating expertise

asset diversification, providing Agnico-Eagle with further mine development and exploration opportunities

geographical diversification, adding a base of operations in Finland, in an area supportive of the mining industry

Our Offer is conditional upon, among other things, Agnico-Eagle becoming the owner of at least 90% of the outstanding Riddarhyttan shares as at 4:00 p.m. Stockholm time (10:00 a.m. New York time) on September 9, 2005, or such later time or date to which the Offer may be extended from time to time by Agnico-Eagle.

Instructions for accepting the Offer are included in our Offer document and the accompanying Acceptance Form. We ask you to please review these documents carefully and, if you have any questions as to how to accept the Offer, to consult your financial or legal advisor. You may also direct questions to the Receiving Agent under the Offer, SEB (+46 8 639 2750), or Enskilda Securities (+46 8 52 22 95 00).

We look forward to welcoming you as a new shareholder of Agnico-Eagle.

Yours truly,

Sean Boyd  
President and Chief Executive Officer  
Agnico-Eagle Mines Limited

### ***Additional Information and Where to Find It***

*Agnico-Eagle has filed a Registration Statement on Form F-4 and other relevant documents concerning the Offer with the U.S. Securities and Exchange Commission (the "SEC"). A COPY OF THE PROSPECTUS INCLUDED IN THAT REGISTRATION STATEMENT AND CERTAIN OTHER INFORMATION IS BEING PROVIDED TO YOU WITH THIS LETTER. RIDDARHYTTAN STOCKHOLDERS ARE URGED TO READ THE PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC BEFORE MAKING ANY INVESTMENT DECISIONS BECAUSE THEY CONTAIN IMPORTANT INFORMATION. You may obtain the Prospectus and other documents without charge at the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition, you may obtain those documents by contacting Agnico-Eagle.*

### ***Cautionary Information Regarding Forward-Looking Statements***

*Certain statements in this letter, including statements as to the potential benefits of the Offer to the Riddarhyttan shareholders, Riddarhyttan and Agnico-Eagle, are forward-looking statements. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including the risk factors beginning on page 20 in the accompanying Prospectus. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this letter. Unless legally required, Agnico-Eagle does not undertake any obligation to update publicly any forward-looking statements herein, whether as a result of new information, future events or otherwise.*

### ***Cautionary Note Regarding this Letter***

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*This letter does not form part of the Prospectus and has not and will not be reviewed or approved by any regulatory agency. This letter is qualified in its entirety by the Prospectus.*

*This letter has been approved solely for the purposes of Section 21 of the Financial Services and Markets Act 2000 by Citigroup Global Markets Limited of Citigroup Centre, 33 Canada Square, Canary Wharf, London E14 5LB. Citigroup Global Markets Limited is acting for Agnico-Eagle and no one else in connection with the offer and will not be responsible to any other person for providing the protections afforded to clients of Citigroup Global Markets Limited or for providing advice in relation to the offer.*

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**Offer of**  
**AGNICO-EAGLE MINES LIMITED**  
**to**  
**the Shareholders**  
**of**  
**RIDDARHYTTAN RESOURCES AB (PUBL)**

*Financial Advisors to Agnico-Eagle*  
**Orion Securities Inc.**  
**Citigroup Global Markets, Inc.**  
**Pollitt & Co.**  
**Enskilda Securities AB**

*Financial Advisor to Riddarhyttan*  
**Standard Bank Plc**

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**Only the information contained in this Offer Document should be relied upon. Agnico-Eagle has not authorized any other person to provide different information. If anyone provides different or inconsistent information, it should not be relied upon. Unless otherwise indicated, the statistical, operating and financial information contained in this Offer Document is current as at the date hereof unless otherwise noted. It should be assumed that the information appearing in this Offer Document is accurate only as of the date hereof or such other date as of which such information is stated to be presented. The information in this Offer Document is furnished solely for the purpose of the offer and should not be relied upon for other purposes.**

This document is a translation from the Swedish. In the event of any differences between this translation and the Swedish language original, the latter shall govern.

The offer is not being made to persons whose participation in the offer requires that an additional offer document be prepared or registration be effected or that any other measures be taken in addition to those required under Swedish or U.S. law. The Offer Document, the relevant acceptance form and any related offer documentation are not being distributed and must not be mailed or otherwise distributed or sent in or into Australia, Japan or any other jurisdiction in which such distribution or offer would require any such additional measures to be taken or would be in conflict with any law or regulation in such jurisdiction. Should distribution nevertheless take place, acceptance forms from such jurisdiction may be disregarded.

This Offer Document has been approved solely for the purposes of Section 21 of the United Kingdom Financial Services and Markets Act 2000 by Citigroup Global Markets Limited of Citigroup Centre, 33 Canada Square, Canary Wharf, London E14 5LB. Citigroup Global Markets Limited is acting for Agnico-Eagle and no one else in connection with the offer and will not be responsible to any other person for providing the protections afforded to clients of Citigroup Global Markets Limited or for providing advice in relation to the offer.

**A Swedish language version of this Offer Document except for "Annex A Support Agreement", which has been drafted in English, has been approved by and registered with the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the "SFSA") in accordance with the provisions of Chapter 2, Section 4 of the Swedish Financial Instruments Trading Act of 1991. Approval and registration by the SFSA does not imply that the SFSA guarantees that the factual information provided herein is correct or complete.**

#### **NOTICE TO RIDDARHYTTAN SHAREHOLDERS IN THE UNITED KINGDOM**

The offer described in this Offer Document is only being made in or into the United Kingdom to a person who is a "qualified investor" (as defined in sub-section 86(7) of the Financial Services and Markets Act 2000, as amended by The Prospectus Regulations 2005). A person to whom the offer is made or directed with a registered address in the United Kingdom may only accept the offer if that person is a "qualified investor". Accordingly any such accepting Riddarhyttan shareholder will only be deemed to have validly accepted the offer if it certifies that it is a "qualified investor" by completing the form of certification included on the acceptance form.

#### **NOTICE TO RIDDARHYTTAN SHAREHOLDERS RESIDENT IN THE UNITED STATES**

This Offer Document has been prepared in accordance with the laws of the Kingdom of Sweden, as well as relevant rules and regulations applicable to public offerings in Sweden. This Offer Document is not authorized to be distributed to anyone that is either located in the United States or is a U.S. Person (as defined in Regulation S under the United States Securities Act of 1933, as amended), wherever located. The offer will be made in the United States and to U.S. Persons only pursuant to an Offer Document forming part of the Registration Statement on Form F-4 that has been filed by Agnico-Eagle with the United States Securities and Exchange Commission.

#### **Cautionary Note to Riddarhyttan Shareholders Concerning Estimates of Measured and Indicated Resources**

This Offer Document uses the terms "measured resources" and "indicated resources". Agnico-Eagle advises Riddarhyttan shareholders that those terms are recognized and required by Canadian regulations,

however, the SEC does not recognize those terms. **Riddarhyttan shareholders are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves.**

#### **Cautionary Note to Riddarhyttan Shareholders Concerning Estimates of Inferred Resources**

This Offer Document uses the term "inferred resources". Agnico-Eagle advises Riddarhyttan shareholders that this term is recognized and required by Canadian regulations, however, the SEC does not recognize that term. "Inferred resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "Inferred Mineral Resource" will ever be upgraded to a higher category. Under Canadian rules, estimates of "Inferred Mineral Resources" may not form the basis of feasibility or pre-feasibility studies, except in rare cases. **Riddarhyttan shareholders are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally mineable.**

#### **Cautionary Note to Riddarhyttan Shareholders Concerning Certain Measures of Performance**

This document presents certain measures, including "total cash cost per ounce" and "minesite cost per ton", that are not recognized measures under United States generally accepted accounting principles, or U.S. GAAP. These data may not be comparable to data presented by other gold producers. For a reconciliation of these measures to the closest measures recognized under U.S. GAAP see "Production Costs" starting on page 83. Agnico-Eagle believes that these generally accepted industry measures are realistic indicators of operating performance and useful in allowing year over year comparisons. However, both of these non-GAAP measures should be considered together with other data prepared in accordance with U.S. GAAP, and these measures, taken by themselves, are not necessarily indicative of operating costs or cash flow measures prepared in accordance with U.S. GAAP.

### **CAUTIONARY STATEMENT RELATING TO FORWARD-LOOKING STATEMENTS**

Certain statements in this Offer Document constitute "forward-looking statements". Forward-looking statements include statements of Agnico-Eagle's or Riddarhyttan's plans, objectives, expectations and intentions. Also, words such as "may", "will", "should", "could", "would", "expects", "anticipates", "believes", "plans", "intends", or other variations of these terms or comparable terminology, often denote forward-looking statements. Forward-looking statements in this Offer Document include, but are not limited to, the following:

Agnico-Eagle's and Riddarhyttan's outlook for 2005

statements regarding future earnings, and the sensitivity of earnings to gold and other metal prices

anticipated trends for prices of gold and other by-products mined by Agnico-Eagle

estimates of future mineral production and sales of Agnico-Eagle and Riddarhyttan

estimates of production costs and other expenses of Agnico-Eagle and Riddarhyttan

estimates of future capital expenditures and other cash needs, and expectations as to the funding thereof by Agnico-Eagle and Riddarhyttan

statements as to the projected development of certain ore deposits, including estimates of exploration, development and other capital costs of Agnico-Eagle and Riddarhyttan

estimates of Agnico-Eagle's reserves and Riddarhyttan's resources and statements regarding Agnico-Eagle's or Riddarhyttan's future exploration results and reserve replacement

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estimates of ore grades or ore recoveries in any feasibility or other analysis of Riddarhyttan's potential mining operations

estimates of future costs and other liabilities for environmental remediation of Agnico-Eagle and Riddarhyttan

anticipated trends with respect to Agnico-Eagle's or Riddarhyttan's results of operations

expectations regarding the outcome of the appeal on the environmental permit and the mining concession granted to Riddarhyttan

statements regarding Riddarhyttan's expectations with respect to the availability, source and type of additional financing to meet its current and future capital requirements

expected benefits from Agnico-Eagle's acquisition of Riddarhyttan, including acceleration of the multi-mine growth strategy and potential production and exploration activity of the combined company

expected cash resources to fund substantial anticipated capital expenditures following Agnico-Eagle's acquisition of Riddarhyttan

expected costs of integrating the acquired business

plans following completion of Agnico-Eagle's acquisition of Riddarhyttan, including business strategy, timing of production decisions, dividend policy and organization

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Agnico-Eagle or of Riddarhyttan or industry results to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the risk factors discussed under the heading "Risk Factors" commencing on page 20 of this document. Given these uncertainties, Agnico-Eagle cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Except as otherwise required by law, Agnico-Eagle expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statements to reflect any change in Agnico-Eagle's or Riddarhyttan's expectations or any change in events, conditions or circumstances on which any such statements are based.

## QUESTIONS AND ANSWERS ABOUT THE OFFER

### **Why is Agnico-Eagle making this offer? (See "The Offer" on page 32)**

Agnico-Eagle currently owns approximately 14% of the outstanding Riddarhyttan shares. Agnico-Eagle's purpose in making the offer is to acquire all of the outstanding Riddarhyttan shares that it does not already own. Agnico-Eagle's obligation to complete the offer is conditional upon there being tendered to the offer sufficient shares such that Agnico-Eagle will own, together with the shares it currently owns, at least 90% of the Riddarhyttan shares outstanding. This condition will be satisfied if at least 76% of the outstanding Riddarhyttan shares are tendered to the offer. Assuming that Agnico-Eagle owns at least 90% of the outstanding Riddarhyttan shares at the completion of the offer, as soon as practicable thereafter, Agnico-Eagle intends to effect compulsory acquisition procedures under Swedish law to acquire any Riddarhyttan shares not owned by Agnico-Eagle.

Agnico-Eagle believes that Riddarhyttan represents an attractive opportunity for Agnico-Eagle to accelerate its multi-mine growth strategy and that the acquisition of Riddarhyttan will provide long-term exposure to a developing gold mining camp in Finland, a pro-mining host country. The Suurikuusikko gold project offers near-term production potential and the opportunity for continuing exploration activity.

