AGNICO-EAGLE MINES LIMITED

News Release

Stock Symbol: AEM (NYSE and TSX)

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(All amounts expressed in U.S. dollars unless otherwise noted)

AGNICO-EAGLE RELEASES ANNUAL PRODUCTION GROWTH PLAN; 2011 CASH DIVIDEND INCREASED BY 256%

Toronto (December 15, 2010) – Agnico-Eagle Mines Limited ("Agnico-Eagle" or the "Company") is pleased to announce that its Board of Directors has approved the payment of a quarterly cash dividend for 2011 of $0.16 per common share ($0.64 per year). The first of these dividends will be paid on March 15, 2011 to shareholders of record as of March 1, 2011. Agnico-Eagle has now declared a cash dividend to its shareholders for 29 consecutive years.

"We are pleased to announce a 256% increase to our longstanding dividend. As we continue to grow our gold output and increase cash flows over the next several years, our goal is to further increase our dividend yield", said Sean Boyd, Vice Chairman and CEO. "Furthermore, we expect our operations to generate sufficient cash flows to fund our internal mine expansions, the development of the new Meliadine mine project and investments in other growth and exploration initiatives" added Mr. Boyd.

Highlights of this corporate update include:

- 2011 dividend of $0.64 per share will be declared and paid quarterly in the amount of $0.16 per share
- Payable gold production[1] forecast to increase by approximately 18% in 2011 to between 1.13 million ounces and 1.23 million ounces. Total cash costs per ounce[2] in 2011 are expected to be in the range of $420 to $470
- Payable gold production forecast to increase to approximately 1.5 million ounces by 2014
- Meliadine and several internal expansion projects anticipated to support gold production growth beyond 1.5 million ounces post 2014

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[1] Payable production means the quantity of a mineral produced during a period contained in products that are sold by the Company, whether such products are sold during the period or held as inventory at the end of the period.
[2] Total cash costs per ounce is a non-GAAP measure. For reconciliation of historical total cash costs per ounce to production costs, as reported in the Company's historical financial statements, please see the Company's financial statements and Form 20-F, as filed with US and Canadian securities regulators.

- Exploration upside at existing assets remains intact with a record expenditure of approximately $142 million budgeted for 2011, an increase of approximately 30% from 2010

Exploration Program

Details of Agnico-Eagle's recent 2010 exploration results, as well as its planned 2011 exploration activities are outlined in a separate press release issued today by the Company. A copy of the exploration press release can be downloaded from the Company's website at www.agnico-eagle.com

Conference Call Tomorrow - December 16

The Company's senior management will host a conference call on Thursday, December 16, 2010, at 9:45 AM (E.S.T.). to provide an update on the Company's corporate strategy and future growth plans including a review of recent exploration results and the planned future exploration activities.

Via Telephone:
Please dial 416-644-3415 or Toll-free 877-974-0448. To ensure your participation, please call approximately five minutes prior to the scheduled start of the call.

Audio Replay archive:
Please dial the 416-640-1917 or Toll-free 877-289-8525, access code 4392276#.
The conference call replay will expire on Thursday, December 30, 2010.

Five Year Plan Outlines Further Production Growth

The Company is announcing its production and cost guidance for the five-year period of 2011 through 2015.

In 2011, payable gold production is expected to be in the range of 1.13 million and 1.23 million ounces. Total cash costs per ounce in 2011 are expected to be in the range of $420 to $470 representing good cost control at the mines.

For the period of 2012 through 2015, the Company expects to produce an average of 1.36 million ounces of gold per year at total cash costs averaging $432 per ounce.

Estimated Payable Gold Production and Total Cash Costs per Ounce	2011	2012	2013	2014	2015
Payable Gold Production					
LaRonde	157,200	212,800	280,100	333,100	330,200
Goldex	183,500	185,500	183,800	175,100	172,500
Lapa	124,800	118,700	107,500	125,100	11,200
Kittila	149,700	178,200	176,500	168,200	168,400
Pinos Altos	168,400	179,400	170,500	169,000	180,200
Pinos Altos - Creston Mascota	30,600	57,500	57,000	54,500	49,100
Meadowbank	361,600	369,500	415,300	470,300	340,300
	1,175,800	1,301,600	1,390,700	1,495,300	1,251,900
Total cash costs per ounce					
LaRonde	$54	$316	$385	$393	$406
Goldex	349	374	330	339	330
Lapa	518	540	588	484	599
Kittila	548	467	495	519	523
Pinos Altos	400	390	335	306	346
Pinos Altos - Creston Mascota	439	314	291	292	297
Meadowbank	597	655	489	431	492
	$439	$472	$429	$407	$423

