United States
Securities and Exchange Commission
Washington, D.C. 20549

Form 40-F

[Check one]

o **REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

x **ANNUAL REPORT PURSUANT TO SECTION 13(a) or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended **December 31, 2006** Commission File Number **0-10321**

KINROSS GOLD CORPORATION

(Exact name of Registrant as specified in its charter)

N/A
(Translation of Registrant's name into English (if applicable))

Province of Ontario, Canada
(Province or other jurisdiction of incorporation or organization)

1041
(Primary Standard Industrial Classification Code Number (if applicable))

650430083
(I.R.S. Employer Identification Number (if applicable))

52nd Floor, Scotia Plaza, 40 King Street West, Toronto, Ontario, Canada M5H 3Y2 (416) 365-5123
(Address and telephone number of Registrant's principal executive offices)

Scott W. Loveless, Parr Waddoups Brown Gee & Loveless,
185 South State Street, Suite 1300, Salt Lake City, Utah 84111-1537
(801) 532-7840
(Name, address (including zip code) and telephone number (including area code)
of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Name of each exchange on which registered
Common Shares, no par value	**New York Stock Exchange** **Toronto Stock Exchange**

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None
(Title of Class)

For annual reports, indicate by check mark the information filed with this Form:

x Annual information form **x Audited annual financial statements**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As of December 31, 2006, there were 362,704,112 common shares, no preferred shares and warrants to acquire up to 8,333,333 common shares outstanding.

Indicate by check mark whether the Registrant by filing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934 (the "Exchange Act"). If "Yes" is marked, indicate the filing number assigned to the Registrant in connection with such Rule.

Yes o No x

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes x No o

NOTE FOR U.S. READERS ON CANADA/U.S. REPORTING DIFFERENCES

Pursuant to the requirements of Form 40-F, Kinross' Annual Information Form dated March 30, 2007 and Management's Discussion and Analysis, which includes the audited consolidated financial statements and notes thereto as of December 31, 2006 and for the three years ended December 31, 2006, are hereby filed under cover of this form. See the supplemental note entitled "Reconciliation to United States GAAP" included as Exhibit 99.4 for a reconciliation of the financial statements to U.S. GAAP.

In the United States, reporting standards for auditors require the addition of an explanatory paragraph (following the opinion paragraph) that refers to the audit report on the effectiveness of the Company's internal control over financial reporting. The report to the shareholders of KPMG LLP, independent registered public accountants to the Company, on Management's Report on Internal Control dated March 23, 2007 is expressed in accordance with Canadian reporting standards, which do not require a reference to the audit report on the effectiveness of the Company's internal control over financial reporting in the financial statement auditors' report.

There are also certain differences between the corporate governance practices applicable to Kinross and those applicable to U.S. companies under NYSE listing standards. A summary of the significant differences can be found at www.kinross.com/corp/governance-corp.html.

DISCLOSURE CONTROLS AND PROCEDURES

The Company maintains disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed under the Securities Exchange act of 1934 (as amended) is recorded, processed, summarized and reported within the appropriate time periods and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely disclosures regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any disclosure controls and procedures, no matter how well conceived or operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met, and management is required to exercise its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by Rule 13a-15(b) under the Exchange Act, we conducted an evaluation, under the supervision and with the participation of our management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31st, 2006, the end of the period covered by this annual report on Form 40-F. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this Annual Report, the design and operation of the Company's disclosure controls and procedures were effective.

Significant Changes in Internal Controls

Throughout 2005 and 2006, management has made significant improvements to internal controls over financial reporting including addressing previously identified significant deficiencies. Management has evaluated the design and the effectiveness of the internal controls over financial reporting and concluded that such internal controls are effective. KPMG, Kinross' independent auditors appointed by the shareholders, have audited management's assessment of internal controls over financial reporting, and found that management's opinion that Kinross maintained effective internal control over financial reporting as of December 31, 2006, is fairly stated.

Other than as discussed above, there have been no significant changes to our system of internal control over financial reporting or in other areas for the year ended December 31, 2006 or since that time that could significantly affect our internal control over financial reporting.

AUDIT COMMITTEE

Kinross has an audit committee, comprised of three individuals, John A. Brough, chairman, John M.H. Huxley and Terence C. W. Reid. Each of the members of the audit committee is independent as that term is defined in the listing standards of the New York Stock Exchange. The board of directors has determined that Mr. Brough is the audit committee financial expert. The Securities and Exchange Commission has indicated that the designation of a person as an audit committee financial expert does not make such person an "expert" for any purpose, impose any duties, obligations or liabilities on such person that are greater than those imposed on members of the audit committee and board of directors who do not carry this designation, or affect the duties, obligations or liability of any other member of the audit committee or board of directors.

CODE OF ETHICS

Kinross has a Code of Business Conduct and Ethics that applies to all directors, officers and employees. The Code of Business Conduct and Ethics may be viewed at the Company's website at www.kinross.com under Corporate - Governance. The Company has not granted any waivers under its Code of Business Conduct and Ethics.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The Company paid the following fees to its independent registered public accounting firm during the last two fiscal years:

	2006[1]	2005[2]
Audit Fees	CDN $2,171,000	CDN $1,500,000
Audit-Related Fees	CDN $258,000	—
Tax Fees	CDN $103,000	—
All Other Fees	CDN $219,000	CDN $68,000

(1) Reflects amounts paid during the 2006 fiscal year to the Company's current independent registered accounting firm.

(2) Reflects amounts paid during the 2005 fiscal year to the Company's current independent registered accounting firm. In addition, the Company paid the following amounts to its prior independent registered accounting firm during fiscal 2005: CDN $1,187,295 for audit fees; CDN $1,306,395 for audit related fees; zero for tax fees; and CDN $701,000 for all other fees.

Audit-related fees include fees related to the preparation of prospectuses and registration statements and consultations regarding financial accounting and reporting standards. Tax fees were for tax compliance and advisory services. "All Other Fees" includes amounts for products and services other than those set forth under the separate headings above.

The audit committee is required to approve all services provided by the Company's principal auditor. All audit services, audit related services, tax services, and other services provided for the year ended December 31, 2006 were pre-approved by the audit committee which concluded that the provision of such services by KPMG LLP was compatible with the maintenance of that firm's independence in the conduct of its auditing functions.

OFF-BALANCE SHEET ARRANGEMENTS

The off-balance sheet arrangements of the Company are disclosed in Kinross' Management's Discussion and Analysis – Risk Analysis – Disclosures About Market Risks and Note 8 "Long-term debt and credit facilities," and Note 20 "Commitments and contingencies" to Kinross' audited consolidated financial statements for the year ended December 31, 2006 filed as an exhibit to this report on Form 40-F and incorporated herein by this reference.

CONTRACTUAL OBLIGATIONS

The contractual obligations of the Company are disclosed in Kinross' Management's Discussion and Analysis - Liquidity and Capital Resources - Liquidity Outlook - Contractual Obligations and Commitments," and Note 18 "Operating Leases" to Kinross' audited consolidated financial statements for the year ended December 31, 2006 filed as an exhibit to this report on Form 40-F and incorporated herein by this reference.

SAFE HARBOR FOR FORWARD-LOOKING STATEMENTS

This report on Form 40-F contains "forward-looking statements." Forward-looking statements include, but are not limited to, statements with respect to the future price of gold and silver, the estimation of mineral reserves and resources and other mineralized ore, the realization of mineral reserve and resource estimates, the timing and amount of estimated future production, costs of production, expected capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans," "expects," or "does not expect," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," " anticipates," or "does not anticipate," "or believes," or variations of such words and phrases or statements that certain actions, events or results "may," "could," "would," "might," or "will be taken," "occur," or "be achieved." Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Kinross to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. In addition to the factors Kinross currently believes to be material, which are identified in the Annual Information Form under the captions "Cautionary Statement" and "Risk Factors" and in Management's Discussion and Analysis under the captions "Cautionary Statement on Forward-Looking Information" and "Risk Analysis" filed as exhibits to this report on Form 40-F and incorporated herein by this reference, other factors not currently viewed as material could cause actual results to differ materially from those described in the forward-looking statements. In addition, known or unknown risks could have a greater or different effect than currently expected which could cause actions, events or results not to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements which speak only as the date of this 40-F. Kinross does not undertake any obligation to update or revise these forward-looking statements.

UNDERTAKING AND CONSENT TO SERVICE OF PROCESS

Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

A copy of Kinross' Audited Consolidated Financial Statements as of December 31, 2006, and the three years then ended, together with the accompanying Management's Discussion and Analysis is available at www.kinross.com. The Financial Statements, Management's Discussion and Analysis and the Annual Information Form of Kinross are also available on SEDAR (www.sedar.com) and this report on Form 40-F, including all of the foregoing documents, is available on EDGAR (www.sec.gov). Upon the written request of any shareholder, Kinross will provide a copy of this report on Form 40-F, including the Financial Statements, Management's Discussion and Analysis, and the Annual Information Form attached hereto. Written requests for such information should be directed to Kinross Gold Corporation, attention Shelley Riley, Vice-President Administration and Corporate Secretary, 52nd Floor, Scotia Plaza, 40 King Street West, Toronto, Ontario, Canada M5H 3Y2, telephone (416) 365-5123.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

KINROSS GOLD CORPORATION

March 30, 2007

By /s/ Thomas M. Boehlert

Thomas M. Boehlert
Executive Vice-President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit	Description
99.1	Annual Information Form for Kinross Gold Corporation dated March 30, 2007
99.2	Kinross Gold Corporation Management's Discussion and Analysis
99.3	Audited consolidated financial statements of Kinross Gold Corporation at and for the three years ended December 31, 2006, together with the report of the independent registered public accounting firms of Kinross Gold Corporation thereon
99.4	Related supplementary note entitled "Reconciliation to United States GAAP" and the report of the independent registered public accounting firms of Kinross Gold Corporation thereon
99.5	Management's Report on Internal Control over Financial Reporting
99.6	Report of KPMG LLP, independent registered public accounting firm for Kinross Gold Corporation on internal control over financial reporting
99.7	Consent of KPMG LLP, independent registered public accounting firm for Kinross Gold Corporation
99.8	Consent of Deloitte & Touche LLP, independent registered public accounting firm for Kinross Gold Corporation for the year ended December 31, 2004
99.9	Consent of Robert Henderson to being named as a qualified person
99.10	Consent of Maryse Bélanger to being named as a qualified person
99.11	Consent of B. Scott to being named as a qualified person
99.12	Consent of D. Cameron to being named as a qualified person
99.13	Consent of T. Garagan to being named as a qualified person
99.14	Consent of Larry Smith to being named as a qualified person
99.15	Consent of William Tilley to being named as a qualified person
99.16	Consent of Amec E&C Services Inc. to being named as a qualified person
99.17	Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350 (Section 302 of the Sarbanes-Oxley Act of 2002)
99.18	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350 (Section 906 of the Sarbanes-Oxley Act of 2002)
99.19	Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350 (Section 906 of the Sarbanes-Oxley Act of 2002)
99.20	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350 (Section 906 of the Sarbanes-Oxley act of 2002)

Exhibit 99.1

KINROSS GOLD CORPORATION



ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2006

Dated March 30, 2007

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IMPORTANT NOTICE
ABOUT INFORMATION IN THIS ANNUAL INFORMATION FORM

Kinross completed its acquisition of Bema Gold Corporation ("Bema") on February 27, 2007, following the end of the fiscal year to which this Annual Information Form relates (see "General Information - Bema Acquisition"). In certain parts of this Annual Information Form, Kinross has included historical information relating to Bema and information regarding Kinross, post-Bema acquisition. These sections have been clearly marked. This information may be subject to different risks and uncertainties than the historical information relating to Kinross set forth in this Annual Information Form. See "Risk Factors - Inclusion of Historical Bema Information in Annual Information Form".

Unless specifically stated otherwise in this Annual Information Form:

- all dollar amounts are in United States dollars;
- information is presented as at December 31, 2006;
- information presented does not reflect the acquisition of Bema by Kinross; and
- references to "Kinross", the "Company", "its", "our" and "we", or related terms, refer to Kinross Gold Corporation and its subsidiaries prior to the Bema acquisition.

CAUTIONARY STATEMENT

All statements, other than statements of historical fact, contained or incorporated by reference in this Annual Information Form, including any information as to the future financial or operating performance of Kinross, constitute "forward-looking statements" within the meaning of certain securities laws, including the "safe harbour" provisions of the *Securities Act* (Ontario) and the United States *Private Securities Litigation Reform Act* of 1995 and are based on expectations, estimates and projections as of the date of this Annual Information Form. Forward-looking statements include, without limitation, statements with respect to the future price of gold and silver, the estimation of mineral reserves and resources, the realization of mineral reserve and resource estimates, the timing and amount of estimated future production, costs of production, expected capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. The words "plans," "expects," or "does not expect," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates," or "does not anticipate," or "believes," or variations of such words and phrases or statements that certain actions, events or results "may," "could," "would," "might," or "will be taken," "occur" or "be achieved" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Kinross as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of Kinross contained in this Annual Information Form, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in our management's discussion and analysis as well as: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, damage to equipment or otherwise; (2) permitting development and expansion at Paracatu proceeding on a basis consistent with our current expectations; (3) permitting and development at the Kettle River - Buckhorn project proceeding on a basis consistent with Kinross' current expectations; (4) that a long-term lease replacing the short term lease for the Kupol gold and silver project lands, and construction permits required from time to time, will be obtained from the Russian authorities on a basis consistent with our current expectations; (5) that the exchange rate between the Canadian dollar, Brazilian real, Chilean peso, Russian ruble and the U.S. dollar will be approximately consistent with current levels; (6) certain price assumptions for gold and silver; (7) prices for natural gas, fuel oil, electricity and other key supplies remaining consistent with current levels; (8) production forecasts meet expectations; (9) the accuracy of our current mineral reserve and mineral resource estimates. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or certain other commodities (such as diesel fuel and electricity); changes in interest rates or gold lease rates that could impact the mark-to-market value of outstanding derivative instruments and ongoing payments/receipts under any interest rate swaps and variable rate debt obligations; risks arising from holding derivative instruments (such as credit risk, market liquidity risk and mark-to-market risk); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, Chile, Brazil, Russia or other countries in which we do or may carry on business in the future; business opportunities that may be presented to, or pursued by, us; our ability to successfully integrate acquisitions, including the Bema acquisition; operating or technical difficulties in connection with mining or development activities; employee relations; the speculative nature of gold exploration and development, including the risks of obtaining necessary licenses and permits; diminishing quantities or grades of reserves; adverse changes in our credit rating; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of gold exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect Kinross' actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, Kinross. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking statements made in this Annual Information Form are qualified by these cautionary statements and those made in the "Risk Factors" section hereof. These factors are not intended to represent a complete list of the factors that could affect Kinross. Kinross disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

RISK FACTORS

The business and operations of Kinross are subject to risks. In addition to considering the other information in this Annual Information Form, you should consider carefully the following factors in deciding whether to invest in securities of Kinross. If any of these risks occur, or if other risks not currently anticipated or fully appreciated occur, the business and prospects of Kinross could be materially adversely affected, which could have a material adverse effect on Kinross' valuation and the trading price for its shares.

The success of Kinross is dependent on gold and silver prices over which it has no control.

The profitability of Kinross' operations are significantly affected by changes in the market price of gold and silver. Gold and silver prices fluctuate on a daily basis and are affected by numerous factors beyond the control of Kinross. The price of gold and/or silver can be subject to volatile price movements and future serious price declines could cause continued commercial production to be impractical. Depending on the prices of gold and silver, cash flow from mining operations may not be sufficient to cover costs of production and capital expenditures. If, as a result of a decline in gold and/or silver prices, revenues from metal sales were to fall below cash operating costs, production may be discontinued. The factors that may affect the price of gold and silver include industry factors such as: industrial and jewellery demand; the level of demand for the metal as an investment; central bank lending, sales and purchases of the metal; speculative trading; and costs of and levels of global production by producers of the metal. Gold and silver prices may also be affected by macroeconomic factors, including: expectations of the future rate of inflation; the strength of, and confidence in, the US dollar, the currency in which the price of the metal is generally quoted, and other currencies; interest rates; and global or regional, political or economic uncertainties.

If the world market price of gold and/or silver were to drop and the prices realized by Kinross on gold and/or silver sales were to decrease significantly and remain at such a level for any substantial period, Kinross' profitability and cash flow would be negatively affected. In such circumstances, Kinross may determine that it is not economically feasible to continue commercial production at some or all of its operations or the development of some or all of its current projects, which could have an adverse impact on Kinross' financial performance and results of operations. Kinross may curtail or suspend some or all of its exploration activities, with the result that depleted reserves are not replaced. In addition, the market value of Kinross' gold and/or silver inventory may be reduced and existing reserves may be reduced to the extent that ore cannot be mined and processed economically at the prevailing prices.

Kinross' operations and profitability are affected by shortages and price volatility of other commodities.

Kinross is dependent on various commodities (such as diesel fuel, electricity, steel, concrete and cyanide) and equipment to conduct its mining operations and development projects. The shortage of such commodities, equipment and parts or significant increase of their cost could have a material adverse effect on the Company's ability to carry out its operations and therefore limit or increase the cost of production. Market prices of commodities can be subject to volatile price movements which can be material, occur over short periods of time and are affected by factors that are beyond Kinross' control. An increase in the cost, or decrease in the availability, of input commodities equipment or parts may affect the timely conduct and cost of Kinross' operations and development projects. If the costs of certain commodities consumed or otherwise used in connection with Kinross' operations and development projects were to increase significantly, and remain at such levels for a substantial period, Kinross may determine that it is not economically feasible to continue commercial production at some or all of Kinross' operations or the development of some or all of Kinross' current projects, which could have an adverse impact on Kinross' financial performance and results of operations.

Kinross' future plans rely heavily on mine development projects.

The Company's ability to increase present gold and silver production levels is dependent in part on the successful development of new mines and/or expansion of existing mining operations. Major development projects for Kinross include the Paracatu expansion in Brazil, the Kupol gold and silver project in Russia and the Kettle River - Buckhorn project in the United States. Development projects rely on the accuracy of predicted factors including: capital and operating costs; metallurgical recoveries; reserve estimates; and future metal prices. Development projects are also subject to accurate feasibility studies, the acquisition of surface or land rights and the issuance of necessary governmental permits. As a result of the substantial expenditures involved, developments are prone to material cost overruns versus budget. The project development schedules are also dependent on obtaining the governmental approvals necessary for the operation of a project. The timeline to obtain these government approvals is often beyond the control of. It is not unusual in the mining industry for new mining operations to experience unexpected problems during the start-up phase, resulting in delays and requiring more capital than anticipated.

Kinross' mineral exploration and mining operations involve significant risks, including the difficult nature of establishing the existence of economic mineralization, significant up-front capital requirements, variability in deposits, and others that may restrict Kinross' ability to receive an adequate return on its capital in the future.

The exploration and development of mineral deposits involves significant financial and other risks over an extended period of time, which even a combination of careful evaluation, experience, and knowledge may not eliminate. Few mining properties that are explored are ultimately developed into producing mines. Major expenses are required to establish reserves by drilling and to construct mining and processing facilities. Large amounts of capital are frequently required to purchase necessary equipment. Delays due to equipment malfunction or inadequacy may adversely affect Kinross' results of operations. It is impossible to ensure that the current or proposed exploration programs on properties in which Kinross has an interest will result in profitable commercial mining operations.

Whether a gold or silver deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit, such as its size and grade, costs and efficiencies of the recovery methods that can be employed, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of gold or silver, and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in Kinross not receiving an adequate return on its invested capital.

Kinross is subject to risks caused by various external factors, including legal liability created by its operations.

The operations of Kinross are subject to the hazards and risks normally incidental to exploration, development, and production activities of precious metals mining properties, any of which could result in damage to life or property, environmental damage and possible legal liability for such damage. The activities of Kinross may be subject to prolonged disruptions due to weather conditions depending on the location of operations in which Kinross has interests. Hazards, such as unusual or unexpected formations, faults and other geologic structures, rock bursts, pressures, cave-ins, flooding, or other conditions may be encountered in the exploration, mining, and removal of material.

Changes to the extensive regulatory and environmental rules and regulations to which Kinross is subject could have a material adverse effect on Kinross' future operations.

Kinross' mining and processing operations and exploration activities are subject to various laws and regulations governing the protection of the environment, exploration, development, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, mine safety, and other matters. The legal and political circumstances outside of North America cause these risks to be different from, and in many cases, greater than, comparable risks associated with operations within North America. New laws and regulations, amendments to existing laws and regulations, or more stringent implementation of existing laws and regulations could have a material adverse impact on Kinross, increase costs, cause a reduction in levels of production and/or delay or prevent the development of new mining properties. Compliance with these laws and regulations is part of the business and requires significant expenditures. Changes in regulations and laws could adversely affect Kinross' operations or substantially increase the costs associated with those operations. Kinross is unable to predict what legislation or revisions may be proposed that might affect its business or when any such proposals, if enacted, might become effective.

The operations of Kinross require licenses and permits from various governmental authorities to exploit its properties, and the process for obtaining licenses and permits from governmental authorities often takes an extended period of time and is subject to numerous delays and uncertainties. Such licenses and permits are subject to change in various circumstances. Kinross may be unable to timely obtain or maintain in the future all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities and properties under exploration or development or to maintain continued operations that economically justify the cost.

Kinross' exploration programs in North America are subject to federal, state, and local environmental regulations. For example in the U.S., some of Kinross' mining claims are on United States public lands and The United States Forest Service (the "USFS") and Bureau of Land Management (the "BLM") extensively regulate mining operations conducted on public lands. Most operations involving the exploration for minerals are subject to laws and regulations relating to exploration procedures, safety precautions, employee health and safety, air quality standards, pollution of stream and fresh water sources, odour, noise, dust, and other environmental protection controls adopted by federal, state, and local governmental authorities as well as the rights of adjoining property owners. In addition, in order to conduct mining operations, Kinross will be required to obtain performance bonds related to environmental permit compliance. These bonds may take the form of cash deposits, letters of credit provided through the banking syndicate line of credit, or, if available, could be provided by outside insurance policies. Kinross will be required to prepare and present to federal, state, or local authorities' data pertaining to the effect or impact that any proposed exploration or mining activity may have upon the environment and propose mitigation to decrease environmental impacts. All requirements imposed by any such authorities may be costly and time-consuming and may delay commencement or continuation of exploration, mine development or production operations.