The acquisition of Riddarhyttan will also diversify Agnico-Eagle's asset base by adding potential production and resources outside Agnico-Eagle's current operations in the Abitibi region of northwestern Quebec, Canada. Agnico-Eagle's existing projects are all potential underground mines with relatively long lead times to production while the Suurikuusikko project offers the potential for an initial open pit operation while underground operations are being developed. Agnico-Eagle believes that its experience in mine building and ore processing is well suited to the complex metallurgical nature of the Suurikuusikko project. Agnico-Eagle also believes it has the cash resources and financing capacity to fund the substantial capital expenditures expected to be required to bring the project into production and to develop the precious metal extraction technology for this deposit.

### **What will Riddarhyttan shareholders receive in the offer? (See "Terms of the Offer" on page 43)**

Riddarhyttan shareholders who tender their Riddarhyttan shares to the offer will receive 0.1137 of an Agnico-Eagle common share for each Riddarhyttan share tendered. Fractions of Agnico-Eagle common shares will not be issued to persons accepting the offer. Fractional entitlements to Agnico-Eagle common shares will be aggregated and sold in the market and the proceeds paid, without deduction of any costs or commissions, to those Riddarhyttan shareholders who are entitled to fractions of Agnico-Eagle common shares.

Based upon the last reported sale price of Agnico-Eagle common shares on the New York Stock Exchange and the Riddarhyttan shares on the Stockholm Stock Exchange on May 11, 2005, the last trading day before the announcement of the offer, and on July 26, 2005, the latest practicable date prior to the date of this Offer Document the offer provides Riddarhyttan shareholders with a premium on their Riddarhyttan shares and the opportunity for continued exposure to the potential upside of the Suurikuusikko project while benefiting from share ownership in an established gold producer.

In addition, certain Riddarhyttan shareholders will have the opportunity to elect to sell some, or in some cases all, of the Agnico-Eagle common shares to which they are entitled under the offer under a simplified share sales process. See "How does the simplified share sales process work?" below.

Riddarhyttan shareholders located in the United States or who are U.S. persons within the meaning of Regulation S under the Securities Act, referred to in this Offer Document as U.S. Persons, or who are U.S. taxpayers, as more fully described on page 160 under the heading "U.S. Holders", referred to in this Offer Document as U.S. Holders, may not participate in the simplified share sales process but may elect to participate in the limited U.S. cash alternative that allows them to receive cash consideration instead of Agnico-Eagle common shares in respect of 5,000 of their Riddarhyttan shares tendered to the offer. See "How does the limited U.S. cash alternative work?" below.

**Will Riddarhyttan shareholders be able to sell the Agnico-Eagle common shares that they receive in the offer? (See "Registration under the United States Securities Act of 1933" on page 50)**

The Agnico-Eagle common shares that Riddarhyttan shareholders receive will be registered in the United States under the United States Securities Act of 1933, as amended, or the Securities Act, and so long as a Riddarhyttan shareholder is not an affiliate of Agnico-Eagle and is not deemed to be an "underwriter" for purposes of the Securities Act, after completion of the offer, the Agnico-Eagle common shares that such Riddarhyttan shareholder receives will be freely tradeable and not subject to further registration requirements under the Securities Act. The Toronto Stock Exchange and the New York Stock Exchange have conditionally approved the listing of the common shares of Agnico-Eagle being offered hereunder, subject to Agnico-Eagle fulfilling all of the listing requirements of the Toronto Stock Exchange and the New York Stock Exchange, respectively.

**How does the simplified share sales process work? (See "Simplified Share Sales Process" on page 45)**

To assist Riddarhyttan shareholders with small shareholdings to achieve liquidity in a cost-efficient way, Agnico-Eagle will institute a simplified share sales process. To be eligible to participate, Riddarhyttan shareholders must not be: located in the United States; U.S. Persons; U.S. Holders; officers, directors or affiliates of Agnico-Eagle or Riddarhyttan prior to completion of the offer; or officers, directors or affiliates of Agnico-Eagle after completion of the offer. Eligible Riddarhyttan shareholders electing to participate in the simplified share sales process will be required to sell all, but not less than all, of the Agnico-Eagle common shares to which they are entitled under the offer up to a maximum of 570 Agnico-Eagle common shares (equivalent to approximately 5,000 Riddarhyttan shares). Agnico-Eagle will arrange for a designated broker dealer registered in the United States, or broker dealer, to sell such shares at current market prices and remit the proceeds, without any deduction of costs or commissions, to the entitled shareholders. The instruction form instructing the broker dealer to sell Agnico-Eagle common shares pursuant to the simplified share sales process is being delivered, together with this Offer Document, to Riddarhyttan shareholders other than Riddarhyttan shareholders who are located in the United States or who are U.S. Persons or U.S. Holders. **Riddarhyttan shareholders are under no obligation to sell any of the Agnico-Eagle common shares to which they become entitled under the offer, and if they choose to sell such Agnico-Eagle common shares, are under no obligation to do so through the simplified share sales process unless they make an affirmative election to participate in that process.**

**How does the limited U.S. cash alternative work? (See "The Limited U.S. Cash Alternative" on page 47)**

Riddarhyttan shareholders located in the United States or who are U.S. Persons or U.S. Holders may not participate in the simplified share sales process but may elect to receive US\$1.42, in cash, per Riddarhyttan share, based on a price of SEK 10.25 per Riddarhyttan share and a currency exchange rate of SEK 7.2055 to US\$1.00 on May 11, 2005, the last trading day before the announcement of the offer, in respect of the lesser of (i) all, but not less than all, of the Riddarhyttan shares held by any such Riddarhyttan shareholder and (ii) 5,000 Riddarhyttan shares. The limited U.S. cash alternative is not contingent upon any external financing and the cash price is fixed at the US\$1.42 per Riddarhyttan share. The limited U.S. cash alternative is not being offered to Riddarhyttan shareholders other than those located in the United States or who are U.S. Persons or U.S. Holders.

**Does Riddarhyttan's board of directors recommend that Riddarhyttan shareholders accept the offer? (See "Recommendation by the Board of Riddarhyttan Regarding the Offer" on page 36)**

Riddarhyttan's board of directors has announced that it has unanimously recommended that the Riddarhyttan shareholders accept the offer. The board's recommendation is supported by a fairness opinion from its financial advisor, Standard Bank Plc. Riddarhyttan has represented to Agnico-Eagle in a support agreement that it believes that each board member holding Riddarhyttan shares intends to tender his shares to the offer.

**How was the exchange ratio for Agnico-Eagle common shares being offered to the Riddarhyttan shareholders in the offer determined? (See "Overview of the Offer" on page 34)**

The exchange ratio of 0.1137 of an Agnico-Eagle common share offered per Riddarhyttan share was fixed to reflect a negotiated offer price of SEK 10.25 (US\$1.42) per Riddarhyttan share, based on the closing price of Agnico-Eagle common shares on the New York Stock Exchange of \$12.51 and the closing price of the Riddarhyttan shares on the Stockholm Stock Exchange of SEK 8.05, on May 11, 2005, which was the last trading day before the date on which the offer was publicly announced, and based on the currency exchange rate of SEK 7.2055 to US\$1.00 as at the close of business on May 11, 2005.

**How do Riddarhyttan shareholders tender their shares in the offer? (See "To Accept the Offer" on page 44)**

Riddarhyttan shareholders must carefully read, and follow the directions set out in, the section of this Offer Document entitled "Terms, Conditions and Instructions for Acceptance of the Offer" and must complete the acceptance form which is included in the package Riddarhyttan shareholders received with this Offer Document.

**How do Riddarhyttan shareholders participate in the simplified share sales process? (See "To Elect the Simplified Share Sales Process" on page 47)**

Riddarhyttan shareholders other than those located in the United States or who are U.S. Persons or U.S. Holders must carefully read, and follow the directions set out in, the section of this Offer Document entitled "To Elect the Simplified Share Sales Process" and must complete the instruction form which is included in the package Riddarhyttan shareholders received with this Offer Document.

**How do Riddarhyttan shareholders elect the limited U.S. cash alternative? (See "The Limited U.S. Cash Alternative" on page 47)**

Riddarhyttan shareholders who are located in the United States or who are U.S. Persons or U.S. Holders must carefully read, and follow the directions set out in, the section of this Offer Document entitled "The Limited U.S. Cash Alternative". Such Riddarhyttan shareholders must either complete the acceptance form which has been sent with this Offer Document to registered Riddarhyttan shareholders who are located in the United States or who are U.S. Persons or U.S. Holders or provide the necessary information to their nominee to complete the acceptance form on their behalf.

**Are there any conditions to the offer? (See "Conditions and Certain Further Terms of the Offer" on page 43)**

The following is a summary of the conditions to the offer:

acceptance to such an extent that Agnico-Eagle becomes owner of more than 90% of the outstanding Riddarhyttan shares on a fully-diluted basis

the recommendation in favour of the offer by the board of directors of Riddarhyttan shall not have been withdrawn or adversely amended

no other party shall have announced an offer to acquire Riddarhyttan shares

all necessary regulatory, governmental or similar clearances, approvals and decisions for the offer and the acquisition of Riddarhyttan, including from competition authorities, shall have been obtained, in each case on terms which, in Agnico-Eagle's opinion, are acceptable

save as publicly announced by Riddarhyttan prior to the date the offer was announced or as otherwise disclosed in writing to Agnico-Eagle prior to that date, Agnico-Eagle does not discover that any information publicly disclosed by Riddarhyttan is materially inaccurate or misleading or that any material information that should have been publicly disclosed by Riddarhyttan has not been so disclosed

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neither the offer nor the acquisition of Riddarhyttan is wholly or partly prevented or materially adversely affected by any legislation or other regulation, court decision, public authority decision or



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similar circumstance, which has occurred or could reasonably be anticipated, outside the control of Agnico-Eagle and which Agnico-Eagle could not reasonably have foreseen at the time of the announcement of the offer

no circumstances which Agnico-Eagle did not have knowledge about at the time of the announcement of the offer shall have occurred that may materially adversely affect Riddarhyttan's results, liquidity, business or equity during the current or next financial year or the feasibility or economic prospects of the Suurikuusikko project, except any circumstance or effect attributable to changes in gold prices

Riddarhyttan shall not have taken any measures that are typically intended to impair the prerequisites for the implementation of the offer

Agnico-Eagle reserves the right to withdraw the offer in the event that it is clear that any of the above conditions are not fulfilled or cannot be fulfilled. However, with respect to the conditions in all but the first bullet point above, such withdrawal will only be made if the non-fulfillment of such condition is of material importance to Agnico-Eagle's acquisition of the Riddarhyttan shares. Agnico-Eagle may, in its sole discretion, waive any of the foregoing conditions, in whole or in part. If Agnico-Eagle waives the condition to the offer that it becomes the owner of more than 90% of the outstanding Riddarhyttan shares on a fully-diluted basis or otherwise decreases the percentage of Riddarhyttan shares that Agnico-Eagle must own as a condition to the offer, Agnico-Eagle will publicly announce by press release the waiver or modification of this condition and will hold the offer open for at least 10 business days from the date of the public announcement in accordance with Regulation 14E promulgated under the Exchange Act.

### **Can the offer be extended and if so, under what circumstances? (See "Right to Extend the Final Acceptance Date" on page 48)**

Agnico-Eagle may extend the offer for any reason. Agnico-Eagle does not currently intend to extend the offer period. If all of the conditions to the offer have not been either fulfilled or waived by Agnico-Eagle by 4:00 p.m. CET (10:00 a.m. EDT), on September 9, 2005, Agnico-Eagle may choose, but shall not be obligated, to extend the offer period. Agnico-Eagle may also extend the offer period in the event that all of the conditions to the offer have been either fulfilled or waived, provided that Agnico-Eagle promptly purchases the Riddarhyttan shares tendered to the offer during the initial offer period. However, if Agnico-Eagle waives the condition that it becomes the owner of more than 90% of the outstanding Riddarhyttan shares on a fully-diluted basis or otherwise decreases the percentage of Riddarhyttan shares that Agnico-Eagle must own as a condition to the offer, it must allow the offer to remain open for at least 10 additional business days and may not purchase any Riddarhyttan shares tendered to the offer until the expiry of this additional period.