The Company reports under U.S. Generally Accepted Accounting Principles ("U.S. GAAP") rather than International Financial Reporting Standard ("IFRS"). Differences exist in the mining industry between U.S. GAAP and IFRS accounting standards, with the most significant recurring adjustment relating to accounting for production phase stripping costs. In 2011, and in 2012, the Company will be going through a phase of particularly intensive production phase stripping at both Meadowbank and Pinos Altos. Under U.S. GAAP all of these stripping costs flow through production costs. Under IFRS a portion of these stripping costs would be capitalized as mine development costs. Agnico-Eagle estimates the 2011 impact of reporting under IFRS would be to reduce the reported total cost per ounce by approximately $18 at Meadowbank and approximately $69 at Pinos Altos when compared with U.S. GAAP. Company-wide, the 2011 total cash cost per ounce of produced gold would be approximately $16 lower in 2011 under IFRS than under U.S. GAAP.

Total cash costs per ounce for all years were calculated using the following metals prices and exchange rates (royalties included where applicable):

Assumptions	2011 through 2015
Gold (US$/oz.)	$1,050
Silver (US$/oz.)	$22.00
Copper (US$/lb.)	$3.18
Zinc (US$/lb.)	$0.95
C$/US$	1.03
US$/Euro	1.30

Changes in the assumptions would have the following effects on total cash costs per ounce.

Impact on Total Cash Costs per Ounce	2011
$1/oz change in price of Silver	$5
$200/dmt change in price of Copper	$1
$100/dmt change in price of Zinc	$6
1% change in C$/US$	$5
1% change in US$/Euro	$1

Several Growth Projects Not Yet Considered in Five Year Production Plan

The current five year plan shows annual gold production peaking in 2014 at approximately 1.5 million ounces. However, these forecasts do not currently include the following expansion and development projects:

Name	Project	Project Status	Next News	Potential First Production
Kittila	50% Expansion	Feasibility Study Underway	Q3, 2011 Study Review	2014
Meliadine	New Mine	Resource Conversion	2011-2013 Feasibility Study	2015

Additionally, there are other advanced exploration projects which may eventually contribute to expansion, or extensions of the lives of the mines. The most significant are presented in the table below.

Name	Project	Project Status	Next News
Goldex	D Zone	Drilling	2011 Resource Estimation
Bousquet	Zone 5	Resource Expansion	2011 Drill Results
Lapa	East Resource	Exploration Drifting	2011 Resource Conversion
Ellison	Westwood Extension	Drilling	2011 Results
Pinos Altos	Cubiro and Sinter	Drilling	2011 Results
Meadowbank	Underground Mine	Resource Expansion	2011 Drill Results
Meadowbank	Vault Pit Expansion	Resource Conversion	2012 Reserve Estimation

While the studies are not yet completed on any of these projects, and in some cases remain early stage, several have a currently defined resource. A brief description of the larger, and most advanced, potential growth projects follows.

Kittila Expansion

Reflecting the continued growth of the Kittila orebody, a feasibility study is underway regarding an initial expansion. The study is expected to be completed in the third quarter of 2011 and is evaluating the potential for an expansion of at least 50% in throughput.

Production at the higher rate may commence as early as the second half of 2014. Capital requirements are expected to be in the range of $250 million to $300 million, spread out over the period of 2012 through 2014. Operating costs are expected to be lower than the current estimates anticipated for the life of mine at Kittila as a result of economies of scale.

Meliadine Project

In July 2010, Agnico-Eagle completed the acquisition of the Meliadine deposit in Nunavut in the Canadian Arctic. Pending further drilling and a feasibility study, this large gold deposit is expected to have first production late in 2015 or early 2016.

Scenarios currently being considered range in size from 6,000 tonnes per day ("tpd") to 8,000 tpd with a combination of open pit and underground mining.