Kinross is subject to risks and expenses related to reclamation costs and related liabilities. Increases in these costs over current estimates could have a material adverse effect on Kinross.

Kinross is generally required to submit for government approval a reclamation plan and to pay for the reclamation of its mine sites upon the completion of mining activities. Kinross estimates the net present value of future cash outflows for reclamation costs under CICA Handbook Section 3110 at $168.4 million as at December 31, 2006 based on information available as of that date. Any significant increases over the current estimates of these costs could have a material adverse effect on Kinross.

Kinross is subject to risks related to environmental liability, including liability for environmental damages caused by mining activities prior to ownership by Kinross. The payment of such liabilities would reduce funds otherwise available and could have a material adverse effect on Kinross.

Mining, like many other extractive natural resource industries, is subject to potential risks and liabilities associated with the effects on the environment resulting from mineral exploration and production. Environmental liability may result from mining activities conducted by others prior to the ownership of a property by Kinross. The payment of such liabilities would reduce funds otherwise available and could have a material adverse effect on Kinross. Should Kinross be unable to fund fully the cost of remedying an environmental problem, Kinross might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy, which could have a material adverse effect on the operations and business of Kinross.

Kinross' operations could be adversely affected by changes in mining laws related to royalties, net profit payments, land and mineral ownership and similar matters.

Major changes to the mining laws of the countries in which Kinross owns mining properties may be considered from time to time. If these legislative changes, which may include royalty fees or net profit payments, are enacted in the future, they could have a significant effect on the ownership, use, operation and profitability of mining claims that Kinross owns or holds. Any amendment to current laws and regulations governing the rights of leaseholders or the payment of royalties, net profits interests or similar amounts, or more stringent implementation thereof in countries where Kinross has operations, could have a material adverse impact on Kinross' financial condition and results of operation.

The business of Kinross could be adversely affected by the lack of infrastructure near its mine sites.

Mining, processing, development, and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources, and water supply are important determinants which affect capital and operating costs. Lack of such infrastructure or unusual or infrequent weather phenomena, sabotage, terrorism, government, or other interference in the maintenance or provision of such infrastructure could adversely affect Kinross' operations, financial condition, and results of operations.

The reserve and resource figures of Kinross are only estimates and are subject to revision based on developing information. A significant reduction in these reserves and resources or in their estimates could negatively affect the price of Kinross' stock.

The figures for reserves and resources presented herein, including the anticipated tonnages and grades that will be achieved or the indicated level of recovery that will be realized, are estimates and no assurances can be given as to their accuracy. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralization or formations may be different from those predicted. It may also take many years from the initial phase of drilling before production is possible, and during that time the economic feasibility of exploiting a deposit may change. Reserve and resource estimates are materially dependent on prevailing gold and silver prices and the cost of recovering and processing minerals at the individual mine sites. Market fluctuations in the price of gold or silver or increases in the costs to recover gold or silver at Kinross' mines may render the mining of ore reserves uneconomical and materially adversely affect Kinross' results of operations. Moreover, various short-term operating factors may cause a mining operation to be unprofitable in any particular accounting period.

Prolonged declines in the market price of gold and/or silver may render reserves containing relatively lower grades of gold and/or silver mineralization uneconomic to exploit and could reduce materially Kinross' reserves and resources. Should such reductions occur, material write downs of Kinross' investment in mining properties or the discontinuation of development or production might be required, and there could be material delays in the development of new projects, increased net losses and reduced cash flow. The estimates of mineral reserves and resources attributable to a specific property are based on accepted engineering and evaluation principles. The estimated amount of contained gold and silver in Proven and Probable Reserves does not necessarily represent an estimate of a fair market value of the evaluated properties.

There are numerous uncertainties inherent in estimating quantities of mineral reserves and resources. The estimates in this Annual Information Form are based on various assumptions relating to gold prices and exchange rates during the expected life of production, mineralization of the area to be mined, the projected cost of mining, and the results of additional planned development work. Actual future production rates and amounts, revenues, taxes, operating expenses, environmental and regulatory compliance expenditures, development expenditures, and recovery rates may vary substantially from those assumed in the estimates. Any significant change in these assumptions, including changes that result from variances between projected and actual results, could result in material downward revision to current estimates.

The mineral resources of Kinross may not be economically developable, in which case Kinross may never recover its expenditures for exploration and/or development.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty of Measured, Indicated or Inferred Mineral Resources, these mineral resources may never be upgraded to Proven and Probable Mineral Reserves. Measured, Indicated and Inferred Mineral Resources are not recognized by the U.S. Securities and Exchange Commission and U.S. investors are cautioned not to assume that any part of mineral deposits in these categories will ever be converted into reserves or recovered.

If Kinross does not develop additional mineral reserves, it may not be able to sustain future operations.

Because mines have limited lives, Kinross must continually replace and expand its mineral reserves as they are depleted by production at its operations. The life-of-mine estimates included in this Annual Information Form for each of Kinross' material properties are based on a number of factors and assumptions and may prove incorrect. Kinross' ability to maintain or increase its annual production of gold and silver will significantly depend on its ability to bring new mines into production and to expand mineral reserves at existing mines. Once a site with mineralization is discovered, it may take several years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish mineral reserves and to construct mining and processing facilities. As a result of these uncertainties, there is no assurance that current or future exploration programs may be successful. There is a risk that depletion of reserves will not be offset by discoveries. As a result, the reserve base of Kinross may decline if reserves are mined without adequate replacement and Kinross may not be able to sustain production beyond the current mine lives, based on current production rates.

Kinross' production and cost estimates may vary and/or not be achieved.

Kinross prepares estimates of future production, operating costs and capital costs for its operations. No assurance can be given that such estimates will be achieved. Failure to achieve production or cost estimates or material increases in costs could have an adverse impact on Kinross' future cash flows, forward sales program, profitability, results of operations and financial condition.

Kinross' actual production and costs may vary from estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors relating to the ore reserves, such as the need for sequential development of orebodies and the processing of new or different ore grades; revisions to mine plans; risks and hazards associated with mining; natural phenomena, such as inclement weather conditions, floods, and earthquakes; and unexpected labour shortages or strikes. Costs of production may also be affected by a variety of factors, including: changing waste-to-ore ratios, ore grade metallurgy, labour costs, the cost of supplies and services (for example, power and fuel), general inflationary pressures and currency exchange rates.

Accounting policies used by Kinross from time to time require management of the Company to make estimates, rely on assumptions and exercise best judgment.

The accounting policies and methods utilized by Kinross determine how it reports its financial condition and results of operations, and they may require management of the Company to make estimates or rely on assumptions about matters that are inherently uncertain. Kinross' financial condition and results of operations are reported using accounting policies and methods prescribed by Canadian generally accepted accounting principles ("GAAP"). In certain cases, Canadian GAAP allows accounting policies and methods to be selected from two or more alternatives, any of which might be reasonable, yet result in Kinross reporting materially different amounts. Management of Kinross exercises judgment in selecting and applying accounting policies and methods to ensure that, while Canadian GAAP compliant, they reflect management's best judgment of the most appropriate manner in which to record and report the Company's financial condition and results of operations. Significant accounting policies to the Consolidated Financial Statements for the fiscal year ended December 31, 2006 are described in Note 2 to such statements.

Internal controls provide no absolute assurances as to reliability of financial reporting and statement preparation, and ongoing evaluation may identify areas in need of improvement.

Kinross has invested resources to document and assess its system of internal controls over financial reporting and it is continuing its evaluation of such internal controls. Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Given the recent acquisition of Bema, Kinross will be required to evaluate Bema's internal controls over financial reporting, in addition to its on-going work with respect to Kinross' internal controls over financial reporting. While Kinross has invested and will continue to invest financial and human resources to document and assess its and Bema's system of internal controls over financial reporting, in the course ongoing evaluation Kinross may identify internal controls over financial reporting that require improvement.

The operations of Kinross outside of North America may be adversely affected by changing political, legal, and economic conditions.

Kinross has mining and exploration operations in various regions of the world, including Brazil, Chile and Russia and such operations are exposed to various levels of political, economic, and other risks and uncertainties. These risks and uncertainties vary from country to country and include, but are not limited to: terrorism; hostage taking; military repression; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risks of war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls, and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Future political and economic conditions in these countries may result in these governments adopting different policies respecting foreign development and ownership of mineral resources. Any changes in policy may result in changes in laws affecting ownership of assets, foreign investment, taxation, rates of exchange, gold sales, environmental protection, labour relations, price controls, repatriation of income, and return of capital, which may affect both the ability of Kinross to undertake exploration and development activities in respect of future properties in the manner currently contemplated, as well as its ability to continue to explore, develop, and operate those properties to which it has rights relating to exploration, development, and operations. A future government of these countries may adopt substantially different policies, which might extend to, as an example, expropriation of assets.

The title to properties of Kinross may be uncertain and subject to risks.

The validity of mining claims which constitute most of Kinross' property holdings may, in certain cases, be uncertain and is subject to being contested. Kinross' titles, particularly title to undeveloped properties, may be defective.

Certain of Kinross' United States mineral rights consist of unpatented mining claims. Unpatented mining claims are unique property interests, and are generally considered to be subject to greater title risk than other real property interests because the validity of unpatented mining claims is often uncertain and is always subject to challenges of third parties or contests by the United States government. The validity of an unpatented mining claim, in terms of both its location and its maintenance, is dependent on strict compliance with a complex body of United States federal and state statutory and decisional law. In addition, there are few public records that definitively control the issues of validity and ownership of unpatented mining claims. The General Mining Law of the United States includes provisions for obtaining a patent, which is essentially equivalent to fee title, for an unpatented mining claim upon compliance with certain statutory requirements (including the discovery of a valuable mineral deposit). However, a Congressional moratorium against the filing of new applications for a mineral patent is currently in effect and is expected to remain in effect.

Numerous other companies compete in the mining industry, some of which may have greater resources and technical capacity than Kinross and, as a result, Kinross may be unable to effectively compete in its industry, which could have a material adverse effect on Kinross' future operations.

The mineral exploration and mining business is competitive in all of its phases. Kinross competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than Kinross, in the search for and the acquisition of attractive mineral properties. The ability of Kinross to operate successfully in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for mineral exploration. Kinross may be unable to compete successfully with its competitors in acquiring such properties or prospects on terms it considers acceptable, if at all.

Kinross may require additional capital that may not be available.

The mining, processing, development, and exploration of Kinross' properties may require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on any or all of Kinross' properties, or even a loss of property interest. Additional capital or other types of financing may not be available if needed or, if available, the terms of such financing may be unfavourable to Kinross.

Kinross' insurance may not cover the risks to which its business is exposed.

Kinross' business is subject to a number of risks and hazards generally, including adverse environmental conditions and hazards, industrial accidents, labour disputes, adverse property ownership claims, unusual or unexpected geological conditions, ground or slope failures, pit wall failures, rock bursts, cave-ins, flooding, changes in the regulatory environment, most of which are beyond Kinross' control, and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage to Kinross' properties or the properties of others, delays in mining, monetary losses and legal liability.

Available insurance does not cover all the potential risks associated with a mining company's operations. Kinross may also be unable to maintain insurance to cover insurable risks at economically feasible premiums, and insurance coverage may not be available in the future or may not be adequate to cover any resulting loss. Moreover, insurance against risks such as the validity and ownership of unpatented mining claims and mill sites and environmental pollution or other hazards as a result of exploration and production is not generally available to Kinross or to other companies in the mining industry on acceptable terms. As a result, Kinross might become subject to liability for environmental damage or other hazards for which it is completely or partially uninsured or for which it elects not to insure because of premium costs or other reasons. Losses from these events may cause Kinross to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

The operations of Kinross in various countries are subject to currency risk.

Currency fluctuations may affect the revenues which Kinross will realize from its operations since gold is sold in the world market in United States dollars. The costs of Kinross are incurred principally in Canadian dollars, United States dollars, Chilean pesos, Brazilian reais, and Russian rubles. The appreciation of non-U.S. dollar currencies against the U.S. dollar increases the cost of gold production in U.S. dollar terms. From time to time, Kinross transacts currency hedging to reduce the risk associated with currency fluctuations. Currency hedging involves risks and may require margin activities. Sudden fluctuations in currencies could result in margin calls that could have an adverse effect on Kinross' financial position. While the Chilean peso, Brazilian real and Russian ruble are currently convertible into Canadian and United States dollars, they may not always be convertible in the future.

While Kinross generally has a "no gold hedge" policy, the Company may from time to acquire gold and/or silver hedge (or derivative product) obligations through acquisitions and/or employ hedge/derivative products in respect of other commodities, interest rates and/or currencies.

While Kinross generally has a "no gold hedge" policy, the Company may from time to time through acquisition (e.g., through the acquisition of Bema) acquire gold and/or silver hedge (or derivative product) obligations. Kinross may also from time to time employ hedge/derivative products in respect of other commodities, interest rates and/or currencies. Hedge (or derivative) products are used to manage the risks associated with gold or silver price volatility, changes in commodity prices, interest rates, foreign currency exchange rates and energy prices. Where Kinross holds such derivative positions, the Company will deliver into such arrangements in the prescribed manner. The use of derivative instruments involves certain inherent risks including: (a) *credit risk* - the risk of default on amounts owing to Kinross by the counterparties with which Kinross has entered into such transaction; (b) *market liquidity risk* - risk that Kinross has entered into a derivative position that cannot be closed out quickly, by either liquidating such derivative instrument or by establishing an offsetting position; (c) *unrealized mark-to-market risk* - the risk that, in respect of certain derivative products, an adverse change in market prices for commodities, currencies or interest rates will result in Kinross incurring an unrealized mark-to-market loss in respect of such derivative products.

In the case of a gold or silver forward sales program, if the metal price rises above the price at which future production has been committed under a forward sales hedge program, Kinross may have an opportunity loss. However, if the metal price falls below that committed price, revenues will be protected to the extent of such committed production. There can be no assurance that Kinross will be able to achieve future realized prices for gold that exceed the spot price as a result of any forward sales hedge program.

Kinross' level of indebtedness and an inability to satisfy repayment obligations could have a significant impact on its operations and financial performance.

Although Kinross has been successful in repaying debt in the past, there can be no assurance that it can continue to do so. Kinross' level of indebtedness could have important consequences for its operations. Kinross expects to obtain the funds to pay its expenses and to pay principal and interest on its debt by utilizing cash flow from operations. Kinross' ability to meet these payment obligations will depend on its future financial performance, which will be affected by financial, business, economic and other factors. Kinross will not be able to control many of these factors, such as economic conditions in the markets in which it operates. Kinross cannot be certain that its future cash flow from operations will be sufficient to allow it to pay principal and interest on Kinross' debt and meet its other obligations. If cash flow from operations is insufficient or if there is a contravention of its debt covenants, Kinross may be required to refinance all or part of its existing debt, sell assets, borrow more money or issue additional equity.

Kinross may not be able to control the decisions and strategy of joint ventures to which it is a party.

Some of the mines in which Kinross owns interests are operated through joint ventures with other mining companies and are subject to the risks normally associated with the conduct of joint ventures. The existence or occurrence of one or more of the following circumstances and events could have a material adverse impact on Kinross' profitability or the viability of its interests held through joint ventures, which could have a material adverse impact on Kinross' results of operations and financial condition:

- inability to exert influence over certain strategic decisions made in respect of joint venture properties;
- disagreement with partners on how to develop and operate mines efficiently;
- inability of partners to meet their obligations to the joint venture or third parties; and
- litigation between partners regarding joint venture matters.

The business of Kinross is dependent on good labour and employment relations.

Production at Kinross' mines is dependent upon the efforts of and maintaining good relationships with employees of Kinross. Relations between Kinross and its employees may be impacted by changes in labour relations which may be introduced by, among others, employee groups, unions, and the relevant governmental authorities in whose jurisdictions Kinross carries on business. Adverse changes in such legislation or in the relationship between Kinross with its employees may have a material adverse effect on Kinross' business, results of operations, and financial condition.

Limitations on the rights of Kinross' foreign subsidiaries could adversely affect its ability to operate efficiently.

Kinross conducts operations through foreign subsidiaries and joint ventures, and a substantial part of its assets are held in such entities. Accordingly, any limitation on the transfer of cash or other assets between the parent corporation and such entities, or among such entities, could restrict Kinross' ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have a material adverse impact on Kinross' results of operations and financial condition.

The results of Kinross' operations could be adversely affected by its acquisition strategy.

As part of Kinross' business strategy, it has sought, and will continue to seek, to acquire new mining and development opportunities in the mining industry. Any acquisition that Kinross may choose to complete which may be of a significant size, may change the scale of Kinross' business and operations, and may expose Kinross to new geographical, political, operational, financial and geological risks. Kinross' success depends on its ability to identify appropriate acquisition candidates, negotiate acceptable arrangements, including arrangements to finance acquisitions and to integrate the acquired businesses and their personnel. Kinross may be unable to complete any acquisition or business arrangement that it pursues on favourable terms. Any acquisitions or business arrangements completed may not ultimately benefit Kinross' business. Acquisitions and business arrangements are accompanied by risks including, without limitation, there may be a significant change in commodity prices after Kinross has committed to complete the transaction and established the purchase price or exchange ratio; an acquired material orebody may prove to be below expectations; Kinross may have difficulty integrating and assimilating the operations and personnel of any acquired companies, realizing anticipated synergies and maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization; the integration of the acquired business or assets may disrupt Kinross' ongoing business and its relationships with employees, customers, suppliers and contractors; and the acquired business or assets may have unknown liabilities which may be significant. In the event that Kinross chooses to raise debt capital to finance any such acquisition, Kinross' leverage will be increased. If Kinross chooses to use equity as consideration for such acquisition, existing shareholders may suffer dilution. Alternatively, Kinross may choose to finance any such acquisition with its existing resources. There can be no assurance that Kinross would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Changes in the market price of Kinross common shares may be unrelated to its results of operations and could have an adverse impact on Kinross.

The Kinross common shares are listed on the Toronto Stock Exchange ("TSX") and New York Stock Exchange ("NYSE"). The price of the Kinross common shares is likely to be significantly affected by short-term changes in gold price or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the performance of Kinross that may have an effect on the price of the Kinross common shares include the following: a reduction in analytical coverage of Kinross by investment banks with research capabilities; a drop in trading volume and general market interest in the securities of Kinross may adversely affect an investor's ability to liquidate an investment and consequently an investor's interest in acquiring a significant stake in Kinross; a failure of Kinross to meet the reporting and other obligations under Canadian and U.S. securities laws or imposed by the exchanges could result in a delisting of the Kinross common shares and a substantial decline in the price of the Kinross common shares that persists for a significant period of time could cause the Kinross common shares to be delisted from the NYSE, further reducing market liquidity.

As a result of any of these factors, the market price of its common shares at any given point in time may not accurately reflect Kinross' long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. Kinross may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Kinross has not paid dividends in the past and may not do so in the future.

No dividends on the common shares have been paid by Kinross to date. Kinross currently anticipates that it will retain future earnings and other cash resources for the future operation and development of its business. Payment of any future dividends will be at the discretion of Kinross' board of directors, after taking into account many factors, including Kinross' operating results, financial condition, and current and anticipated cash needs.

The failure of Kinross to pay royalties would adversely affect its business and operations.

Kinross' mining properties are subject to various royalty and land payment agreements. Failure by Kinross to meet its payment obligations under these agreements could result in the loss of related property interests.

The loss of key executives could adversely affect Kinross.

Kinross has a relatively small executive management team. In the event that the services of a number of these executives were no longer available, Kinross and its business could be adversely affected. Kinross does not carry key-man life insurance with respect to its executives.

Kinross is subject to certain legal proceedings and may be subject to additional litigation in the future.

Kinross is a party to the legal proceedings described under the caption "Legal Proceedings". If decided adversely to Kinross, these legal proceedings, or others that could be brought against Kinross in the future which are not now known, for example, litigation based on its business activities, environmental laws, volatility in its stock price, failure of its disclosure obligations, could have a material adverse effect on Kinross' financial condition or prospects.

It may be difficult to enforce a United States judgment against the officers and directors of Kinross or the experts named in this Annual Information Form or to assert United States securities laws claims in Canada.

Most of the executive officers and directors of Kinross and its independent accountants are non residents of the United States, and a substantial portion of Kinross' assets are located outside the United States. These executives and accountants reside in Canada, making it difficult or impossible to effect service upon them in the United States. As a result, it may be difficult for U.S. residents to effect service in the United States or enforce a judgment obtained in the United States against Kinross or any such persons. Execution by United States courts of any judgment obtained against Kinross or its officers or directors in United States courts would be limited to the assets of Kinross or such persons, as the case may be, located in the United States. Additionally, it may be difficult for U.S. residents to obtain Canadian enforcement of U.S. judgment or to assert civil liabilities under United States securities laws in original actions instituted in Canada.

There are currency, tax and permitting risks related to Kinross' Russian operations, which could adversely affect Kinross' Russian operations.

Kinross is subject to the considerations and risks of operating in the Russian Federation. The Russian economy continues to display characteristics of an emerging market, which includes certain currency conversion risks. Russian legislation currently permits the conversion of ruble revenues into foreign currency. However the market in Russia for the conversion of rubles into foreign currencies is limited and may not continue to exist. Further, any delay or other difficulty in converting rubles into a foreign currency to make a payment or delay in or restriction on the transfer of foreign currency could limit our ability to meet our payment and debt obligations, which could result in the loss of suppliers, acceleration of debt obligations, etc.

The prospects for future economic stability in the Russian Federation are largely dependent upon the effectiveness of economic measures undertaken by the government, together with legal, regulatory, and political developments.

Russian laws, licenses, and permits have been in a state of change and new laws may be given retroactive effect. Such licenses and permits, including the obtainment from the Russian authorities of a long term lease to replace the short term lease in respect of the Kupol gold and silver project lands and construction and operational permits required from time to time in respect of the project, may not be obtained on a basis consistent with out current expectations. Further, ambiguity exists in regard to the interpretation of licenses and permits and the application of rules and regulations in regard to mining activities and associated environmental requirements in the Russian Federation. The suspension, limitation in scope or revocation of a significant license or the levying of substantial fines could have a material adverse effect on our operations in the Russian Federation and Kinross' financial results. In such circumstances, the construction, development and mining activities may be significantly and adversely affected. It is also not unusual in the context of dispute resolution in Russia for parties to use the uncertainty in the Russian legal environment as leverage in business negotiations. In addition, Russian tax legislation is subject to varying interpretations and constant change. Further, Kinross' interpretation of tax legislation as applied to its transactions and activities may not coincide with that of Russian tax authorities. As a result, transactions may be challenged by tax authorities and Kinross' Russian operations may be assessed, which could result in significant additional taxes, penalties and interest. The periods remain open to review by the tax authorities for three years (although the statute of limitations in certain circumstances may not time bar the tax claims).