If Agnico-Eagle extends the offer period, the period for electing to participate in the simplified share sales process and the limited U.S. cash alternative will also be extended.

If Agnico-Eagle extends the offer period, it will issue a press release announcing the extension and the details of any extension promptly following the expiration of the initial offer period.

### **After Riddarhyttan shareholders tender their Riddarhyttan shares, may they change their minds and withdraw their Riddarhyttan shares? (See "Right to Withdraw Acceptance of the Offer" on page 49).**

Riddarhyttan shareholders have the right to withdraw any of their Riddarhyttan shares that they have tendered. To be valid, written notice of withdrawal must be received by SEB, Issues & Part-ownership Programmes, as the receiving agent, no later than 4:00 p.m. CET (10:00 a.m. EDT) on September 9, 2005, unless the offer is extended. If any conditions to the offer, which Agnico-Eagle may waive, are unfulfilled at the time of extension of the offer period, the right to withdraw will apply correspondingly until the earlier of the date to which the offer period has been extended and the date when all of the conditions to the offer have been fulfilled. If all of the conditions to the offer are fulfilled or waived prior to such extension, Agnico-Eagle may purchase the Riddarhyttan shares tendered to the offer and those Riddarhyttan shareholders whose Riddarhyttan shares have been purchased will have no further rights of withdrawal. However, if Agnico-Eagle waives the condition that it become the owner of 90% of the outstanding

Riddarhyttan shares, Riddarhyttan shareholders will continue to be able to exercise their withdrawal rights for not less than 10 additional business days following the waiver of this condition.

In addition, Riddarhyttan shareholders may also withdraw an instruction to sell all of the Agnico-Eagle common shares received under the offer to be sold pursuant to the simplified share sales process by executing and delivering a written notice of revocation to SEB, Issues & Part-ownership Programmes, as the receiving agent, no later than 4:00 p.m. CET (10:00 a.m. EDT) on September 9, 2005, unless the offer is extended. Riddarhyttan shareholders who are located in the United States or who are U.S. Persons or U.S. Holders may also withdraw their election to receive the limited U.S. cash alternative by executing and delivering a written notice of revocation to SEB, Issues & Part-ownership Programmes, as the receiving agent, no later than 4:00 p.m. CET (10:00 a.m. EDT) on September 9, 2005, unless the offer is extended.

**When does Agnico-Eagle expect the offer to expire and to be completed? (See "Overview of the Offer" on page 34)**

Agnico-Eagle currently anticipates that the offer will expire at 4:00 p.m. CET (10:00 a.m. EDT) on September 9, 2005. Promptly following the expiration of the offer, Agnico-Eagle will issue a press release announcing the outcome of the offer.

**How will Agnico-Eagle acquire any Riddarhyttan shares that remain outstanding after the completion of the offer? (See "Compulsory Acquisition; Merger" on page 50)**

If after completion of the offer Agnico-Eagle owns more than 90% of the outstanding Riddarhyttan shares, Agnico-Eagle intends to initiate compulsory acquisition proceedings under Swedish law to acquire the remaining outstanding Riddarhyttan shares that Agnico-Eagle does not own. The price that Agnico-Eagle will pay for the remaining shares will be determined in the compulsory acquisition proceedings.

If Agnico-Eagle does not hold more than 90% of the Riddarhyttan shares following completion of the offer, Agnico-Eagle may consider a legal merger between Riddarhyttan and Agnico-Eagle or any of Agnico-Eagle's subsidiaries, for cash consideration in accordance with the *Swedish Companies Act of 1975* or otherwise.

**Are there risks associated with this proposed transaction? (See "Risk Factors" on page 20)**

The combined company may not achieve the expected benefits of this transaction because of the risks and uncertainties discussed in the section captioned "Risks Related to the Acquisition of Riddarhyttan" beginning on page 20. In addition, an investment in Agnico-Eagle common shares involves other risks described in the section captioned "Risks Related to Agnico-Eagle and the Agnico-Eagle Common Shares" on page 23.

**How much of Agnico-Eagle will current Riddarhyttan shareholders own upon completion of the offer? (See "Share Capital and Ownership Structure" on page 56)**

In connection with the offer, Agnico-Eagle could issue up to 10,345,583 Agnico-Eagle common shares to Riddarhyttan shareholders if all such holders elect to tender their Riddarhyttan shares in exchange for Agnico-Eagle common shares, representing approximately 10.7% of Agnico-Eagle's estimated total common shares outstanding after the consummation of the offer.

**Where can Riddarhyttan shareholders get additional information? (See "Where Riddarhyttan Shareholders Can Find More Information" on page 185)**

Agnico-Eagle has filed with the SEC a registration statement on Form F-4 under the Securities Act with respect to its common shares offered hereby. This Offer Document does not contain all of the information set forth in the registration statement and the exhibits and schedules thereto. Certain items are omitted in accordance with the rules and regulations of the SEC. For further information about Agnico-Eagle and its common shares offered hereby, reference is made to the registration statement and the exhibits and schedules filed as part thereof. Statements contained in this Offer Document as to the contents of any

contract or any other document referred to are not necessarily complete, and, in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or document filed as an exhibit to the registration statement, each such statement being qualified in all respects by such reference to such exhibit. The registration statement, including exhibits and schedules thereto, may be inspected without charge at the public reference facilities maintained by the SEC in Room 1580, 110 F Street, N.E., Washington, D.C. 20549 and copies of all or any part thereof may be obtained from such office after payment of fees prescribed by the SEC.

Agnico-Eagle also files annual, quarterly and current reports, proxy statements and other information with the SEC. Riddarhyttan shareholders may read and copy any reports, statements or other information on file at the SEC's public reference room in Washington, D.C. Riddarhyttan shareholders can request copies of those documents, upon payment of a duplicating fee, by writing to the SEC.

All reports filed by Agnico-Eagle with the SEC are also available free of charge via EDGAR through the SEC website at <http://www.sec.gov>. In addition, Agnico-Eagle provides copies of its proxy and annual report on Form 20-F at no charge to investors upon request.

Riddarhyttan also prepares annual reports, and interim and annual financial reports, for its shareholders. These reports are provided at no charge to investors upon request.

**Who can help answer Riddarhyttan shareholders' questions? (See "To Accept the Offer" on page 44)**

Riddarhyttan shareholders who have questions about the offer should contact:

SEB  
Issues & Part-ownership Programmes, R B6  
SE-106 40 Stockholm  
Sweden  
+46 8 639 2750

or Enskilda Securities AB  
Nybrokajen 5  
SE-103 36 Stockholm  
Sweden  
+46 8 52 22 95 00

## SUMMARY

This section highlights selected information from this Offer Document and may not contain all of the information that is important to Riddarhyttan shareholders. To better understand the offer, Riddarhyttan shareholders should read this entire Offer Document carefully. Riddarhyttan shareholders may obtain more information by following the instructions in the section captioned "Where Riddarhyttan Shareholders Can Find More Information" on page 185. Agnico-Eagle has included page references parenthetically to direct Riddarhyttan shareholders to more complete descriptions included elsewhere in this Offer Document of the topics presented in this summary.

### Summary of the Offer (See page 32)

On May 12, 2005, Agnico-Eagle announced the terms of a recommended offer for all of the issued and outstanding shares of Riddarhyttan not already owned by Agnico-Eagle.

The offer is being made on the following basis:

<b>for each Riddarhyttan share</b>	<b>0.1137 of an Agnico-Eagle common share</b>
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As at the date of that announcement, the offer valued each Riddarhyttan share at SEK 10.25 (US\$1.42) and represented a premium to Riddarhyttan shareholders of 27.3%, based on the closing price of the Agnico-Eagle shares on the New York Stock Exchange of \$12.51 and of the Riddarhyttan shares on the Stockholm Stock Exchange of SEK 8.05 on May 11, 2005, the last trading day before the announcement of the offer. The offer represents a premium of 36.5% to Riddarhyttan shareholders, based on the average closing price of the Agnico-Eagle shares on the New York Stock Exchange and of the Riddarhyttan shares on the Stockholm Stock Exchange for the 30 trading day period prior to the announcement of the offer from March 31 through May 11, 2005 (inclusive), which period, as a result of Swedish public holidays, included only 29 trading days for Riddarhyttan, and calculated based on the daily closing foreign exchange rate during the period. The offer values Riddarhyttan at SEK 1,084 million (US\$150 million), based on 105,753,846 Riddarhyttan shares outstanding as at May 11, 2005 and based on the exchange rate US\$1:SEK 7.2055 on May 11, 2005. On July 22, 2005, the closing price of an Agnico-Eagle common share on the New York Stock Exchange was \$12.74. The noon buying rate in The City of New York for cable transfers in Swedish kronor as certified by the Federal Reserve Bank of New York on July 22, 2005 was SEK 7.8187 to US\$1.00.

On July 26, 2005, the latest practicable date prior to the date of this Offer Document, the offer valued each Riddarhyttan share at SEK 11.22 (US\$1.43) based on the closing price of the Agnico-Eagle common shares on the New York Stock Exchange of \$12.55 and of the Riddarhyttan shares on the Stockholm Stock Exchange of SEK 10.90 on July 26, 2005.

**The board of directors of Riddarhyttan has unanimously recommended that Riddarhyttan shareholders accept the offer. Standard Bank Plc, which is acting as financial advisor to the board of directors of Riddarhyttan, has provided a fairness opinion in relation to the offer, the text of which is included as Annex B to this Offer Document.**

As at the date hereof, Agnico-Eagle beneficially owns 14,763,669 Riddarhyttan shares, which represents approximately 14% of the issued and outstanding Riddarhyttan shares.

**The acceptance period begins August 8, 2005. The final acceptance date for the offer, unless the offer is extended, is September 9, 2005. To accept the offer, Riddarhyttan shareholders should complete and return the acceptance form enclosed with this document in the reply-paid envelope to SEB, Issues & Part-ownership Programmes, as the receiving agent, as soon as possible, and in any event so as to be received by the receiving agent no later than 4:00 p.m. CET (10:00 a.m. EDT) on September 9, 2005, unless the offer is extended. For further details in relation to acceptance of the offer and other terms of the offer see "Terms, Conditions and Instructions for Acceptance of the Offer".**

#### Fractional Entitlements (See page 45)

Fractions of Agnico-Eagle common shares will not be issued to persons accepting the offer. Fractional entitlements to Agnico-Eagle common shares will be aggregated and sold in the market and the proceeds paid, without deduction of any costs or commissions, to those Riddarhyttan shareholders who are entitled to fractions of Agnico-Eagle common shares.

#### Simplified Share Sales Process (See page 45)

Certain Riddarhyttan shareholders will have the opportunity to elect to sell some, or in some cases all, of the Agnico-Eagle common shares to which they are entitled under the offer under a simplified share sales process. To be eligible to participate, Riddarhyttan shareholders must not be: located in the United States; U.S. Persons; U.S. Holders; officers, directors or affiliates of Agnico-Eagle or Riddarhyttan prior to completion of the offer; or officers, directors or affiliates of Agnico-Eagle after completion of the offer. Eligible Riddarhyttan shareholders electing to participate in the simplified share sales process will be required to sell all, but not less than all, of the Agnico-Eagle common shares to which they are entitled under the offer up to a maximum of 570 Agnico-Eagle common shares (equivalent to approximately 5,000 Riddarhyttan shares). Riddarhyttan shareholders who make this election will be paid in the currency of the yield account (Sw. *avkastningskonto*) linked to their account with VPC AB (the Swedish Securities Register Centre). Riddarhyttan shareholders will not be required to pay any costs or commissions in connection with such process. **Riddarhyttan shareholders are under no obligation to sell any of the Agnico-Eagle common shares to which they become entitled under the offer, and if they choose to sell such Agnico-Eagle common shares, are under no obligation to do so through the simplified share sales process unless they make an affirmative election to participate in that process.**

#### The Limited U.S. Cash Alternative (See page 47)

Riddarhyttan shareholders located in the United States or who are U.S. Persons or U.S. Holders may not participate in the simplified share sales process but may elect to receive US\$1.42, in cash, per Riddarhyttan share, based on a price of SEK 10.25 per Riddarhyttan share and a currency exchange rate of SEK 7.2055 to US\$1.00 on May 11, 2005, in respect of the lesser of (i) all, but not less than all, of the Riddarhyttan shares held by any such Riddarhyttan shareholder and (ii) 5,000 Riddarhyttan shares. The limited U.S. cash alternative is not contingent upon any external financing and the cash price is fixed at US\$1.42 per Riddarhyttan share. The limited U.S. cash alternative is not being offered to Riddarhyttan shareholders other than those located in the United States or who are U.S. Persons or U.S. Holders.

