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

AGNICO EAGLE REPORTS SECOND QUARTER 2013 RESULTS SIGNIFICANT CAPITAL AND OPERATING COST REDUCTIONS ANNOUNCED 2013-2015 PRODUCTION GUIDANCE MAINTAINED

Toronto (July 24, 2013) – Agnico Eagle Mines Limited (NYSE:AEM, TSX:AEM) ("Agnico Eagle" or the "Company") today reported a quarterly net loss of $24.4 million, or $0.14 per share for the second quarter of 2013. This result includes a non-cash foreign currency translation gain of $11.1 million ($0.06 per share), non-cash stock option expense of $4.3 million ($0.02 per share), non-cash impairment loss on available for sale securities and mark-to-market loss on warrants of $20.5 million ($0.12 per share) and other non-recurring expense of $6.1 million ($0.03 per share) mostly relating to the Kittila maintenance shutdown. Excluding these items would result in an adjusted net loss of $4.6 million, or $0.03 per share. In the second quarter of 2012, the Company reported net income of $43.3 million, or $0.25 per share.

The financial results in the current quarter were negatively impacted by the much lower production from the Kittila mine due to a previously announced extended maintenance shutdown during the quarter. Consequently, the costs incurred by Kittila exceeded revenues during this period. The Company's quarterly performance was also impacted by negative settlement adjustments for byproduct metals at LaRonde and Pinos Altos, mainly due to silver prices that were 35% lower during the second quarter than in the preceding quarter. Outside of the shutdown at Kittila, the Company's operating performance was in line with its expectations.

For the first six months of 2013, the Company reported a net loss of $0.5 million, or nil per share. This compares with the first six months of 2012 when net income was $121.8 million, or $0.71 per share. Financial results in the 2013 period were negatively impacted by lower commodity prices and the Kittila shutdown in the second quarter, as discussed above.

Second quarter 2013 cash provided by operating activities was $75.3 million ($63.6 million before changes in non-cash components of working capital), compared to cash provided by operating activities of $194.1 million in the second quarter of 2012 ($142.0 million before changes in non-cash components of working capital).

For the first six months of 2013, cash provided by operating activities was $221.4 million ($198.1 million before changes in non-cash components of working capital), as compared with the first half of 2012 when cash provided by operating activities was $390.6 million ($323.3 million before changes in non-cash components of working capital).

The lower net income and cash provided by operating activities in 2013 was primarily due to lower realized metal prices and an extended maintenance shutdown at Kittila, as described above.

"Production for the second quarter was in line with our expectations, and we anticipate meeting our 2013 guidance with stronger second half production expected at LaRonde, Kittila and Meadowbank, and the planned start of production at Goldex," said Sean Boyd, President and Chief Executive Officer. "Given the current low gold price environment, we are in the process of reviewing all aspects of our business. Today we are announcing capital and other costs reductions of approximately $50 million for the remainder of 2013. Additionally, we estimate that 2014 capital expenditures at existing mines and projects will be in excess of $200 million lower than our previous estimate of approximately $600 million. In spite of these cost reductions and spending deferrals, our growth profile in 2014 and 2015 remains intact. " added Mr. Boyd.

Operating highlights include:

- **Second quarter 2013 production and costs in line with expectations –** Production is expected to be stronger in the second half of the year with lower cash costs, and improved cash flow. Production and cost performance for the first half of the year has been in line with Company expectations, given the previously announced maintenance shutdown at Kittila and mine sequencing during the year. 2013 production guidance remains at between 970,000 and 1,010,000 ounces of gold at total cash cost per ounce of $735 to $785.

- **Kittila autoclave restarted after completion of extended maintenance program –** Throughput and recoveries already at normal steady state levels. Autoclave modifications are expected to improve availability over time.

- **All aspects of business under review in the context of the current gold price environment –** Focus on reducing exploration spending, mine optimization aimed at reducing operating and capital costs, and evaluation of metal price assumptions used to calculate reserves and resources.

- **On track to meet production guidance of approximately 1.2 million ounces of gold by 2015**

- **Capital and cost reductions of approximately $50 million in 2013 and $250 million in 2014**

- **La India commissioning on track for year-end 2013 –** Project remains on schedule and on budget

Payable gold production[1] in the second quarter of 2013 was 224,089 ounces, including 5,389 ounces from Kittila, compared to 265,350 ounces in the second quarter of 2012 The lower level of production in the 2013 period was primarily due to the extended maintenance shutdown at Kittila. A description of the production and cost performance for each mine is set out below.

Given that the Kittila autoclave operated for only 14 days in the second quarter, the impact of its expenditures is excluded from total cash costs per ounce calculations. On that basis, total cash costs per ounce for the second quarter of 2013 were $785 per ounce. This compares with $660 per ounce in the second quarter of 2012. The higher cash cost per ounce in 2013 was largely attributable to lower byproduct revenue at LaRonde and Pinos Altos.

Payable gold production for the first half of 2013 was 461,064 ounces, including 48,534 ounces from Kittila, compared to payable gold production of 520,305 ounces in the comparable 2012 period, of which almost 82,000 ounces were from Kittila.

For the first half of 2013, total cash costs were $762 per ounce, excluding the second quarter impact of Kittila. This compares with $628 per ounce in the first six months of 2012 (including the Kittila operations). The lower production and higher costs in 2013 are due to the factors that impacted the second quarter, as mentioned above.

Production is expected to be stronger in the second half of 2013 due to resumption of production at Kittila, increased production at Creston Mascota, the ongoing ramp up of production from the deeper and richer levels of LaRonde, higher expected grades at Meadowbank, and the planned start of production at Goldex.

Agnico Eagle's production guidance for 2013 remains unchanged at 970,000 to 1,010,000 ounces of gold. Expected total cash costs per ounce are also unchanged at $735 to $785. For the full year 2013, expected all-in sustaining costs[2] remain approximately $1,100 per ounce.

In 2014, Agnico Eagle expects to have significant production growth from LaRonde (due to anticipated improvement in grades), Goldex (due to a planned full year of operations) and La India (due to the expected start of commercial production in 2014). The

[1] Payable production of a mineral means the quantity of mineral produced during a period contained in products that are sold by the Company whether such products are shipped during the period or held as inventory at the end of the period.

[2] All-in sustaining cost is a non-GAAP measure. The Company calculates all-in sustaining costs as the sum of total cash costs (net of byproduct credits), sustaining capital expense, corporate, general and administrative expense (net of stock option expense) and exploration expense. The Company's methodology for calculating all-in sustaining costs may not be similar to methodology used by other gold producers that disclose all-in sustaining cost. The Company may change the methodology it uses to calculate all-in sustaining costs in the future, including in circumstances where the World Gold Council adopts formal industry guidelines regarding this measure.

Company expects payable gold production to be in the range of 1,100,000 ounces to 1,140,000 ounces as previously announced in the Company's February 14, 2013 news release.

In 2015, further production growth is expected from LaRonde (due to higher grades) and Pinos Altos (due to anticipated mill optimization) with payable gold production expected to exceed 1,200,000 ounces, also as forecasted in the February 14, 2013 news release.