Risk related to the operations of the combined Bema and Kinross (the "Combined Company"). The Combined Company may not realize the benefits currently anticipated due to challenges associated with integrating the operations, technologies and personnel of Bema and Kinross.

In February, 2007, Kinross completed the acquisition of Bema (see "General Development of Business - Three Year History"). The following are risk factors that may affect the Kinross as a result of this transaction. The success of the Combined Company will depend in large part on the success of management of the Combined Company in integrating the operations, technologies and personnel of Bema with those of Kinross. The failure of the Combined Company to achieve such integration could result in the failure of the Combined Company to realize any of the anticipated benefits of the transaction and could impair the results of operations, profitability and financial results of the Combined Company. No assurance can be given that the operations of the Combined Company will result in the anticipated or any synergies or other benefits expected from the acquisition.

In addition, the overall integration of the operations, technologies and personnel of Bema into the Combined Company may result in unanticipated operational problems, expenses, liabilities and diversion of management's attention. No assurance can be given that Kinross' systems, procedures and controls will be adequate to support the expansion of Kinross' operations resulting from the Bema acquisition. Kinross' future operating results could be affected by the ability of its officers and key employees to manage the changing business conditions and to integrate Bema's operational and financial controls and reporting systems into Kinross' systems.

Unforeseen liabilities from Bema acquisition

There may be liabilities, such as environmental liabilities, that Kinross has failed to discover or has underestimated in connection with its acquisition of Bema. In addition, there may be capital expenditure requirements that Kinross has failed to discover or underestimated in connection with its acquisition, which amounts may be material. Any such liabilities or capital expenditure requirements could have a material adverse effect on Kinross' business, financial condition or future prospects.

Inclusion of historical Bema information in this Annual Information Form

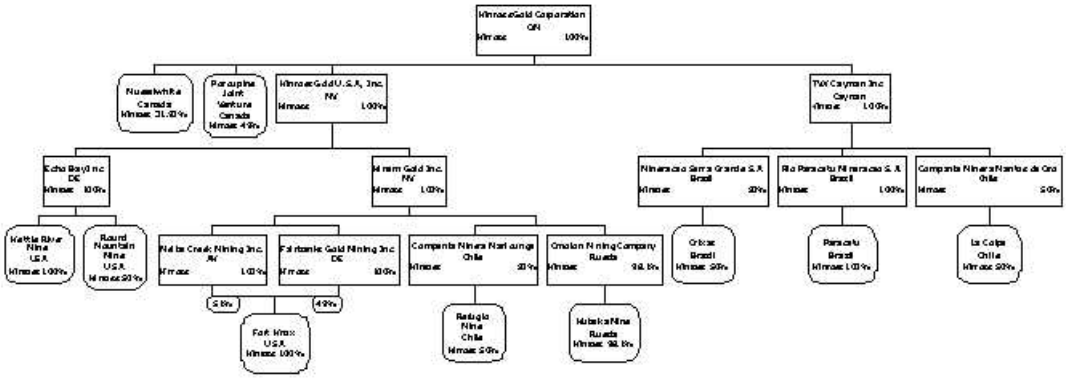
The acquisition of Bema by Kinross was completed on February 27, 2007, following the end of the fiscal year to which this Annual Information Form relates. Kinross has included certain information in this Annual Information Form relating to Bema in order to provide the reader with information relating to the Combined Company. The historical information relating to Bema in this Annual Information Form is derived, among other things, from previous Bema public disclosure and from Bema officers and employees. Some of the disclosure relating to Bema relates to periods prior to Kinross' ownership of Bema, and therefore was generated by disclosure controls and procedures that may have been different than those in place at Kinross. Thus, information from the two companies may not have been generated and reported using equivalent standards. Among other things, reserves and resources reported by Bema as at December 31, 2006 were estimated by employees of Bema and others in accordance with Bema's previously established policies and procedures, and have not been independently verified by Kinross. Further, Kinross' management's expectations about the combined entity's future performance reflect the current state of its information about Bema and its operations and there can be no assurance that such information is correct in all material respects.

CORPORATE STRUCTURE

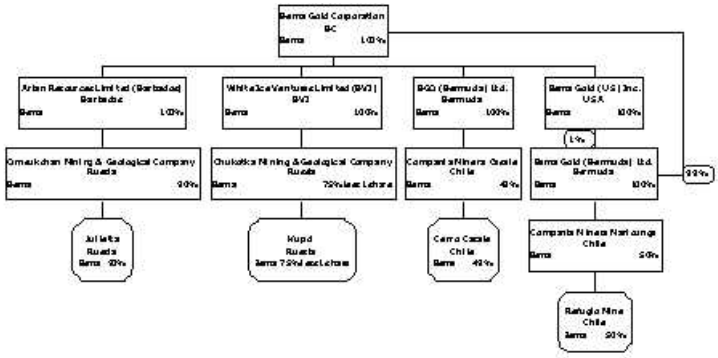
Kinross Gold Corporation was initially created in May 1993 by amalgamation of CMP Resources Ltd., Plexus Resources Corporation, and 1021105 Ontario Corp. In December 2000, Kinross amalgamated with LT Acquisition Inc., in January 2005, Kinross amalgamated with its wholly-owned subsidiary, TVX Gold Inc. and in January 2006 it amalgamated with its wholly-owned subsidiary, Echo Bay Mines Ltd. Kinross is the continuing entity resulting from these amalgamations. Kinross is governed by the *Business Corporations Act* (Ontario) and its registered and principal offices are located at Suite 5200, Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3Y2.

Each of Kinross' mining operations is a separate business unit managed by its Vice President and General Manager, who in turn, reports to the Chief Operating Officer. Exploration activities, corporate financing, tax planning, additional technical support services, hedging and acquisition strategies are managed centrally. Kinross' risk management programs are subject to overview by its Risk Committee and the Board of Directors.

A significant portion of Kinross' business is carried on through subsidiaries. A chart showing the names of the significant subsidiaries of Kinross and their respective jurisdictions of incorporation is set out below as of December 31, 2006. All subsidiaries are 100% owned unless otherwise noted. Unless otherwise indicated herein, the term "Kinross" includes, collectively, all of the subsidiaries of Kinross.



The additional chart below shows the corporate structure of Bema (as defined herein) as of the date of the acquisition of Bema by Kinross. See "General Development of Business - Three Year History - Bema Acquisition".



GENERAL DEVELOPMENT OF THE BUSINESS

Overview

Kinross is principally engaged in the mining and processing of gold and, as a by-product, silver ore and the exploration for, and the acquisition of, gold bearing properties in the Americas, Russia and worldwide. The principal products of Kinross are gold and silver produced in the form of doré that is shipped to refineries for final processing.

Kinross' strategy is to increase shareholder value through increases in precious metal reserves, production and long-term cash flow and earnings per share. Kinross' strategy also consists of optimizing the performance and, therefore, the value of existing operations, investing in quality exploration and development projects and acquiring new potentially accretive properties and projects.

Kinross' operations and Mineral Reserves are impacted by changes in metal prices. Gold traded above $420 per ounce for most of 2005 and $550 for most of 2006. Kinross used a gold price of $475 per ounce at the end of 2006 to estimate mineral reserves.

Kinross' share of Proven and Probable Reserves as at December 31, 2006, was 27.9 million ounces of gold and 27.8 million ounces of silver (without factoring in the Bema properties acquired in February 2007).

Three Year History

In November 2003, Kinross entered into a definitive acquisition agreement with Crown Resources Corporation ("Crown") whereby Kinross agreed to acquire Crown in a share exchange transaction; Crown owned the Buckhorn gold deposit in north central Washington State, approximately 70 kilometres by road from Kinross' Kettle River gold milling facility. The acquisition of Crown was completed in August 2006. The Crown shareholders received 0.32 of a Kinross common share for each share of Crown common stock. Kinross issued approximately 14.6 million common shares in connection with this transaction. In late September 2006, Kinross received the necessary permits to commence mine construction at the Kettle River - Buckhorn property. As of the date of this Annual Information Form, surface construction activities are well underway and the target for initial production is late 2007. Although production may vary from year to year, the Kettle River - Buckhorn project is expected to contribute an average of approximately 160,000 ounces a year to Kinross' production profile during the first five full years of operation beginning in 2008.

On December 31, 2004, the Company completed the purchase of a 51% interest in Rio Paracatu Mineracao ("RPM"), the owner of the Morro do Ouro mine (also known as "Paracatu") in Brazil from Rio Tinto Plc. (''Rio Tinto''). The RPM gold mine is located near Brasilia in the state of Minas Gerais, Brazil. It has been in operation since 1987. As a result of this transaction the Company now owns 100% of the property and is the operator. Kinross acquired its 49% interest in the mine on January 31, 2003 when it merged with TVX. Consideration of approximately $256 million was paid in cash on completion of the acquisition from Rio Tinto after finalizing the working capital adjustment. The Company financed the transaction with a combination of cash and debt.

On January 25, 2005, the Company informed employees and local government officials that it would not proceed with the development of the Tsokol vein located near the Kubaka mill in Russia. Final ore processing from stockpiles remaining at Kubaka was completed in 2006.

On March 23, 2005, the Company announced the appointment of Tye W. Burt as President and Chief Executive Officer of the Company. Mr. Burt replaced Robert M. Buchan who had announced his intention to step down in January 2005. See "Directors and Officers – Directors – Tye W. Burt".

On December 29, 2005, Kinross entered into a definitive agreement whereby it sold its Aquarius gold property to St Andrew Goldfields Ltd. ("St. Andrew") in exchange for 100 million common shares of St Andrew and warrants to acquire 25 million St Andrew common shares at a price of Cdn$0.17 per share for a period of 24 months.

On March 30, 2006, Kinross announced the adoption of a shareholders rights plan.

In July 2006, Kinross completed the sale of its Blanket Mine located in Zimbabwe to Caledonia Mining Corporation ("Caledonia"), in exchange for 20 million common shares of Caledonia and $1 million in cash.

In the third quarter of 2006, Kinross entered into an amended and restated revolving credit facility and term loan with a group of lenders for $500 million. The $300 million three-year revolving credit facility will support Kinross' liquidity and letter of credit needs, extending the previous credit facility of $295 million. The new five-and-a-half year $200 million term loan will support the expansion program at the Paracatu mine in Brazil. Obligations under the facility are secured by the assets of the Fort Knox mine as well as the pledge of shares of various subsidiaries and a security interest over certain cash and investment accounts.

On August 3, 2006, Kinross' Board of Directors approved an investment of approximately $470 million in Rio Paracatu Mineraçao, Kinross' Brazilian operating subsidiary, for the expansion of the Paracatu mine in Brazil. The project is anticipated to begin production in 2008. During the period from 2009 to 2013 the project is expected to have average annual throughput of 58 million tonnes with an average annual output of approximately 557,000 ounces of gold. As a result, total Kinross production for 2009 is expected to aggregate 1.8 - 1.9 million ounces of gold equivalent. For the years 2009 through 2019, average annual output at Paracatu is expected to be approximately 490,000 ounces. The current mine plan indicates a mine life of approximately 30 years, based on 15.2 million ounces of current Proven and Probable Mineral Reserves. Over the life of the mine from 2009 onwards, average annual production is expected to be approximately 418,000 ounces.

On September 29, 2006, Kinross entered into a definitive purchase agreement with Pegasus Mines Limited, Piper Capital Inc. and Garson Resources Ltd. to sell its 50 percent interest in the joint venture company which holds the New Britannia mine in Northern Manitoba. The mine had completed mining and milling operations in September 2004. Kinross received shares consisting of 19.9 percent of the issued and outstanding share capital from each of Piper and Garson at closing of the transactions. The sale of the Company's 50% share of the New Britannia mine was completed on December 22, 2006. The mine was placed on care and maintenance in 2004 after suspension of mining and operations.

On February 28, 2007 Kinross completed the sale of the Lupin mine and related property in Nunavut to Wolfden Resources Inc. ("Wolfden") in exchange for Wolfden assuming a certain amount of the mine's liabilities. Kinross was relieved of its obligation to reclaim the mine site, and retired related letters of credit and promissory notes. The Company delivered a Cdn$3.0 million standby letter of credit to Wolfden, and agreed to reimburse Wolfden for Cdn$1.7 million of fuel costs in 2007. If the Lupin mill is demolished by Wolfden without restarting the mill, the Kinross letter of credit will be drawn on to help fund the demolition costs. Kinross agreed to pay up to Cdn$1.0 million for reclamation and closing of the tailings facility if the mill is restarted, and up to Cdn$4.0 million if the mill is not restarted, provided the work is preformed before the end of 2008. The agreement also provides that if the price of gold exceeds $500 per ounce, Kinross is to be paid a 1% royalty on future production.

Bema Acquisition

On November 6, 2006, Kinross entered into a letter agreement with Bema Gold Corporation ("Bema") providing for the acquisition by Kinross of all of the outstanding common shares of Bema in exchange for common shares of Kinross. On December 21, 2006, the parties entered into an arrangement agreement which set forth the mechanics for the proposed transaction including that the transaction would be carried out pursuant to a plan of arrangement (the "Arrangement") under the *Canada Business Corporations Act*. On January 30, 2007, the Bema shareholders approved the Arrangement and the Arrangement became effective on February 27, 2007 with Bema continuing as EastWest Gold Corporation ("EastWest Gold"), a wholly owned subsidiary of Kinross. Pursuant to the Arrangement, Kinross issued 0.4447 of a Kinross common share plus Cdn$0.01 in cash for each Bema common share outstanding. Additionally, and in accordance with the terms of the outstanding warrants of Bema, all of such warrants became exercisable into that number of Kinross common shares (and cash) consistent with the exchange ratio discussed above. Also, pursuant to the Arrangement, all of the outstanding options of Bema were exchanged for options of Kinross to acquire 0.4447 of a Kinross common share plus the portion of a Kinross common share that, immediately prior to the effective time of the Arrangement, had a fair market value equal to Cdn$0.01 cash.

As a result of the transaction, Kinross is as of the date of this Annual Information Form, with Bema (now EastWest Gold) on a combined basis, a mining company which has nine mines in five countries employing approximately 4,500 employees with a reserves and resources base (excluding Inferred Resources) of more than 56 million ounces of gold, 82 million ounces of silver and 3.8 billion pounds of copper. Kinross now owns a 75% (less one share) interest in the Kupol gold and silver project in north eastern Russia and a 49% interest in the Cerro Casale project in Chile, and has consolidated its ownership of the Refugio mine in Chile (See "Description of Business - Material Properties"). Kinross also acquired the Julietta mine in Russia.

As part of the transaction, Kinross and certain subsidiaries of Bema entered into certain arrangements with B2Gold Corp. ("B2Gold", a company incorporated by and controlled by certain members of Bema's management team at that time), pursuant to which in exchange for aggregate consideration of $15 million (payable in cash, debt and shares of B2Gold):

(a) on February 26, 2007, a subsidiary of Bema transferred certain assets to B2Gold, including:

- all of Bema's interests in a recently established Colombian joint venture arrangement with AngloGold Ashanti Limited;
- all indebtedness owed by Consolidated Puma Minerals Corp. to Bema; and
- certain leasehold assets, including leasehold improvements, furniture and equipment, related to Bema's head office located in Vancouver, British Columbia, and

(b) Bema (now EastWest Gold, a subsidiary of Kinross) agreed that, following and conditional upon the receipt of certain Russian regulatory consents, a subsidiary of Kinross shall transfer to a subsidiary of B2Gold, 50% of Kinross' 75% indirect interest in a joint venture that has an indirect interest in the Kupol East and West licenses, which are adjacent to the Kupol gold and silver project in north eastern Russia

In addition, on February 26, 2007:

- a subsidiary of Bema (now a subsidiary of Kinross) granted B2Gold an option to purchase all or any part of its 17,935,310 common shares of Consolidated Puma Minerals Corp.;
- the lease for Bema's former head office located in Vancouver, British Columbia was assigned to B2Gold, and B2Gold entered into a sublease with a subsidiary of Kinross for a portion of such premises;
- B2Gold granted a subsidiary of Bema (now a subsidiary of Kinross) an option to acquire shares of B2Gold in certain circumstances; and
- B2Gold granted a subsidiary of Bema (now a subsidiary of Kinross) a pre-emptive right in respect of subsequent issuances of shares by B2Gold.

Subsidiaries of each of Kinross, Bema (now EastWest Gold) and B2Gold have also entered into an agreement regarding their respective interests in future exploration activities in certain areas of Russia and a subsidiary of Kinross and B2Gold are currently negotiating a joint venture agreement with a Russian minority partner in regards to the entity that will have an indirect interest in the Kupol East and West licenses.

Kinross is principally engaged in the exploration for, and acquisition, development and operation of, gold-bearing properties. The material properties of Kinross as of December 31, 2006 were as follows:

Property [1]	Location	Property Ownership
Fort Knox	Alaska, United States	100% [2]
Paracatu	Minas Gerais, Brazil	100%
Refugio	Maricunga District, Chile	50% [3]
Round Mountain	Nevada, United States	50%

(1) The Fort Knox, Paracatu and Round Mountain properties are subject to various royalties (See "Kinross Material Properties" - "Fort Knox and Area, Alaska, United States"; "Paracatu, Brazil" and "Round Mountain, Nevada, United States").

(2) Kinross holds a 100% interest in the properties forming part of the Fort Knox mine except for the Gil property in which Kinross holds an 80% interest.

(3) As a result of the Bema transaction closed in early 2007, Kinross now has a 100% ownership interest in the Refugio property.

In addition, as of December 31, 2006, Kinross held a 49% interest in the Porcupine Joint Venture in Timmins, Ontario, a 50% interest in the La Coipa mine in Chile, a 50% interest in the Crixas mine, situated in Brazil, a 31.9% interest in the Musselwhite mine in Ontario, Canada, a 100% interest in the Kettle River mine in Washington, United States, which includes the Kettle River - Buckhorn project, and other mining properties in various stages of exploration, development, reclamation, and closure. The Company's principal product is gold and it also produces silver.

As a result of the Bema transaction previously discussed, as of the date of this Annual Information Form, Kinross holds a 49% interest in the Aldebaran property in Chile (which includes the Cerro Casale deposit, a large development stage gold-copper deposit) a 75% (less 1 share) interest in the Kupol gold and silver project in northwest Russia, a 90% interest in the Julietta mine, a gold and silver underground mine in Russia and other various properties. Kinross also became the 100% owner of the Refugio mine as a result of the transaction.

Employees

At December 31, 2006, Kinross and its subsidiaries directly employed over 3,700 persons. Kinross' employees in the United States and Canada are predominately non-unionized. At the Porcupine Joint Venture, operated by Goldcorp Canada Ltd., a three-year Collective Bargaining Agreement was ratified on November 1, 2005. As of the date of this Annual Information Form factoring in the Bema acquisition, Kinross directly employs approximately 4,500 persons. Refugio's collective agreement with hourly employees expires on April 30, 2007. Collective bargaining negotiations began in March 2007 with both the hourly and a group of the professional/front line supervisory employees. Kinross considers its employee relations to be good.

Competitive Conditions

The precious metal mineral exploration and mining business is a competitive business. Kinross competes with numerous other companies and individuals in the search for and the acquisition of attractive precious metal mineral properties. The ability of Kinross to replace or increase its mineral reserves and resources in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for precious metal development or mineral exploration.

Environmental Protection

Kinross' exploration activities and mining and processing operations are subject to the federal, state, provincial, regional and local environmental laws and regulations in the jurisdictions in which Kinross' facilities are located, such as (in the United States) the *Clean Air Act*; the *Clean Water Act*; the *Comprehensive Environmental Response, Compensation and Liability Act* ; the *Emergency Planning and Community Right to Know Act*; the *Endangered Species Act; the Federal Land Policy and Management Act* ; the *National Environmental Policy Act*; the *Resource Conservation and Recovery Act* ; and related state laws.

Kinross is subject to similar laws in other jurisdictions in which it operates. In all jurisdictions in which Kinross operates, environmental licenses, permits and other regulatory approvals are required in order to engage in exploration, mining and processing, and mine closure activities. Regulatory approval of a detailed plan of operations and a comprehensive environmental impact assessment is required prior to initiating mining or processing activities or for any substantive change to previously approved plans. In all jurisdictions in which Kinross operates, specific statutory and regulatory requirements and standards must be met throughout the life of the mining or processing operations in regard to air quality, water quality, fisheries and wildlife protection, archaeological and cultural resources, solid and hazardous waste management and disposal, the management and transportation of hazardous chemicals, toxic substances, noise, community right-to-know, land use, and reclamation. Except as may be otherwise disclosed herein, Kinross is currently in compliance in all material respects with all material applicable environmental laws and regulations. Details and quantification of the Company's reclamation and remediation obligations are set out in Note 9 to the audited Consolidated Financial Statements of the Company for the year ended December 31, 2006.

Kinross is a signatory to the International Cyanide Management Institute (the "ICMI"). The ICMI is an independent body that was established by a multi-stakeholder group under the guidance of the United Nations Environmental Program. The Code established operating standards for cyanide manufacturers, transporters and mines and provides for third-party certification of facilities' compliance with the Cyanide Code.

Kinross has implemented internal reviews and an independent audit schedule according to ICMM guidelines to determine compliance to the Cyanide Code. In addition to Kinross' intention to meet the requirements of the Cyanide Code, Kinross has established a committed approach to environmental protection.

A proven commitment to effective environmental stewardship is a key element of the ongoing business philosophy of Kinross. At Kinross, a strong environmental ethic and sound environmental management program have been integrated with core business functions at all levels, and at all locations throughout the organization.

The corporate programs Kinross has implemented include:

AUDITS - Comprehensive environmental compliance audits are conducted at all operations and at selected residual properties on a biennial basis. The audit program assesses compliance with applicable legal requirements, measures effectiveness of management systems, and includes procedures to ensure timely follow-up on audit findings.

METRICS - Kinross has identified operational parameters that are key indicators of environmental performance, and measures these indicators on a regular basis. The Company tracks an index of these key performance indicators and sets performance targets to encourage continuous environmental improvement.