#### The Companies (See pages 59 and 129)

*Agnico-Eagle Mines Limited*  
145 King Street East, Suite 500  
Toronto, Ontario  
Canada M5C 2Y7  
1.416.947.1212

Agnico-Eagle is an established Canadian gold producer with mining operations located in northwestern Quebec, and exploration and development activities in Canada, the western United States (principally Nevada and Idaho) and northern Mexico. Agnico-Eagle's operating history includes more than three decades of continuous gold production, primarily from underground operations. Since its formation in 1972, Agnico-Eagle has produced over 3.5 million ounces of gold. Agnico-Eagle believes it is currently one of the lowest cash cost producers in the North American gold mining industry. Agnico-Eagle has traditionally sold all of its gold production at the spot price due to its general policy not to sell forward its future gold production.

Agnico-Eagle's strategy is to develop a multi-mine platform from the foundation of its LaRonde Mine. To effect this strategy, Agnico-Eagle is concentrating on the continued exploration, development and expansion in the Abitibi region of Quebec in which the LaRonde Mine is situated, with a view to increasing annual gold production and gold mineral reserves and pursuing opportunities for growth in gold production

and gold reserves through the acquisition or development of advanced exploration properties, development properties, producing properties and other mining businesses in the Americas or Europe. Other than the transactions contemplated in this Offer Document and the option agreement with Industrias Penolés S.A. de C.V., Agnico-Eagle has no other commitments or agreements with respect to any other material acquisitions.

Agnico-Eagle's principal operating divisions are the LaRonde Division, the Regional Development Division and the Exploration Division. The LaRonde Division consists of the LaRonde property and the adjacent El Coco and Terrex properties, each of which is wholly owned and operated by Agnico-Eagle. The LaRonde Mine, with its single production shaft referred to as the Penna Shaft, currently accounts for all of Agnico-Eagle's gold production. Since 1988, the LaRonde Division has produced over 2.5 million ounces of gold. As at December 31, 2004, the LaRonde Division had established proven and probable mineral reserves of approximately 5.1 million ounces of contained gold.

Agnico-Eagle's Regional Development Division focuses on the development and management of its advanced projects in the Abitibi region of northwestern Quebec. The Regional Development Division currently is responsible for the evaluation of a development project at the LaRonde Mine to access Agnico-Eagle's mineral resource base located outside of the Penna Shaft infrastructure, referred to as the LaRonde II project. The Regional Development Division is also conducting exploration and development activities on the Lapa property located seven miles east of the LaRonde Mine, the Goldex property located in Val d'Or, Quebec, and the Bousquet and Ellison properties located immediately west of the LaRonde property, and exploration activities on a number of other properties located near the LaRonde Mine.

Agnico-Eagle's Exploration Division focuses its exploration activities primarily on the identification of new mineral reserves, mineral resources and development opportunities in the proven producing regions of Canada, with a particular emphasis on northwestern Quebec. Agnico-Eagle currently directly manages exploration on 56 properties in central and eastern Canada and the western United States, including properties acquired from Contact Diamond Corporation (formerly Sudbury Contact Mines Limited) in September 2004.

Agnico-Eagle's only significant associate is Contact Diamond Corporation, a public company listed on the Toronto Stock Exchange under the symbol "CO". Agnico-Eagle has approximately 44.2% of the voting equity of Contact Diamond Corporation. Contact Diamond Corporation is an exploration stage mining and development company with diamond properties in Ontario, Quebec, Nunavut and the Northwest Territories.

For more information, see "Agnico-Eagle" on page 59 and see "Where Riddarhyttan Shareholders Can Find More Information" on page 185.

***Riddarhyttan Resources AB***

***Aurorum 30***

***SE-977 75 Luleå***

***Sweden***

***+46.(0).920.75897***

Riddarhyttan is an exploration stage mining company whose primary focus is on exploration and development of its Suurikuusikko property located approximately 880 kilometres north of Helsinki near the town of Kittilä in Finnish Lapland.

Riddarhyttan was established under Swedish corporate laws in 1996 and was listed on the Swedish SBI-list in 1997. The Riddarhyttan shares currently trade on the Stockholm Stock Exchange's O-list under the symbol "RHYT".

To date, detailed exploration and drilling activity has been focused on an area known as Central Suurikuusikko, a five kilometer-long part of the Suurikuusikko Trend, a potential gold-bearing shear zone extending approximately 15 kilometres in the Suurikuusikko property. On July 19, 2005, Riddarhyttan reported a measured mineral resource estimate of 2.5 million tonnes grading 6.2 grams of gold per tonne, an indicated mineral resource of 9.3 million tonnes grading 5.1 grams of gold per tonne and an inferred mineral

resource of 12.5 million tonnes grading 4.2 grams of gold per tonne for Central Suurikuusikko using a cut-off of 2.0 grams of gold per tonne. Riddarhyttan has no proven or probable reserves in Central Suurikuusikko or elsewhere.

For more information, see "Riddarhyttan" on page 129 and see "Where Riddarhyttan Shareholders Can Find More Information" on page 185.

#### **Principal Agreements between Agnico-Eagle and Riddarhyttan (See pages 52 and 142)**

On May 12, 2005, Agnico-Eagle entered into a support agreement with Riddarhyttan pursuant to which Agnico-Eagle agreed to make the offer and Riddarhyttan agreed to support the offer. The support agreement is described under the heading "Support Agreement" on page 52 of this Offer Document and is annexed to this Offer Document as Annex A.

Effective July 1, 2004, Riddarhyttan entered into a professional services agreement with Agnico-Eagle pursuant to which Agnico-Eagle agreed to supply mining and exploration consulting and technical and corporate development assistance to Riddarhyttan. For more information, see "Agreement with Agnico-Eagle" on page 142.

#### **Listings (See page 49)**

Agnico-Eagle's common shares are listed on the New York Stock Exchange under the symbol "AEM" and on the Toronto Stock Exchange under the symbol "AGE". The Toronto Stock Exchange and the New York Stock Exchange have conditionally approved the listing of the common shares of Agnico-Eagle being offered hereunder, subject to Agnico-Eagle fulfilling all of the listing requirements of the Toronto Stock Exchange and the New York Stock Exchange, respectively.

#### **Fairness Opinion of Standard Bank Plc (See page 36)**

In connection with the proposed transaction, Riddarhyttan's financial advisor, Standard Bank Plc, delivered a written opinion to Riddarhyttan's board of directors that the offer consideration to be paid by Agnico-Eagle was fair, from a financial point of view, to Riddarhyttan shareholders. The full text of this written opinion, dated May 12, 2005, is attached to this Offer Document as Annex B. Agnico-Eagle encourages Riddarhyttan shareholders to carefully read this opinion, and the description of it set out under "Opinion of Riddarhyttan's Financial Advisor" on page 36, for a description of the procedures followed, assumptions made, matters considered and limitations on the review undertaken. **The opinion is addressed to Riddarhyttan's board of directors and does not constitute a recommendation to any Riddarhyttan shareholder as to how such shareholder should act with respect to the offer or any other matter.**

#### **Regulatory Requirements (See page 50)**

Agnico-Eagle does not know of any regulatory requirements, other than those under applicable securities law, that must be complied with in order to complete the offer.

#### **Compulsory Acquisition and Appraisal Rights (See page 50)**

Riddarhyttan shareholders who do not tender their shares to the offer will be subject to the compulsory acquisition procedure in accordance with the *Swedish Companies Act of 1975* that Agnico-Eagle intends to initiate if it becomes owner of more than 90% of the outstanding Riddarhyttan shares after completion of the offer. The purchase price for the remaining Riddarhyttan shares will be determined by an arbitration tribunal. In the case of a compulsory acquisition initiated promptly or within a reasonable period of time following a share-for-share offer, the redemption price per share is often determined to be equal to the volume-weighted average share price for the shares offered as consideration in the offer during the offer period (or part thereof). Neither this compulsory acquisition process nor any other appraisal or similar rights apply to the offer.

**Material Income Tax Considerations to Riddarhyttan's Shareholders (See page 163)**

A deferral of taxable capital gain on the disposition of Riddarhyttan shares will be available to Swedish residents who participate in the offer, provided that certain conditions are met. No such deferral of tax will be available to U.S. residents who participate in the offer. Also, Canadian withholding tax will generally be levied on dividends paid to holders of Agnico-Eagle common shares who are non-residents of Canada. The material tax consequences to Riddarhyttan's shareholders that will result from the offer are described in the section entitled "Certain Tax Considerations" on page 163.

**Comparison of Agnico-Eagle and Riddarhyttan Shareholder Rights (See page 173)**

The rights of holders of Agnico-Eagle's common shares and the rights of holders of Riddarhyttan's shares are different. These differences are described in detail under the heading "Certain Differences Between Ontario and Swedish Laws" on page 173.

**Accounting Treatment of the Proposed Acquisition of Riddarhyttan (See page 54)**

The proposed acquisition of Riddarhyttan will be accounted for using the purchase method of accounting following U.S. GAAP.

**Summary Historical Financial Data*****Agnico-Eagle***

The following table sets forth a summary of historical consolidated financial data of Agnico-Eagle for each of the years in the five-year period ended December 31, 2004 and for each of the three-month periods ended March 31, 2005 and 2004 prepared in accordance with U.S. GAAP. This information is derived from, and should be read in conjunction with, the audited consolidated financial statements and the unaudited quarterly financial statements of Agnico-Eagle. The operating results are not necessarily indicative of the results for any future period. For more information, see the Agnico-Eagle financial statements beginning on page F-9 and the section entitled "Agnico-Eagle Selected Five Year Financial and Operating Summary".

Three Months Ended March 31,		Fiscal Years Ended December 31,				
2005	2004	2004	2003	2002	2001	2000
U.S. GAAP (in thousands, except per share data)						

**Consolidated Statement of  
Income Data:**

Revenue from mining operations	\$ 61,776	\$ 48,604	\$ 188,049	\$ 126,820	\$ 108,027	\$ 96,043	\$ 63,676
Net income (loss)	\$ 10,449	\$ 12,909	\$ 47,879	\$ (19,498)	\$ 4,023	\$ (5,718)	\$ (6,868)
Basic earnings (loss) per share	\$ 0.12	\$ 0.15	\$ 0.56	\$ (0.23)	\$ 0.06	\$ (0.09)	\$ (0.12)
Diluted earnings (loss) per share	\$ 0.12	\$ 0.15	\$ 0.56	\$ (0.23)	\$ 0.06	\$ (0.09)	\$ (0.12)
Basic weighted average common shares	86,131	84,525	85,157	83,889	70,821	61,334	54,447
Diluted weighted average common shares	86,545	85,051	85,572	83,889	71,631	61,334	54,447

**Consolidated Balance Sheet Data:**

Mining properties (net)	\$ 436,402	\$ 404,330	\$ 427,037	\$ 399,719	\$ 353,059	\$ 301,221	\$ 281,497
Total assets	\$ 730,464	\$ 644,696	\$ 718,164	\$ 637,101	\$ 593,807	\$ 393,464	\$ 370,109
Long-term debt	\$ 141,083	\$ 143,750	\$ 141,495	\$ 143,750	\$ 143,750	\$ 151,081	\$ 186,261
Reclamation provisions and other liabilities	\$ 14,979	\$ 15,651	\$ 14,815	\$ 15,377	\$ 5,043	\$ 4,055	\$ 5,567
Total shareholders' equity	\$ 482,885	\$ 413,704	\$ 470,226	\$ 400,723	\$ 397,693	\$ 198,426	\$ 124,361



**Riddarhyttan**

The initial table below sets forth a summary of historical consolidated financial data of Riddarhyttan, for the fiscal years ended December 31, 2004 and 2003 and for the three months ended March 31, 2005 and March 31, 2004 prepared in accordance with international financial reporting standards, or IFRS. This information is derived from, and should be read in conjunction with, the audited consolidated financial statements and the unaudited interim financial statements of Riddarhyttan. The second table below sets forth a summary of historical financial data of Riddarhyttan presented in accordance with U.S. GAAP. The operating results are not necessarily indicative of the results for any future period. For more information, see the Riddarhyttan financial statements beginning on page F-45 and the section entitled "Riddarhyttan Selected Two Year Financial and Operating Summary".

