

Porcupine Mine

FACT SHEET / SUMMER 2011


 PORCUPINE,
CANADA


Porcupine Mine

DESCRIPTION

Porcupine consists of the Hoyle Pond and Dome underground mines and a central milling facility. The operation has been in production since 1910 and includes North America's longest continually operating gold mine which marked its 100th year of continuous mine and mill operations in 2010. The operating properties, combined with extensive and highly prospective land holdings, are strategically located in one of the world's great gold producing camps.

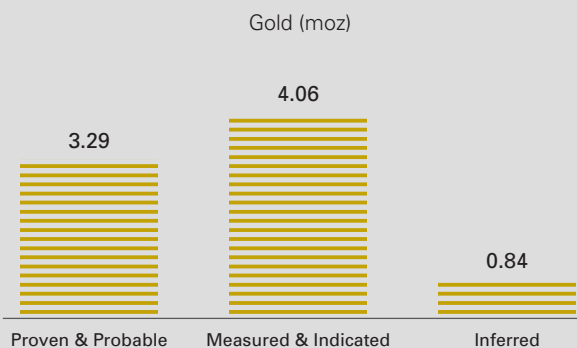
LOCATION

The Porcupine operations are located within the city limits of Timmins, Ontario. The Porcupine property area consists of approximately 38,000 hectares of mining claims.

FUTURE

Successful exploration drilling at the Hoyle Pond underground operation has demonstrated improving gold grades and the extension of several gold structures at depth. This success is spurring new investments in mine development to position the revitalized Porcupine mine complex for long-term success. Construction of a deep winze (shaft) has begun to access deeper zones at Hoyle pond to enhance operational flexibility.

Reserves & Resources – December 2010



KEY OPERATIONAL FACTS

Location	Timmins, Ontario
Workforce (including contractors)	820
Estimated mine life (reserves)	14 years
Mining type	Underground and Stockpiles
Processing method	Milling with Gravity and CIP Recovery
Power usage	22 MW
Milling/Processing capacity	11,000 tpd
2011 gold production estimate	260,000 oz

GOLD RESERVES

Proven (oz)	1,240,000
Probable (oz)	2,040,000
Proven and Probable (oz)*	3,290,000

KEY FACTS SUMMARY

	2010A	2009A	2008A
Operating data			
Gold produced (oz)	265,900	318,300	291,000
Gold sold (oz)	265,900	318,600	294,000
Ore milled/processed (t)	4,129,400	4,025,400	3,793,800
Gold grade (g/t)	2.14	2.70	2.61
Gold recovery (%)	92%	92%	92%
By-product cash costs (US\$/oz)	\$595	\$447	\$588
Realized gold price (US\$/oz)	\$1,234	\$973	\$869
Throughput (tpd)	11,471	11,182	10,538
Mining costs per tonne mined (US\$ pit/ug)	\$91	\$3.88/\$72	\$2.28/\$116
Processing costs per tonne milled (US\$/t milled)	\$11	\$10	\$11
Financial data (US\$ millions)			
Revenue	\$328.8	\$310.2	\$255.6
Depreciation and depletion	\$86.8	\$69.9	\$63.9
Earnings from operations	\$76.3	\$88.7	(\$34.2)
Expenditures on mining interests	\$87.9	\$37.6	\$46.2

* Due to rounding, numbers may not add up.

GEOLOGY

The Porcupine mines are situated in the Porcupine Camp in Archean rocks of the western Abitibi Greenstone belt in the Canadian Shield. These consist of ultramafic and mafic volcanic rocks of the Keewatin subgroup overlain by sedimentary rocks of the Timiskaming group. The lands lie adjacent and to the north of the regionally significant Porcupine Destor Fault. Gold mineralization is found in a number of different structural settings and consists of continuous quartz carbonate veins, quartz tourmaline veins, quartz stockworks and gold associated with disseminated sulphides.

SETTING

Porcupine is located within the Boreal Climatic Region which is characterized by contrasting seasons with warm, moderately humid summers and cold, dry winters. Temperatures range from -45°C to 30°C. Mean rainfall is 600 millimetres and mean snowfall is 300 centimetres.



Coniaurum Reclamation

ENVIRONMENTAL STEWARDSHIP

Porcupine has closure liabilities tied to dozens of historic mine properties. Porcupine is committed to restoring and reclaiming the land through the rehabilitation of numerous tailings facilities, mine opening to surface and demolition of historic infrastructure.

COMMUNITY DEVELOPMENT

The Porcupine Watchful Eye is a stakeholder group that was formed in 1999 to support the mine's sustainability policy. The main goal of this group is to recognize and understand the requirements, expectations and concerns of all stakeholders involved with Porcupine's activities. The group seeks to review, address issues and work with mine management to develop strategies that meet the needs of the stakeholders, community and Company throughout and beyond the operations life.



Family Safety Tours

SAFETY INITIATIVES

The safety culture at Porcupine continues to evolve. Employees are encouraged to think safe, act safe, work safe and promote safety not only as a part of their job but in all they do, because thinking safe is the right thing to do under any circumstance. Safety must be integrated into every facet of employees' work and home lives. Porcupine continually works to develop new programs and systems to ensure a powerful safety culture is embedded in the way all employees work.

Chris Cormier
Mine General Manager