Review of Business Activities – Adjusting to a Lower Gold Price Environment

Given the recent decline in the gold price, the Company has initiated on a business review in order to optimize the asset base and enhance shareholder value. The Company is taking a measured approach to this process with both immediate and longer term cost reductions under consideration.

Optimization of Mine Plans

All mine plans are being reviewed with the goal of reducing capital and operating costs on an ongoing basis. For 2013, capital spending is now expected to be $597 million, a reduction of $24 million from the amount announced in the April 25, 2013 news release. This optimization program is not expected to have an impact on the gold production guidance for the 2013 to 2015 period.

Strategic Review of Exploration Activities

All regional exploration programs, minesite and joint venture activities are currently undergoing a process of prioritization. As a result, the 2013 exploration budget of $92 million has been reduced by approximately 22% to $72 million. Exploration spending for 2014 is expected to be approximately $50 million (including approximately $20 million of capitalized exploration expenses), which is a significant reduction from historical levels of approximately $100 million.

Review of Metal Price Assumptions Used to Develop Mine Plans

The Company plans to review the metal price assumptions used to calculate its cutoff grades and its mine plans. At lower gold prices, the cutoff grade typically rises. With higher grades expected to be delivered for processing, the intention is to generate higher profit margins.

Proven and probable reserves at shorter life assets were calculated using a gold price of $1,490 per ounce, while longer life mine reserves were calculated using a gold price of $1,345 per ounce (for further details see the February 13, 2013 news release). For a 10% change in the above gold prices (leaving all other assumptions unchanged), the Company estimates there would be a 4% change in proven and probable gold reserves.

The Company has analysed its operating mines and development projects for impairment as of June 30, 2013 and concluded no impairment charges were required. In the circumstances where the spot price of gold remains persistently low and the expectations of future realizable gold prices are lowered from current expectations, there is a possibility of future impairment charges to the Company's mining assets.

Dividend Maintained

Agnico Eagle has paid a dividend for 31 consecutive years. The Board of Directors has approved the next quarterly dividend of 22 cents per share to be paid on September 17, 2013 to shareholders of record as of September 3, 2013.

Other Expected Dividend and Record Dates for 2013

Record Date	Payment Date
Dec. 2	Dec. 16

Board of Directors

Agnico Eagle wishes to extend its deepest sympathy to the family of Mr. Douglas Beaumont, who passed away on June 30, 2013 and was a member of the Board of Directors since 1997. "Doug was an active and trusted member of our Board of Directors and served as a great resource to our technical group on many projects. Doug's experience, knowledge and above all, his friendship, will be missed by all of us", said James Nasso, Chairman of the Board.

Second Quarter 2013 Results Conference Call and Webcast Tomorrow

The Company's senior management will host a conference call on Thursday, July 25, 2013 at 11:00 AM (E.D.T.) to discuss financial results and provide an update of the Company's operating activities.

Via Webcast:
A live audio webcast of the meeting will be available on the Company's website homepage at www.agnicoeagle.com.

Via Telephone:
For those preferring to listen by telephone, please dial 416-644-3414 or Toll-free 1-800-814-4859. To ensure your participation, please call approximately five minutes prior to the scheduled start of the call.

Replay archive:
Please dial 416-640-1917 or Toll-free 1-877-289-8525, access code 4568955#.
The conference call replay will expire on August 26, 2013.

The webcast along with presentation slides will be archived for 180 days on the website.

Capital Expenditures

Capital expenditures in the second quarter of 2013 were $171.8 million, including $25.2 million at LaRonde, $22.3 million at Meadowbank, $24.8 million at Kittila, $11.3 million at Pinos Altos, $6.2 million at Lapa, and $4.8 million at Creston Mascota. Capital expenditures at development projects included $38.6 million at La India, $18.7 million at Goldex, and $17.4 million at Meliadine.

Capital expenditures for the first six months of 2013 were $302.4 million. For 2013, capital expenditures are expected to total approximately $597 million, representing a $24 million reduction from the previously announced figures. The majority of the Company's 2013 growth-related capital expenditure relates to the Goldex and La India mines, which are expected to be in full production next year.

The Company is in the process of reviewing future capital requirements, previously estimated at approximately $600 million per year for the next five or six years. The current estimate for 2014 is expected to be approximately $200 million lower than the previously announced figure, or approximately $400 million, and will be refined later this year during the regular budget process.

Approximately $80 million of the reduction relates to lower spending at Meliadine, however the project will continue to advance with approximately $45 million allocated to driving an exploration ramp and exploration drilling. The project is currently the subject of an updated technical study with results expected mid-2014. The timing of capital expenditures on the project beyond 2014 will be subject to Board approval and prevailing market conditions.

Liquidity – Balance Sheet Flexibility Maintained

Cash and cash equivalents totaled $136 million at June 30th, 2013, down from the March 31, 2013 balance of $264 million. The decline in the cash balance is largely due to the impact of lower production and lower metal prices on operating cash flows, which were lower than the level of capital expenditures. The outstanding balance on the Company's credit facility was $50 million at June 30, 2013, with available bank lines as of June 30, 2013 of approximately $1.15 billion. At current gold prices and related forecasts, the Company remains well within its debt covenants. The Company's debt is comprised of five separate series of notes, whose maturities are spread out over a seven-year period, with the earliest maturity being $115 million in 2017.

LaRonde – Cooling Plant Infrastructure Development Progressing Well

The 100% owned LaRonde mine in northwestern Quebec, Canada, began operation in 1988. Current mine life is estimated to be through 2026.

The LaRonde mill processed an average of 6,143 tonnes per day ("tpd") in the second quarter of 2013, compared to an average of 6,294 tpd in the corresponding period of 2012. The lower mill throughput in the current period was largely due to five days of scheduled mill maintenance being advanced from the third quarter of 2013 into the second quarter.

Work on the ventilation and cooling plant infrastructure continues on schedule with installation still expected to be completed in the fourth quarter of 2013, which should provide additional mining flexibility. In the second quarter of 2013, approximately 60% of the ore milled came from the deeper portion of the LaRonde mine. The proportion of production from the deeper mine ore is expected to increase over the course of the year as two higher grade deep pyramids are mined. The mined grade is expected to continue to increase towards the average reserve grade over the next several years.

Minesite costs per tonne[3] were approximately C$103 in the second quarter of 2013. These costs are higher than the C$97 per tonne experienced in the second quarter of 2012. The increase in costs is largely due to lower throughput, additional development work and general inflation during the quarter.

For the first six months of 2013, the LaRonde mill processed an average of 6,372 tpd, compared to 6,690 tpd in the first six months of 2012. Minesite costs per tonne were approximately C$100, compared to C$93 per tonne in the first six months of 2012. Costs were higher due to the reasons described above.

On a per ounce basis, net of byproduct credits, LaRonde's total cash costs per ounce were $927 in the second quarter of 2013 on production of 46,119 ounces of gold. This compares with the second quarter of 2012 when total cash costs per ounce were $784 on production of 40,206 ounces of gold.