	Three Months Ended March 31,		Fiscal Years Ended December 31,	
	2005	2004	2004	2003
	IFRS		IFRS	
	(in SEK millions, except share and per share data)			
Consolidated Statement of Income Data:				
Revenues from mining operations				
Net income (loss)	(3)	(1)	(9)	(10)
Basic earnings (loss) per share	(0.03)	(0.01)	(0.10)	(0.11)
Diluted earnings (loss) per share	(0.03)	(0.01)	(0.10)	(0.11)
Basic weighted average common shares in thousands	105,754	96,000	97,503	92,170
Diluted weighted average common shares in thousands	105,754	98,200	97,503	94,370

**Consolidated Balance Sheet Data:**

Consolidated Balance Sheet Data				
Mining properties (net)				
Total assets	200	150	203	152
Long-term debt	1	1	1	1
Reclamation provisions and other liabilities	12	3	12	4
Total shareholders' equity	187	146	190	147
	Three Months Ended March 31,		Fiscal Years Ended December 31,	
	2005	2004	2004	2003
	U.S. GAAP		U.S. GAAP	
	(in SEK millions, except share and per share data)			

**Consolidated Statement of Income Data:**

Revenues from mining operations				
Net income (loss)	(17)	(6)	(31)	(29)
Basic earnings (loss) per share	(0.16)	(0.06)	(0.32)	(0.31)
Diluted earnings (loss) per share	(0.16)	(0.06)	(0.32)	(0.31)
Basic weighted-average common shares in thousands	105,754	96,000	97,503	92,170
Diluted weighted-average common shares in thousands	105,754	98,200	97,503	94,370

**Consolidated Balance Sheet Data:**

Mining properties (net)				
Total assets	50	31	67	37
Long-term debt	1	1	1	1
Reclamation provisions and other liabilities	12	4	12	4
Total shareholders' equity	37	26	54	32



**Summary Unaudited Pro Forma Consolidated Financial Information**

The following summary unaudited pro forma consolidated financial information of Agnico-Eagle and Riddarhyttan was derived from the unaudited pro forma consolidated financial statements, and should be read in conjunction with these financial statements and the notes thereto, included in this Offer Document. For purposes of the pro forma consolidated financial information, Riddarhyttan financial information has been translated into U.S. dollars and is based on U.S. GAAP.

The Unaudited Pro Forma Consolidated Statements of Income for the year ended December 31, 2004 and for the three months ended March 31, 2005 gives effect to the offer and the acquisition of Riddarhyttan by Agnico-Eagle as if it had occurred on January 1, 2004. The Unaudited Pro Forma Consolidated Balance Sheet as at March 31, 2005 gives effect to the offer as if it had occurred on March 31, 2005. The pro forma transaction scenario is based upon the assumption that 100% of the outstanding shares of Riddarhyttan (other than those shares already owned by Agnico-Eagle) are tendered to the offer. The selected unaudited pro forma consolidated financial information is based on estimates and assumptions that are preliminary and does not purport to represent what Agnico-Eagle's results of operations or financial position actually would have been if the offer had been consummated on the date or for the periods indicated or what such results will be for any future date or any future period. Riddarhyttan shareholders should read this summary together with the unaudited pro forma consolidated financial statements, and the accompanying notes thereto, beginning on page F-2. For more information, see also the section captioned "The Combined Company Selected Unaudited Pro Forma Consolidated Financial Information".

	Three Months Ended March 31, 2005	Year Ended December 31, 2004
(in thousands, except per share data)		
Unaudited Pro Forma Consolidated Statement of Income:		
Revenue from mining operations	\$ 61,766	\$ 188,049
Net income	\$ 8,334	\$ 44,164
Basic income per share	\$ 0.09	\$ 0.46
Diluted income per share	\$ 0.09	\$ 0.46

	<b>As at March 31, 2005</b>
	(in thousands)
<b>Unaudited Pro Forma Consolidated Balance Sheet Information:</b>	
Mining properties (net)	\$ 619,005
Total assets	\$ 906,783
Long-term debt	\$ 141,184
Reclamation provisions and other liabilities	\$ 14,979
Total shareholders' equity	\$ 607,549

# Summary Comparative Historical and Pro Forma Per Share Data

The following table presents unaudited net income (loss) per share data and net book value per share data for each stand-alone company on a historical basis, unaudited net income (loss) per share and net book value per share data for the combined company on a pro forma basis and unaudited loss per share and net book value per share for Riddarhyttan on an equivalent pro forma basis, in each case prepared in accordance with U.S. GAAP. The per common share unaudited pro forma consolidated financial information is not necessarily indicative of the financial position of the consolidated company had the offer been completed on March 31, 2005 and operating results that would have been achieved by the consolidated company had the offer been completed as of the beginning of the period presented, and should not be construed as representative of future financial position or operating results. The per common share information presented below has been derived from the unaudited pro forma consolidated financial information included in this Offer Document.

This information is only a summary and should be read in conjunction with the selected historical financial data of Agnico-Eagle and Riddarhyttan, the Agnico-Eagle and Riddarhyttan unaudited pro forma consolidated financial statements, and the separate historical financial statements of Agnico-Eagle and Riddarhyttan and related notes included herein.

	Historical		Pro Forma		
	Agnico-Eagle	Riddarhyttan <sup>(1)</sup>	Agnico-Eagle and Riddarhyttan	Riddarhyttan Equivalent <sup>(2)</sup>	
Net income (loss) per share for the three months ended March 31, 2005:					
Basic and diluted <sup>(3)</sup>	\$ 0.12	\$ (0.02)	\$ 0.09	\$ 0.01	
Net income (loss) for the year ended December 31, 2004:					
Basic and diluted <sup>(3)</sup>	\$ 0.56	\$ (0.04)	\$ 0.46	\$ 0.05	
Cash dividends declared per share for the three months ended March 31, 2005					
	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
Cash dividends declared per share for the year ended December 31, 2004					
	\$ 0.03	\$ 0.00	\$ 0.03	\$ 0.00	
Book value per share as at March 31, 2005 <sup>(4)</sup>					
	\$ 5.60	\$ 0.05	\$ 6.29	\$ 0.72	

- (1) Riddarhyttan historical income (loss) per share amounts for the year ended December 31, 2004 and for the three months ended March 31, 2005 are based on U.S. GAAP and are translated from SEK into US\$ at the exchange rate of SEK 7.346 per US\$ and 6.9247 per US\$ respectively. Riddarhyttan historical book value per share as at March 31, 2005 is based on U.S. GAAP and is translated at SEK 7.064 per US\$.
- (2) The Riddarhyttan equivalent pro forma share amounts are calculated by multiplying the pro forma Agnico-Eagle and Riddarhyttan share amounts by the exchange ratio in the transaction of 0.1137 of an Agnico-Eagle common share for each Riddarhyttan share.
- (3) Basic and diluted net income (loss) per share were calculated by dividing net income (loss) by the weighted average number of basic and diluted common shares outstanding, respectively, of Agnico-Eagle or Riddarhyttan. For the pro forma consolidated Agnico-Eagle and Riddarhyttan amounts, the basic and diluted net income (loss) per share was calculated by dividing the pro forma net income (loss) per share by the weighted average number of basic and diluted common shares outstanding, respectively, of Agnico-Eagle, plus the shares that would be issued as a result of the offer.
- (4) Book value per share was calculated by dividing total shareholders' equity by the number of Agnico-Eagle common shares or Riddarhyttan shares outstanding at the end of the period. For the pro forma consolidated Agnico-Eagle and Riddarhyttan amounts, the book value per share was calculated by dividing the pro forma total shareholders' equity by the number of Agnico-Eagle common shares outstanding at the end of the period plus the shares that would be issued as a result of the offer.

**Market Price and Dividend Information**

The Agnico-Eagle common shares are listed and traded in Canada on the Toronto Stock Exchange under the symbol "AGE" and in the United States on the New York Stock Exchange under the symbol "AEM". The Riddarhyttan shares are listed on the Stockholm Stock Exchange, under the symbol "RHYT". As of July 22, 2005, there were approximately 4,973 registered holders of Agnico-Eagle common shares and, as of June 30, 2005, there were approximately 5,073 holders of Riddarhyttan shares. The table below sets forth, for the calendar quarters indicated, the high and low sale prices per share of Agnico-Eagle common shares and Riddarhyttan shares, as reported on the Toronto Stock Exchange, New York Stock Exchange and the Stockholm Stock Exchange, as applicable, in such periods. No dividends were declared by Riddarhyttan during those periods. In 2004, Agnico-Eagle declared an annual cash dividend of \$0.03 per share, payable in 2005, an amount unchanged from the cash dividend it declared and paid in the previous two years. No dividend was declared by Agnico-Eagle in the first two quarters of 2005.

	Agnico-Eagle Shares (NYSE)		Agnico-Eagle Shares (TSX)	
	High	Low	High	Low
	(US\$)		(C\$)	
2003				
First Quarter	16.47	11.11	24.94	16.42
Second Quarter	12.51	9.72	16.89	14.14
Third Quarter	14.90	10.32	20.77	14.60
Fourth Quarter	14.20	10.11	18.56	13.40
2004				
First Quarter	15.07	11.96	19.76	15.50
Second Quarter	15.07	11.47	19.80	15.80
Third Quarter	14.68	12.47	19.30	16.45
Fourth Quarter	16.73	13.16	19.95	16.40
2005				
First Quarter	15.76	11.97	18.97	14.95
Second Quarter	14.67	10.80	18.12	13.63

	Riddarhyttan Shares	
	High	Low
	(SEK)	
2003		
First Quarter	5.07	4.08
Second Quarter	4.63	3.82
Third Quarter	5.36	3.46
Fourth Quarter	6.64	4.77
2004		
First Quarter	6.69	5.46
Second Quarter	6.59	5.22
Third Quarter	6.45	4.72
Fourth Quarter	8.35	6.40
2005		
First Quarter	8.30	6.80
Second Quarter	10.75	7.90

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The following table shows, as of May 11, 2005, the last trading day before the announcement of the offer, and July 22, 2005, the closing price per share of Agnico-Eagle common shares on the New York Stock Exchange and Toronto Stock Exchange, and the closing price per share of the Riddarhyttan shares on the Stockholm Stock Exchange. This table also includes the equivalent price per share of Riddarhyttan shares on those dates. This equivalent per share price reflects the value of the Agnico-Eagle common shares Riddarhyttan shareholders will receive for each Riddarhyttan share they own and tender as if the combination were completed on either of those dates applying the exchange ratio of 0.1137 of an Agnico-Eagle common share for each Riddarhyttan share and using the closing price of Agnico-Eagle common shares on the New York Stock Exchange and Toronto Stock Exchange, as applicable, on those dates. The table assumes an exchange rate of SEK 7.2055 to US\$1.00 and an exchange rate of SEK 5.7770 to C\$1.00 on May 11, 2005 and an exchange rate of SEK 7.8221 to US\$1.00 and an exchange rate of SEK 6.4226 to C\$1.00 on July 22, 2005.

	Riddarhyttan Shares			Agnico-Eagle Shares (NYSE)	Agnico-Eagle Shares (TSX)
	SEK	US\$	C\$	US\$	C\$
May 11, 2005	8.05	1.12	1.40	12.51	15.66
July 22, 2005	10.90	1.39	1.70	12.74	15.53
	Equivalent Price per share of Riddarhyttan Shares (NYSE)		Equivalent Price per share of Riddarhyttan Shares (TSX)		
	SEK	US\$	SEK	C\$	
May 11, 2005	10.25	1.42	10.25	1.78	
July 22, 2005	11.34	1.45	11.37	1.77	

Following completion of the offer, the holders of Agnico-Eagle common shares will be entitled to receive such dividends as may be declared by the board of directors of Agnico-Eagle from funds legally available therefor.