ENGINEERING - To effectively manage environmental risk, a program is in place to routinely assess the management and stability of tailings and heap leach facilities. It includes a detailed water balance accounting, to assure sufficient storage capacity, and a review of operational procedures. Every Kinross operation has a tailings or heap management plan in place.

RECLAMATION - Kinross recognizes its responsibility to manage the environmental change associated with its operations, and has established a specific business unit to address the Company's reclamation and closure obligations in a way that demonstrates excellence and establishes industry-wide leadership through example.

The results of these programs have been recognized by others within and outside the mining industry. Examples of significant recognition of Kinross' efforts are listed on Kinross' website at www.kinross.com.

Operations

Kinross' share of production in 2006 (without factoring in the acquired Bema properties) was derived from the mines in North America (61%), South America (37%) and Russia (2%). The following shows the location of Kinross main properties as of the date hereof.



Gold Equivalent Production (Ounces)

The following table summarizes production by Kinross in the last three years:

	Years ended December 31,		
	2006	**2005**	**2004**
Gold equivalent production – ounces	1,476,329	1,608,805	1,653,784
Gold sales - ounces (excluding equivalent accounted ounces)	1,510,836	1,575,267	1,585,109

Included in gold equivalent production is silver production converted into gold production using a ratio of the average spot market prices of gold and silver for the three comparative years. The ratios were 52.28:1in 2006; 60.79:1 in 2005 and 61.46:1 in 2004.

The following table sets forth the gold equivalent production for Kinross' interest in each of its operating assets during the last three years:

	Years ended December 31,		
	2006	2005	2004
North America:			
Fort Knox	333,383	329,320	338,334
Round Mountain [4]	335,115	373,947	387,785
Porcupine Joint Venture [1]	156,735	183,976	193,799
Musselwhite [6]	69,834	79,916	76,640
New Britannia [4]	—	—	23,652
Kettle River	3,978	68,146	96,789
Lupin [2]	—	—	66,577
South America:			
Paracatu [5]	174,254	180,522	92,356
Refugio [4]	116,868	30,580	9,809
La Coipa [4]	155,180	125,991	150,887
Crixás [4]	97,009	96,212	93,540
Other Operations:			
Kubaka [3]	33,973	140,195	123,616
Total	1,476,329	1,608,805	1,653,784

(1) Reflects Kinross' 49% ownership interest in the Porcupine Joint Venture.

(2) Lupin did not operate in 2005. 2004 production data is for the period March 1, 2004 to December 31, 2004. The property was sold in December 2006.

(3) Represents Kinross' 98.1% ownership interest.

(4) Represents Kinross' 50% ownership interest. The New Britannia property was sold in 2006.

(5) Represents Kinross' 49% ownership interest until December 31, 2004 and 100% thereafter.

(6) Represents Kinross' 31.9% ownership interest.

Marketing

Gold is a metal that is traded on world markets, with benchmark prices generally based on the London market (London fix). Gold has two principal uses: product fabrication and bullion investment. Fabricated gold has a wide variety of end uses, including jewellery manufacture (the largest fabrication component), electronics, dentistry, industrial and decorative uses, medals, medallions, and official coins. Gold bullion is held primarily as a store of value and a safeguard against the collapse of paper assets denominated in fiat currencies. Kinross sells all of its refined gold to banks, bullion dealers, and refiners. In 2006, sales to four customers totalled $217.9 million, $132.5 million, $130.7 million and $99.1 million, respectively. In 2005, sales to four customers totalled $183.8 million, $96.0 million, $93.2 million, and $71.8 million, respectively. Due to the size of the bullion market and the above ground inventory of bullion, activities by Kinross will generally not influence gold prices. Kinross believes that the loss of any of these customers would have no material adverse impact on Kinross because of the active worldwide market for gold.

The following table sets forth for the years indicated the high and low London Bullion Market afternoon fix prices for gold:

Year	High	Low	Average
1998	$ 313.15	$ 273.40	$ 294.09
1999	$ 325.50	$ 252.80	$ 278.57
2000	$ 312.70	$ 263.80	$ 279.11
2001	$ 293.25	$ 255.95	$ 271.04
2002	$ 349.30	$ 277.75	$ 309.68
2003	$ 416.25	$ 319.90	$ 363.32
2004	$ 454.20	$ 375.00	$ 409.17
2005	$ 536.50	$ 411.10	$ 444.45
2006	$ 725.00	$ 524.25	$ 603.77

Kinross Mineral Reserves and Mineral Resources

The following tables set forth the estimated mineral reserves and mineral resources attributable to the interests held by Kinross for each of its properties:

Proven & Probable Mineral Reserves (1,3,5,6,7)

Gold

MINERAL RESERVE AND RESOURCE STATEMENT **Gold Price (US$/oz) $ 475**

Kinross Gold Corporation's Share at December 31, 2006

			Proven			Probable			Proven and Probable		
Property	Location	Kinross Interest (%)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)
NORTH AMERICA											
Musselwhite [11]	Canada	31.9%	1,267	5.87	239	1,504	6.74	326	2,771	6.34	565
Porcupine JV [11]	Canada	49%	12,983	1.40	586	17,186	2.03	1,123	30,169	1.76	1,709
Fort Knox [13]	USA	100%	85,704	0.46	1,270	73,969	0.60	1,435	159,673	0.53	2,705
Kettle River [9, 16]	USA	100%	39	11.17	14	1,814	15.98	932	1,853	15.88	946
Round Mountain [14]	USA	50%	36,706	0.72	845	65,843	0.52	1,107	102,549	0.59	1,952
SUBTOTAL			**136,699**	**0.67**	**2,954**	**160,316**	**0.96**	**4,923**	**297,015**	**0.82**	**7,877**
SOUTH AMERICA											
Crixas [10]	Brazil	50%	1,647	4.57	242	1,005	5.91	191	2,652	5.08	433
Paracatu	Brazil	100%	1,180,809	0.41	15,394	81,264	0.38	995	1,262,073	0.40	16,389
La Coipa [12]	Chile	50%	7,003	1.43	323	3,133	1.08	109	10,136	1.33	432
Refugio	Chile	50%	69,771	0.80	1,789	41,554	0.70	931	111,325	0.76	2,720
SUBTOTAL			**1,259,230**	**0.44**	**17,748**	**126,956**	**0.55**	**2,226**	**1,386,186**	**0.45**	**19,974**
TOTAL GOLD			**1,395,929**	**0.46**	**20,702**	**287,272**	**0.77**	**7,149**	**1,683,201**	**0.51**	**27,851**

Silver

MINERAL RESERVE AND RESOURCE STATEMENT **Silver Price (US$/oz) $ 7.00**

Kinross Gold Corporation's Share at December 31, 2006

			Proven			Probable			Proven and Probable		
Property	Location	Kinross Interest (%)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)
SOUTH AMERICA											
La Coipa [12]	Chile	50.0%	7,003	84.5	19,033	3,133	86.9	8,750	10,136	85.3	27,783
SUBTOTAL			**7,003**	**84.5**	**19,033**	**3,133**	**86.9**	**8,750**	**10,136**	**85.3**	**27,783**
TOTAL SILVER			**7,003**	**84.5**	**19,033**	**3,133**	**86.9**	**8,750**	**10,136**	**85.3**	**27,783**

Cautionary Note to United States Investors Concerning Estimates of Measured and Indicated Resources

This section uses the terms "Measured" and "Indicated" resources. United States investors are advised that while those terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. United States investors are cautioned not to assume that all or any part of mineral deposits in these categories will ever be converted into Proven and Probable Reserves or recovered.

Measured & Indicated Mineral Resources
(excludes Proven & Probable Reserves) (2,3,4,6,7,8)

Gold

MINERAL RESERVE AND RESOURCE STATEMENT **Gold Price (US$/oz) $ 525**

Kinross Gold Corporation's Share at December 31, 2006

			Measured			Indicated			Measured and Indicated		
Property	Location	Kinross Interest (%)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)
NORTH AMERICA											
Musselwhite [11]	Canada	31.9%	403	5.40	70	666	5.65	121	1,069	5.56	191
Porcupine JV [11]	Canada	49%	3,424	2.02	222	34,793	1.72	1,926	38,217	1.75	2,148
Fort Knox [13]	USA	100%	9,653	0.68	210	61,631	0.69	1,363	71,284	0.69	1,573
Round Mountain [14]	USA	50%	4,353	0.74	103	7,500	0.66	160	11,853	0.69	263
SUBTOTAL			**17,833**	**1.06**	**605**	**104,590**	**1.06**	**3,570**	**122,423**	**1.06**	**4,175**
SOUTH AMERICA											
Crixas [10]	Brazil	50%	—	—	—	114	3.55	13	114	3.55	13
Gurupi [17]	Brazil	100%	—	—	—	47,050	1.08	1,632	47,050	1.08	1,632
Paracatu	Brazil	100%	48,476	0.35	545	19,003	0.29	177	67,479	0.33	722
La Coipa [12]	Chile	50%	7,232	0.87	203	4,234	1.19	161	11,466	0.99	364
Refugio	Chile	50%	15,790	0.72	367	26,685	0.67	578	42,475	0.69	945
SUBTOTAL			**71,498**	**0.49**	**1,115**	**97,086**	**0.82**	**2,561**	**168,584**	**0.68**	**3,676**
ASIA											
Kubaka [15]	Russia	98.1%	—	—	—	376	13.07	158	376	13.07	158
SUBTOTAL			—	—	—	**376**	**13.07**	**158**	**376**	**13.07**	**158**
TOTAL GOLD			**89,331**	**0.60**	**1,720**	**202,052**	**0.97**	**6,289**	**291,383**	**0.85**	**8,009**

Silver

MINERAL RESERVE AND RESOURCE STATEMENT **Silver Price (US$/oz)** **$ 8.00**

Kinross Gold Corporation's Share at December 31, 2006

			Measured			Indicated			Measured and Indicated		
Property	**Location**	**Kinross Interest(%)**	**Tonnes (x 1,000)**	**Grade (g/t)**	**Ounces (x 1,000)**	**Tonnes (x 1,000)**	**Grade (g/t)**	**Ounces (x 1,000)**	**Tonnes (x 1,000)**	**Grade (g/t)**	**Ounces (x 1,000)**
SOUTH AMERICA											
La Coipa [12]	Chile	50.0%	7,232	31.5	7,313	4,234	25.7	3,494	11,466	29.3	10,807
SUBTOTAL			**7,232**	**31.5**	**7,313**	**4,234**	**25.7**	**3,494**	**11,466**	**29.3**	**10,807**
ASIA											
Kubaka Area [15]	Russia	98.1%	—	—	—	376	14.3	173	376	14.3	173
SUBTOTAL			—	—	—	**376**	**14.3**	**173**	**376**	**14.3**	**173**
TOTAL SILVER			**7,232**	**31.5**	**7,313**	**4,610**	**24.7**	**3,667**	**11,842**	**28.8**	**10,980**

Statement of Inferred Resources

In addition to the reported Measured and Indicated Mineral Resources estimated at a gold price of $525, Inferred Mineral Resources of gold total 130,658,000 tonnes at an average grade of 0.92 grams per tonne gold. Inferred Mineral Resources of silver total 754,000 tonnes at an average grade of 26.6 grams per tonne using an $8.00 silver price.

Notes – 2006 Kinross Mineral Reserve & Resource Statements

(1) Unless otherwise noted, the Company's reserves are estimated using appropriate cut-off grades derived from an assumed gold price of $US 475 per ounce, and a silver price of $US 7.90 per ounce. Reserves are estimated using appropriate process recoveries, operating costs and mine plans that are unique to each property and include estimated allowances for dilution and mining recovery. Reserves are reported in contained units and are estimated based on the following foreign exchange rates:

$CAD to $US	1.23
Russian Rubles to $US	28.00
Chilean Peso to $US	580.00
Brazilian Reais to $US	2.62

(2) Unless otherwise noted, the Company's resources are estimated using appropriate cut-off grades derived at a gold price of $US 525 per ounce, a silver price of $US 8.75 per ounce and the following foreign exchange rates:

$CAD to $US	1.23
Russian Rubles to $US	28.00
Chilean Peso to $US	580.00
Brazilian Reais to $US	2.62

(3) The Company's reserves and resources as at December 31, 2006 are classified in accordance with the Canadian Institute of Mining Metallurgy and Petroleum's "CIM Standards on Mineral Resources and Reserves, Definition and Guidelines" as per Canadian Securities Administrator's National Instrument 43-101 ("the Instrument") requirements.

(4) **Cautionary note to US investors concerning estimates of Measured, Indicated and Inferred Resources. US investors are advised that use of the terms "Measured Resource", "Indicated Resource" and "Inferred Resource" are recognized and required by Canadian Securities regulations. These terms are not recognized by the U.S. Securities and Exchange Commission. U.S. investors are cautioned not to assume that all or any part of mineral deposits in these categories will ever be converted into reserves.**

(5) The mineral reserves presented herein comply with the reserve categories of Industry Guide 7 applied in the United States by the Securities and Exchange Commission.

(6) Mineral resource and reserve estimates were completed under the supervision of Mr. R. Henderson, P. Eng., an officer of Kinross, who is a qualified person as defined by Canada's National Instrument 43-101.

(7) The Company's normal data verification procedures have been used in collecting, compiling, interpreting and processing the data used to estimate reserves and resources. Independent data verification has not been performed.

(8) Resources, unlike reserves, do not have demonstrated economic viability. Mineral resources are subject to infill drilling, permitting, mine planning, mining dilution and recovery losses to be converted into mineral reserves. Due to the uncertainty which may attach to Inferred mineral resources, it cannot be assumed that all or part of an Inferred Resource will be upgraded to Indicated or Measured Resources with continued exploration.

(9) Undeveloped property, development assumes successful permitting allowing mining operations to be conducted.

(10) The mine is operated by AngloGold Ashanti Ltd. Mineral reserves are reported at a gold price of $US 550 per ounce. Mineral resources are reported at a gold price of $US 650 per ounce. Mineral Resources and reserves are reported using the following foreign exchange rate: Brazilian Reais to $US 2.20

(11) Operated by Goldcorp Inc. and assumes the following commodity prices and foreign exchange rates:

Reserves - Gold price of $US 450 per ounce, Silver price of $US 7.00 per ounce
Resources - Gold price of $US 525 per ounce, Silver price of $US 8.00 per ounce
$CAD to $US 1.15

(12) Operated by Goldcorp Inc. and assumes the following commodity prices and foreign exchange rates:

Reserves - Gold price of $US 450 per ounce, Silver price of $US 7.00 per ounce
Resources - Gold price of $US 525 per ounce, Silver price of $US 8.00 per ounce
Chilean Peso to $US 550.00

(13) Includes mineral resources and reserves from the Fort Knox heap leach project which requires successful permitting. Includes mineral resources from the undeveloped Gil deposit in which the Company holds an 80% interest.

(14) Includes mineral reserves and resources from the undeveloped Gold Hill deposit, exploitation of which is dependent on successful permitting. For the Gold Hill Project, mineral reserves are reported at a gold price of $US 400 per ounce. Mineral resources are reported at a gold price of $US 450 per ounce. Mineral resources and reserves are reported using the following foreign exchange rate: $CAD to $US 1.25

(15) Includes mineral resources from the Birkachan and Tsokol deposits. Mining at Birkachan and Tsokol will require successful permitting. For the Tsokol and Birkachan Projects, mineral resources are reported at a gold price of $US 450 per ounce and a silver price of $US 7.00 per ounce using the following foreign exchange rate: Rubles to $US 29.00

(16) Includes mineral reserves and resources from the undeveloped Kettle River - Buckhorn deposit, exploitation of which is dependent on successful permitting. Inferred resources at the Kettle River - Buckhorn project are reported at cut-off grades derived from an assumed gold price of $US 475 per ounce.

(17) Mining at Gurupi will require successful permitting. For the Gurupi Project, mineral resources are reported at a gold price of $US 450 per ounce. Mineral resources and reserves are reported using the following foreign exchange rate: Brazilian Reais to $US 3.00.

The following table summarizes the assumptions used in calculating mineral resources and reserves, including average process recovery, cut-off grade assumptions, the foreign exchange rate into U.S. dollars, total cost per ounce, and reserve drill spacing.

					Reserve Drill Spacing	
Property	**Average Process Recovery (%)**	**Average Gold Cutoff Grade(s) (gpt)**	**Foreign Exchange Rates (per U.S. $)**	**Unit Cost (U.S. $/tonne)**	**Proven (m)**	**Probable (m)**
GOLD						
Fort Knox and Area	65% to 87.2%	0.24	—	$1.95 to $4.98	30.5	61.0
Round Mountain and Area	47.0% to 85.0%	0.21 to 0.51	—	$1.07 to $4.21	15.2	30.5
Porcupine Joint Venture	87.8% to 95%	0.72 to 8.50	1.15	$18.34 to $193.53	7.6	48.8
Musselwhite	95.00%	4.60	1.15	$72.52	50.0	50.0
Kettle River	88 to 92%	7.37	—	$93.74 to 103.60	30.5	30.5
Paracatu (Brasília)	78.0%	0.19	2.62	$2.91	100.0	150.0
La Coipa	44.0% to 87.3%	0.83 to 2.04 (AuEq)	550.00	$8.01 - $19.17	25.0	50.0
Refugio	53 to 85%	0.35 to 0.44	580.00	$4.30 to 5.37	30.0	60.0
Crixás	91.2 to 96.3%	1.42 to 2.19	2.20	$27.59 to $45.20	25.0	50.0
SILVER						
La Coipa	42.4% to 85.9%	0.83 to 2.04 (AuEq)	550.00	$8.01 - $19.17	25.0	50.0

Reserve reconciliation is shown in the following table:

Gold Reserves

Property	Kinross Interest (%)	2005 Gold Reserves (ozs Au x 1,000)	Production Depletion (ozs Au x 1,000)	Exploration/ Engineering Change (ozs Au x 1,000)	Reserve Growth or Depletion (ozs Au x 1,000)	2006 Gold Reserves (ozs Au x 1,000)
NORTH AMERICA						
Fort Knox	100.0%	1,953	(414)	1,166	752	2,705
Round Mountain and Area	50.0%	2,338	(348)	(37)	(386)	1,952
Porcupine Joint Venture	49.0%	1,653	(170)	225	56	1,709
Musselwhite	31.9%	639	(66)	(8)	(74)	565
Kettle River Area	100.0%	14	—	932	932	946
SUBTOTAL		**6,597**	**(998)**	**2,278**	**1,280**	**7,877**
SOUTH AMERICA						
Paracatu	100.0%	15,210	(242)	1,421	1,179	16,389
La Coipa	50.0%	397	(88)	123	35	432
Refugio	50.0%	2,158	(177)	738	562	2,720
Crixas	50.0%	379	(101)	155	54	433
SUBTOTAL		**18,143**	**(607)**	**2,437**	**1,830**	**19,974**
ASIA						
Kubaka and Area	98.1%	9	(9)	—	(9)	—
SUBTOTAL		**9**	**(9)**	**—**	**(9)**	**—**
TOTAL GOLD		**24,749**	**(1,615)**	**4,715**	**3,100**	**27,851**

Silver Reserves

Property	Kinross Interest (%)	2005 Silver Reserves (ozs Ag x 1,000)	Production Depletion (ozs Ag x 1,000)	Exploration/ Engineering Change (ozs Au x 1,000)	Reserve Growth or Depletion (ozs Ag x 1,000)	2006 Silver Reserves (ozs Ag x 1,000)
SOUTH AMERICA						
La Coipa	50.0%	24,389	(10,131)	13,656	3,524	27,783
SUBTOTAL		**24,389**	**(10,131)**	**13,656**	**3,524**	**27,783**
ASIA						
Kubaka and Area	98.1%	16	(16)	—	(16)	—
SUBTOTAL		**16**	**(16)**	**—**	**(16)**	**—**
TOTAL SILVER		**24,405**	**(10,147)**	**13,656**	**3,508**	**27,783**

The following table reflects Proven Reserves attributable to Kinross' ownership interest in stockpiles at the identified properties:

MINERAL RESERVE AND RESOURCE STATEMENT — **Gold Price (US$/oz) $ 475**
STOCKPILE INVENTORY (INCLUDED IN PROVEN AND PROBABLE RESERVES) — **Silver Price (US$/oz) $ 7.00**
Kinross Gold Corporation's Share at December 31, 2006

			Proven			Probable			Proven and Probable		
Property	Location	Kinross Interest (%)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)
GOLD											
Crixas[1] Stockpile	Brazil	50.0%	33	7.88	8	—	—	—	33	7.88	8
Fort Knox [2] Stockpile	USA	100.0%	66,583	0.38	814	—	—	—	66,583	0.38	814
Kettle River Stockpile	USA	100.0%	1	8.33	0	—	—	—	1	8.33	0
La Coipa[3] Stockpile	Chile	50.0%	742	0.80	19	—	—	—	742	0.80	19
Paracatu Stockpile	Brazil	100.0%	138	0.35	2	—	—	—	138	0.35	2
Porcupine[4] JV Stockpile	Canada	49.0%	7,639	0.88	215	—	—	—	7,639	0.88	215
Round Mountain Stockpile	USA	50.0%	2,740	1.09	96	2,402	0.28	22	5,142	0.72	118
TOTAL			**77,875**	**0.46**	**1,155**	**2,402**	**0.28**	**22**	**80,277**	**0.46**	**1,177**

SILVER

La Coipa[3] Stockpile	Chile	50.0%	742	78.2	1,866	—	—	—	742	78.2	1,866
TOTAL			**742**	**78.2**	**1,866**	**—**	**—**	**—**	**742**	**78.2**	**1,866**

MINERAL RESERVE AND RESOURCE STATEMENT **Gold Price (US$/oz) $ 525**
STOCKPILE INVENTORY (INCLUDED IN MEASURED RESOURCES) **Silver Price (US$/oz) $ 8.00**
Kinross Gold Corporation's Share at December 31, 2006

		Kinross	Measured			Indicated			Measured and Indicated		
Property	Location	Interest (%)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)
GOLD											
La Coipa[3] Stockpile	Chile	50.0%	2,765	0.53	47	—	—	—	2,765	0.53	47
TOTAL			**2,765**	**0.53**	**47**	**—**	**—**	**—**	**2,765**	**0.53**	**47**
SILVER											
La Coipa[3] Stockpile	Chile	50.0%	2,765	45.1	4,012	—	—	—	2,765	45.1	4,012
TOTAL			**2,765**	**45.1**	**4,012**	**—**	**—**	**—**	**2,765**	**45.1**	**4,012**

Notes to Stockpile Reserve Table

(1) The mine is operated by AngloGold Ashanti Ltd. Mineral reserves are reported at a gold price of $US 550 per ounce. Mineral resources are reported at a gold price of $US 650 per ounce. Mineral Resources and reserves are reported using the following foreign exchange rate: Brazilian Reais to $US 2.20

(2) Includes mineral resources and reserves from the Fort Knox heap leach project which requires successful permitting. Includes mineral resources from the undeveloped Gil deposit in which the Company holds an 80% interest.