The increase in total cash costs per ounce was mainly due to lower byproduct metal prices and production volumes (approximate impact of $184 per ounce) as the mine transitions to more gold-rich ore at depth, negative settlement adjustments on byproducts (impact of $90 per ounce) and higher minesite costs per tonne (as previously mentioned). Silver and zinc production in the second quarter of 2013 was 20% and 64% lower, respectively, compared to the second quarter of 2012. Realized silver and zinc prices in the second quarter of 2013 were 29% and 8% lower, respectively, compared to the second quarter of 2012.

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[3] Minesite costs per tonne is a non-GAAP measure. For reconciliation to production costs, see footnote (vii) to the "Reconciliation of Production Costs to Total Cash Costs per Ounce and Minesite Costs per Tonne" contained herein. See also "Note Regarding Certain Measures of Performance".

In the first six months of 2013, LaRonde produced 85,192 ounces of gold at total cash costs per ounce of $831. This is in contrast with the first half of 2012 when the mine produced 83,487 ounces of gold at total cash costs of $489 per ounce, with the increased costs due to significantly lower byproduct prices, as described above.

Production and costs are expected to improve in the second half of 2013 due to increased tonnage and higher grades from the lower mine and better budgeted recoveries from the installation of the new Carbon In Pulp circuit in the second quarter of 2013.

After 2013, LaRonde is expected to ramp up production over the next several years to an average life of mine production of more than 300,000 ounces of gold per year, reflecting the higher gold grades expected at depth. As a result of the higher grades, the value of the ore expected to be processed over LaRonde's remaining 14-year life is approximately 50% higher than the value of the ore mined in 2012 (assuming the same metals prices).

Lapa – Zulapa Drilling Could Have a Positive Impact on Production and Grades

The 100% owned Lapa mine in northwestern Quebec achieved commercial production in May 2009. Current mine life is estimated to be through 2016.

The Lapa circuit at the LaRonde mill processed an average of 1,745 tpd in the second quarter of 2013, essentially unchanged from 1,741 tpd in the second quarter of 2012.

Minesite costs per tonne were C$110 in the second quarter of 2013, compared to C$113 in the second quarter of 2012. The lower minesite cost in the current period is due to lower cement consumption (due to a higher ratio of unconsolidated backfill), productivity improvements, and cost reductions versus the comparable period last year.

For the first six months of 2013, the Lapa mill processed an average of 1,761 tpd, compared to 1,740 tpd in the first six months of 2012. Minesite costs per tonne were approximately C$112, slightly below the C$116 per tonne in the first six months of 2012 due to reasons explained above.

Payable production in the second quarter of 2013 was 23,178 ounces of gold at total cash costs per ounce of $720. This compares with the second quarter of 2012, when production was 28,157 ounces of gold at total cash cost per ounce of $634. In the current period, the decrease in gold production and higher total cash costs per ounce were generally due to the processing of lower gold grades compared to the same quarter last year.

In the first six months of 2013, Lapa produced 50,046 ounces of gold at total cash costs per ounce of $699. This compares to the first half of 2012 when the mine produced 56,656 ounces of gold at total cash costs of $650 per ounce.

Recent exploration drilling in the Zulapa area (a parallel zone approximately 150 metres from the Lapa deposits) from an exploration drift at a depth of about 1,000 metres has yielded some of the best results ever seen at the Lapa mine. Highlights include values up to 19.3 g/t gold over 6.5 metres, and 28.9 g/t gold over 2.8 metres. Additional information on these drill intersections is included in the tables below.

Highlights from 2013 Zulapa Exploration Drilling

Drill hole ID	From (metres)	To (metres)	Estimated true width (metres)	Gold grade (g/t) uncapped	Gold grade (capped at 50 g/t)
LA12-125-42	379.9	384.3	2.8	210.6	20.3
D13-128-43D	192.0	196.3	4.0	7.8	7.8
LA13-101-107	321.7	329.2	6.5	39.3	19.3
LA13-110-1	208.2	211.2	2.8	31.2	28.9

	Drill collar coordinates					
Drill hole ID	UTM North	UTM East	Elevation (metres below sea level)	Azimuth	Dip (degrees)	Length (metres)
LA12-125-42	5345184.2	701889.2	855	147.0	-59	446.3
D13-128-43D	5345148.3	701885.9	907	150.7	-26	225.0
LA13-101-107	5344707.1	702123.1	634	11.9	-28.1	524.2
LA13-110-1	5345131.3	702325.7	710	167.8	-34.7	250.0

** Coordinate System UTM NAD83-Z17*

Although it is too early to determine the full impact of these results, these zones are close to existing workings and the grades compare favorably to the current reserve grade of 5.95 g/t gold. Additional drilling is planned for these sectors in 2013.

Kittila Mine – Autoclave Successfully Re-started After Extended Maintenance

The 100% owned Kittila mine in northern Finland achieved commercial production in May 2009. Current mine life is estimated to be through 2037.

As a result of only operating for 14 days in the second quarter of 2013, the mill processed an average of approximately 568 tpd. In the second quarter of 2012, the Kittila mill processed 2,758 tpd. The shutdown to re-brick the entire autoclave started on April 14 and production operations resumed at the end of June. In addition to re-bricking, further modifications were made to the autoclave, which are expected to result in more robust operating performance over time. Following the re-start of the autoclave, throughput and recoveries are back to levels seen prior to the scheduled shutdown.

For the first six months of 2013, the Kittila mill processed an average of 1,761 tpd, compared to 2,969 tpd in the first six months of 2012. The lower throughput in 2013 is due to the maintenance shutdown in the second quarter.

Second quarter 2013 gold production at Kittila was 5,389 ounces. In the second quarter of 2012 the mine produced 35,228 ounces. Lower production in the 2013 period was largely due to the extended mill shutdown compared to the second quarter of 2012. Operating costs during normal operating days at Kittila in the second quarter of 2013 were similar to those incurred in the preceding quarter, which was considered its normal steady state.

In the first six months of 2013, Kittila produced 48,534 ounces of gold. This is in contrast to the first half of 2012, when the mine produced 81,986 ounces of gold.

In February 2013, the Company's Board of Directors approved a 750 tpd expansion at Kittila, which is expected to increase the capacity at the mine to 3,750 tpd starting in the second half of 2015. To date, the engineering, procurement, and construction management contract has been awarded, detailed engineering has commenced and the procurement of long lead items is underway. The expansion is expected to reduce total cash costs per ounce and to offset the production impact of a gradual reduction in realized grade towards the reserve grade over the next several years.

Pinos Altos – Steady Production and Operating Cost Control

The 100% owned Pinos Altos mine in northern Mexico achieved commercial production in November 2009. Current mine life is estimated to be through 2029.

The Pinos Altos mill processed an average of 5,024 tpd in the second quarter of 2013, essentially in line with 5,036 tpd per day processed in the second quarter of 2012. During the second quarter of 2013, approximately 209,000 tonnes of ore were stacked on the heap leach at Pinos Altos, compared to 277,000 tonnes in the comparable 2012 period. The smaller proportion of the lower cost heap leach tonnes in the current period resulted in a higher minesite cost per tonne of $50 in the second quarter of 2013, compared to $41 per tonne in the second quarter of 2012. In spite of the increase in per tonne costs, production costs at Pinos Altos were largely in line with the comparable period in 2012.

