

Agnico Eagle Acquires TMAC in first major deal of 2021

Agnico Eagle Mines Limited (TSX: AEM)

And **TMAC Resources (TSX: TMR)** announced that they have entered into agreements pursuant to which Agnico Eagle has agreed to acquire all of the outstanding common shares of TMAC at a price of C\$2.20 per share in cash.

This represents an increase of C\$0.45 per share as compared to the offer price of C\$1.75 offered by Shandong under the original Arrangement Agreement, which was disallowed by the Canadian authorities.

TMAC RESOURCES INC. TO BE ACQUIRED BY AGNICO EAGLE

01/05/2021

TORONTO—(BUSINESS WIRE)— **Agnico Eagle Mines Limited (NYSE: AEM, TSX: AEM)** (“Agnico Eagle”) and **TMAC Resources Inc. (TSX: TMR)** (“TMAC”) announced today that they have entered into agreements pursuant to which Agnico Eagle has agreed to acquire all of the outstanding common shares of TMAC (the “Transaction”) at a price of C\$2.20 per share (the “Offer Price”) in cash, which represents an increase of C\$0.45 per share as compared to the offer price of C\$1.75 offered by Shandong under the original Arrangement Agreement, as further

described below.

The Transaction is being effected by way of assignment to Agnico Eagle of the arrangement agreement dated May 8, 2020 (the "Arrangement Agreement") among TMAC, Shandong Gold Mining (HongKong) Co., Limited and its affiliate Streamers Gold Mining Corporation Limited (collectively, "Shandong") and Shandong Gold Mining Co., Ltd. (together with Shandong, the "Shandong Parties") in accordance with an assignment, assumption and novation agreement among the Shandong Parties, TMAC and Agnico Eagle dated January 4, 2021 (the "Assignment Agreement") and the amendment of the Arrangement Agreement under an amending agreement between Agnico Eagle and TMAC dated January 4, 2021 (the "Amending Agreement").

The arrangement was approved by 97.08% of the votes of TMAC shareholders that were represented at the special meeting held on June 26, 2020; there will be no further shareholders' meeting in connection with the Transaction.

The total equity value under the Transaction is approximately C\$286.6million. In addition, in connection with the closing of the Transaction, Agnico Eagle will retire TMAC's outstanding debt and deferred interest and fees. The Offer Price represents a premium of approximately 26% to the offer price of C\$1.75 per TMAC share that was to be paid by Shandong and a premium of approximately 66% to TMAC's 20-day volume-weighted average price as at January 4, 2021.

Resource Capital Funds ("RCF"), Newmont Corporation ("Newmont"), Shandong and all directors and officers of TMAC, collectively holding approximately 62.3% of the current outstanding TMAC common shares, have entered into agreements with Agnico Eagle that include obligations to, among other matters, cooperate in seeking the Agnico Final Order (as defined below) and not solicit competing transactions or take actions that would interfere with the completion of the Transaction.

Sean Boyd, Agnico Eagle's Vice-Chairman and Chief Executive Officer, stated, *"We are very pleased to have the opportunity to bring our extensive northern operational and community experience to the Hope Bay Mine and the Kitikmeot Region of Nunavut. Together with the TMAC team and our Nunavut partners, we look forward to advancing exploration and expansion initiatives to realize the full potential of the Mine and its large unexplored land package."*

Jason Neal, TMAC's President and Chief Executive Officer, commented, *"I am very excited to welcome Agnico Eagle to Hope Bay. Our company spent almost the entirety of 2020 under the uncertainty of a strategic review process and the Canadian government review of the sale to Shandong, with an impending debt maturity, compounded by the anxiety of the global pandemic."*

Our employees showed great focus that delivered outstanding results. The Nunavut communities showed great patience. Spratt Lending provided accommodation and support.

The acquisition being completed by Agnico Eagle is a great outcome for all stakeholders. Agnico Eagle is one of the strongest gold producers internationally, a Canadian champion and has been operating in Nunavut for more than a decade with a great track record with communities, employees and the environment."

Newmont's President and Chief Executive Officer, Tom Palmer said, *"The sale of TMAC to Agnico Eagle is an excellent outcome for TMAC's shareholders, employees and local communities. Agnico Eagle's extensive experience in the Arctic, coupled with their clear commitment to the highest*

environmental, social and governance practices make them uniquely qualified to lead and realize the fullest potential of the Hope Bay gold district.”

Ross Bhappu, Head of Private Equity Funds for RCF said, “RCF would like to compliment TMAC’s current operational management team on the significant mining, milling and safety achievements and establishing the foundation from which Agnico Eagle can continue the team’s outstanding track record on ESG matters as well as operating in the Arctic.”

[To read the full news release, please click HERE](#)

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