(3) Operated by Goldcorp Inc. and assumes the following commodity prices and foreign exchange rates:

Reserves - Gold price of $US450 per ounce, Silver price of $US7.00 per ounce
Resources - Gold price of $US525 per ounce, Silver price of $US8.00 per ounce
Chilean Peso to $US550.00

(4) Operated by Goldcorp Inc. and assumes the following commodity prices and foreign exchange rates:

Reserves - Gold price of $US450 per ounce, Silver price of $US7.00 per ounce
Resources - Gold price of $US525 per ounce, Silver price of $US8.00 per ounce
$CAD to $US1.15

Bema Mineral Reserves and Mineral Resources

The following tables set forth the estimated Mineral Reserves and Mineral Resources attributable to the interest held by Bema for each of its properties:

Proven & Probable Mineral Reserves (1,3,5,6,7,8,9,10)

MINERAL RESERVE AND RESOURCE STATEMENT **GOLD**

Bema Gold Corporation's Share at December 31, 2006

			Proven			Probable			Proven and Probable		
Property	Location	Bema Interest (%)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)
SOUTH AMERICA											
Cerro Casale [5]	Chile	49.0%	100,450	0.71	2,306	406,700	0.68	8,932	507,150	0.69	11,238
Refugio Area [6]	Chile	50.0%	69,771	0.80	1,789	41,554	0.70	931	111,325	0.76	2,720
SUBTOTAL			170,221	0.75	4,095	448,254	0.68	9,863	618,475	0.70	13,958
ASIA											
Julietta [7]	Russia	90.0%	59	24.25	46	137	16.80	74	195	19.14	120
Kupol [8]	Russia	75.0%	—	—	—	6,169	16.81	3,335	6,169	16.81	3,335
SUBTOTAL			59	24.25	46	6,306	16.81	3,409	6,364	16.89	3,455
TOTAL GOLD			170,280	0.76	4,141	454,560	0.91	13,272	624,839	0.87	17,413

MINERAL RESERVE AND RESOURCE STATEMENT **SILVER**

Bema Gold Corporation's Share at December 31, 2006

			Proven			Probable			Proven and Probable		
Property	Location	Bema Interest (%)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)
ASIA											
Julietta [7]	Russia	90.0%	59	217.2	412	137	137.4	605	195	162.2	1,017
Kupol [8]	Russia	75.0%	—	—	—	6,169	205.1	40,670	6,169	205.1	40,670
SUBTOTAL			59	217.2	412	6,306	203.6	41,275	6,364	203.7	41,687
TOTAL SILVER			59	217.2	412	6,306	203.6	41,275	6,364	203.7	41,687

MINERAL RESERVE AND RESOURCE STATEMENT **COPPER**

Bema Gold Corporation's Share at December 31, 2006

			Proven			Probable			Proven and Probable		
Property	Location	Bema Interest (%)	Tonnes (x 1,000)	Grade (%)	Pounds (x 1,000)	Tonnes (x 1,000)	Grade (%)	Pounds (x 1,000)	Tonnes (x 1,000)	Grade (%)	Pounds (x 1,000)
SOUTH AMERICA											
Cerro Casale [5]	Chile	49.0%	100,450	0.24	538,510	406,700	0.26	2,305,940	507,150	0.25	2,844,450
SUBTOTAL			100,450	0.24	538,510	406,700	0.26	2,305,940	507,150	0.25	2,844,450
TOTAL COPPER			100,450	0.24	538,510	406,700	0.26	2,305,940	507,150	0.25	2,844,450

Measured & Indicated Mineral Resources
(excludes Proven & Probable Reserves) (1,2,4,5,6,7,8,9,10)

MINERAL RESERVE AND RESOURCE STATEMENT **GOLD**

Bema Gold Corporation's Share at December 31, 2006

			Measured			Indicated			Measured and Indicated		
Property	Location	Bema Interest (%)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)
SOUTH AMERICA											
Cerro Casale [5]	Chile	49.0%	16,660	0.40	214	170,030	0.40	2,185	186,690	0.40	2,399
Refugio Area [6]	Chile	50.0%	15,790	0.72	368	26,685	0.67	578	42,475	0.69	945
SUBTOTAL			32,450	0.56	582	196,715	0.44	2,763	229,165	0.45	3,344
ASIA											
Julietta [7]	Russia	90.0%	—	—	—	427	18.43	253	427	18.43	253
Kupol [8]	Russia	75.0%	—	—	—	—	—	—	—	—	—
SUBTOTAL			—	—	—	427	18.43	253	427	18.43	253
TOTAL GOLD			32,450	0.56	582	197,142	0.48	3,016	229,592	0.49	3,597

MINERAL RESERVE AND RESOURCE STATEMENT **SILVER**

Bema Gold Corporation's Share at December 31, 2006

			Measured			Indicated			Measured and Indicated		
Property	Location	Bema Interest (%)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)	Tonnes (x 1,000)	Grade (g/t)	Ounces (x 1,000)
ASIA											
Julietta [7]	Russia	90.0%	—	—	—	427	129.7	1,780	427	129.7	1,780
Kupol [8]	Russia	75.0%	—	—	—	—	—	—	—	—	—
SUBTOTAL			—	—	—	427	129.7	1,780	427	129.7	1,780
TOTAL SILVER			—	—	—	427	129.7	1,780	427	129.7	1,780

MINERAL RESERVE AND RESOURCE STATEMENT **COPPER**

Bema Gold Corporation's Share at December 31, 2006

			Measured			Indicated			Measured and Indicated		
Property	Location	Bema Interest (%)	Tonnes (x 1,000)	Grade (%)	Pounds (x 1,000)	Tonnes (x 1,000)	Grade (%)	Pounds (x 1,000)	Tonnes (x 1,000)	Grade (%)	Pounds (x 1,000)
SOUTH AMERICA											
Cerro Casale [5]	Chile	49.0%	16,660	0.22	80,360	170,030	0.24	899,150	186,690	0.24	979,510
SUBTOTAL			16,660	0.22	80,360	170,030	0.24	899,150	186,690	0.24	979,510
TOTAL COPPER			16,660	0.22	80,360	170,030	0.24	899,150	186,690	0.24	979,510

Statement of Inferred Resources

In addition to the reported Measured and Indicated Mineral Resources for the Bema properties, Inferred Mineral Resources of gold total 195,825,000 tonnes at an average grade of 0.75 grams per tonne gold. Inferred Mineral Resources of silver total 3,619,000 tonnes at an average grade of 195 grams per tonne silver. Inferred Mineral Resources of copper total 147,490,000 tonnes at an average grade of 0.25% copper.

Notes – 2006 Bema Mineral Reserve and Resource Statements

(1) Bema's reserves and resources as at December 31, 2006 are classified in accordance with the Canadian Institute of Mining Metallurgy and Petroleum's "CIM Standards on Mineral Resources and Reserves, Definition and Guidelines" as per the Instrument.

(2) **Cautionary note to US investors concerning estimates of Measured, Indicated and Inferred Resources. US investors are advised that use of the terms "Measured Resource", "Indicated Resource" and "Inferred Resource" are recognized and required by Canadian Securities regulations. These terms are not recognized by the U.S. Securities and Exchange Commission. U.S. investors are cautioned not to assume that all or any part of mineral deposits in these categories will ever be converted into reserves.**

(3) The mineral reserves presented herein comply with the reserve categories of Industry Guide 7 applied in the United States by the Securities and Exchange Commission.

(4) Resources, unlike reserves, do not have demonstrated economic viability. Mineral resources are subject to infill drilling, permitting, mine planning, mining dilution and recovery losses to be converted into mineral reserves. Due to the uncertainty which may attach to Inferred mineral resources, it cannot be assumed that all or part of an Inferred Resource will be upgraded to Indicated or Measured Resources with continued exploration.

(5) At December 31, 2006, 49% of the Cerro Casale Project was owned by Bema. Cerro Casale is an undeveloped property, development assumes successful permitting allowing mining operations to be conducted. Reserves and resources are estimated using appropriate cut-off grades derived from the following commodity prices and foreign exchange rates:

Reserves - Gold price of $US 450 per ounce, Copper price of $US 1.50 per pound
Resources - Gold price of $US 550 per ounce, Copper price of $US 1.75 per pound
Chilean Peso to $US: 525.00

Mineral resource and reserve estimates were independently reviewed and confirmed under the supervision of Mr. L. Smith, R. Geo., Manager of AMEC Mining & Metal Consulting, who is a qualified person as defined by the Instrument.

(6) At December 31, 2006, the Refugio Mine was operated by Kinross. Reserves and resources are estimated using appropriate cut-off grades derived from the following commodity prices and foreign exchange rates:

Reserves - Gold price of $US 475 per ounce, Silver price of $US 7.00 per ounce
Resources - Gold price of $US 525 per ounce, Silver price of $US 8.00 per ounce
Chilean Peso to $US: 550.00

Mineral resource and reserve estimates were completed by Ms. M. Belanger, P. Geo., Director of Technical Services of Kinross, who is a qualified person as defined by the instrument.

(7) At December 31, 2006, the Julietta Mine was operated by Bema. Reserves and resources are estimated using appropriate cut-off grades derived from the following commodity prices and foreign exchange rates:

Reserves - Gold price of $US 500 per ounce, Silver price of $US 8.00 per ounce
Resources - Gold price of $US 525 per ounce, Silver price of $US 8.40 per ounce
Rubles to $US: 27.00

Mineral resources are reported exclusive of mineral reserves above a gold equivalent cut-off grade of 8.00 g/t.

Mineral resource and reserve estimates were completed under the supervision of Mr. B. Scott, P. Geo., Chief Geologist of Bema's Exploration Department and Mr. D. Cameron, Chief Geologist Operations of Bema, who are qualified persons as defined by this Instrument.

(8) At December 31, 2006, the Kupol project was operated by Bema. Reserves and resources are estimated using appropriate cut-off grades derived from the following commodity prices and foreign exchange rates:

Resources and Reserves - Gold price of $US 400 per ounce, Silver price of $US 6.00 per ounce
Rubles to $US: 30.00

Mineral resources are reported exclusive of mineral reserves. Open pit mineral reserves are reported at a cut-off grade of 3.5 g/t gold. Underground mineral reserves are reported at a cut-off grade of 6.0 g/t gold.

Mineral resource and reserve estimates were completed under the supervision of Mr. T. Garagan, P. Geo., Vice President Exploration of Bema and Mr. D. Cameron, Chief Geologist Operations of Bema, who are qualified persons as defined by the Instrument.

(9) Resources for the Q. Seca property are estimated using appropriate cut-off grades derived from the following commodity prices and foreign exchange rates:

Resources - Gold price of $US 350 per ounce

Mineral resource and reserve estimates were completed under the supervision of Mr. B. Scott, P. Geo., Chief Geologist of Bema's Exploration Department, who is a qualified person as defined by the Instrument.

(10) **See "Risk Factors - Inclusion of Historical Bema Information in Annual Information Form".**

The following table summarizes the assumptions used in calculating Bema's Mineral Resources and Reserves, including average process recovery, cut-off grade assumptions, the foreign exchange rate into U.S. dollars, total cost per ounce, and reserve drill spacing.

Property	Average Process Recovery (%)	Average Gold Cut-off Grade(s) (gpt)	Foreign Exchange Rates (per US$)	Unit Cost (US$/tonne)	Reserve Drill Spacing	
					Proven (m)	Probable (m)
GOLD or GOLD Equivalent						
Cerro Casale	74.0%	0.25 to 0.70	525.0	$6.08	27	100
Julietta	89.8%	8.0 (AuEq)	27.0	$198.18	15 to 25	50 to 60
Kupol	93.9%	3.5 (o/p), 6.0 (u/g)	30.0	$52.45 to $53.02	N/A	25 to 50
Refugio	53 to 85%	0.35 to 0.44	580.0	$4.30 to $5.37	30.0	60.0
COPPER						
Cerro Casale	82.87%	0.10 to 0.23%	525.0	$6.47	27	100

Kinross Material Properties

Fort Knox and Area, Alaska, United States

General

Kinross is the owner of the Fort Knox mine located in Fairbanks North Star Borough, Alaska. The Fort Knox mine includes the main Fort Knox open pit mine, mill, and tailings storage facility, and an 80% ownership interest in the Gil property that is subject to a joint venture agreement with Teryl Resources Corp ("Teryl"), and the True North open pit mine (which is now currently suspended). Kinross' ownership interest in the Fort Knox mine was acquired in June 1998. The Fort Knox property has been pledged as security against Kinross' syndicated credit facility.

Detailed financial production and operational information for the Fort Knox mine is available in Kinross' management's discussion and analysis for the year ended December 31, 2006 (the "MD&A").

Property Description and Location

Fort Knox Open Pit

The Fort Knox open pit mine, mill and mineral claims cover approximately 20,463 hectares located 42 kilometres northeast of the City of Fairbanks, Alaska. Kinross owns 1,168 State of Alaska mining claims covering an area of approximately 19,962 hectares, an additional 501 hectares of mineral rights comprised of an Upland Mineral Lease issued by the State of Alaska, a Millsite Lease, and one unpatented federal lode mining claim. The Upland Mineral Lease expires in 2014 and may be renewed for a period not to exceed 55 years. Mineral reserves at the Fort Knox mine are situated on 505 hectares of land that are covered by a State of Alaska Millsite Lease that expires in 2014, and may be renewed for a period not to exceed 55 years.

The State of Alaska Millsite Lease carries a 3% production royalty, based on net income and recovery of the initial capital investment. Mineral production from State mining claims is subject to a Mine License Tax, following a three-year grace period after production commences. The license tax ranges from 3% to 7% of taxable income. There has been no production from State claims situated outside the boundaries of the Millsite Lease at the Fort Knox mine. The unpatented federal lode claim is owned by Kinross and is not currently subject to any royalty provisions. As a result of high metal prices, Kinross royalties and production taxes were $2.2 million in 2006 compared to $0.2 million in 2005.

All requisite permits have been obtained for mining and continued development of the existing Fort Knox open pit mine and are in good standing. Kinross is in compliance with the Fort Knox permits in all material respects.

Gil Property

The Gil property mineral claims cover approximately 2,700 hectares located contiguous to the Fort Knox claim block. The claim block consists of 167 State of Alaska mining claims and is subject to a joint venture agreement between Kinross and Teryl. Kinross' ownership interest in the Gil claim block is 80%. All production from the State of Alaska mining claims is subject to the State of Alaska Mine License Tax following a three-year tax grace period after production commences. The State of Alaska Mine License tax is graduated from 3% to 7% of taxable income. Kinross continues to actively explore the Gil claims.

True North Open Pit

The True North open pit mine mineral claims cover approximately 3,804 hectares, located 43 kilometres northeast of the City of Fairbanks, Alaska. Kinross owns 104 State of Alaska mining claims, covering 1,619 hectares which are subject to a State production royalty tax of 3%. Mineral reserves are situated on two groups of State claims that Kinross has leased from private individuals. Mineral production to date has been from one of the leased claim blocks. Mineral leases have been executed with third parties for an additional 138 State mining claims that cover approximately 2,094 hectares. Leased claims are subject to net smelter return royalties ranging from 3.5% to 5%. Mining at the True North open pit has been suspended.

Accessibility, Climate, Local Resources, Infrastructure, and Physiography

The Fort Knox mine is situated in close proximity to the City of Fairbanks, which is a major population, service and supply center for the interior region of Alaska. Fairbanks is the second largest city in Alaska, and has an estimated population of more than 35,000. The surrounding areas of the Fairbanks North Star Borough have a further 30,000 to 40,000 residents. Fairbanks is served by major airlines and the Alaska Railroad, and is connected to Anchorage and Canada by a series of well-maintained paved highways. Services, supplies, fuel and electricity are available in Fairbanks in ample quantities to support the local and regional needs, along with the mining and processing operations of Kinross.

Access to the Fort Knox mine from Fairbanks is by 34 kilometres of paved highway and eight kilometres of unpaved road. The True North mine is located 18 kilometres west of the Fort Knox property and is accessible by an unpaved road. The area has a sub-arctic climate, with long cold winters and short summers. Winter low temperatures drop to the range of -40 to-48 Celsius (-40 to -55 degrees Fahrenheit), while in the summer, highs may occasionally exceed 32 degrees Celsius (90 degrees Fahrenheit). The annual rainfall in Fairbanks is approximately 30 centimetres.

The area topography consists of rounded ridges with gentle side slopes. Vegetation includes spruce, birch and willow trees and various shrubs, grasses and mosses. The elevation ranges from 1,000 to 1,600 metres.

The Fort Knox milling operation obtains its process makeup water from a fresh water reservoir located within the permitted property area. The tailings storage area on site has adequate capacity for the remaining mine life of the Fort Knox and the True North mines. Power is provided to the mine by Golden Valley Electric Association's power grid serving the area over a distribution line paid for by Kinross.

History

An Italian prospector named Felix Pedro discovered gold in the Fairbanks mining district in 1902. Between 1902 and 1993 more than 8.0 million ounces of predominately placer gold were mined in the district. In 1984, a geologist discovered visible gold in granitic hosted quartz veins on the Fort Knox property. Between 1987 and 1991, a number of companies conducted extensive exploration work on the Fort Knox, True North and Gil properties. In 1991, Amax Gold Inc. (now Kinam Gold Inc. ("Kinam"), a subsidiary of Kinross) entered into a joint venture agreement with Teryl to explore the Gil property. In 1992, Kinam acquired ownership of the Fort Knox property. Construction of the Fort Knox mine and mill operations began in 1995 and were completed in 1997. Commercial production at Fort Knox was achieved on March 1, 1997. Construction of the mine was completed at a capital cost of approximately $373 million, which included approximately $28 million of capitalized interest. After acquiring ownership of the True North property in 1999, Kinross completed pre-production capital expenditures, primarily permitting and the building of a haulage road to the Fort Knox mill. Commercial production at True North was achieved on April 1, 2001, but is currently suspended.

Geology and Mineralization

Kinross' mining and exploration properties are located within the Fairbanks mining district, a northeast trending belt of lode and placer gold deposits that comprise one of the largest gold producing areas in the state of Alaska.

The Fairbanks district is situated in the north-western part of a geologic formation called the Yukon - Tanana Terrane ("YTT"). The YTT consists of a thick sequence of poly-metamorphic rocks that range from Precambrian to upper Paleozoic. The dominant rock types in the district are gray to brown, fine-grained micaceous schist and micaceous quartzite known as the Fairbanks Schist. The Cleary Sequence consisting of bimodal metarhyolite and meta-basalt with actinolite schist, chlorite schist, graphite schist, and impure marbles is intercalated with the Fairbanks Schist. Higher grade metamorphic rocks of the Chatanika Terrane are thought to be middle Paleozoic to Ordovician and they outcrop in the northern part of the district. Granodiorite to granite igneous bodies intrude YTT rocks.

The mineral deposits are generally situated in a northeast trending, structurally complex zone characterized by a series of folds, shear zones, high angle faults, and occasional low angle faults. Northeast striking high angle faults influence the location of gold deposits.

The Fort Knox gold deposit is hosted by a granitic body that intruded the Fairbanks Schist. The surface exposure of the intrusive body is approximately 1,100 metres in the east-west direction and 600 metres north-south.

Gold occurs in and along the margins of pegmatite veins, quartz stockwork veins and veinlets, quartz –veined shear zones, and fractures within the granite. The stockwork veins strike predominantly east and dip randomly. Stockwork vein density decreases with depth. Shear zones generally strike northwest and dip moderately to the southwest.

Gold mineralization in the quartz-filled shears is distributed relatively evenly, and individual gold grains are generally less than 100 microns in size. The gold occurrences have a markedly low (less than 0.10%) sulphide content.

The True North gold deposit is located in the Chatanika Terrane. Gold is hosted in mafic to felsic schists and is frequently accompanied by carbon and carbonate alteration in sheared or otherwise structurally prepared zones. The gold is very fine grained, and is closely associated with pyrite, arsenopyrite, and stibnite in the unoxidized zones. It occurs in quartz veins, and in altered and brecciated rocks. There appears to be a direct relationship between veining and gold content, as weakly veined rocks generally carry lower gold values.

Exploration

Gold exploration techniques utilized at the Fort Knox and True North projects include: reconnaissance and detailed geologic mapping to determine the distribution of rock types and structures; soil and rock chip sampling to determine the presence and surface distribution of gold and associated trace elements; trenching of soil anomalies to create exposures of mineralized bedrock for detailed mapping and sampling; and drilling to confirm the geologic controls on mineralization and to determine the distribution of gold in three dimensions.

Two types of drilling methods have been used, diamond core and reverse circulation ("RC"). Drilling and drill hole sampling is completed by independent drilling contractors under the close supervision of Kinross personnel. Independent commercial laboratories perform gold assays and geochemical analyses. Historically, Kinross has utilized the services of two firms - ALS Chemex Laboratories and Bondar-Clegg (now owned by the ALS Chemex group). Check assay work during 2003 was switched to American Assay Laboratories, Inc. after Bondar-Clegg was acquired by the ALS Chemex group.

Kinross' regional exploration within the Fairbanks district totalled $0.6 million during 2005 and $1.4 million in 2006.

Drilling, Sample Preparation and Analysis

Core and RC drilling are routinely utilized to explore for and define mineral deposits in the Fairbanks mining district. Core drilling produces continuous cylindrical samples of rock by means of an annular shaped, diamond impregnated bit rotated by a bore hole drilling machine. Core drilling, also referred to as diamond drilling, is commonly used to collect continuous, intact rock samples for detailed geologic logging and sampling, for geotechnical and rock strength tests, metallurgical tests, or because alternative drilling methods may not provide adequate or appropriate geological materials.