Production rates are anticipated to be in the range of 350,000 ounces to 400,000 ounces per year over a 12 to 15 year mine life. The deposit remains wide open for further expansion. The property covers 80 km of strike length and multiple favourable targets will be tested in the next two years.

Based on the Company's experience at its Meadowbank mine, capital expenditures are expected to be in the range of $700 million to $800 million with operating costs in the neighbourhood of those at Meadowbank. Capital expenditures are expected to be spread out over the 2012 to 2015 period.

Between March and October of 2010, 128 holes were drilled at Meliadine with promising results. These holes were on the Tiriganiaq, F and Wolf zones as well as the newly explored Wesmeg zone (for more information on drill results please see our exploration news release which was also released today).

For 2011, the overall budget for Meliadine is $67 million, including $41 million for exploration, taking an underground bulk sample and erecting a permanent exploration camp. Other work will include permitting and preparation for construction of an all-season road to link the site to the port facilities at Rankin Inlet.

Goldex D Zone Developing

The Company is currently drilling the deeper mineralization at Goldex. The D zone is located approximately 150 metres below the mine workings of the GEZ deposit. Although not yet fully defined, the D zone is very similar in geology and style of mineralization as that of the GEZ. Four drill rigs are testing the D zone.

To date, the D zone mineralization has been traced over a length of almost 400 metres, with a vertical height of at least 400 metres and with an estimated thickness of 100 metres or more (which are similar dimensions to the GEZ deposit). The zone has been followed down to a depth of approximately 1300 metres below surface (where it remains open for expansion in all directions).

An initial resource estimate is expected in 2011 with the ultimate goal of extending the mine life at Goldex. Over 58,000 metres of diamond drilling and $5.8 million have been budgeted for exploration at Goldex in 2011 and will principally target resource expansion for the D zone. Pending the results of a 2011 mining study, a reserve conversion program will be planned. Positive results from the D zone could significantly extend the mine life at Goldex.

The results of selected drill holes, completed since August 2010, are reported separately in the Company's exploration news release issued today.

Bousquet

The Company is evaluating the production potential of the Bousquet Zone 5 open pit, a deposit approximately three kilometres west of LaRonde. Agnico-Eagle is targeting completion of the first stage of drill activity (consisting primarily of twinning and resampling historic holes) by the end of 2010. It is anticipated that this drilling will lead to an initial resource estimate as of December 31, 2010, part of the annual year-end resource and reserve statement.

A scoping study is expected to be completed in the second half of 2011.

Lapa

The Company continues its Lapa exploration program and plans to invest a further $3.6 million in 2011 to extend the underground exploration drift on Level 101 a further 0.8 kilometres. The Level 101 exploration drift (which is expected to be completed in 2011) will provide underground exploration access to the Zulapa Corridor target, and to the extension of the Lapa Contact Zone to the east of the main orebody.

Ellison – Exploration Success on Westwood Boundary

During 2010, the Company has continued to drill the extension of Iamgold Corporation's Westwood deposit on Agnico-Eagle's Ellison property. Ellison is located immediately west of the Company's LaRonde and Bousquet properties in the Abitibi region of Quebec, and immediately east of the Westwood gold project. The Company recently intersected 8.0 grams per tonne ("gpt") gold with 0.11% copper over an estimated true width of 13.3 metres. Included in this intercept was a higher grade interval of 14.1 gpt gold and 0.16% copper over 7.0 metres.

These are the first holes to identify the presence of significant gold mineralization on the down-dip extension of Westwood on Ellison. A follow-up exploration program, designed to trace the zone to the east and possibly define a new gold resource, is planned for Ellison in 2011 at a budget of $4.8 million. The potential exists for a large gold resource with similar geology to the LaRonde Extension.

A shaft is currently being sunk on the Westwood deposit by Iamgold as part of the development of the orebody.

Pinos Altos – Cubiro and Sinter

The Cubiro deposit is close to the Creston Mascota project in the northwest quadrant of the Pinos Altos property. Cubiro is approximately eight kilometres from the main Santo Nino deposit.

Cubiro, a discovery by Agnico-Eagle, is a steeply dipping deposit that is exposed on surface. An underground exploration program and scoping study are being planned with the goal of converting resource to reserve and extending the zone to the northwest at depth.