### Ownership of Directors and Officers

As at July 22, 2005, Riddarhyttan's directors, officers and their affiliates beneficially owned 638,835 Riddarhyttan shares, or approximately 0.6% of the total number of outstanding Riddarhyttan shares. Riddarhyttan has represented to Agnico-Eagle in a support agreement that it believes that each board member holding Riddarhyttan shares intends to tender its shares to the offer.

## RISK FACTORS

*Investing in Agnico-Eagle common shares involves certain risks. Before tendering Riddarhyttan shares to the offer, Riddarhyttan shareholders should carefully consider all of the information in this Offer Document and, in particular, should evaluate the following risk factors. However, the risks described below are not the only ones facing Agnico-Eagle and Riddarhyttan. Additional risks not currently known to Agnico-Eagle or that Agnico-Eagle currently deems immaterial may also impair Agnico-Eagle's business operations.*

### **Risks Related to the Acquisition of Riddarhyttan**

#### ***Agnico-Eagle Shares issued in connection with the offer may have a market value lower than expected***

Agnico-Eagle is offering to pay 0.1137 of an Agnico-Eagle common share for each Riddarhyttan share tendered to the offer and not withdrawn. Based on the closing prices of the Agnico-Eagle common shares on the New York Stock Exchange and the Riddarhyttan shares on the Stockholm Stock Exchange on May 11, 2005, the last trading day prior to the announcement of the offer, this represents a premium of 27.3% to Riddarhyttan shareholders. If the market price of Agnico-Eagle common shares and/or Riddarhyttan shares fluctuates, the value of the consideration received by Riddarhyttan shareholders may vary from that set out in this Offer Document. Variations in the market price of Agnico-Eagle common shares may occur as a result of changes in, or market perceptions of changes in, the business, operations or prospects of Agnico-Eagle, market assessments of the likelihood that the offer will be consummated, regulatory considerations, general market and economic conditions and other factors over which Agnico-Eagle has no control. In addition, the relative values of an Agnico-Eagle common share and a Riddarhyttan share may change as a result of fluctuations in currency exchange rates.

#### ***After the consummation of the offer, Riddarhyttan would become a subsidiary of Agnico-Eagle and Agnico-Eagle's interests could differ from those of any remaining Riddarhyttan shareholders***

After the consummation of the offer, Agnico-Eagle would have the power to elect the directors, appoint new management and approve certain actions requiring the approval of Riddarhyttan shareholders, including adopting certain amendments to Riddarhyttan's articles of association and approving mergers or sales of Riddarhyttan's assets. In particular, after the consummation of the offer, Agnico-Eagle intends to exercise its statutory right, if available, to acquire all of the Riddarhyttan shares not acquired under the offer, or, if such statutory right is not available, to integrate Agnico-Eagle and Riddarhyttan by merger or other transaction whereby the operations of Agnico-Eagle and Riddarhyttan are combined. Agnico-Eagle's interests with respect to Riddarhyttan may differ from those of any remaining minority Riddarhyttan shareholders.

#### ***The market price of Agnico-Eagle common shares may decline as a result of the offer***

In connection with the offer, Agnico-Eagle could issue as many as 10,345,583 Agnico-Eagle common shares to Riddarhyttan shareholders if all such holders elect to tender their Riddarhyttan shares in exchange for Agnico-Eagle common shares, representing approximately 10.7% of Agnico-Eagle's estimated total common shares outstanding after the consummation of the offer. The Agnico-Eagle common shares issued pursuant to the offer and not held by affiliates of Agnico-Eagle or persons deemed to be "underwriters" for purposes of the Securities Act will be freely-tradeable upon consummation of the offer and therefore not subject to any restrictions on sale. The acquisition of the Agnico-Eagle common shares by Riddarhyttan shareholders who may not wish to hold shares in a Canadian company, as well as the increase in the outstanding number of Agnico-Eagle common shares, may lead to sales of Agnico-Eagle common shares through the simplified share sales process or otherwise or to the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, Agnico-Eagle common shares.

In addition, the market price of the Agnico-Eagle common shares may decline following the closing of the offer for a number of reasons, including strategic benefits of the acquisition not being realized by Agnico-Eagle as rapidly or to the extent anticipated by stock market analysts or investors. The closing price of the Agnico-Eagle common shares was \$12.51 on the New York Stock Exchange on May 11, 2005, the last day of trading prior to the announcement of the proposed offer. Since that date, the daily closing price of the Agnico-Eagle common shares on the New York Stock Exchange has fluctuated from a low of \$10.96 to a

high of \$12.15. On July 22, 2005, the closing price of the Agnico-Eagle common shares was \$12.74 on the New York Stock Exchange.

***Costs associated with developing Riddarhyttan's properties could reduce Agnico-Eagle's future earnings***

Riddarhyttan's principal asset, the Suurikuusikko gold deposit, is at an early stage of development and Agnico-Eagle cannot assure that it can be brought into production. A feasibility study on the property was commenced in January 2005 and the results are expected in the third quarter of 2005. A production decision will be made based on the results of that study. If a decision to proceed is made, Agnico-Eagle believes that the earliest the property can be brought into production is 2007. Until that time, the property will not generate revenues and Agnico-Eagle will have to fund the exploration and other capital expenditures to develop the property. Until such time as it has been determined that the Suurikuusikko property can be commercially developed, the acquisition is expected to have a negative effect on Agnico-Eagle's earnings as the exploration activities and other capital expenditures will be required to be expensed by Agnico-Eagle. It is possible that unexpected transaction costs, such as taxes, fees or professional expenses, or unexpected future operating expenses, such as increased personnel costs or unexpected severance costs, as well as other types of unanticipated developments, could adversely impact Agnico-Eagle's cash flow.

***The business of exploration for minerals and mining involves a high degree of risk, as few properties that are explored ultimately develop into producing mines***

The exploration and development of mineral deposits involves significant financial and other risks over an extended period of time. While discovery of a gold-bearing structure may result in substantial rewards, few properties explored are ultimately developed into producing mines. Riddarhyttan's Suurikuusikko property is considered to be in the exploration stage only and does not contain any known bodies of commercial gold. Riddarhyttan has no proven or probable mineral reserves. Major expenses are required to establish reserves by drilling and to construct mining and processing facilities at the site. Agnico-Eagle cannot assure that the current or proposed exploration programs on the Suurikuusikko property will result in profitable commercial mining operations or that ore grade actually recovered by Agnico-Eagle will not materially differ from the grades of mineral resources estimated by the current management of Riddarhyttan.

Whether a gold deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as its size and grade, costs and efficiency of the recovery methods that can be employed, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of gold and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of these factors may prevent Agnico-Eagle from realizing an adequate return on its investment in Riddarhyttan.

***Riddarhyttan requires additional capital***

Riddarhyttan is an exploration stage mining company with no mining revenues. Accordingly, its operations have generated recurring losses and negative operating cash flows. As stated in the notes to Riddarhyttan's audited financial statements contained in this Offer Document, Riddarhyttan's ability to continue as a going concern is dependent upon the consummation of the Offer, obtaining adequate third party financing arrangements or achieving sufficiently profitable operations.

Riddarhyttan's subsidiary, Riddarhyttan Resources Oy, has signed an unsecured, guaranteed bank overdraft facility of EUR 1.6 million with Nordea Bank Finland Plc to satisfy its cash requirements during the Offer. In connection with this facility, Riddarhyttan has provided an unconditional guarantee in favour of the lender and Riddarhyttan's subsidiary, Suurikulta AB, has provided a negative pledge under which it has agreed not to, among other things, transfer or encumber its mining rights in the Suurikuusikko gold deposit.

Amounts drawn down under this facility will allow Riddarhyttan to continue its exploration activities in Suurikuusikko on the current scale during the Offer. Riddarhyttan has no income with which to repay any amounts drawn under the facility. Any repayment prior to the Suurikuusikko gold deposit coming into production would have to be made out of the proceeds of a debt or equity financing or asset sale.



Riddarhyttan cannot be certain that additional financing will be available from third parties on favourable terms within the time required. If such financing cannot be obtained within the time required, further exploration of the Suurikuusikko gold deposit will be impaired.

***Acquisition-related accounting charges may delay or reduce Agnico-Eagle's profitability***

Agnico-Eagle is accounting for the acquisition of Riddarhyttan as a purchase following accounting principles generally accepted in the United States. The purchase price of Riddarhyttan will be allocated to the fair value of the identifiable tangible and intangible assets and liabilities that Agnico-Eagle acquires as part of Agnico-Eagle's acquisition of Riddarhyttan. Agnico-Eagle is required to perform periodic impairment tests on its mineral properties. Agnico-Eagle cannot predict whether or when there will be an impairment charge, or the amount of such charge, if any. However, if the charge is significant, it could cause the market price of Agnico-Eagle's common stock to decline.

***Full integration of Agnico-Eagle's operations with Riddarhyttan's operations may not be achieved if Agnico-Eagle cannot compulsorily acquire all of the issued and outstanding Riddarhyttan shares***

Agnico-Eagle's obligation to consummate the offer is subject to a condition that, before the end of the offer period, there shall have been acceptance of the offer to such an extent that Agnico-Eagle becomes owner of more than 90% of the outstanding Riddarhyttan shares. If Agnico-Eagle owns more than 90% of the outstanding Riddarhyttan shares, Agnico-Eagle intends to initiate compulsory acquisition proceedings under Swedish law that may be time-consuming. It is possible that, at the end of the offer period, Agnico-Eagle will elect to waive the above condition and consummate the offer even though Agnico-Eagle does not hold more than 90% of the outstanding Riddarhyttan shares. As a result, Agnico-Eagle would not be able to effect a compulsory acquisition of the remaining outstanding Riddarhyttan shares. This could prevent or delay Agnico-Eagle from realizing some or all of the anticipated financial and strategic benefits of its combination with Riddarhyttan. If Agnico-Eagle does not hold more than 90% of the Riddarhyttan shares following the offer, Agnico-Eagle may consider a legal merger between Riddarhyttan and Agnico-Eagle or any of Agnico-Eagle's subsidiaries, for consideration in cash in accordance with the *Swedish Companies Act of 1975* or otherwise. Agnico-Eagle cannot assure that any such merger would occur or achieve any of the intended benefits of such merger.

***As a result of the consummation of the offer, Agnico-Eagle will conduct more of its business internationally, which will expose Agnico-Eagle to additional and increased risks***

Agnico-Eagle will significantly increase its international operations upon consummation of the offer. There are many risks that currently affect and will continue to affect Agnico-Eagle's international business and multinational operations, which risks will increase upon consummation of the offer. These risks include the following:

compliance with multiple and potentially conflicting regulations in North America and Europe, including export requirements, tariffs, import duties and other trade barriers, as well as health and safety requirements

difficulties in staffing and managing operations in North America and Europe

currency fluctuations and resulting losses on currency translations

overlapping or differing tax structures

cultural and language differences between North America and Europe

***As a result of the consummation of the offer, Agnico-Eagle will be a larger and broader organization, and if Agnico-Eagle's management is unable to manage the combination of Agnico-Eagle's business with Riddarhyttan's, Agnico-Eagle's operating results will suffer***

As a result of the consummation of the offer, Agnico-Eagle will acquire the operations and employees of Riddarhyttan. Consequently, Agnico-Eagle will face challenges inherent in efficiently managing an



increased number of employees over large geographic distances, including the need to implement appropriate systems, policies, benefits and compliance programs. Any inability to successfully manage the geographically more diverse and larger combined organization, or any significant delay in achieving successful management, could have a material adverse effect on Agnico-Eagle's results of operations after the offer is consummated and, as a result, on the market price of Agnico-Eagle's common shares.

***Agnico-Eagle common shares are listed only on the New York Stock Exchange and the Toronto Stock Exchange and non-North American shareholders will be exposed to currency risk with respect to their Agnico-Eagle common shares***

The Agnico-Eagle common shares to be issued to Riddarhyttan shareholders in the offer are expected to be listed on the New York Stock Exchange and the Toronto Stock Exchange. They will not be listed on the Stockholm Stock Exchange nor any other stock exchange in Europe. As a result, individual Riddarhyttan shareholders accepting the offer who choose not to participate in the simplified share sales process may need to engage a securities broker in the United States or Canada to effect any subsequent trades in Agnico-Eagle common shares. This may result in higher execution costs and settlement times for individual Swedish and other non-North American shareholders than trading on a stock exchange in their home jurisdiction. Agnico-Eagle common shares also trade in U.S. dollars and Canadian dollars and Agnico-Eagle pays dividends, if any, in U.S. dollars. This may expose shareholders who wish to convert their dividends or sales proceeds into Swedish kronor or other currencies to currency exchange risk if the value of the U.S. dollar or the Canadian dollar decreases against the conversion currency.