For the first six months of 2013 the Pinos Altos mill processed an average of 5,136 tpd, slightly higher than 5,002 tpd processed in the first half of 2012. Minesite costs per tonne were approximately $45, above the $39 per tonne in the first half of 2012 due to lower proportion of heap leach tonnes in the current period.

Payable production in the second quarter of 2013 was 47,383 ounces of gold at a total cash cost per ounce of $496. This compares with production of 45,307 ounces at a total cash cost of $366 in the second quarter of 2012. The increase in year over year cash cost per ounce is due to a 29% decline in realized silver price compared to the prior year period as well as stockpile movements and a stronger Mexican peso. The decline in realized silver price is estimated to account for approximately $65 per ounce of the increase in total cash costs.

In the first six months of 2013, Pinos Altos produced 91,547 ounces of gold at total cash costs per ounce of $402. This is in contrast to the first half of 2012 when the mine produced 88,599 ounces of gold at total cash costs of $310 per ounce. The increase in the total cash costs per ounce is due to the same reasons discussed above, while production costs over the same period are essentially unchanged.

The $106 million Pinos Altos shaft sinking project remains on budget with approximately 50% of the total budget committed to date. Activity in the second quarter included preparation of the headframe foundation, construction of the hoist building and Galloway assembly. This project will allow better matching of the mill capacity with the future mining capacity at Pinos Altos when the open pit mining operation begins to wind down as planned in the next several years.

Creston Mascota – Restart Progressing Well

The Creston Mascota heap leach has been operating as a satellite operation to the Pinos Altos mine since late 2010.

Approximately 386,000 tonnes of ore were stacked on the Creston Mascota leach pad during the second quarter of 2013, compared to approximately 476,000 tonnes stacked in the second quarter of 2012. The decrease in tonnes stacked was mainly a result of the previously announced temporary suspension of activities at the Creston Mascota mine. Leaching resumed on the Phase 2 pad at Creston Mascota in March 2013. The ramp up of production is in line with expectations. Minesite costs per tonne at Creston Mascota were $14 in the second quarter of 2013, unchanged from the second quarter of 2012.

For the first six months of 2013, mine site costs per tonne at Creston Mascota were $14, compared to $12 per tonne in the first six months of 2012. Production at Creston Mascota is expected to increase in the second half of 2013.

Payable gold production at Creston Mascota in the second quarter of 2013 was 10,147 ounces at a total cash cost per ounce of $498. This compares to 18,049 ounces at a total cash cost per ounce of $339 during the second quarter of 2012. The decline in production and higher costs per ounce are reflective of the ramp up schedule of the Creston Mascota operation as described above. Payable gold production for the first six months of 2013 totaled 12,054 ounces, compared to 31,773 ounces in the first six months of 2012. Production at Creston Mascota is expected to increase during the remainder of 2013.

Meadowbank – Production Expected to Increase Further in Second Half of 2013

The 100% owned Meadowbank mine is located in Nunavut, Canada. Current mine life is estimated to be through 2018.

The Meadowbank mill processed an average of 11,303 tpd in the second quarter of 2013. This compares with 9,901 tpd in the second quarter of 2012. The higher throughput, period over period, is largely due to the continued strong operating performance of the permanent secondary crushing unit that was commissioned in July 2011. The secondary crusher has consistently exceeded the initial design rate of 8,500 tpd since startup.

Minesite costs per tonne were C$83 in the second quarter of 2013, compared with C$90 per tonne in the second quarter of 2012. Costs are lower in the 2013 period due to more tonnes of ore processed in 2013 versus 2012, improved productivity, as well as multiple cost reduction initiatives.

For the first six months of 2013, the Meadowbank mill processed an average of 11,311 tpd, compared to 9,825 tpd in the first six months of 2012. Minesite costs per tonne were approximately C$85 in the first six months of 2013, below the C$91 per tonne in the comparable 2012 period due to reasons described above.

Payable production in the second quarter of 2013 was 91,873 ounces of gold at total cash costs per ounce of $912. This compares with payable production in the second quarter of 2012 of 98,403 ounces of gold at total cash costs per ounce of $804. The decline in year over year production and change in total cash costs reflects a 17% decline in realized grade compared to the second quarter of 2012 due to mine sequencing. The grade profile is expected to improve during the remainder of 2013, which should result in higher production at lower costs.

In the first six months of 2013, Meadowbank produced 173,691 ounces of gold at total cash costs per ounce of $986. In the first half of 2012 the mine produced 177,804 ounces of gold at total cash costs of $901 per ounce. Despite higher total cash costs per ounce that were associated with a lower budgeted gold grade in the first half of 2013, Meadowbank's minesite costs per tonne were 7% lower than in the 2012 period due to the higher throughput and cost saving initiatives outlined above.

Goldex Mine – Commercial Production Expected in Q4 2013

The 100% owned Goldex mine in northwestern Quebec began operation in 2008 but mining in the original GEZ orebody was suspended in October 2011 (see October 19, 2011 release). In 2012, the M and E satellite zones were approved for construction, while the mining operations at GEZ remain suspended.

The Goldex mine is expected to commence operations in the M and E zones, with an anticipated commercial production of approximately 15,000 ounces of gold in the fourth quarter of 2013. Development activities at the mine have proceeded well to date with construction of the paste plant and ore pass systems being on schedule.

The Company expects to be able to evaluate technical studies on several other satellite zones at the mine by the end of 2013.

La India – Development on Schedule and Budget for Commissioning in Q4 2013

The La India project in Sonora, Mexico, was acquired in November 2011. La India remains on schedule and budget for commissioning in the fourth quarter of 2013, with commercial production anticipated in the first quarter 2014.

During the quarter, work advanced on the installation of the plant, crushing system and leach pads. In addition, power generators were installed and are now operational. Metallurgical testing continues on the La India sulphides and Tarachi ores, with results expected later this year.

The Company is planning to conduct site visits for analysts and investors to the La India project in the third week of September to coincide with the Denver Gold Forum in Denver, Colorado.

Meliadine – 2013 and 2014 Expenditures Reduced by $10 million and $80 million, respectively

Located near Rankin Inlet, Nunavut, Canada, the Meliadine project was acquired in July 2010, and is one of Agnico Eagle's largest gold projects in terms of resources.

At the end of the second quarter, approximately 70,000 metres of drilling had been completed, with an additional 10,000 metres anticipated to be completed by the end of July. Most of the drilling was carried out to infill and expand the reserve and resource base. Encouraging results have been returned from the Tiriganiaq, Wesmeg, Normeg, Pump South, and F zones. These results will be incorporated into an updated technical study that is expected to be completed in the second quarter of 2014.

Construction is continuing on the permanent all-season road linking the project with the community of Rankin Inlet, 24 kilometres away. The road was connected to the Meliadine camp in March and is functional, with full completion expected this August.

The original budget for the Meliadine project in 2013 was approximately $90 million. Given the current gold price environment, the 2013 work program has been prioritized and as a result, the budget has been reduced by approximately $10 million.

In 2014, the proposed capital budget for Meliadine is now expected to be approximately $45 million, reduced by approximately $80 million from previous estimates. Permitting activities are on-going and work in 2014 will primarily focus on continued exploration ramp development and exploration drilling. The timing of capital expenditures on the project beyond 2014 will be subject to Board approval and prevailing market conditions.