The core drilling at Fort Knox, since 1998, is commonly PQ3 sized holes (diameter of 83.1 millimetres or 3.270 inches). Prior to 1998, core holes were PQ sized (diameter of 85.0 millimetres or 3.345 inches). Both PQ3 and PQ diameter core are used for exploration and evaluation of mineral deposits where a larger sample is more representative of coarse grain gold distribution.

RC is a specialized method of rotary drilling. The drilling medium (air, water, foam drilling muds, and additives) is circulated to the drill bit face down through the outside annulus from the surface. The drilling medium then carries rock fragments produced by the drill bit to the surface through the center of the drill rods. This method reduces down hole contamination by isolating the drilling medium and rock cuttings from the hole wall. RC drilling is a generally accepted method that is commonly used in mineral exploration and development drilling programs throughout the world. The RC holes completed at Fort Knox are normally 139.70 millimetres (5.50 inches) in diameter, but may range as high as 146.05 millimetres (5.75 inches) in diameter.

Comprehensive drilling programs have been carried out at the Fort Knox deposit. The Fort Knox deposit has been defined by 710 drill holes (278 core holes and 432 RC holes totalling 459, 501 feet), which have provided 91,768 nominal 1.52-metre (5 foot) long samples. Of these samples 90,556 were assayed for gold.

Core samples and RC drill cuttings are collected from each drill hole and are geologically logged. RC rotary drill cuttings are collected at one and a half metre intervals by a geologist or helper at each drill site. Each core interval and RC rotary cutting sample is submitted to an independent assay laboratory for geochemical analysis, and the subsequent geochemical data is entered, together with information about the host rock, into the project database. Core samples are regularly photographed and then logged and sampled in one and a half metre intervals. Data is entered on the logs in a digital format. Special emphasis is placed on fault and vein orientations, as well as alteration and oxidation. Drill core is split or sawn in half with one half retained for later use and the remainder of each interval is submitted for assay.

RC drill samples are collected by a geologist or helper and labelled and placed in bags at the drill site and prepared for transport to commercial laboratories for preparation and assay. Core samples are prepared for shipment at a central logging facility. All samples are either delivered to the preparation facility by Kinross personnel, or are picked up at a Kinross facility by employees of the laboratory.

Dry RC samples, the drill cuttings are passed through a collection hose into a cyclone-type dust collector and are then manually split through a hopper-feed Gilson splitter. The split fraction of each sample is recorded on the log sheet. Wet RC samples, the drill cuttings are fed into a cyclone that deposits a stream of sample and drilling fluid into a splitter with a variable speed hydraulic motor that rotates a set of vanes controlling the volume of split sample. This split sample is fed into four 5-gallon buckets set in cascading series to collect and settle out the cuttings. A flocculent is added to the first bucket to aid in the settling of the sample. The samples are then permitted to settle.

The nature of the mineralization and host rock at the Fort Knox deposit requires that particular care be given to the collection of drill hole samples, especially for RC holes, that penetrate the water table within the deposit. Kinross employs, as a standard operating procedure, a detailed program of weighing the RC and core samples to determine if the specimen is under weight, which helps to indicate potential loss of material in the sample interval. If individual 1.52 metre (5 foot) intervals have unusually high or low weights they could indicate sample contamination in a drill hole.

Mineralized intervals with a calculated recovery greater than 100 percent are evaluated. The anomalous hole is flagged and examined in cross-section. The drill hole is compared to adjacent holes, historical production and a decision is made to accept or reject the assay interval. Rejected samples are coded and given a “no sample” value in estimating mineral resources.

All assay data from mineralized intervals are analyzed by two computer programs (developed by MRDI, an independent mining consulting firm) to determine if there is a predictable repetition (cyclicity) to high grade intervals, or (decay) of assays immediately adjacent to and below high grade intervals, possibly indicating contamination of certain assay values. Any holes suspected of down hole contamination on the basis of these three criteria are compared to adjacent holes on cross-sections and a decision is made to reject or include the data for mineral resource estimations.

Core and reverse circulation drill samples, which are the basis for all analytical determinations, are collected from the drill hole under the direct supervision of Company staff. The samples are labelled and placed in bags at the Company facility and prepared for transport to commercial laboratories for preparation and assay. Employees of the laboratory pick up drill samples at the Company facility. The RC cuttings are weighed, dried and reweighed. The sample is then crushed to minus 25.4 millimetres (1 inch) and a 1250-gram split is retained for air shipment to the analytical facility for assay. Once the 1250-gram split has been delivered to the laboratory it is pulverized to 80-mesh and passed through a riffle splitter to produce a 200 to 300 gram sample. This sample is then ring pulverized to 150-mesh, rolled, and a 50 gram sample is taken for gold determination by fire assay with an atomic absorption “finish”. The detection limit of this analytical method is 0.001 oz Au/short ton from 1987 to 2002. The detection limit is 0.0001 oz Au/short ton from 2002 to present.

To monitor the precision of the analytical process, separate 1,250-gram samples are collected from every tenth sample collected. The even numbered samples, 20th, 40th, and 60th, are air freighted along with the regular samples to the primary lab. Every odd-numbered 10th, 30th, and 50th, sample is picked-up on a weekly basis by a secondary lab, pulverized, further split to 250 to 300 grams and assayed. In addition, every 40th sample is re-assayed by the primary lab.

The Company also inserts blank or unmineralized samples into each sample shipment as part of the operation’s standard procedures. Returned sample rejects that assay below the detection limit (<0.001) are submitted with the regular RC samples every 100 feet or 20th sample.

The Company also collects duplicate samples at random from the RC drill sample population. These duplicates are collected from the reject portion of the sample splitter and are used to monitor sample analysis precision. The samples are bagged and tagged consistent with the Company’s normal sample submission practices so that the duplicates are indistinguishable from the normal sample population.

A standard pulp sample of known grade is also submitted to the laboratory. The sample frequency is twice per core hole, and every 30 metres for RC holes. These standards are prepared both in-house and by outside laboratories over the different exploration seasons, and they represent different ranges of gold grades.

At the True North deposit samples with fire assays greater than 0.3 grams per tonne are resubmitted to the laboratory for a cyanide soluble assay. The purpose of this procedure is to estimate mill recovery rates.

Mining and Milling Operations

The Fort Knox deposit is mined by conventional open pit methods. High grade ore from the Fort Knox mine is processed at Kinross’ carbon-in-pulp mill located near the Fort Knox mine. The mill processes ore 24 hours per day year round. A permitting process is underway for a heap leach pad that will process lower grade ores.

The Fort Knox mill has a daily capacity of between 33,000 to 45,000 tonnes. Mill feed is first crushed to minus 20 centimetres (8 inches) in the primary gyratory crusher located near the Fort Knox pit and conveyed 800 metres (2,625 feet) to a coarse-ore stockpile located near the mill. The crushed material is conveyed to a semi-autogenous ("SAG") mill, which operates in closed circuit with two ball mills and a bank of cyclones for sizing. A portion of the cyclone underflow is screened and then directed to a gravity recovery circuit.

Correctly sized material flows into a high rate thickener and then into leach tanks where cyanide is used to dissolve the gold. Activated carbon is used in the carbon-in-pulp circuit to absorb the gold from the cyanide solution. Carbon particles loaded with gold are removed from the slurry by screening and are transferred to the gold recovery circuit where the gold is stripped from the carbon by a solution, plated onto a cathode by electrowinning, and melted into doré bars for shipment to a refiner. Mill tailings are detoxified and transferred into the tailings impoundment below the mill.

Gold recoveries at the Fort Knox mill have historically ranged from 87% to more than 90% since production began in 1996. During 2001 to 2004 it was necessary to add lead nitrate and slightly increase the cyanide and lime concentrations to maintain mill recovery rates with some of the feed coming from True North. Mining at True North has been suspended since the first quarter of 2004 and True North ore is not currently being processed at Fort Knox.

A heap leach facility being planned at Fort Knox would require a valley fill leach pad, carbon adsorption plant, piping, modifications to the existing crusher, installation of overland conveyor, haul road construction, relocation of access roads, power lines and tailings and water lines. Run of mine ore will be hauled from the pit and from existing stockpiles to the leach pad. The heap leach is expected to be built in five stages, cover approximately 310 acres and have a total capacity of 161 million tons. It is proposed to be located in the upper end of the Walter Creek drainage, immediately upstream of the tailings storage facility.

Kinross estimates the net present value of future cash outflows for site restoration costs at Fort Knox and True North under CICA Handbook Section 3110 for the year ended December 31, 2006 at approximately $15.3 million. Kinross has posted approximately $14.7 million of letters of credit to various regulatory agencies in connection with its closure obligation at Fort Knox and True North.

Fort Knox Open Pit

The mine production rate varies between 78,000 and 181,000 tonnes per day of total material. Mining is carried out on a year round basis, seven days a week. Standard drilling and blasting techniques are used, and the blast holes are sampled and assayed for production grade control purposes. Broken rock is loaded with a shovel or a wheel loader into haul trucks. Depending on the grade control results, the mined material is delivered to either the primary crusher, low-grade stockpiles, or to waste rock dumps.

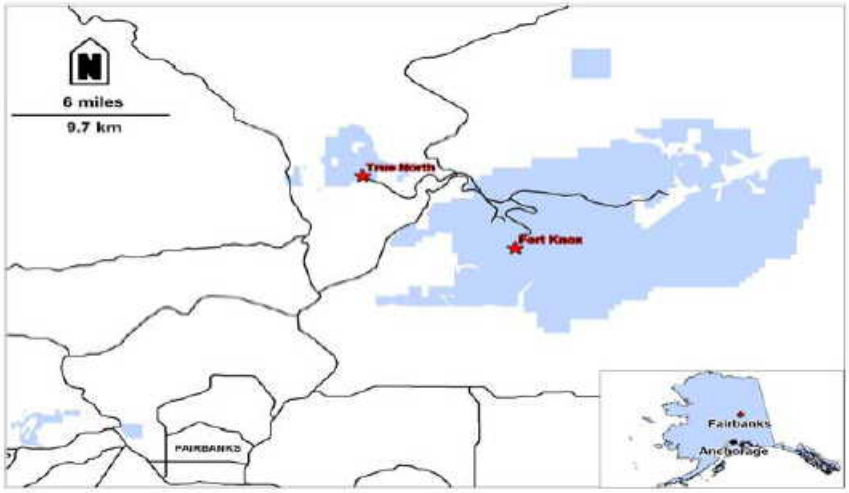
True North Open Pit

Mining at True North has been suspended since the first quarter of 2004.

Life of Mine, and Capital Expenditures

The life of mine plan prepared by Kinross does not incorporate mining at True North. Fort Knox pit production will continue from 2007 until early 2011. Thereafter, rehandling of low-grade stockpiles to the leach pad is expected to continue until early 2015.

Capital expenditures for 2006 at the Fort Knox operations were approximately $49.9 million and were mainly attributed to the Phase 6 capital development at the Fort Knox pit.



Paracatu, Brazil

General

The Paracatu mine includes an open pit mine, process plant, tailings dam area and related surface infrastructure with a throughput rate of 18 million tonnes per annum ("Mtpa"). Paracatu (known locally as "Morro do Ouro") is 100% owned and operated by Kinross' wholly-owned subsidiary Rio Paracatu Mineração S.A. ("RPM").

Detailed financial, production and operational information for the Paracatu mine is available in the MD&A.

Property Description and Location

The Paracatu mine is a large scale open pit mine located two kilometres north of the city of Paracatu, situated in the north western portion of Minas Gerais State, 230 kilometres southeast of the national capital Brasília and 480 kilometres northwest of the state capital Belo Horizonte.

The current mine includes an open pit mine, process plan, tailings dam area and related surface infrastructure. Historically mining at Paracatu did not require blasting of the ore. Ore is ripped, pushed and loaded into haul trucks for transport to the crusher. In 2004, due to increasing ore hardness in certain areas of the mine, RPM began blasting the harder ore in advance of ripping. Currently powder factors are very low. The open pit benching operation measures approximately four kilometres by two kilometres, and it is located on a gently sloping hillside. The elevation of the open pit and industrial plant area ranges from approximately 720 to 820 metres.

In Brazil, mining licenses (claims) are issued by the Departamento Nacional da Produção Mineral ("DNPM"). Once certain obligations have been satisfied, DNPM issues a mining license that is renewable annually, and has no set expiry date. RPM currently holds title to two mining claims (mining leases) totalling 1,258 hectares. The mine and most of the surface infrastructure, with the exception of the tailings dam area, lie within the two mining licenses. The remaining infrastructure is built on lands controlled by RPM under exploration concessions. RPM holds title to 51 exploration concessions in the immediate mine area and has applied for title to an additional 11 exploration concessions (12,362 hectares) in the Paracatu area.

An application to convert additional exploration concessions to mining leases has been submitted to the DNPM for review. RPM expects that DNPM will approve the application within the next six months.

Kinross is in compliance with the Paracatu permits in all material respects.

RPM must pay to the DNPM a royalty equivalent to 1% of net sales. Another 0.5% has to be paid to the holders of surface rights in the mine area not already owned by RPM.

Accessibility, Climate, Local Resources, Infrastructure, and Physiography

Access to the site is provided by paved federal highways or by charter aircraft that can land at a small paved airstrip on the outskirts of Paracatu. The mine is the largest employer in Paracatu, directly employing 682 workers in what is predominantly an agricultural town (dairy and beef cattle and soy bean crops) located in Brazil's tropical savannah. Average annual rainfall varies between 850 and 1,800 millimetres, the average being 1,300 millimetres, with the majority realized during the rainy season between October and March. Temperatures range from 15° to 35° Celsius.

The mine draws power from the Brazilian national power grid.

The mine is dependent on rainfall as the primary source of process water. During the rainy season, the mine channels surface runoff water to temporary storage ponds from where it is pumped to the beneficiation plant. Similarly, surface runoff and rain water is stored in the tailings impoundment, which constitutes the main water reservoir for the concentrator. The objective is to capture and store as much water as possible from the rainy season to ensure adequate water supply during the dry season. The mine is permitted to draw make up water from three local rivers that also provide water for agricultural purposes.

History

Gold mining has been associated with the Paracatu area since 1722 with the discovery of placer gold in the creeks and rivers of the Paracatu region. Alluvial mining peaked in the mid 1800's and until the 1980's was largely restricted to garimpeiro (artisanal) miners. In 1984, Rio Tinto Zinc ("Rio Tinto") explored the property using modern exploration methods and by 1987, the RPM joint venture was formed between Rio Tinto and Autram Mineração e Participações (later part of TVX Gold Inc. ("TVX") group of companies) constructed a mine and processing facility for an initial capital cost of $65 million. Production commenced in 1987 and the mine has operated continuously since then. As of December 31, 2004, the mine since inception had produced close to 3 million ounces of gold from 237 million tonnes of ore.

In 2003, TVX's 49% share in RPM was acquired by Kinross as part of the merger between Kinross, TVX and Echo Bay Mines Ltd. ("Echo Bay"). In November 2004, Kinross and Rio Tinto agreed in principle to Kinross' purchase of Rio Tinto's 51% interest in RPM. Completion of this purchase on December 31, 2004 resulted in Kinross having a 100% interest in RPM and the Paracatu mine.

In 2004, ECM, a Brazilian consulting engineering company completed a feasibility study on a proposed expansion project (the "Expansion Project III"), proposing a throughput increase to 30 Mtpa.

In September 2005, Kinross awarded SNC-Lavalin Engineers and Constructors Ltd. and MinerConsult Engenharia, a Brazilian engineering firm, a contract for the basic engineering of Expansion Project III. The engineering drawings and cost estimates were completed in July 2006 and form the basis of the project's 2006 feasibility study (the "2006 Feasibility Study").

Exploration

Rio Tinto was the first company to apply modern exploration methods at Paracatu. Northeast of Rico Creek, the deposit had been drilled off on nominal 100 x 100 metre drill spacing.

The Paracatu mineralization is subdivided into 4 horizons defined by the degree of oxidation and surface weathering and the associated sulphide mineralization. These units are, from surface, the C, T, B1 and B2 horizons. Mining to date has exhausted the C and T horizons. The remaining mineral reserves are exclusively hosted in the B1 and B2 horizons.

Exploration at Paracatu evolved in lock step with knowledge gained through production experience. Essentially, the success of mining in the C and T horizons focused attention and exploration effort on the B1 horizon. Continued production success in the B1 horizon led to increased interest in the B2 horizon.

Recent drilling by Kinross has indicated that portions of the deposit north east of Rico Creek have not been drill tested for the entire thickness of the mineralized horizon hosting gold. This largely reflects the historical mining theory at Paracatu where softer C, T and B1 ores were targeted and harder B2 ores were considered uneconomic due to limitations in the existing process plant technology in operation at that particular moment in time.

Expansion Project III will allow processing of harder ores of the B2 horizon. Originally, Kinross focused on increasing reserves to the south west of Rico Creek, exploiting the B2 mineralization that continues down dip of the surface exposure being mined in the current pit.

Geology and Mineralization

The mineralization is hosted by a thick sequence of phyllites belonging to the basal part of the Upper Proterozoic Paracatu Formation and known locally as the Morro do Ouro Sequence. The sequence outcrops in a northerly trend in the eastern Brasilia Fold Belt, which, in turn, forms the western edge of the San Francisco Craton. The Brasilia Fold Belt predominantly consists of clastic sediments, which have undergone lower greenschist grade metamorphism along with significant tectonic deformation.

The phyllites at Paracatu lie within a broader series of regional phyllites. The Paracatu phyllites exhibit extensive deformation and feature well developed quartz boudins and associated sulphide mineralization. Sericite is common, likely as a result of extensive metamorphic alteration of the host rocks. Sulphide mineralization is dominantly arsenopyrite and pyrite with pyrrhotite and lesser amounts of chalcopyrite, sphalerite and galena.

Gold is closely associated with arsenopyrite and pyrite and occurs predominantly as fine grained free gold along the arsenopyrite and pyrite grain boundaries or as inclusions in the individual arsenopyrite and pyrite grains. Gold grains typically average 50-150 microns in size.

The mineralization appears to be truncated to the north by a major normal fault trending east-northeast. The displacement along this fault is not currently understood but the fault is used as a hard boundary during mineral resource estimation. The current interpretation is that the fault has displaced the mineralization upwards and natural processes have eroded away any mineralization in this area.

Drilling, Sample Preparation and Analysis

The dominant sample collection method used to delineate the Paracatu resource and reserve model is diamond drilling. A database of 1,427 drill holes and test pits totalling 79,961 metres supports the mineral reserve estimate for the 2006 Feasibility Study.

In the first quarter of 2005, Kinross committed to a phased exploration program at Paracatu to delineate measured and indicated resources west of Rico Creek. As of December 31, 2005, Kinross had completed 267 diamond drill holes (48,660 metres) which were added to the historical database. Total exploration costs were approximately $5.2 million.

The nominal drill spacing east-northeast of Rico Creek is 100 x 100 metres. An Optimum Drill Spacing Study commissioned by Kinross established that a 200 x 200 metre five spot pattern (a 200 x 200 metre grid plus one hole in the middle) would satisfactorily define indicated mineral resources. This pattern results in a nominal 140 metre hole spacing and represents a departure from historical RPM practices.

All drill core is logged geologically and geotechnically, recording litho-structural and physical data and recording it in detailed logging sheets. The core is also photographed and a permanent record is maintained in the onsite filing system.

Core recovery from the diamond drill programs is reported to be excellent, averaging greater than 95%. RPM employs a systematic sampling approach where the drilling (and test pitting) is sampled employing a standard 1.0 metre sample length from the collar to the end of the hole. Sampling consumes 100% of the core except for the 8.0 cm pieces selected from every two metre interval which are retained and stored for specific gravity and Point Load Testing (“PLT”) analysis. Samples for Bond Work Index (“BWI”) analysis are collected as composite samples during sample preparation.

Historical sample preparation and analysis was performed recognizing the low average grade of the deposit. The historical method reduced each one metre core sample to 95% passing 1.44mm. Crushed samples were homogenized and split with approximately 7 kilograms stored as coarse reject. Approximately 200 grams of the remaining sample were split off for ICP analysis and 1.35 kilograms of sample was split out for Bond Work Index analysis. The remaining sample (4.5kg) was dried and further reduced to 95% passing 65 mesh. This sample was homogenized and split with 4.2 kilograms stored as pulp reject and the remaining 300 g was fully analyzed using standard fire assay with AA finish in a series of six, individual 50 grams aliquots. Results from the six individual aliquots were weight averaged together to determine the final grade for each sample.

Kinross completed several studies at the start of the 2005 exploration program. In April 2005, an audit of the RPM mine lab was undertaken to assess lab equipment and procedures. In May 2005, Kinross commissioned Agoratek International ("Agoratek") to review sample preparation and analysis procedures with a specific mandate to assess the historical practice of assaying six individual 50 grams aliquots per sample and averaging the results. Agoratek concluded that three 50 grams analyses would be sufficient for determining the grade of any given sample.

Based on the lab audit and the Agoratek study, Kinross' standardized sample preparation and analytical procedure for the remainder of the 2005 exploration program was as follows:

Samples (typically 8.0 kilograms) are crushed to 95% passing 2.0 millimetres and homogenized at the RPM sample preparation lab. Approximately 6 kilograms of sample is stored as coarse reject; the remaining 2 kilograms of sample is split out and pulverized to 90% passing 150 mesh. This sample is homogenized and three 50 grams aliquots are selected for fire assaying with an AA finish. The remaining pulverized sample is maintained as a sample pulp reject.

Sample analyses were performed at three separate analytical labs during the exploration program.

Quality control and quality assurance programs were limited during the earlier exploration programs at Paracatu. The dominant quality control procedure involved the use of inter-laboratory check assays comparing results from RPM's analytical lab to Lakefield Research in Canada. Additional check assay work was carried out at the Anglo Gold laboratories in Brazil (Crixás and Morro Velho).

For the 2005 exploration program, three laboratories provided analytical services: RPM's lab, Lakefield and ALS Chemex. All three laboratories have ISO certification.

For the 2005 exploration program, all procedures have been under direct control of RPM and Kinross staff. A quality assurance and quality control program was implemented for the three labs used during the 2005 exploration program. The program consists of inserted certified standards and blanks in the sample streams. All three labs also reported using round robin checks. The labs were visited on an infrequent and unannounced basis by RPM representatives. No major sample preparation discrepancies were noted.