#### **Risks Related to Agnico-Eagle and the Agnico-Eagle Common Shares**

***Changes in factors beyond Agnico-Eagle's control such as the price of gold, commodity prices and gold production, affect Agnico-Eagle's profitability and have caused Agnico-Eagle to experience losses***

Although Agnico-Eagle reported net income for the three months ended March 31, 2005 and the years ended December 31, 2004 and 2002, it incurred net losses in 2003 and in each of the five years prior to 2002. For a discussion of the factors contributing to the losses, see "Agnico-Eagle Management's Discussion and Analysis". Agnico-Eagle's profitability depends on the price of gold, gold production, total cash costs, the prices and production levels of by-product zinc, silver and copper and other factors discussed in this Offer Document. Substantially all of these factors are beyond Agnico-Eagle's control and Agnico-Eagle can provide no assurance that it will sustain profitability in the future.

***Agnico-Eagle is dependent upon its mining and milling operations at LaRonde and any adverse condition affecting those operations may have a material adverse effect on Agnico-Eagle's financial performance and results of operations***

Agnico-Eagle's mining and milling operations at the LaRonde Division account for all of Agnico-Eagle's gold production and will continue to account for all of its gold production in the future unless additional properties are acquired or brought into production. Any adverse condition affecting mining or milling conditions at the LaRonde Division could be expected to have a material adverse effect on Agnico-Eagle's financial performance and results of operations until such time as the condition is remedied. In addition, Agnico-Eagle's ongoing development of the LaRonde Mine involves the exploration and extraction of ore from new areas and may present new or different challenges for Agnico-Eagle. At current levels of mineral reserves and production, the LaRonde Mine has an estimated mine life of approximately 14 years. However, gold production at the LaRonde Mine is expected to begin to decline commencing in 2007. Unless Agnico-Eagle can successfully bring into production the Goldex property, the Lapa property or its other exploration properties or otherwise acquire gold producing assets prior to 2007, Agnico-Eagle's results of operations could be adversely affected. Agnico-Eagle cannot assure that its current exploration and development programs at the LaRonde Division will result in any new economically viable mining operations or yield new mineral reserves to replace and expand current mineral reserves.

In addition, Agnico-Eagle depends on certain claims, mining leases and environmental permits for the continuing direction of its mining and milling operations. If any of these claims, leases or permits were to be

revoked, it could have a material adverse effect on Agnico-Eagle's gold production and, accordingly, its financial performance and results of operations until such time as the good standing of the claim, lease or permit is restored.

***Agnico-Eagle's financial performance and results may fluctuate widely due to volatile and unpredictable commodity prices***

Agnico-Eagle's earnings are directly related to commodity prices as revenues are derived from precious metals (gold and silver), zinc and copper. Agnico-Eagle's policy and practice is not to sell forward its future gold production; however, under Agnico-Eagle's Price Risk Management Policy, approved by its board of directors, Agnico-Eagle may review this practice on a project by project basis, making use of derivative instruments where appropriate to ensure an adequate return to shareholders on new projects. Gold prices fluctuate widely and are affected by numerous factors beyond Agnico-Eagle's control, including central bank sales, producer hedging activities, expectations of inflation, the relative exchange rate of the U.S. dollar with other major currencies, global and regional demand and political and economic conditions, and production costs in major gold producing regions. The aggregate effect of these factors is impossible to predict with accuracy. Worldwide production levels also affect gold prices. In addition, the price of gold has on occasion been subject to very rapid short-term changes because of speculative activities. Fluctuations in gold prices may adversely affect Agnico-Eagle's financial performance or results of operations. If the market price of gold falls below Agnico-Eagle's total cash costs and remains at such a level for any sustained period, Agnico-Eagle may experience losses and may curtail or suspend some or all of its exploration, development and mining activities. The prices received for Agnico-Eagle's by-products (zinc, silver and copper) affect Agnico-Eagle's ability to meet its targets for total cash cost per ounce of gold produced. By-product prices fluctuate widely and are affected by numerous factors beyond Agnico-Eagle's control. Agnico-Eagle occasionally uses derivative instruments to mitigate the effects of fluctuating by-product metal prices.

The volatility of gold prices is illustrated in the following table which sets forth, for the periods indicated, the high and low afternoon fixing prices for gold on the London Bullion Market (the "London P.M. Fix") and the average gold prices received by Agnico-Eagle.

	2004	2003	2002	2001	2000	1999
High price (\$ per ounce)	454	417	350	293	313	326
Low price (\$ per ounce)	375	323	278	256	264	253
Average price received (\$ per ounce)	418	368	312	273	278	274

On July 22, 2005, the London P.M. Fix was \$425.00 per ounce of gold.

Based on 2005 production estimates, the approximate sensitivities of Agnico-Eagle's after-tax income to a 10% change in metal prices from 2004 market average prices are as follows:

	Income per share
Gold	\$ 0.09
Zinc	\$ 0.04
Silver	\$ 0.03
Copper	\$ 0.01

Sensitivities of Agnico-Eagle's after-tax income to changes in metal prices will increase with increased production.

***Agnico-Eagle's mining operations may yield less gold under actual production conditions than indicated by its estimated gold production, due to mining accidents and other environmental conditions***

Agnico-Eagle's gold production may fall below estimated levels as a result of mining accidents such as cave-ins, rock falls, rock bursts or flooding. In addition, production may be unexpectedly reduced if, during the course of mining, unfavourable ground conditions or seismic activity are encountered, ore grades are

lower than expected, or the physical or metallurgical characteristics of the ore are less amenable than expected to mining or treatment. Accordingly, there can be no assurance that Agnico-Eagle will achieve current or future production estimates.

A rock fall that occurred in two production stopes during the first quarter of 2003 led to an initial 20% reduction in Agnico-Eagle's 2003 gold production estimate from 375,000 ounces to 300,000 ounces. Production drilling challenges and lower than planned recoveries in the mill in the third quarter of 2003 led to a further reduction in the production estimate by 21%. Final gold production in 2003 was 236,653 ounces. In 2004, higher than expected dilution in lower levels of the mine led to actual gold production for the year of 271,567 ounces, below the initial production estimate of 308,000 ounces.

***The exploration of mineral properties is highly speculative, involves substantial expenditures, and is frequently unproductive***

Agnico-Eagle's profitability is significantly affected by the costs and results of its exploration and development programs. As mines have limited lives based on proven and probable mineral reserves, Agnico-Eagle actively seeks to replace and expand its reserves, primarily through exploration and development and, from time to time, through strategic acquisitions. Exploration for minerals is highly speculative in nature, involves many risks and frequently is unsuccessful. Among the many uncertainties inherent in any gold exploration and development program are the location of economic ore bodies, the development of appropriate metallurgical processes, the receipt of necessary governmental permits and the construction of mining and processing facilities. In addition, substantial expenditures are required to pursue such exploration and development activities. Assuming discovery of an economic ore body, depending on the type of mining operation involved, several years may elapse from the initial phases of drilling until commercial operations are commenced and during such time the economic feasibility of production may change. Accordingly, Agnico-Eagle cannot assure that its current exploration and development programs will result in any new economically viable mining operations or yield new reserves to replace and expand current reserves.

***Agnico-Eagle's cash costs of gold production are unpredictable***

Agnico-Eagle's total cash costs to produce an ounce of gold are dependent on a number of factors, including primarily the prices and production levels of by-product silver, zinc and copper, the revenue from which is offset against the cost of gold production, the Canadian dollar/U.S. dollar exchange rate, smelting and refining charges and production royalties, which are affected by all of these factors and the gold price. All these factors are beyond Agnico-Eagle's control.

Total cash cost per ounce is not a recognized measure under U.S. GAAP and this data may not be comparable to data presented by other gold producers. Management uses this generally accepted industry measure in evaluating operating performance and believes it to be a realistic indication of such performance and useful in allowing year over year comparisons. The data also indicates Agnico-Eagle's ability to generate cash flow and operating income at various gold prices. This additional information should be considered together with other data prepared in accordance with U.S. GAAP and is not necessarily indicative of operating costs or cash flow measures prepared in accordance with U.S. GAAP (see "Agnico- Eagle Management's Discussion and Analysis Results of Operations for the Three Months Ended March 31, 2005 and 2004 and the Years Ended December 31, 2004, 2003 and 2002 Production Costs" for reconciliation of total cash costs per ounce and minesite costs per ton to their closest U.S. GAAP measure).

***Agnico-Eagle may experience problems in executing acquisitions or managing and integrating any completed acquisitions with its existing operations***

Agnico-Eagle regularly evaluates opportunities to acquire shares or assets of other mining businesses. Such acquisitions may be significant in size, may change the scale of Agnico-Eagle's business, and may expose Agnico-Eagle to new geographic, political, operating, financial or geological risks. Agnico-Eagle's success in its acquisition activities depends on its ability to identify suitable acquisition candidates, acquire them on acceptable terms and integrate their operations successfully with those of Agnico-Eagle. Any acquisitions would be accompanied by risks, such as the difficulty of assimilating the operations and

personnel of any acquired businesses; the potential disruption of Agnico-Eagle's ongoing business; the inability of management to maximize the financial and strategic position of Agnico-Eagle through the successful integration of acquired assets and businesses; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; and the potential unknown liabilities associated with acquired assets and businesses. In addition, Agnico-Eagle may need additional capital to finance an acquisition. Debt financing related to any acquisition may expose Agnico-Eagle to increased risk of leverage, while equity financing may cause existing shareholders to suffer dilution. Agnico-Eagle is permitted under the terms of its recently amended bank credit facility to raise additional debt financing provided that it complies with certain covenants, including that no default under the credit facility has occurred and is continuing, the terms of such indebtedness are no more onerous to Agnico-Eagle than those under the credit facility and the incurrence of such indebtedness would not result in a material adverse change in respect of Agnico-Eagle or the LaRonde Mine. Agnico-Eagle cannot assure that it would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

***If Agnico-Eagle fails to comply with restrictive covenants in its bank credit agreement, Agnico-Eagle's loan availability could be limited and Agnico-Eagle may be in default under other debt agreements, which could harm Agnico-Eagle's business***

Agnico-Eagle's \$100 million revolving bank credit facility limits, among other things, Agnico-Eagle's ability to incur additional indebtedness, pay dividends or make payments in respect of its common shares, make investments or loans, transfer Agnico-Eagle's assets, or make expenditures relating to property secured under the credit agreement at that time that is not consistent with the mine plan and operating budget delivered pursuant to the credit agreement. Further, the credit agreement requires Agnico-Eagle to maintain specified financial ratios and meet financial condition covenants. Events beyond Agnico-Eagle's control, including changes in general economic and business conditions, may affect Agnico-Eagle's ability to satisfy these covenants, which could result in a default under the credit agreement. While there are currently no amounts of principal or interest owing under the credit agreement, if an event of default under the credit agreement occurs, Agnico-Eagle would be unable to draw down on the facility, or if amounts were drawn down at the time of the default, the lenders could elect to declare all principal amounts outstanding thereunder at such time, together with accrued interest, to be immediately due and payable and to enforce their security interest over substantially all property relating to the LaRonde Mine and the El Coco property. An event of default under the credit agreement may also give rise to an event of default under existing and future debt agreements and, in such event, Agnico-Eagle may not have sufficient funds to repay amounts owing under such agreements.

***The mining industry is highly competitive and Agnico-Eagle cannot assure that it will be successful in competing for new mining properties***

Many companies and individuals are engaged in the mining business, including large, established mining companies with substantial capabilities and long earnings records. There is a limited supply of desirable mineral lands available for claim staking, lease or other acquisition in the areas where Agnico-Eagle contemplates conducting exploration activities. Agnico-Eagle may be at a competitive disadvantage in acquiring mining properties, as it must compete with these individuals and companies, many of which have greater financial resources and larger technical staffs than Agnico-Eagle. Accordingly, Agnico-Eagle cannot assure that it will be able to compete successfully for new mining properties.