Dividend Reinvestment Program

Please follow the link below for information on the Company's dividend reinvestment program.

Dividend Reinvestment Plan

About Agnico Eagle

Agnico Eagle is a long established, Canadian headquartered, gold producer with operations located in Canada, Finland and Mexico, and exploration and/or development activities in Canada, Finland, Mexico and the United States. The Company has full exposure to higher gold prices consistent with its policy of no forward gold sales and maintains a corporate strategy based on increasing shareholder exposure to gold, on a per share basis. It has declared a cash dividend for 31 consecutive years.

AGNICO EAGLE MINES LIMITED
SUMMARY OF OPERATIONS KEY PERFORMANCE INDICATORS
(thousands of United States dollars, except where noted) (Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2013	2012	2013	2012
Operating margin[(i)] by mine:				
LaRonde mine	$14,372	$29,342	$47,667	$92,608
Lapa mine	16,643	26,222	38,431	53,899
Kittila mine	(112)	31,489	44,844	80,538
Pinos Altos mine [(ii)]	47,188	79,887	101,015	149,022
Meadowbank mine	32,382	72,715	68,885	121,487
Total operating margin	110,473	239,655	300,842	497,554
Amortization of property, plant and mine development	70,128	66,310	140,199	130,863
Exploration, corporate and other	63,805	96,169	135,495	182,005
Income (loss) before income and mining taxes	(23,460)	77,176	25,148	184,686
Income and mining taxes	920	33,904	25,669	62,866
Net income (loss) for the period	($24,380)	$43,272	($521)	$121,820
Net income (loss) per share - basic (US$)	($0.14)	$0.25	$0.00	$0.71
Cash provided by operating activities	$75,298	$194,082	$221,370	$390,579
Realized prices (US$):				
Gold (per ounce)	$1,336	$1,602	$1,474	$1,642
Silver (per ounce)	$18.72	$26.33	$23.77	$30.75
Zinc (per tonne)	$1,753	$1,901	$1,895	$2,026
Copper (per tonne)	$6,551	$6,455	$7,012	$7,842
Payable production [(iii)]:				
Gold (ounces):				
LaRonde mine	46,119	40,206	85,192	83,487
Lapa mine	23,178	28,157	50,046	56,656
Kittila mine	5,389	35,228	48,534	81,986
Pinos Altos mine [(ii)]	57,530	63,356	103,601	120,372
Meadowbank mine	91,873	98,403	173,691	177,804
Total gold (ounces)	224,089	265,350	461,064	520,305
Silver (thousands of ounces):				
LaRonde mine	424	532	1,035	1,222
Kittila mine	-	-	2	-
Pinos Altos mine [(ii)]	619	537	1,235	1,044
Meadowbank mine	23	26	45	44
Total silver (thousands of ounces)	1,066	1,095	2,317	2,310
Zinc (tonnes)	3,455	9,558	11,694	22,536
Copper (tonnes)	1,280	1,004	2,362	2,330
Payable metal sold:				
Gold (ounces):				
LaRonde mine	46,953	39,886	86,541	83,631
Lapa mine	25,644	27,793	49,583	55,690
Kittila mine	12,752	34,476	57,092	78,703
Pinos Altos mine [(ii)]	56,882	66,373	101,992	118,518
Meadowbank mine	87,798	93,299	167,810	167,913
Total gold (ounces)	230,029	261,827	463,018	504,455
Silver (thousands of ounces):				
LaRonde mine	487	482	1,070	1,200
Kittila mine	2	-	3	-
Pinos Altos mine [(ii)]	654	525	1,240	1,018
Meadowbank mine	23	24	45	42
Total silver (thousands of ounces)	1,166	1,031	2,358	2,260
Zinc (tonnes)	5,280	10,379	12,279	23,411
Copper (tonnes)	1,291	1,085	2,358	2,378

Total cash costs per ounce of gold produced (US$) (iv):				
LaRonde mine	$927	$784	$831	$489
Lapa mine	$720	$634	$699	$650
Kittila mine (v)	-	$681	$624	$615
Pinos Altos mine (ii)	$496	$358	$411	$320
Meadowbank mine	$912	$804	$986	$901
Weighted average total cash costs per ounce of gold produced	$785	$660	$762	$628

(i) Operating margin is calculated as revenues from mining operations less production costs.

(ii) Includes the Creston Mascota deposit at Pinos Altos, except for total cash costs per ounce of gold produced in the first quarter of 2013 due to the temporary suspension of active leaching at the Creston Mascota deposit a Pinos Altos between October 1, 2012 and March 13, 2013.

(iii) Payable production is the quantity of mineral produced during a period contained in products that are or will be sold by the Company, whether such products are sold during the period or held as inventory at the end of the period.

(iv) Total cash costs per ounce of gold produced is calculated net of silver, copper, zinc and other byproduct revenue credits. The weighted average total cash costs per ounce of gold produced is based on commercial production ounces. Total cash costs per ounce of gold produced is a non-GAAP measure that the Company uses to monitor the performance of its operations. See "Reconciliation of Production Costs to Total Cash Costs per Ounce of Gold Produced by Mine" and "Reconciliation of Production Costs to Minesite Costs per Tonne by Mine" contained herein for details.

(v) Excludes the Kittila mine's results for the second quarter of 2013. Due to scheduled maintenance, the Kittila mine only operated for 16 days during the second quarter of 2013.

AGNICO EAGLE MINES LIMITED
CONSOLIDATED BALANCE SHEETS
(thousands of United States dollars, US GAAP basis)
(Unaudited)

	As at June 30, 2013	As at December 31, 2012
ASSETS		
Current		
Cash and cash equivalents	$ 136,363	$ 332,008
Trade receivables	60,001	67,750
Inventories:		
Ore stockpiles	69,012	52,342
Concentrates and dore bars	59,646	69,695
Supplies	192,870	222,630
Income taxes recoverable	21,804	19,313
Available-for-sale securities	68,805	44,719
Fair value of derivative financial instruments	7,135	1,835
Other current assets	115,242	92,977
Total current assets	730,878	903,269
Other assets	43,401	55,838
Goodwill	235,414	229,279
Property, plant and mine development	4,241,107	4,067,456
	$ 5,250,800	$ 5,255,842
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 207,539	$ 185,329
Reclamation provision	11,022	16,816
Dividends payable	-	37,905
Interest payable	13,383	13,602
Income taxes payable	4,445	10,061
Capital lease obligations	10,959	12,955
Fair value of derivative financial instruments	1,968	-
Total current liabilities	249,316	276,668
Long-term debt	850,000	830,000
Reclamation provision and other liabilities	119,894	127,735
Deferred income and mining tax liabilities	614,764	611,227
SHAREHOLDERS' EQUITY		
Common shares		
Authorized - unlimited		
Issued - 173,311,379 (December 31, 2012 - 172,296,610)	3,265,068	3,241,922
Stock options	163,835	148,032
Warrants	24,858	24,858
Contributed surplus	15,665	15,665
Retained earnings (deficit)	(31,468)	7,046
Accumulated other comprehensive loss	(21,132)	(27,311)
Total shareholders' equity	3,416,826	3,410,212
	$ 5,250,800	$ 5,255,842