The Sinter deposit is located approximately two kilometres north of the main Santo Nino zone at Pinos Altos in Chihuahua state, Mexico. It is being examined as a possible source of open pit ore for the mill at Pinos Altos. This would effectively extend the mine life of Pinos Altos.

Meadowbank – Vault Pit Expansion

The Vault deposit, approximately seven kilometres north of the main Portage deposit at Meadowbank, is currently in the mine plan.

However, recent exploration has suggested that the proposed pit may extend significantly to the south and east. It is anticipated that this additional mineralization could extend the life of the Meadowbank mine.

Meadowbank Underground

The southern end of the Meadowbank deposit continues to be drilled and currently has a significant resource. The exploration program in 2011 is expected to continue to investigate the grade, thickness and continuity of the mineralization with the goal of eventually converting to reserves which could be mined by underground methods.

Capex Fully-Funded – Free Cash Flow Expected To Increase

Agnico-Eagle has successfully completed its major construction phase during which the Company spent approximately $3 billion since the beginning of 2007. With most of the mines at, or approaching, steady state operation, the remaining capital expenditures are expected to be primarily for expansions at the existing mines and to build the new Meliadine mine project.

The Company's balance sheet is well positioned to fund these initiatives. The cash balance at September 30, 2010 was approximately $148 million. Additionally, the Company had approximately $1.1 billion available under its credit facilities and expects to generate significant cash flows from its operations in 2011 and beyond.

Capital expenditures are expected to total approximately $313 million in 2011. This includes $272 million at the mines, as broken out in the table below. Additionally, approximately $41 million is expected to be spent on capitalized exploration. The total $145 million exploration budget is a record high for the Company and is up approximately 30% from 2010.

2011 Capital Expenditures		Exploration Budget	
($, thousands)	Capital Budget	Capitalized	Expensed
LaRonde Sustaining	41,155	4,037	
LaRonde Depth Extension	54,701		
Goldex	26,356	5,821	
Lapa	14,116	5,508	
Meadowbank	52,563	7,373	
Kittila	51,997	15,581	
Pinos Altos	25,721	2,187	
Creston Mascota construction	5,548		
Grassroots exploration			101,317
Corporate Devt. & Project Evaluations			3,203
Total	272,157	40,507	104,520

The $272 million budgeted for 2011 (compared to previous guidance of $178 million) includes significant investments in infrastructure, upgrading operating equipment and in efficiency improvements at most mines. It also includes approximately $14 million which was budgeted, but not spent, in 2010 and will be carried over to 2011. Descriptions of several of the major investments by mine are presented below. The capital components listed below are for the amounts expected to be spent in 2011.

Mine	Project	Impact	Estimated Capital ($, millions)
LaRonde	CIP/HDS for Laronde Extension	Lower opex	25.0
Goldex	M & E Zone development	Extend LOM	4.3
Lapa	Underground equipment upgrades	Lower opex	1.6
Kittila	Expansion study. Acceleration of 2012 underground development	50% higher gold production	13.7
Pinos Altos	Underground infrastructure, equipment & tailings management	Optimization	13.0
Meadowbank	Permanent secondary crusher	Lower opex	13.0

The following link may be pasted into a web browser for more detailed information on the capital expenditures by project, by year.

EstimatedCapitalExpenditures_Dec2010

The capital expenditures, as presented in the linked slide, do not consider several possible expansion and growth projects which the Company is currently evaluating. However, through 2015, the Company expects to remain self-funding as significant internal cash flow is expected to be generated from the mines and from the sale of approximately 6.6 million ounces of gold and the associated byproduct metals.

It is an objective of the Company's management to continue to increase its dividend to shareholders going forward.

Operating Forecast By Mine

LaRonde's Steady-State Performance Continues

In 2011, LaRonde is expected to produce approximately 157,000 ounces of gold at total cash costs of $54 per ounce.

From 2012 through 2015, average annual gold production of approximately 290,000 ounces is expected, reflecting the higher gold grades of the deeper LaRonde Extension.

Minesite costs per tonne[3] at LaRonde are expected to be approximately C$80 in 2011. For the period of 2012 through 2015, minesite costs per tonne are expected to average C$81.