Mining and Milling Operations

Historically mining at Paracatu has not required blasting of the ore. Ore was ripped using CAT D10 dozers, pushed to CAT 992 front-end loaders and loaded to CAT 777 haul trucks for transport to the crusher. In 2004, due to increasing ore hardness in certain areas of the mine, RPM began blasting the harder ore in advance of ripping. Currently powder factors are very low. Weathering has led to the development of an oxidized mantle over the sulphide mineralization with thickness varying from 20 to 40 metres. The mine is situated on a gently sloping hillside and historically there have been no waste stripping requirements. Waste stripping will be required as mining advances down dip.

The mill and mine operate 24 hours per day, 7 days per week. The nominal plant throughput is 1.5 million tonnes per month or 18 million tonnes per year, considering the present ore hardness. An ore stockpile of approximately 10 days production is maintained near the processing plant. Its main purpose is to ensure uninterrupted mill feed in the rainy season when some delays may be experienced in the pit during extreme rainfall. During the dry season the stockpile can be used if the pit becomes too dusty. RPM is committed to controlling dust levels on site and in the city.

Ore is crushed and ground prior to introduction into a flotation circuit. The concentrate is treated by gravimetric methods first and the coarser gold is recovered. The concentrate reject from the gravimetric plant is then treated by a conventional cyanidation and carbon-in-leach circuit. The processing plant, subjected to several upgrades over the mine life, currently processes 18 million tonnes per year ("Mtpa").

Plant throughput has been expanded twice with expansion upgrades in 1997 and 1999. RPM recognized that further plant improvements were necessary in order to maintain current production levels in the face of increasing ore hardness. Exploration drilling successfully traced the Paracatu deposit to depth and sampling indicated that ore hardness increases proportionately with increasing depth from surface.

A study completed in 2004 considered expanding the current 18 Mtpa process facility to 30 Mtpa with the addition of an IPC system, 38 foot diameter SAG mill and expansion of the existing gravity circuit.

Kinross and RPM staff reviewed conceptual models quantifying the potential resource and reserve increase related to exploration activity west of Rico Creek and preliminary models suggested there was an opportunity to considerably increase the resource and reserve base. This led to the decision to re-evaluate Expansion Project III in light of potential reserve increase resulting from successful exploration programs west of Rico Creek and a revised feasibility study was commissioned.

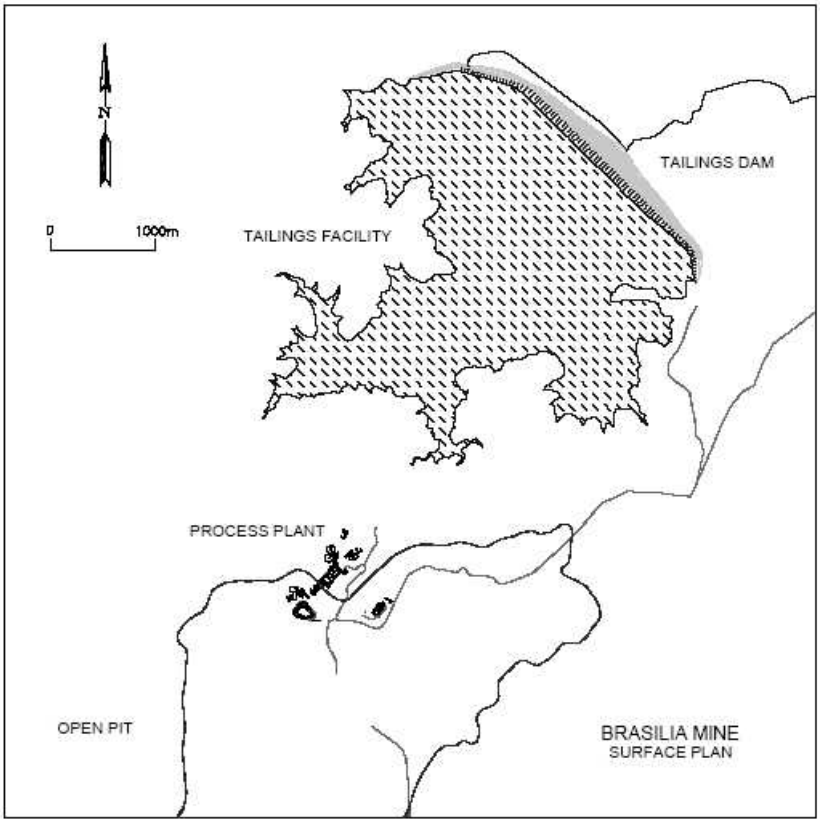
The July 2006 Technical Report was prepared in support of the 2006 Feasibility Study and the July 2006 resource and reserve disclosure. The scope of the Feasibility Study was to increase the present ore production from approximately 18 Mtpa to approximately 61 Mtpa via the installation of a new 41 Mtpa treatment plant, designed to treat the harder B2 sulphide ore being encountered as the mine goes deeper. The existing plant will treat the softer near-surface B1 ore at a throughput rate of 20 Mtpa until the soft ore is depleted. The Expansion III project is anticipated to begin production in 2008 with expected average output of 555,000 oz of gold per year from the first five years of production.

As at December 31, 2006, the net present value of future cash outflows for site restoration costs for Paracatu under CICA Handbook Section 3110 was $10.4 million. Currently in Brazil there are no laws requiring the posting of a reclamation bond or other financial assurance.

Life of Mine, and Capital Expenditures

The Paracatu mine currently has a nominal capacity of about 18 million tonnes per year with variations depending on the hardness of the ore, as it affects grinding throughput. Based on the 2006 current reserves of the mine, which incorporate Expansion Project III, the life of the mine for Paracatu has been extended to 2040.

The Expansion Project III is currently estimated to cost $470 million. In 2006, RPM spent approximately $61.8 million in capital expenditures attributed predominantly to Expansion Project III.



Refugio, Chile

The Refugio heap leach mine is owned and operated by Compania Minera Maricunga ("CMM"), a Chilean company that is now 100% owned by Kinross, following the February 2007 acquisition of Bema. Previously Kinross held a 50% interest and Bema held a 50% interest in the Refugio property.

Detailed financial, production and operational information for the Refugio mine is available in the MD&A.

Property Description and Location

The Refugio property is located in the Maricunga District of the Region III of Chile. The property is located 120 kilometres due east of the city of Copiapó at elevations between 4,200 and 4,500 metres above mean sea level.

All surface and mineral claims, surface rights and water rights are maintained in good standing. Mining claims total 8,380 hectares while the exploration properties held by CMM include 5,900 hectares. Chilean attorneys monitor claim status on behalf of CMM annually. In addition to the mineral claim rights, CMM also holds title to surface rights at Refugio, providing the land required for the leach pads, waste dumps, camp and other facilities. Water extraction rights, totalling 258 litres per second have been secured by CMM.

Kinross is in compliance with the Refugio permits in all material respects.

Accessibility, Climate, Local Resources, Infrastructure, and Physiography

Access to the property is via 156 kilometres of two-lane dirt road connecting with the paved highway C-35 approximately 10 kilometres south of Copiapó. The first 96 kilometres of the dirt road are an international, public highway. Approximately 60 kilometres from the Refugio site, the road branches to the southeast to Argentina and the northeast to the mine site. The final 60 kilometres is a private road. The Refugio Project is located in steep, mountainous terrain with slopes up to 35%. The site is largely devoid of vegetation with the exception of the spring-fed marshes found along the valley floors. The climate is arid with an average annual precipitation of 87milimetres, most of which is realized as snowfall during the winter months (March through August). Generally, very little precipitation occurs during the summer months (September through February). Local wildlife is sparse.

The town of Copiapó is the primary staging and support area for the mine. Chile features a strong mining culture with well established support centers in both Santiago and Antafagasto. Both centers are within reasonable distance of the project. Most of the major equipment supply and support originates from these two major centers. Manpower is attracted from throughout Chile with the majority of the employees residing in Copiapó or La Serena.

Most of the existing infrastructure required little to no modifications or improvements other than general clean up and repair. Significant upgrades designed to increase production throughput were undertaken for the in-pit crushing and conveying and secondary/tertiary crushing and screening infrastructure in order to meet planned production throughput.

History

David Thomson and Mario Hernandez discovered gold mineralization at Refugio in 1984. Hernandez, Thomson, and three other partners acquired the existing claims at Refugio for Compania Minera Refugio (“CMR”). CMR completed geologic mapping and geochemical sampling, identifying anomalous gold values in three areas: 1) Cerro Verde, 2) Cerro Pancho, and 3) Guanaco. In 1985, Anglo American Chile Limitada (“Anglo”) optioned the property from CMR. Anglo explored the property for three years, returning the claims to CMR in 1988.

In 1989, CMR signed a letter of intent to explore the Refugio property with Bema Gold Corporation (“Bema”). Bema commenced exploration fieldwork in October 1989 and, from 1989 to 1991, completed 51,765 metres of drilling at Verde with an additional 5,088 metres at Pancho. Bema also commissioned Mineral Resources Development Inc (“MRDI”) to complete a feasibility study on the project, which indicated positive project economics. In January 1993, Bema exercised its option rights, obtaining a 50% interest in the Refugio properties. At the same time, CMR sold its remaining 50% interest to Amax Gold Inc. (“Amax”). Amax (operator) and Bema formed CMM, a 50/50 joint venture to develop and operate the Refugio project. From 1993 through 1997, CMM continued developing the project, beginning commercial production in 1996. In 1998, Kinross acquired Amax’s 50% interest through a merger agreement.

The mine operated from 1996 to 2001, producing more than 920,000 ounces of gold from 46.0 million tonnes of ore. The mine was placed on care and maintenance in 2001, a result of a downturn in gold prices. In September 2002, in response to rising gold prices, CMM approved an exploration program designed to increase the reserve base of the Refugio Project to a level sufficient to support resumption of active mining. An exploration program was developed to evaluate the reserve potential at depth at the Verde deposits and the inferred resource at the nearby Pancho deposit, located approximately 2.0 kilometres northwest of the Verde pit. The exploration program ran from September 2002 to June 2003. During this period, a total of 262 drill holes (51,478 metres) of drilling were completed. The drilling focused on increasing the confidence level of the known mineralization below the current Verde pits as well as increasing the confidence level in the mineralization at the nearby Pancho deposit.

The reserves resulting from the exploration program are based on a detailed engineering study examining the economics of the project. The reserves were used to complete a life-of-mine production schedule that in turn served as the basis for a financial analysis which indicated project economics at gold prices in excess of $325 per ounce. A decision was then made to reopen the mine.

Geology and Mineralization

The Verde and Pancho gold deposits at Refugio occur in the Maricunga Gold Belt of the high Andes in northern Chile. Since 1980, a total of 40 million ounces of gold have been defined in the belt.

Gold mineralization at Refugio is hosted in the Refugio volcanic-intrusive complex of Early Miocene age. These rocks are largely of intermediate composition. The Refugio volcanic-intrusive complex is exposed over an area of 12 square kilometres and consists of andesitic to dacitic domes, flows, and breccias that are intruded by subvolcanic porphyries and breccias.

Most of the structural trends affecting the Verde and Pancho deposits are related to fracture systems rather than fault zones. One of the main structural features influencing the Pancho deposit is Falla Guatita fault zone. Field mapping suggests that there may be significant vertical displacement on this structure. Another major fault affecting the Pancho deposit is the Falla Moreno. This structure trends roughly east west and forms an approximate northern boundary for the mineralization at Pancho.

Gold mineralization at Refugio has been interpreted to be porphyry style gold systems. The porphyries occur within a sequence of intermediate tuffs, porphyries and breccias that are the host rocks to the gold mineralization. The most favourable ore hosts at Verde are the Verde breccia and dacite porphyry units. Mineralization at Pancho is concentrated within a sub-horizontal volcanic breccia unit. Underlying the volcanic breccia is a large, laterally extensive, diorite porphyry, which outcrops half way down the Pancho west slope. This porphyry underlies the entire Pancho area.

Gold mineralization at Verde is interpreted to be the result of the fracturing and concentration of fluids in the carapace of an intrusive plug or stock. Gold is closely associated with quartz, magnetite, calcite, and garnet stockworks. Gold mineralization at Pancho is characterized as porphyry hosted stockwork and sheeted veins. The veins are subvertical and have a strong, preferred north-westerly strike. The northwest structural control is evident not only at outcrop scale but is also reflected in the northwest alignment of intrusives and the three centers of mineralization in the district, Verde, Pancho and Guanaco.

Exploration

Exploration of the Verde and Pancho deposits has been ongoing since 1984. A total of 667 holes (103,392 metres) of diamond and RC drilling has been completed on the Verde deposit with an additional 147 holes (30,240 metres) completed at Pancho. The drilling has resulted in a drill spacing of approximately 50 x 50 metres at Verde and 75 x 75 metres at Pancho. Much of the 2002 - 2003 drilling was diamond drill core, allowing geologists an opportunity to clearly delineate geological and alteration features affecting gold mineralization and recovery.

In 2004, CMM drilled 8 condemnation holes around the property. Results outlined one area of mineralization with potentially economic grades.

In 2006, 51 holes were drilled at Pancho deposit (23,159 metres). The first metres (overburden) of 18 holes were drilled with RC (3,936 metres) and finally completed with diamond. When the overburden did not exist, only diamond was used for drilling.

Drilling, Sample Preparation and Analysis

Historically, most of the drilling at Refugio consisted of RC drilling. The destructive nature of this drill method made identification of lithology, structure and alteration difficult. The 2002 - 2003 drilling consisted primarily of diamond drill core, providing site geologists with an opportunity to refine the geology model of the deposit.

The mine survey crews established the collar location and marked it in the field. The survey crew later verified alignment and inclination when the drill hole was in progress. Downhole inclinometry was completed at the end of each hole. Gyroscopic azimuth and inclination readings were taken every 10 metres down the hole to within 10 metres of hole bottom and every 50 metres back up the hole as a double check. All field surveys were tied into the established mine grid. Guillermo Contreras and Sons Limitada (Santiago), licensed Chilean surveyors completed a survey audit that verified an approximate 10% of the drill collars using a differential GPS survey system. No significant errors were noted.

CMM provided all of the technical support for the sampling, geologic logging, and drill supervision. Rig geologists and samplers were responsible for the quality/accuracy of each sample. Geologists and samplers typically had up to 15 years experience sampling. All logging utilized standardized logging forms and a geological legend developed for the Verde and Pancho deposits. The legend has evolved from historic observation and is consistent with both the regional and local geology.

The 2003 drill program adopted a 2.0 metre standard sample length for all samples. All sample preparation, including core splitting (sawing) was performed and supervised by ALS Chemex personnel. ALS Chemex established, equipped and staffed a portable sample preparation facility at the Refugio mine for the duration of the program. After splitting, one half of the core was placed in sample trays along with the sample tag. The other half of the core was fitted back into the core box and returned to CMM for placement in permanent storage. The prepared samples were received at the ALS Chemex's facility in La Serena (the primary analytical lab for the duration of the program) where analyses for gold, silver and copper and cyanide soluble gold and copper analyses were performed.

An independent engineer completed operational audits of the La Serena lab for the 2002-2003 program. The operational audits were performed measuring compliance with analytical best practices as well as to NI 43-101 requirements with respect to quality control and quality assurance. The independent engineer did not note any significant problems with this facility, concluding that ALS Chemex's lab and procedures met the highest industry standards. ALS Chemex also inserted their own blanks, standards and duplicate samples for each sample batch as part of the labs own internal quality management program.

Mining and Processing

Refugio production re-opened in October 2005 and achieved its targeted production rate of 14 million tonnes per year (40,000 tonnes per day) in late 2005. The mine operates two 12-hour shifts per day for 355 days annually allowing for inclement weather interruptions. Final pit design for Verde and Pancho assumed 10 metre bench heights, bench face angles of 65° to 70°, berm widths of 8 to 11 metres, berm interval of 20 metres, inter-ramp angles of 38° to 52.5° and haul road gradient at 10% with a 25 metre road width.

The Refugio gold recovery process consists of a single line primary crushing, fines crushing (secondary and tertiary), heap leach and adsorption and regeneration ("ADR") plant operation. The process is designed to treat 40,000 tonnes per day of dry Refugio ore using primary crushing followed by a secondary and tertiary crushing plant. The crushing plant product is approximately 80% passing 10.5 millimetres. A pad type heap leach and an ADR plant are used for gold recovery.

A comprehensive program of metallurgical testing incorporating bottle roll tests and column leach tests of samples obtained from drilling was established to determine gold recovery and reagent consumption data for the remaining Verde resources and the Pancho resource. Based on the recovery estimates by ore type, process recovery over the mine life averaged 67.7% of contained gold in the plant feed. Life of mine annual gold production is expected to range from 220,000 to 230,000 ounces on a 100% basis.

The increased reserves will result in the need to permit additional leach pad capacity but this is not considered to be a material risk, as the existing permitted space is sufficient for the majority of the remaining reserves.

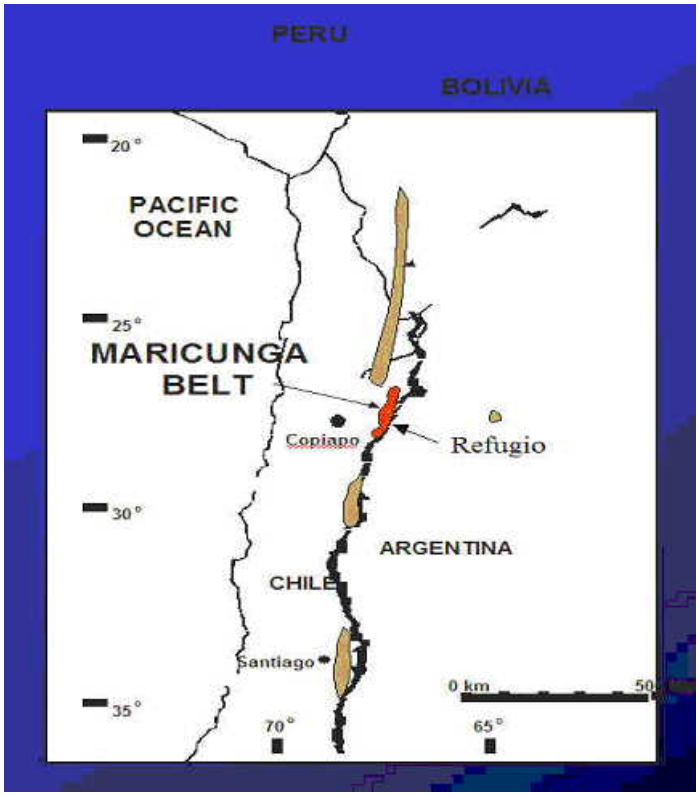
A reclamation plan for the current mine disturbance was approved in 2002, based on the commitments made in the original environmental impact assessment for the site (1994). The plan addressed physical activities, such as earthworks, but did not address chemical closure of the heap. A closure plan for chemical stabilization of the heap has been prepared and has been submitted to the regulatory authorities in the form of a Declaration of Impact to the Environment ("DIA"). The regulatory agencies are currently considering the Company's proposed chemical stabilization approach and further discussions with agencies are expected prior to a decision regarding the chemical stabilization plan. The agencies consider submittal of the chemical stabilization DIA as meeting the commitments in the original environmental impact

Kinross' 50% share of the net present value of future cash outflows for site restoration costs at Refugio under CICA Handbook Section 3110, as at December 31, 2006, are estimated at approximately$2.2 million. There is no requirement to post financial assurance to secure site restoration costs in Chile at present.

Life of Mine, and Capital Expenditures

Based on the expected processing rates and reserves, the mine life of the Refugio property is estimated to continue up to 2020.

Kinross spent approximately $4.7 million for its share of capital expenditures in 2006.



Round Mountain, Nevada, United States

Kinross owns an undivided 50% interest in and operates the Round Mountain gold mine through its wholly- owned subsidiary Round Mountain Gold Corporation ("RMGC"). An affiliate of Barrick Gold Corporation owns the remaining undivided 50% interest in the joint venture common operation known as the Smoky Valley Common Operations participants. Kinross acquired its interest in Round Mountain in January 2003. Kinross and Barrick have first refusal rights over each other's interest in the property.

Detailed financial, production and operational information for the Round Mountain mine is available in the MD&A.

Property Description and Location

The Round Mountain gold mine is an open-pit mining operation located 96 kilometres (60 miles) north of Tonopah in Nye County, Nevada, U.S.A. The property position consists of patented and unpatented mining claims covering approximately 23,685 hectares (58,526 acres). Smokey Valley Common Operations participants have received patents to convert mineable land to patented status. The patents are issued in corporations that are wholly owned by the participants. Patented claims cover most of the current reserves at the Round Mountain mine.

The Smoky Valley Common Operation controls the mineral and surface rights of the mine through the ownership of 109 patented lode claims, 2,984 unpatented lode claims, 12 unpatented mill site and 355 unpatented placer claims in a series of claim blocks located between Gold Hill, Round Mountain, and Manhattan. The total area of mineral rights controlled by these claims is 58,526 acres. The patented claims are held as private property (fee simple) and are legally surveyed. Most of the reserves are located on patented claims. The unpatented claims are held under the 1872 Mining Law (as amended) and are subject to annual filing requirements and claim maintenance fees. The majority of the unpatented claims are located on land administered by the Bureau of Land Management; the remainder are located on land administered by the U. S. Forest Service. The unpatented claims are accurately located but not legally surveyed.

Mine production is subject to a net smelter return royalty ranging from 3.53% at gold prices of $320 per ounce or less to 6.35% at gold prices of $440 per ounce or more. During 2006, this royalty averaged 6.35%. Its production is also subject to a gross revenue royalty of 3.0%, reduced to 1.5% after $75.0 million has been paid. For the year ended December 31, 2006, $18.7 million in royalties has been paid.

The property is subject to no known material environmental liabilities or mitigative measures. All environmental permitting is up to date and in order for the currently authorized activities. Kinross is in compliance with all Round Mountain permits in all material respects. Permitting has commenced for expansion activities at Round Mountain.

The Round Mountain gold mine is subject to the Nevada State and United States federal employment taxes, business license tax, net proceeds of minerals tax and properties sales and use tax. During 2006, the Company paid $3.5 million net proceeds of mineral in taxes.

Accessibility, Climate, Local Resources, Infrastructure, and Physiography

Access to the site is provided by State Highway 376, a paved two-lane paved highway that connects U.S. Highway 6 in Tonopah to the south and U.S. Highway 50 to the north, or by charter aircraft. A paved airstrip, suitable for small aircraft is maintained near the mine site. The mine is located approximately 400 kilometres (250 miles) from the major metropolitan areas of Las Vegas and Reno, Nevada.