AGNICO EAGLE MINES LIMITED
CONSOLIDATED STATEMENTS OF INCOME (LOSS)
(thousands of United States dollars, except share and per share amounts, US GAAP basis)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2013	2012	2013	2012
REVENUES				
Revenues from mining operations	$ 336,424	$ 459,561	$ 756,846	$ 932,495
COSTS AND EXPENSES				
Production (exclusive of amortization shown seperately below)	225,951	219,906	456,004	434,941
Exploration and corporate development	11,326	34,286	19,897	57,394
Amortization of property, plant and mine development	70,128	66,310	140,199	130,863
General and administrative	28,385	32,015	65,705	65,943
Impairment loss on available-for-sale securities	17,313	11,581	28,308	11,581
Provincial capital tax	(1,504)	4,001	(1,504)	4,001
Interest expense	13,735	14,220	27,651	28,667
Interest and sundry expense and other	5,670	4,344	2,900	3,180
Loss on sale of available-for-sale securities	-	6,731	-	6,731
Foreign currency translation (gain) loss	(11,120)	(11,009)	(7,462)	4,508
Income (loss) before income and mining taxes	(23,460)	77,176	25,148	184,686
Income and mining taxes	920	33,904	25,669	62,866
Net income (loss) for the period	$ (24,380)	$ 43,272	$ (521)	$ 121,820
Net income (loss) per share - basic	($0.14)	$0.25	$0.00	$0.71
Net income (loss) per share - diluted	($0.14)	$0.25	$0.00	$0.71
Weighted average number of common shares outstanding (in thousands):				
Basic	172,572	170,985	172,426	170,937
Diluted	172,572	171,279	172,426	171,148

AGNICO EAGLE MINES LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
(thousands of United States dollars, US GAAP basis)
(Unaudited)

	Three months ended June 30, 2013	Three months ended June 30, 2012	Six months ended June 30, 2013	Six months ended June 30, 2012
OPERATING ACTIVITIES				
Net income (loss) for the period	$ (24,380)	$ 43,272	$ (521)	$ 121,820
Add (deduct) items not affecting cash:				
Amortization of property, plant and mine development	70,128	66,310	140,199	130,863
Deferred income and mining taxes	(562)	15,069	6,464	25,389
Stock-based compensation	9,332	11,296	25,609	27,068
Loss on sale of available-for-sale securities	-	6,731	-	6,731
Impairment loss on available-for-sale securities	17,313	11,581	28,308	11,581
Foreign currency translation (gain) loss	(11,120)	(11,009)	(7,462)	4,508
Other	5,877	4,811	11,008	7,610
Adjustment for settlement of environmental remediation	(2,990)	(6,059)	(5,542)	(12,291)
Changes in non-cash working capital balances:				
Trade receivables	10,525	15,000	7,749	7
Income taxes	(4,199)	24,013	(8,107)	43,882
Inventories	3,789	(9,295)	31,781	2,254
Other current assets	(15,091)	(8,955)	(20,856)	9,855
Accounts payable and accrued liabilities	24,283	41,209	14,181	11,357
Interest payable	(7,607)	(9,892)	(1,441)	(55)
Cash provided by operating activities	75,298	194,082	221,370	390,579
INVESTING ACTIVITIES				
Additions to property, plant and mine development	(171,773)	(104,368)	(302,407)	(180,363)
Acquisitions and investments	(49,635)	-	(62,310)	(11,325)
Net proceeds from sale of available-for-sale securities	-	30,732	-	30,732
Cash used in investing activities	(221,408)	(73,636)	(364,717)	(160,956)
FINANCING ACTIVITIES				
Dividends paid	(31,759)	(30,283)	(61,649)	(60,798)
Repayment of capital lease obligations	(3,509)	(2,744)	(6,062)	(5,856)
Proceeds from long-term debt	50,000	255,000	90,000	255,000
Repayment of long-term debt	-	(255,000)	(70,000)	(345,000)
Long-term debt financing costs	-	(327)	-	(327)
Repurchase of common shares for restricted share unit plan	-	-	(19,000)	(12,031)
Common shares issued	3,945	4,096	15,884	7,676
Cash provided by (used in) financing activities	18,677	(29,258)	(50,827)	(161,336)
Effect of exchange rate changes on cash and cash equivalents	(599)	(1,211)	(1,471)	(693)
Net (decrease) increase in cash and cash equivalents during the period	(128,032)	89,977	(195,645)	67,594
Cash and cash equivalents, beginning of period	264,395	199,075	332,008	221,458
Cash and cash equivalents, end of period	$ 136,363	$ 289,052	$ 136,363	$ 289,052
SUPPLEMENTAL CASH FLOW INFORMATION:				
Interest paid	$ 21,715	$ 23,887	$ 28,547	$ 27,980
Income and mining taxes paid	$ 9,367	$ 1,286	$ 31,000	$ 5,591

AGNICO EAGLE MINES LIMITED
RECONCILIATION OF PRODUCTION COSTS TO TOTAL CASH COSTS PER OUNCE OF GOLD PRODUCED AND MINESITE COSTS PER TONNE (Unaudited)

Total Production Costs by Mine

(thousands of United States dollars)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs per the interim unaudited consolidated statements of income (loss) and comprehensive income (loss)	$ 225,951	$ 219,906	$ 456,004	$ 434,941
LaRonde mine	60,624	55,483	118,527	113,663
Lapa mine	18,094	18,450	34,704	37,107
Kittila mine[(i)]	-	23,515	27,182	49,545
Pinos Altos mine	34,511	33,050	66,163	63,711
Creston Mascota deposit at Pinos Altos mine[(ii)]	4,427	7,769	4,427	12,269
Meadowbank mine	90,136	81,639	183,725	158,646
Total	$ 207,792	$ 219,906	$ 434,728	$ 434,941

Reconciliation of Production Costs to Total Cash Costs per Ounce of Gold Produced by Mine

LaRonde Mine - Total Cash Costs per Ounce of Gold Produced

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ 60,624	$ 55,483	$ 118,527	$ 113,663
Adjustments:				
Byproduct metal revenues, net of smelting, refining and marketing charges	(12,663)	(23,334)	(42,219)	(70,852)
Inventory and other adjustments[(iii)]	(4,696)	(42)	(4,434)	(757)
Non-cash reclamation provision	(534)	(599)	(1,076)	(1,203)
Cash operating costs	$ 42,731	$ 31,508	$ 70,798	$ 40,851
Gold production (ounces)	46,119	40,206	85,192	83,487
Total cash costs per ounce of gold produced ($ per ounce)[(iv)]	$ 927	$ 784	$ 831	$ 489

Lapa Mine - Total Cash Costs per Ounce of Gold Produced

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ 18,094	$ 18,450	$ 34,704	$ 37,107
Adjustments:				
Byproduct metal revenues, net of smelting, refining and marketing charges	92	115	169	176
Inventory and other adjustments[(iii)]	(1,491)	(685)	119	(702)
Non-cash reclamation provision	(17)	(15)	(34)	221
Cash operating costs	$ 16,678	$ 17,865	$ 34,958	$ 36,802
Gold production (ounces)	23,178	28,157	50,046	56,656
Total cash costs per ounce of gold produced ($ per ounce)[(iv)]	$ 720	$ 634	$ 699	$ 650