From 2012 through 2015, total cash costs per ounce are expected to average approximately $381 as byproduct revenues are projected to decline significantly, largely due to lower zinc grades at depth. However, depending on prevailing byproduct prices over the next several years, the potential exists to extend the life of the upper mine by mining lower grade (predominantly zinc) ore that becomes economic. The effect of this would likely be lower total cash costs per ounce due to the byproduct credits.

The table in the following link presents more detailed data on the LaRonde mine, including projections of tonnes, grades, mill recoveries, payable metal production and Canadian dollar minesite costs per tonne.

LaRondeOperationsForecast_Dec2010

Goldex Operating Above Design Rates

In 2011, payable gold production at Goldex is expected to be approximately 184,000 ounces, while from 2012 through 2015, the expected average gold production is approximately 179,000 ounces annually.

Minesite costs per tonne at Goldex are expected to be approximately C$22 in 2011. For the period of 2012 through 2015 minesite costs per tonne are expected to average $22, representing one of the lowest cost hardrock underground operations in the gold industry.

In 2011, total cash costs at Goldex are expected to be approximately $349 per ounce. From 2012 through 2015, total cash costs per ounce are expected to average approximately $344.

The table in the following link presents more detailed data on the Goldex mine, including projections of tonnes, grades, mill recoveries, payable metal production and Canadian dollar minesite costs per tonne.

[3] Minesite costs per tonne is a non-GAAP measure. For reconciliation of this measure to production costs, as reported in the Company's historical financial statements, please see the Company's financial statements and Form 20-F, as filed with US and Canadian securities regulators.

GoldexOperationsForecast_Dec2010

Lapa Mine Operating at Steady State

In 2011, payable gold production at Lapa is expected to be approximately 125,000 ounces, while from 2012 through 2014, the expected average gold production is approximately 117,000 ounces annually. According to the current mine plan, the last year of the mine's life is a partial year in 2015. The Company is investing $5.5 million into a new exploration drift and drilling to explore to the east along the favourable Cadillac Break, with the goal of extending the mine's life.

Minesite costs per tonne at Lapa are expected to be approximately C$118 in 2011. For the period of 2012 through 2014, minesite costs per tonne are expected to average C$120.

In 2011, total cash costs at Lapa are expected to be approximately $518 per ounce. From 2012 through 2014, total cash costs per ounce are expected to average $535.

The following link presents more data on the Lapa mine including projections of tonnes, grades, mill recoveries, payable metal production and Canadian dollar minesite costs per tonne.

LapaOperationsForecast_Dec2010

Kittila Mine Approaching Steady State

In 2011, payable gold production at Kittila is expected to be approximately 150,000 ounces, while from 2012 through 2015, the expected average gold production is approximately 173,000 ounces annually.

Minesite costs per tonne at Kittila are expected to be approximately €55 in 2011. For the period of 2012 through 2015 minesite costs per tonne are expected to average €61. The higher costs are mainly the result of the gradual transition to an underground operation.

In 2011, total cash costs at Kittila are expected to be approximately $548 per ounce. From 2012 through 2015, total cash costs per ounce are expected to average approximately $501.

The following link presents more detailed data on the Kittila mine, including projections of tonnes, grades, mill recoveries, payable metal production and local currency minesite cost per tonne.

KittilaOperationsForecast_Dec2010

Pinos Altos Now Exceeding Throughput Target

In 2011, payable gold production at Pinos Altos is expected to be approximately 168,000 ounces, while from 2012 through 2015, the expected average gold production is approximately 175,000 ounces annually. This increase reflects the de-bottlenecking of the mill with the installation of additional tailings filtration capacity in the second half of 2010.

Minesite costs per tonne at Pinos Altos are expected to be approximately $46 in 2011. For the period of 2012 through 2015 minesite costs per tonne are expected to average $48, as the mine continues its transition to underground operations.

In 2011, total cash costs at Pinos Altos are expected to be approximately $400 per ounce. From 2012 through 2015, total cash costs per ounce are expected to average $345.

The following link presents more detailed data on the Pinos Altos mine, including projections of tonnes, grades, mill recoveries, payable metal production and minesite cost per tonne.