***Mineral reserve and mineral resource estimates are only estimates and Agnico-Eagle cannot assure that such estimates will be correct***

The figures for mineral reserves and mineral resource presented herein are estimates, and Agnico-Eagle cannot assure that the anticipated tonnages and grades will be achieved or that the indicated level of recovery of gold will be realized. The ore grade actually recovered by Agnico-Eagle may differ from the estimated grades of the mineral reserves and mineral resource. Such figures have been determined based on assumed gold prices and operating costs. Agnico-Eagle has estimated proven and probable mineral reserves

based on a \$360 per ounce gold price, which is the three-year average daily price during 2004, 2003 and 2002. While gold prices have generally been above \$360 per ounce since mid-2003, for the six years prior to that the market price of gold was, on average, below \$360 per ounce. Based on the metals price and exchange rate assumptions used in the 2005 LaRonde Mineral Reserve and Mineral Resource Estimate, a 10% decrease in the gold price would result in an approximately 7% decrease in proven and probable reserves. Prolonged declines in the market price of gold may render mineral reserves containing relatively lower grades of gold mineralization uneconomic to exploit and could materially reduce Agnico-Eagle's reserves. Should such reductions occur, Agnico-Eagle could be required to take a material write-down of its investment in mining properties or delay or discontinue production or the development of new projects, resulting in increased net losses and reduced cash flow. Market price fluctuations of gold, as well as increased production costs or reduced recovery rates, may render mineral reserves containing relatively lower grades of mineralization uneconomical to recover and may ultimately result in a restatement of mineral resources. Short-term factors relating to mineral reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may impair the profitability of a mine in any particular accounting period.

Mineral resource estimates for properties that have not commenced production are based, in most instances, on very limited and widely spaced drill hole information, which is not necessarily indicative of conditions between and around the drill holes. Accordingly, such mineral resource estimates may require revision as more drilling information becomes available or as actual production experience is gained. For more information, see "Notice to Riddarhyttan Shareholders Resident in the United States Cautionary Note to Riddarhyttan Shareholders Concerning Estimates of Measured and Indicated Resources" and " Cautionary Note to Riddarhyttan Shareholders Concerning Estimates of Inferred Resources".

***Due to the nature of Agnico-Eagle's mining operations, Agnico-Eagle faces a material risk of liability, delays and increased production costs from environmental and industrial accidents and pollution, and Agnico-Eagle's insurance coverage may prove inadequate to satisfy future claims against Agnico-Eagle***

The business of gold mining is generally subject to certain types of risks and hazards, including environmental hazards, industrial accidents, unusual or unexpected rock formations, changes in the regulatory environment, cave-ins, rock bursts, rock falls and flooding and gold bullion losses. Such occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. Agnico-Eagle carries insurance to protect itself against certain risks of mining and processing in amounts that it considers to be adequate but which may not provide adequate coverage in certain unforeseen circumstances. Agnico-Eagle may also become subject to liability for pollution, cave-ins or other hazards against which it cannot insure or against which it may elect not to insure because of high premium costs or other reasons or Agnico-Eagle may become subject to liabilities which exceed policy limits. In such case, Agnico-Eagle may be required to incur significant costs that could have a material adverse effect on its financial performance and results of operations.

In the first quarter of 2004, two accidents claimed the lives of an employee and a contract miner. Quebec's Commission de la santé et de la sécurité du travail completed an investigation into these accidents, and Agnico-Eagle paid fines totalling C\$27,500 in respect of these accidents. Also, in January 2005, an accident claimed the life of an employee. The Commission de la santé et de la sécurité du travail has initiated an investigation into this accident. Other than the investigations discussed above, no regulatory or other action has been initiated against Agnico-Eagle in connection with these industrial accidents.

***Agnico-Eagle's operations are subject to extensive laws and government regulations, which could cause a reduction in levels of production, delay or the prevention of the development of new mining properties or otherwise cause it to incur costs that adversely affect Agnico-Eagle's results of operation***

Agnico-Eagle's mining and mineral processing operations and exploration activities are subject to the laws and regulations of federal, provincial, state and local governments in the jurisdictions in which Agnico-Eagle operates. These laws and regulations are extensive and govern prospecting, development, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances,

environmental protection, mine safety and other matters. Compliance with such laws and regulations increases the costs of planning, designing, drilling, developing, constructing, operating, closing, reclaiming and rehabilitating mines and other facilities. Amendments to current laws and regulations governing operations and activities of mining companies or more stringent implementation or interpretation thereof could have a material adverse impact on Agnico-Eagle, cause a reduction in levels of production and delay or prevent the development of new mining properties.

In January 2003, Agnico-Eagle received a notice of infraction from the Quebec Ministry of the Environment in connection with a controlled discharge of water of excess toxicity, which was carried out over a three-month period in the summer of 2002. The purpose of the discharge was to establish favourable construction conditions for the increase of tailings pond capacity in the autumn of 2002. No fine was payable in respect of the notice of infraction, however, the notice required production of a report detailing the causes of algae proliferation at the LaRonde Mine, which was delivered in 2003. In March 2005, Agnico-Eagle received a further notice of infraction in connection with a planned, controlled and pre-approved special effluent discharge that occurred during the third and fourth quarters of 2004. No fine was payable in respect of the notice of infraction. Certain information regarding water treatment management at the LaRonde Mine that was requested by the notice of infraction has been provided to the Ministry of the Environment.

Under mine closure plans originally submitted to the Minister of Natural Resources in Quebec, the estimated current reclamation costs for the LaRonde Division and the Bousquet property are approximately \$18 million and \$3 million, respectively. The plans and related asset reclamation costs submitted have subsequently been amended to reflect changes in circumstances surrounding each property. These amended reclamation plans are subject to approval by the Minister of Natural Resources and there can be no assurance that the Minister of Natural Resources will not impose additional reclamation obligations with attendant higher costs. In addition, the Minister of Natural Resources may require that Agnico-Eagle provide financial assurances to support such plans. At December 31, 2004, Agnico-Eagle had a total reclamation provision of \$11.6 million, with \$5.8 million allocated for the LaRonde Division and \$5.8 million allocated for Bousquet.

Prior to January 1, 2003, reclamation costs were accrued on an undiscounted unit-of-production basis, using proven and probable reserves as the base. On this basis, Agnico-Eagle recorded its annual reclamation provision for the LaRonde Division at approximately \$5 per ounce of gold produced. Effective January 1, 2003, Agnico-Eagle adopted the provisions of Financial Accounting Standards Board Statement No. 143 relating to asset retirement obligations, which applies to long-lived assets such as mines. The application of the new provisions resulted in Agnico-Eagle recording a one-time, net of tax, non-cash charge of \$1.7 million on January 1, 2003 reflecting the cumulative effect of adopting this standard.

***Fluctuations in foreign currency exchange rates in relation to the U.S. dollar may adversely affect Agnico-Eagle's results of operations***

Agnico-Eagle's operating results and cash flow are significantly affected by changes in the Canadian dollar/U.S. dollar exchange rate. Exchange rate movements can have a significant impact as all of Agnico-Eagle's revenues are earned in U.S. dollars but most of its current operating and capital costs are in Canadian dollars and, if the offer is successfully completed, will also be in Swedish kronor and in Euro in respect of Ridderhyttan's costs. The Canadian dollar/U.S. dollar exchange rate has varied significantly over the last several years. During the period from January 1, 1999 to December 31, 2004, the noon buying rate fluctuated from a high of C\$1.6128 to a low of C\$1.1775. For more information, see "Presentation of Financial Information and Other Numerical Data - Currency, Exchange Rate and Metric Conversion Data". Historical fluctuations in the Canadian dollar/U.S. dollar exchange rate are not necessarily indicative of future exchange rate fluctuations. Based on Agnico-Eagle's anticipated 2005 after-tax operating results, a 10% change in the average annual Canadian dollar/U.S. dollar exchange rate would affect net income by approximately \$0.10 per share. To mitigate its foreign exchange risk and minimize the impact of exchange rate movements on operating results and cash flow, Agnico-Eagle has periodically used foreign currency options and forward foreign exchange contracts to purchase Canadian dollars and Agnico-Eagle may do so again in the future if appropriate. However, Agnico-Eagle cannot assure that its foreign exchange derivatives



strategies will be successful or that foreign exchange fluctuations will not materially adversely affect Agnico-Eagle's financial performance and results of operations.

***Fluctuating interest rates on Agnico-Eagle's outstanding debt may adversely affect its results of operations***

Fluctuations in interest rates can affect Agnico-Eagle's results of operations and cash flows. Agnico-Eagle's 4.50% convertible subordinated debentures due 2012 are at a fixed rate of interest, however these fixed rate payments have been swapped for variable rate payments until February 2006 (see note 4(a) to the consolidated financial statements of Agnico-Eagle included in this Offer Document) and thus are subject to risks inherent with interest rate fluctuations. Agnico-Eagle's bank debt and cash balances are subject to variable interest rates.

***Riddarhyttan's shareholders resident in the United States may have difficulty bringing actions and enforcing judgments against Agnico-Eagle, its directors and its executive officers based on the civil liabilities provisions of the federal securities laws or other laws of the United States or any state thereof***

Agnico-Eagle is organized under the laws of the Province of Ontario, Canada pursuant to the *Business Corporations Act* (Ontario). The enforcement by investors of civil liabilities under U.S. or Swedish securities laws may be affected adversely by the fact that (i) most of Agnico-Eagle's directors and officers are residents of Canada, (ii) certain of the financial advisors named in the Offer Document are residents of Canada, and (iii) a significant portion of the assets of Agnico-Eagle and said persons are located outside the United States and Sweden.

**PRESENTATION OF FINANCIAL INFORMATION AND OTHER NUMERICAL DATA****Financial Presentation**

Effective January 1, 2002, Agnico-Eagle changed its primary basis of financial reporting from Canadian generally accepted accounting principles to United States generally accepted accounting principles ("U.S. GAAP") due to its substantial U.S. shareholder base and to maintain comparability with other gold mining companies. All references in this Offer Document to the financial results of Agnico-Eagle are to those calculated under U.S. GAAP.

Effective January 1, 2005, Riddarhyttan changed its primary basis of financial reporting from Swedish generally accepted accounting principles to international financial reporting standards ("IFRS") in compliance with applicable accounting rules. All references in this Offer Document to the financial results of Riddarhyttan are stated or, to the extent necessary, have been restated in accordance with IFRS.

**Currency, Exchange Rate and Metric Conversion Data****Currency**

Agnico-Eagle publishes its consolidated financial statements in United States dollars. Unless otherwise indicated, "\$", "US\$", "U.S. dollar" or "dollar" in this Offer Document refer to United States dollars, "SEK" refers to Swedish kronor, "euro" or "EUR" refers to Euro and "C\$" refers to Canadian dollars. Unless otherwise indicated, any reference in this Offer Document to a conversion between US\$ and SEK or between US\$ and C\$ is given as at July 22, 2005. As at that date, the noon buying rates in The City of New York for cable transfers in Swedish kronor and Canadian dollars as certified for customs purposes by the Federal Reserve Bank of New York were US\$1.00 = SEK 7.8221 and US\$1.00 = C\$1.2179, respectively. These rates should not be construed as a representation by Agnico-Eagle that SEK or C\$ amounts actually represent these U.S. dollar amounts, or vice versa, or that a conversion could be made at the rate indicated, or any other rate, or at all. Certain amounts and percentages included in this Offer Document have been rounded and accordingly may not add up to the totals.

**Exchange Rate**

The following tables show the rates of exchange for a Swedish krona per U.S. dollar in effect at the end of certain periods. The high, low and the average rates of exchange for the periods are also shown.

	Years Ended December 31,				
	2004	2003	2002	2001	2000
	(SEK)				
High for period	7.773	8.792	10.729	11.027	10.36
Low for period	6.594	7.195	8.695	9.325	8.353
Average for period	7.346	8.078	9.723	10.340	9.174
End of period	6.669	7.195	8.693		