Kittila Mine - Total Cash Costs per Ounce of Gold Produced[(i)]

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ -	$ 23,515	$ 27,182	$ 49,545
Adjustments:				
Byproduct metal revenues, net of smelting, refining and marketing charges	-	134	157	253
Inventory and other adjustments[(iii)]	-	446	(294)	886
Non-cash reclamation provision	-	(99)	(120)	(256)
Cash operating costs	$ -	$ 23,996	$ 26,925	$ 50,428
Gold production (ounces)	-	35,228	43,145	81,986
Total cash costs per ounce of gold produced ($ per ounce)[(iv)]	$ -	$ 681	$ 624	$ 615

Pinos Altos Mine - Total Cash Costs per Ounce of Gold Produced

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ 34,511	$ 33,050	$ 66,163	$ 63,711
Adjustments:				
Byproduct metal revenues, net of smelting, refining and marketing charges	(9,486)	(13,274)	(26,052)	(29,403)
Inventory and other adjustments[(iii)]	(200)	(118)	(630)	494
Non-cash reclamation provision	(74)	(52)	(148)	(103)
Stripping costs[(v)]	(1,251)	(3,017)	(2,570)	(7,197)
Cash operating costs	$ 23,500	$ 16,589	$ 36,763	$ 27,502
Gold production (ounces)	47,383	45,307	91,547	88,599
Total cash costs per ounce of gold produced ($ per ounce)[(iv)]	$ 496	$ 366	$ 402	$ 310

Creston Mascota deposit at Pinos Altos Mine - Total Cash Costs per Ounce of Gold Produced(ii)

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ 4,427	$ 7,769	$ 4,427	$ 12,269
Adjustments:				
Byproduct metal revenues, net of smelting, refining and marketing charges	(136)	(476)	(136)	(796)
Inventory and other adjustments(iii)	1,127	(1,031)	1,127	111
Non-cash reclamation provision	(37)	(143)	(37)	(525)
Stripping costs(v)	(332)	-	(332)	-
Cash operating costs	$ 5,049	$ 6,119	$ 5,049	$ 11,059
Gold production (ounces)	10,147	18,049	10,147	31,773
Total cash costs per ounce of gold produced ($ per ounce)(iv)	$ 498	$ 339	$ 498	$ 348

Meadowbank Mine - Total Cash Costs per Ounce of Gold Produced

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ 90,136	$ 81,639	$ 183,725	$ 158,646
Adjustments:				
Byproduct metal revenues, net of smelting, refining and marketing charges	(345)	(484)	(908)	(1,118)
Inventory and other adjustments(iii)	1,344	(186)	2,336	5,068
Non-cash reclamation provision	(387)	(395)	(780)	(789)
Stripping costs(v)	(6,921)	(1,441)	(13,045)	(1,663)
Cash operating costs	$ 83,827	$ 79,133	$ 171,328	$ 160,144
Gold production (ounces)	91,873	98,403	173,691	177,804
Total cash costs per ounce of gold produced ($ per ounce)(iv)	$ 912	$ 804	$ 986	$ 901

Reconciliation of Production Costs to Minesite Costs per Tonne by Mine

LaRonde Mine - Minesite Costs per Tonne

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ 60,624	$ 55,483	$ 118,527	$ 113,663
Adjustments:				
Inventory adjustment(vi)	(4,540)	113	(4,106)	(12)
Non-cash reclamation provision	(534)	(599)	(1,076)	(1,203)
Minesite operating costs	$ 55,550	$ 54,997	$ 113,345	$ 112,448
Minesite operating costs (thousands of C$)	C$ 57,334	C$ 55,524	C$ 115,754	C$ 113,254
Tonnes of ore milled (thousands of tonnes)	559	573	1,153	1,218
Minesite costs per tonne (C$)(vii)	C$ 103	C$ 97	C$ 100	C$ 93

Lapa Mine - Minesite Costs per Tonne

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ 18,094	$ 18,450	$ 34,704	$ 37,107
Adjustments:				
Inventory adjustment(vi)	(1,434)	(635)	237	(615)
Non-cash reclamation provision	(17)	(15)	(34)	221
Minesite operating costs	$ 16,643	$ 17,800	$ 34,907	$ 36,713
Minesite operating costs (thousands of C$)	C$ 17,398	C$ 17,968	C$ 35,843	C$ 36,872
Tonnes of ore milled (thousands of tonnes)	159	159	319	317
Minesite costs per tonne (C$)(vii)	C$ 110	C$ 113	C$ 112	C$ 116

Kittila Mine - Minesite Costs per Tonne(i)

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ -	$ 23,515	$ 27,182	$ 49,545
Adjustments:				
Inventory adjustment(vi)	-	451	(294)	891
Non-cash reclamation provision	-	(99)	(120)	(256)
Minesite operating costs	$ -	$ 23,867	$ 26,768	$ 50,180
Minesite operating costs (thousands of €)	€ -	€ 18,729	€ 20,580	€ 38,187
Tonnes of ore milled (thousands of tonnes)	-	251	267	540
Minesite costs per tonne (€)(vii)	€ -	€ 75	€ 77	€ 71

Pinos Altos Mine - Minesite Costs per Tonne

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ 34,511	$ 33,050	$ 66,163	$ 63,711
Adjustments:				
Inventory adjustment(vi)	(103)	(77)	(506)	535
Non-cash reclamation provision	(74)	(52)	(148)	(103)
Stripping costs(v)	(1,251)	(3,017)	(2,570)	(7,197)
Minesite operating costs	$ 33,083	$ 29,904	$ 62,939	$ 56,946
Tonnes of ore processed (thousands of tonnes)	665	735	1,391	1,457
Minesite costs per tonne (US$)(vii)	$ 50	$ 41	$ 45	$ 39

Creston Mascota deposit at Pinos Altos Mine - Minesite Costs per Tonne(ii)

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ 4,427	$ 7,769	$ 4,427	$ 12,269
Adjustments:				
Inventory adjustment(vi)	1,125	(1,031)	1,125	111
Non-cash reclamation provision	(37)	(143)	(37)	(525)
Stripping costs(v)	(332)	-	(332)	-
Minesite operating costs	$ 5,183	$ 6,595	$ 5,183	$ 11,855
Tonnes of ore processed (thousands of tonnes)	363	476	363	988
Minesite costs per tonne (US$)(vii)	$ 14	$ 14	$ 14	$ 12

Meadowbank Mine - Minesite Costs per Tonne

(thousands of United States dollars, except as noted)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Production costs	$ 90,136	$ 81,639	$ 183,725	$ 158,646
Adjustments:				
Inventory adjustment(vi)	1,227	51	2,129	5,480
Non-cash reclamation provision	(387)	(395)	(780)	(789)
Stripping costs(v)	(6,921)	(1,441)	(13,045)	(1,663)
Minesite operating costs	$ 84,055	$ 79,854	$ 172,029	$ 161,674
Minesite operating costs (thousands of C$)	C$ 85,752	C$ 80,678	C$ 174,353	C$ 162,408
Tonnes of ore milled (thousands of tonnes)	1,029	901	2,048	1,788
Minesite costs per tonne (C$)(vii)	C$ 83	C$ 90	C$ 85	C$ 91

(i) Excludes the Kittila mine's results for the second quarter of 2013. Due to scheduled maintenance, the Kittila mine only operated for 16 days during the second quarter of 2013.