PinosAltosOperationsForecast_Dec2010

Creston Mascota Expansion On Track To Commence Production in 2011

Construction on the Creston Mascota project is nearing completion. Payable gold production from Creston Mascota is expected to commence in early 2011, with approximately 31,000 ounces of gold expected to be produced next year. From 2012 through 2015, average gold production is expected to be 55,000 ounces per year.

Minesite costs per tonne at Creston Mascota are expected to be approximately $10 in 2011. For the period of 2012 through 2015 minesite costs per tonne are expected to average $15.

In 2011, total cash costs at Creston Mascota are expected to be approximately $439 per ounce. From 2012 through 2015, total cash costs per ounce are expected to average approximately $299.

The following link presents more detailed data on Creston Mascota, including projections of tonnes, grades, mill recoveries, payable metal production and local currency minesite cost per tonne.

CrestonMascotaOperationsForecast_Dec2010

Meadowbank Expected To Reach Design Capacity in the Third Quarter of 2011

In 2011, payable gold production at Meadowbank is expected to be approximately 362,000 ounces, reflecting a slower than expected ramp-up to design rates as a result of crushing issues. These issues are expected to be resolved in the third quarter of 2011 with the installation of a permanent secondary crushing unit, similar to one that was installed at Goldex. From 2012 through 2015, the expected average gold production is approximately 399,000 ounces annually.

Minesite costs per tonne at Meadowbank are expected to be approximately C$82 in 2011. For the period of 2012 through 2015 minesite costs per tonne are expected to average C$67. The drop in minesite costs is largely due to the expectation of improved throughput combined with a reduction in operating costs due to a number of operating improvements.

These expected improvements include reduced stripping, optimization of fuel consumption and reagents, improved equipment availability and the completion of a landing strip to permit larger aircraft to land resulting in reduced logistics costs.

In 2011, total cash costs at Meadowbank are expected to be approximately $597 per ounce. In 2012, the total cash costs per ounce are forecast to rise to approximately $655. Both of these levels are considerably higher than the life of mine average due to relatively high stripping ratios in those years (which must be expensed in the period they occur according to U.S. GAAP). For example, from 2013 through 2015, total cash costs per ounce are expected to average approximately $467, as stripping ratios decline and throughput increases.

The following link presents more detailed data on the Meadowbank mine, including projections of tonnes, grades, mill recoveries, payable metal production and Canadian dollar minesite costs per tonne.

MeadowbankOperationsForecast_Dec2010

Shareholders Can Reinvest Dividends In Shares At A Discount

Under the Company's Dividend Reinvestment Plan, shareholders have the opportunity to reinvest their dividends, commission-free, in shares of Agnico-Eagle, at 95% of the Average Market Price, as calculated under the Plan. Individual shareholders can purchase up to $20,000 worth of the Company's shares, commission-free, at the same price. Shareholders can obtain details of the Plan from the Company or via the internet by copying the following link into a browser.

DividendReinvestmentPlan

Executive Team Strengthened

The Board of Directors is pleased to announce, effective January 1, 2011, several new promotions among its senior management team. Congratulations are extended to: Ms. Louise Grondin, Senior Vice President, Environment and Sustainable Development (previously Vice President, Environment and Sustainable Development); Mr. David Smith has been appointed Senior Vice President, Investor Relations (previously Vice President, Investor Relations); Mr. Lino Cafazzo, Vice President, Information Technology (previously Corporate Director, Information Technology); Mr. Paul Cousin, Vice President, Metallurgy (previously Corporate Director, Metallurgy); Mr. Guy Gosselin, Vice President, Exploration (previously Exploration Manager, Eastern Canada); Mr. Luis Felipe Medina Vice President, Mexico (previously Regional Director, Mexico); and Mr. Yvon Sylvestre, Vice President, Technical Services and Construction (previously Mine Manager, Goldex).

About Agnico-Eagle

Agnico-Eagle is a long established Canadian gold producer with operations located in Canada, Finland and Mexico and exploration and development activities in Canada, Finland, Mexico and the United States. Agnico-Eagle's LaRonde Mine is Canada's largest operating gold mine in terms of reserves. The Company has full exposure to higher gold prices consistent with its policy of no forward gold sales. It has declared a cash dividend for 29 consecutive years.