(ii) Excludes results for the first quarter of 2013 due to the temporary suspension of active leaching at the Creston Mascota deposit at Pinos Altos between October 1, 2012 and March 13, 2013.

(iii) Under the Company's revenue recognition policy, revenue is recognized on concentrates when legal title passes. As total cash costs per ounce of gold produced are calculated on a production basis, this inventory adjustment reflects the sales margin on the portion of concentrate production not yet recognized as revenue.

(iv) Total cash costs per ounce of gold produced is not a recognized measure under US GAAP and this data may not be comparable to data presented by other gold producers. This measure is calculated by adjusting production costs as recorded in the interim unaudited consolidated statements of income (loss) and comprehensive income (loss) for byproduct revenues, unsold concentrate inventory production costs, non-cash reclamation provisions, deferred stripping costs and other adjustments, and then dividing by the number of ounces of gold produced. The Company believes that this generally accepted industry measure is a realistic indication of operating performance and is a useful comparison point between periods. Total cash costs per ounce of gold produced is intended to provide investors with information about the cash generating capabilities of the Company's mining operations. Management also uses this measure to monitor the performance of the Company's mining operations. As market prices for gold are quoted on a per ounce basis, using this per ounce measure allows management to assess a mine's cash generating capabilities at various gold prices. Management is aware that this per ounce measure of performance can be impacted by fluctuations in byproduct metal prices and exchange rates. Management compensates for these inherent limitations by using this measure in conjunction with minesite costs per tonne (discussed below) as well as other data prepared in accordance with US GAAP. Management also performs sensitivity analyses in order to quantify the effects of fluctuating metal prices and exchange rates.

(v) The Company reports total cash costs per ounce of gold produced and minesite costs per tonne using a common industry practice of deferring certain stripping costs that can be attributed to future production. The purpose of adjusting for these stripping costs is to enhance the comparability of total cash costs per ounce of gold produced and minesite costs per tonne to the Company's peers within the mining industry.

(vi) This inventory adjustment reflects production costs associated with unsold concentrates.

(vii) Minesite costs per tonne is not a recognized measure under US GAAP and this data may not be comparable to data presented by other gold producers. This measure is calculated by adjusting production costs as shown in the interim unaudited consolidated statements of income (loss) and comprehensive income (loss) for unsold concentrate inventory production costs, non-cash reclamation provisions, deferred stripping costs and other adjustments, and then dividing by tonnes of ore milled. As the total cash costs per ounce of gold produced measure can be impacted by fluctuations in byproduct metal prices and exchange rates, management believes that the minesite costs per tonne measure provides additional information regarding the performance of mining operations, eliminating the impact of varying production levels. Management also uses this measure to determine the economic viability of mining blocks. As each mining block is evaluated based on the net realizable value of each tonne mined, in order to be economically viable the estimated revenue on a per tonne basis must be in excess of the minesite costs per tonne. Management is aware that this per tonne measure of performance can be impacted by fluctuations in processing levels and compensates for this inherent limitation by using this measure in conjunction with production costs prepared in accordance with US GAAP.

Note Regarding Certain Measures of Performance

This press release presents financial performance measures, including "total cash costs per ounce of gold produced", "minesite costs per tonne" and "all-in sustaining costs", 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 in allowing year-over-year comparisons. However, each of these non-US 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. Reconciliations of the Company's total cash costs per ounce of gold produced and minesite costs per tonne financial performance measures to comparable financial measures calculated and presented in accordance with US GAAP are detailed above.

Forward-Looking Statements

The information in this news release has been prepared as at July 24, 2013. Certain statements contained in this news 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 and are referred to herein as "forward-looking statements". When used in this document, words such as "anticipate", "expect", "estimate", "forecast", "planned", "possible", "will", "likely", "schedule" and similar expressions are intended to identify forward-looking statements.

Such statements include without limitation: the Company's forward-looking production guidance, including estimated ore grades, project timelines, drilling results, orebody configurations, metal production, life of mine estimates, production estimates, total cash costs per ounce, minesite costs per tonne and all-in sustaining costs estimates, cash flows, the estimated timing of scoping and other studies, the methods by which ore will be extracted or processed, expansion projects, recovery rates, mill throughput, and projected exploration and capital expenditures, including costs and other estimates upon which such projections are based; the Company's ability to fund its current pipeline of projects; the impact of maintenance shutdowns; the Company's goal to build a mine at Meliadine; the Company's ability to complete construction and bring into production mines at Goldex or La India; and other statements and information regarding anticipated trends with respect to the Company's operations, exploration and the funding thereof. Such statements reflect the Company's views as at the date of this news 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 in management's discussion and analysis and the Company's Annual Report on Form 20-F for the year ended December 31, 2012 ("Form 20-F") as well as: that there are no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, damage to equipment, natural occurrences, equipment failures, accidents, political changes, title issues or otherwise; that permitting, production and expansion at each of Agnico Eagle's mines and growth projects proceeds on a basis consistent with current expectations, and that Agnico Eagle does not change its 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 news release; that prices for gold, silver, zinc, copper and lead 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 Agnico Eagle's current estimates of mineral reserves, mineral resources, mineral grades and metal recovery are accurate; that there are no material delays in the timing for completion of ongoing growth projects; that the Company's current plans to optimize production are successful; 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 metal recovery estimates; uncertainty of future production, capital expenditures, and other costs; currency fluctuations; financing of additional capital requirements; cost of exploration and development programs; mining risks; 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 the assumptions set forth herein and in management's discussion and analysis and the Company's Annual Report on Form 20-F for the year ended December 31, 2012 ("Form 20-F") as well as: that there are no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, damage to equipment, natural occurrences, equipment failures, accidents, political changes, title issues or otherwise; that permitting, production and expansion at each of Agnico Eagle's mines and growth projects proceeds on a basis consistent with current expectations, and that Agnico Eagle does not change its 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 news release; that prices for gold, silver, zinc, copper and lead 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 Agnico Eagle's current estimates of mineral reserves, mineral resources, mineral grades and metal recovery are accurate; that there are no material delays in the timing for completion of ongoing growth projects; that the Company's current plans to optimize production are successful; and that there are no material variations in the current tax and regulatory environment. 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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, recoveries, 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.

Scientific and Technical Information

The geological content of this press release has been prepared under the supervision of, and reviewed by, Alain Blackburn, Ing., Senior Vice-President, Exploration and a "Qualified Person" for the purposes of NI 43-101.

Additional information about the Lapa mine that is required by NI 43-101, sections 3.2 and 3.3 and paragraphs 3.4 (a), (c) and (d) can be found in the Technical Reports in respect of the Lapa mine filed on June 8, 2006, which may be found at www.sedar.com. Other important operating information can be found in the Company's Form 20-F.