For more information on the Company please visit www.agnico-eagle.com

Scientific and Technical Information

The contents of this news release have been prepared under the supervision of, and reviewed by, Marc Legault, P.Eng., Vice President Project Development and a “Qualified Person” for the purposes of the Canadian Securities Administrators’ National Instrument 43-101. The qualified person for the exploration program at Ellison is Guy Gosselin, Ing., VP, Exploration.

Forward-Looking Statements

The information in this press release has been prepared as at December 15, 2010. Certain statements contained in this press release constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information under the provisions of Canadian provincial securities laws. When used in this document, words such as "anticipate", "expect", "estimate," "forecast," "planned", "will", "likely" and similar expressions are intended to identify such forward-looking statements. Such statements include without limitation: the Company's estimates of production, including estimated ore grades, metal production, expansion and development project start-up dates, the timing and results of scoping and feasibility studies, life of mine horizons, forecast total cash costs and minesite costs, sensitivities of total cash costs per ounce and projected exploration and capital expenditures, including costs and other estimates upon which such projections are based; sufficiency of capital; the Company’s targeted increase in dividends; the Company’s cash position and other statements and information regarding anticipated trends with respect to the Company's operations and exploration. Such statements reflect the Company's views as at the date of this press release and are subject to certain risks, uncertainties and assumptions. Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by Agnico-Eagle as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The factors and assumptions of Agnico-Eagle contained in this news release, which may prove to be incorrect, include, but are not limited to, the assumptions set forth herein and that there are no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, damage to equipment, natural occurrences, political changes, title issues or otherwise; that permitting, development and expansion at each of Agnico-Eagle's development projects proceeds on a basis consistent with current expectations, and that Agnico-Eagle does not change its development plans relating to such projects; that the exchange rate between the Canadian dollar, European Union Euro, Mexican peso and the United States dollar will be approximately consistent with current levels or as set out in this press release or the Company’s Form 20-F referred to below; that prices for gold, silver, zinc and copper will be consistent with Agnico-Eagle's expectations; that prices for key mining and construction supplies, including labour costs, remain consistent with Agnico-Eagle's current expectations; that production meets expectations; that Agnico-Eagle's current estimates of mineral reserves, mineral resources, mineral grades and mineral recovery are accurate; that there are no material delays in the timing for completion of ongoing development projects; and that there are no material variations in the current tax and regulatory environment. Many factors, known and unknown, could cause the actual results to be materially different from those expressed or implied by such forward-looking statements. Such risks include, but are not limited to: the volatility of prices of gold and other metals; uncertainty of mineral reserves, mineral resources, mineral grades and mineral recovery estimates; uncertainty of future production, delays in equipment delivery and installation, capital expenditures, and other costs; currency fluctuations; financing of additional capital requirements; cost of exploration and development programs; mining risks; risks associated with foreign operations; governmental and environmental regulation; the volatility of the Company's stock price; and risks associated with the Company's byproduct metal derivative strategies. For a more detailed discussion of such risks and other factors, see the Company's Annual Information Form and Annual Report on Form 20-F for the year ended December 31, 2009, as well as the Company's other filings with the Canadian Securities Administrators and the U.S. Securities and Exchange Commission (the “SEC”). The Company does not intend, and does not assume any obligation, to update these forward-looking statements and information, except as required by law. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Certain of the foregoing statements, primarily related to projects, are based on preliminary views of the Company with respect to, among other things, grade, tonnage, processing, mining methods, capital costs, total cash costs, minesite costs, and location of surface infrastructure. Actual results and final decisions may be materially different from those currently anticipated.

Note Regarding Certain Measures Of Performance

This news release presents measures including “total cash costs per ounce” and “minesite costs per tonne” that are not recognized measures under US GAAP. This data may not be comparable to data presented by other gold producers. The Company believes that these generally accepted industry measures are realistic indicators of operating performance and useful for year-over-year comparisons. However, both of these non-GAAP measures should be considered together with other data prepared in accordance with US GAAP, these measures, taken by themselves, are not necessarily indicative of operating costs or cash flow measures prepared in accordance with US GAAP. A reconciliation of the Company’s total cash cost per ounce and minesite cost per tonne to the most comparable financial measures calculated and presented in accordance with US GAAP for the Company’s historical results of operations is set out in Note 1 to the financial statements of the Company for the period ended September 30, 2010 filed with the Canadian securities regulators and the SEC.