The mine is supported by the local communities of Hadley and Carvers, which provide most of the housing for mine personnel. Sierra Pacific Power Co. provides electrical power to the mine. There are sufficient surface and water rights to support all current and forecasted mining at the site.

The mine area straddles the transition between the floor of the Big Smoky Valley and the adjacent Toquima Range. Mine site elevations vary between 1,800 to 2,100 metres (5,800 to 6,800 feet) above sea level. Elevations in the Big Smoky Valley and Toquima Range vary from 1,800 metres (5,800 feet) in the valley floor to 3,640 metres (11,941 feet) at the summit of Mount Jefferson.

The oblong open-pit mine is over 1.6 kilometres (one mile) in length at its longest dimension and currently more than 420 metres (1,380 feet) from the highest working level to the bottom of the pit.

The Round Mountain mine lies within an arid, high desert setting. Average annual precipitation in the Big Smoky Valley is approximately 127 to 178 millimetres (5to7 inches) with most of that total falling during the winter months. Snow is common at the valley floor, but rarely remains on the ground for more than a few days. Local rainfall can be extreme and flash flood events are not uncommon in the region. Temperature range can be extreme, with average daily fluctuations exceeding 22 degrees Celsius (40 degrees Fahrenheit). Winter temperatures are typically -12 to -7 degrees Celsius (10 to 20 degrees Fahrenheit) at night and 0 to 10 degrees Celsius (30 to 50 degrees Fahrenheit) during the day. Rarely (typically less than 10 days per year), winter low temperatures can fall below -18 degrees Celsius (0 degrees Fahrenheit). Summer temperatures vary from 4 to 12 degrees Celsius (40 to 55 degrees Fahrenheit) at night to 32 to 40 degrees Celsius (90 to 105 degrees Fahrenheit) during the day.

History

The first gold production from the Round Mountain District occurred in 1906. Historic production from 1906 through 1969 based on United States Bureau of Mines records was 346,376 ounces of gold and 362,355 ounces of silver. Actual unreported production was probably significantly higher. Early important companies actively mining in the district were the Round Mountain Mining Co., the Fairview Round Mountain Mining Co., the Round Mountain Daisy Mining Co., the Round Mountain Sphinx Co., the Round Mountain Red Top Co., and the Round Mountain Red Antelope Mining Co. At some point prior to 1929, Nevada Porphyry Mines, Inc. consolidated many of the claims and controlled most of the district. Nevada Porphyry Mines and the A. O. Smith Corp. investigated the bulk tonnage potential of the property in 1929 and 1936 to 1937, respectively. In 1946 through 1962, the Yuba Consolidated, Fresnillo, and Consolidated Goldfields developed and mined the placer deposits flanking Round Mountain and Stebbins Hill.

At some time between 1962 and 1969, the Ordrich Gold Resources Inc. acquired control of the property from Nevada Porphyry Gold Mines. In 1969, Copper Range Co. leased the property and developed a small reserve of 12 million tons at a grade of 0.062 oz of gold per ton. The Smoky Valley Common Operation was formed in 1975 to operate the mine. This was initially a joint venture in which Copper Range held a 50 percent interest and Felmont Oil Co. and Case Pomeroy Co. each held a 25% interest.

Commercial production commenced in 1977. In 1984, Homestake Mining Company acquired the Felmont Oil interest in the operation and, in 1985, Echo Bay acquired the Copper Range interest. Effective July 1, 2000, Homestake increased its interest in the Round Mountain mine from 25% to 50% when it acquired the Case Pomeroy interest. Effective December 14, 2001, Barrick Gold Corporation completed a merger with Homestake Mining Company thereby acquiring the Homestake interest in the mine. In January 2003, Kinross acquired its 50% interest in the mine and became the operator for the Smokey Valley Common Operation.

Geology and Mineralization

The Round Mountain mine is located along the western flank of the southern Toquima Range within the Great Basin sub-province of the Basin and Range province of western North America. The Basin and Range physiographic province is characterized by generally north-south trending block faulted mountain ranges, separated by alluvium-filled valleys.

The Round Mountain Caldera (“RMC”) is one of the most prominent geologic features of the southern Toquima Range. The overall dimensions of the RMC are unknown as most of the caldera is covered by alluvium and Basin and Range faulting has offset the western portion. The upper and lower Tuffs of Round Mountain were erupted from the RMC at approximately 26.5 Ma.

The geology of the Round Mountain mine consists of a thick sequence of intra-caldera Oligocene ash-flow tuffs and volcaniclastic rocks resting upon pre-Tertiary basement rocks. The caldera margin is mostly buried but in the pit area is well defined by a progressively steeper dipping arcuate contact between the volcanic rocks and older basement rocks. The caldera margin and caldera related structures provided the structural ground preparation for the hydrothermal system. The primary host rocks for gold mineralization are the volcanic rocks. A minor amount of ore occurs in the Paleozoic rocks along the caldera margin.

The Round Mountain Gold deposit is a large, epithermal, low-sulfidation, volcanic-hosted, hot-springs type, precious metal deposit, located along the margin of a buried volcanic caldera. The deposit genesis is intimately associated with the Tertiary volcanism and caldera formation. Intra-caldera collapse features and sympathetic faulting in the metasedimentary rocks provided the major structural conduits for gold-bearing hydrothermal fluids. In the volcanic units, these ascending fluids deposited gold along a broad west-northwest trend.

Gold mineralization at Round Mountain occurs as electrum in association with quartz, adularia, pyrite and iron oxides. Shear zone fractures, veins and disseminations within the more permeable units host the mineralization. Primary sulphide mineralization consists of electrum associated with or internal to pyrite grains. In oxidized zones, gold occurs as electrum associated with iron oxides, or as disseminations along fractures.

Alteration of the volcanic units at Round Mountain can be characterized as a continuum from fresh rock progressing through highly altered alteration assemblages. There is a reasonable correlation between increasing gold grades and increasing degrees of alteration.

Ore zones within the metasediments are more subtle, largely defined by secondary quartz overgrowths, pyrite, and adularia associated with narrow northwest trending structures.

Exploration

Kinross' share of exploration for 2006 was approximately $5.0 million. The exploration consisted of continued development, pit expansion drilling, commencement of the underground decline and exploration within the AMI ("Area Mutual of Interest"). The AMI is a large area which includes the Round Mountain mine, where the exploration is conducted mutually by Kinross and Barrick.

The Round Mountain pit expansion drilling program was started in 2004 and was completed in 2005. This exploration successfully delineated sufficient mineralization to justify the pit expansion which began in November 2005.

In July 2006, an underground exploration decline was completed. The target of the decline is a zone of high-grade gold mineralization discovered by wide spaced surface RC and core holes. The total length of the decline is approximately 1,593 metres (5,226 feet). Exploration drilling from the decline started in September. At the end of 2006, a total of 22 exploration core holes totalling approximately 4,877 metres (16,000 feet) had been completed.

Exploration within the AMI during 2006 included exploration drilling, generative work, geologic mapping, geochemical sampling and geophysical surveys.

Drilling, Sample Preparation and Analysis

The current drill database for the open pit reserve contains a total of 4,703 drill holes, of which 4,395 are RC drill holes and 308 were drilled using diamond core methods. A separate database is maintained for dump drilling which contains an additional 1,580 drill hole records.

The majority of the drilling is vertical with angle holes used where vertical structures are anticipated. All dump holes are drilled vertical.

All holes are sampled on 1.5 metre (5 foot) intervals and a "chipboard" constructed for each drill hole with sample from each interval glued to a board representing the complete hole.

Sample data for the reserve model is derived primarily from conventional, RC rotary and HQ size core drilling. Holes are initially drilled on 61 metre (200 foot) centers defining deposit limits. In-fill drilling is completed on centers of 42.6 metres (140 foot) or less to develop reportable reserves used in mine planning.

RC drill cuttings are passed through a wet rotary splitter to collect a 4.5 to 6.8 kilogram (10 to 15 pound) sample for each 1.5 metre (5 foot) interval. A sampling technique which uses flocculent to settle drill cuttings has been employed to capture very fine-grained material and assure sample integrity. This technique captures nearly 100% of the rock material generated during the drilling process. Core samples are split with a rock saw in five-foot intervals, with half the sample assayed, and the other half stored for reference.

The samples collected from drill holes are prepared and assayed by the Round Mountain mine assay laboratory or commercial laboratories. All assay laboratory chemists and technicians at the Round Mountain mine lab are employees of Round Mountain Gold Corporation. The Round Mountain laboratory is not certified by any standards association. The commercial laboratories are ISO-9002 certified. A mine geologist or mine geologic technician delivers the drill samples to the assay laboratory. Samples assayed by the commercial laboratories are picked up at the mine by the commercial lab service providers and carried by truck to their sample preparation facilities and/or laboratories.

The Round Mountain Deposit is noted for its coarse gold occurrences and high nugget effect in assaying. In order to minimize the sampling variation, a five-assay ton or 145.8 gram sample is used in the fire assay. To minimize potential lead exposure of the laboratory staff to the effects of fire assaying, bismuth is used as the collector of the gold and silver. After a 2-hour fusion, the samples are poured into moulds. The samples are slagged and are cupelled in the cupel room. Following cupellation, the bead is smashed and parted with nitric acid, rinsed, dried, and annealed. The fire assay is completed with a gravitimetric finish.

In November, 2006, the assay method for the blast hole assays for ore control was changed to fire assay with an atomic adsorption finish. Bismuth continues to be used as the collector. This change was initiated after considerable in-house test work to confirm the atomic adsorption method is more accurate and precise for the typical gold grade in the Round Mountain deposit.

The assay laboratory maintains an internal assay quality control program. Laboratory supervisors routinely conduct quality inspections of sample preparation, equipment calibration, and assaying procedures. The lab regularly participates in round robin assays with other mine labs to check internal procedures. Five percent of all pulps are screened to verify that the pulps meet specification. One sample per 24 is either a blank (barren silica sand) or a certified standard that is inserted randomly by the lab computer system. The blank is inserted prior to the preparation stage. The standard is inserted following sample preparation. If the assay results exceed limits for either the blank or the standard, the entire batch is re-assayed.

Assay results from blanks and standards are plotted and graphed daily. These graphs are an integral tool used by the assayers and supervisors to continuously monitor and improve lab procedures.

Mining and Milling Operations

The Round Mountain mine currently operates a conventional open pit that is approximately 2,500 metres (8,200 feet) long in the north-west, south-east direction and 1,500 metres (5,000 feet) wide (north-east to south-west). The mining is conducted on 10.7 metre (35 foot) benches by electric shovels and front end loaders paired with 136, 172 and 218 tonne (150, 190 and 240 ton) haul trucks.

Blasthole patterns are drilled on centers that range from 4.8 to 9.1 metres (16 to 30 feet). Blasthole samples are collected and assayed and provide the control for ore segregation. Based upon these assays, blasted pit ore is determined to be run-of-mine dedicated pad ore, crushed reusable pad ore, mill ore or waste. High grade coarse gold bearing ore is handled in one of three ways: 1) leached on the re-useable pad and offloaded to the mill; 2) sent directly to the gravity plant with tails reporting to the mill; or 3) sent directly to the mill or mill stockpile. Gold particle size and distribution of high-grade ore determines the processing method.

The Round Mountain operation uses conventional open-pit mining methods and recovers gold using four independent processing operations. These include crushed ore leaching (reusable pad), run-of-mine ore leaching (dedicated pad), milling and the gravity concentration circuit. Most of the ore is heap leached, with higher grade oxidized ores crushed and placed on the reusable pad. Lower grade ore, ore removed from the reusable leach pad and stockpiled ore that was previously leached are placed on the dedicated pad.

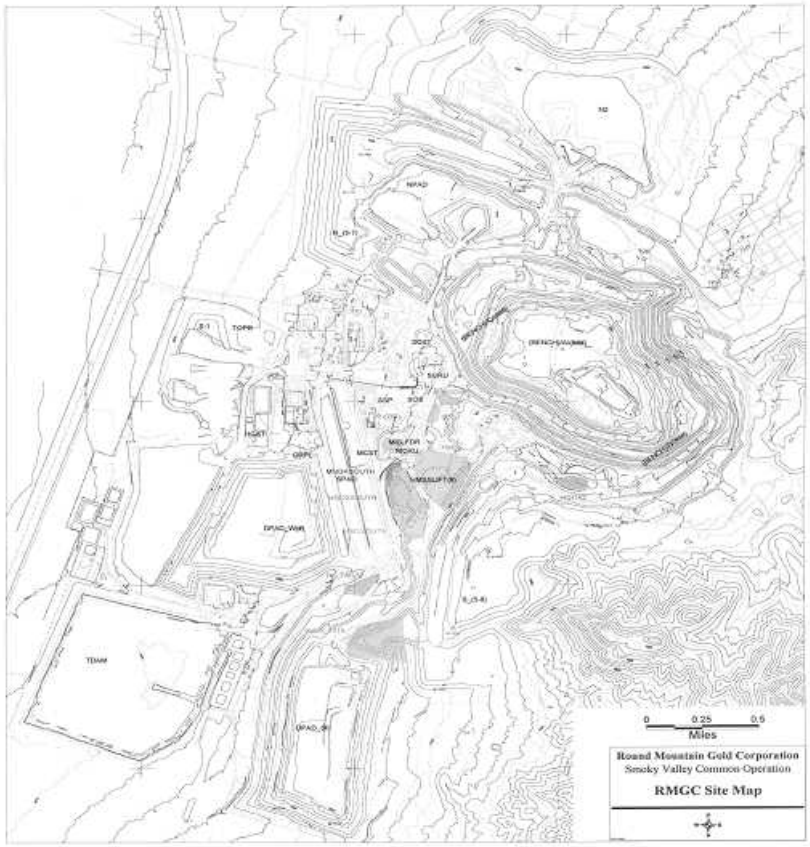
The finished doré bullion is shipped to refineries in North America for further processing as per the agreements of established contracts of the participants of the Smoky Valley Common Operation. Once the doré bullion leaves the mine site, marketing and sales are the responsibility and at the discretion of the Joint Venture partners.

The site Plan of Operations and Comprehensive Reclamation Plans filed with the United States Department of the Interior, BLM and Nevada Division of Environmental Protection (“NDEP”) have been approved for all current operational facilities. Annual updates of the Reclamation Plan are prepared to adjust for cost inflation and to take credit for concurrent reclamation activities and submitted to the above listed agencies. Kinross’ share of the net present value of the future cash outflows computed in accordance with CICA Handbook Section 3110, was approximately $21.0 million at December 31, 2006. Tentative plans for permanent closure activities have been approved by the NDEP and BLM. Each participant in the Common Operation is responsible for its own estimate of reclamation costs in its own accounts. Kinross has posted letters of credit totalling approximately $20.6million in support of its share of site restoration costs as of December 31, 2006.

Life of Mine, and Capital Expenditures

Round Mountain is currently in the process of permitting the Gold Hill pit which is approximately 8.05 kilometres north of the existing operation and portions of the Round Mountain expansion. The joint venture partners approved an expansion to the Round Mountain pit in late 2005 and mining activities were initiated in November 2005. The expanded operations at Round Mountain have extended the mine's life through the year 2018.

Kinross' share of capital expenditures for 2006 was approximately $28.3 million.



Bema Material Properties

In February 2007, Kinross acquired Bema and, in turn, Bema's interests in the following two properties which are now included in Kinross' portfolio of material properties. The following descriptions are taken from certain of Bema's public disclosure prior to its acquisition by Kinross, all of which has since been reviewed and approved for disclosure herein by Bema's then internal and retained third party qualified persons more particularly identified in "Notes - Bema 2006 Mineral Reserve and Resource Statements".

Kupol gold and silver project, Russia

General

Bema's 75% (less 1 share) interest in the high-grade Kupol gold and silver project in northeast Russia is held through a commensurate interest in Chukotka Mining & Geological Company ("CMGC"). Bema acquired its interest in the property through a definitive framework agreement (the "Framework Agreement") with the Government of Chukotka, an autonomous Okrug (region) in northeast Russia. Development and construction on the Kupol project commenced in 2006.

Kupol Technical Report

In June 2005, Bema announced the results of the Kupol Feasibility Study, which demonstrated that Kupol is technically feasible and can be developed as a high-grade, low-cost gold and silver mine with robust project economics (see "Kupol Feasibility Study"). On July 4, 2005, Bema filed a National Instrument 43-101 compliant technical report (the "Kupol Technical Report") summarizing the findings of the Kupol Feasibility Study. An updated Kupol Technical Report has been filed by Kinross concurrently with this Annual Information Form.

Property Description and Location

The Kupol project hosts a large epithermal gold and silver vein system, located within the Cretaceous Okhotski-Chukotski volcanic belt approximately 940 kilometres northeast of Bema's Julietta Mine and 200 kilometres east of the City of Bilibino in northeastern Russia.

The property comprises a 7.8 square kilometre license for subsoil use for geological study and production of gold and silver. This license was issued by the Ministry of Natural Resource of the Russian Federation on April 6, 2002 and is held by CMGC, the Russian operating company currently held indirectly as to 75% (less 1 share) by Bema. The remaining 25% (plus 1 share) of CMGC is held by the Government of Chukotka.

There are no royalties payable in respect of the Kupol project but an extraction tax is payable equal to 6% of the sales value for gold and 6.5% of the sales value for silver.

On September 26, 2006, Bema announced that CMGC was awarded two new exploration licenses surrounding, and adjacent to, the Kupol project. With the acquisition of these two licenses, Kupol West and Kupol East, CMGC increases its overall land position in the Kupol Project area from approximately 17.5 square kilometres to a combined approximate 425.5 square kilometres.

Accessibility, Climate, Local Resources, Infrastructure, and Physiography

The Kupol deposit is located in the Northwest part of the Anadyr foothills on the boundary between the Anadyr and Bilibino Regions in the Chukotka Autonomous Okrug.

The total distance between the Kupol property and Bilibino is 298 kilometres. The site is connected to Bilibino via a network of roads that is passable between mid-December and mid-April. A paved road travels 35 kilometres from Bilibino south to Keperveem. From Keperveem, a government-maintained winter road travels 140 kilometres along the Anui River to Ilirney. From Ilirney, the winter road travels 160 kilometres southeast to the site. Russian tank vehicles can access the property along these roads from mid-summer to fall.

The main access road from port facilities are from Pevek to the Kupol site. Pevek and Kupol are connected with a combined all season and winter road for total distance of approximately 449 kilometres. The winter road follows the contour of Chaunskii Bay for 133 kilometres then travels due south to Dvoynoye camp and across the Maly Anui River to Kupol. The winter road is serviced by five temporary camps and one permanent 60-person, containerized camp ("Dvoynoye Camp"). It is passable between mid-December and late April. Additional supplies for the 2006 development work were barged (during summer 2005) up the Lena River, in central Yakutia, to the port of Zelyoni Mys, at the head of the Kolyma River. A 571 kilometre combined winter and all season road connects Zelyoni Mys with Bilibino and Kupol.

During spring thaw and summer, the Kupol area is only accessible by helicopter: a 1.5-hour flight from Bilibino or Keperveem or a three-hour flight from Anadyr. Keperveem is serviced by a gravel airstrip capable of handling IL76 aircraft. Anadyr is serviced by an all-season paved airstrip. Personnel based in Magadan are transported to Keperveem via a chartered AN-74 aircraft. Non-national personnel are transported to Keperveem via a weekly to bi-weekly chartered Beechcraft 1900D aircraft out of Nome, Alaska, or alternately through commercial carriers connecting Magadan with Moscow and international destinations. A 1,800-metre airstrip at the Kupol site is currently under construction.

The climate at the Kupol property is defined by its geographical location at the northeastern extremity of Eurasia where it is influenced by two oceans and the vast continental mass of Yakutia. Atmospheric conditions include complex circulation patterns that vary considerably over both the warm and cold times of the year. The climate of the region around the Kupol site belongs to the continental climatic region of the subarctic climate belt with extremely severe weather consisting of long and cold winters (8-8.5 months), overcast weather, and short summer periods (2.5 months).

The average annual temperature at the Kupol site is-13°C, ranging from -58°C to 33°C. The total amount of precipitation does not exceed 277 millimetres. There are less than fifty days with an average daily temperature above 0°C; the first positive temperatures occur in early June and the first negative temperatures occur in early September.

Snow cover appears in the mountainous regions in the middle of September and achieves a maximum depth in March. The average depth of snow cover is 38-45 cm. The duration of a stable snow cover is approximately 237 days. Because of the wind blowing, the valleys are filled with snowdrifts and the tops of the mountains and steep slopes are blown bare.

Wind patterns for the region around the Kupol site are defined primarily by the trade winds that are characterized by atmospheric circulation.

The land surrounding the Kupol site currently is within the land used by the Lamutskoye agricultural community for reindeer herding and supporting traditional indigenous activities for hunting and gathering. The land is owned and administered by the municipality of Anadyr, region of the Chukotka Autonomous Okrug.

The overall region is sparsely populated, with approximately 65,000 inhabitants. Of this population, approximately one half of the people live in the two districts where the Kupol deposit is located (Bilibinskii and Anadyrskii). The overall population of the region has suffered a severe decline of more than 50% in the last fifteen years.

Overall, the Chukotka Autonomous Okrug ranks near the bottom in Russia for total industrial output. The economy is focused on mining and is rich in natural resources represented by deposits of tin, mercury, gold, coal, natural gas, and building materials. Other major industries within the region include a nuclear power plant, animal husbandry (reindeer herding), and transportation/shipping.

There are no railways or highways in Chukotka. Major seaports include Anadyr and Pevek. Airports can be found in Anadyr, Bilibino, Markova and Pevek.

The Kupol Property is situated on a height of land adjacent to the divide between the Arctic Ocean and Bering Sea drainages. The Straichnaya River drains north to the Anui River and the Kaiemveem-Sredniy-Kaiemraveem River drains into the Mechkereva River to the south. Topography is moderate, characterized by low rolling hills and occasional flat midland areas. The Kaiemveem River bisects the eastern portion of the property. The elevation ranges from 755 metres in the northwest to 450 metres in the southeast

Permafrost is distributed throughout the property area. Depending on geomorphology, the thickness of permafrost layer ranges from surface to a depth 200 to 320 metres and reaches its maximum depth under riverbeds.

The property is located approximately 40kilometres north of the tree line and is covered with tundra, rock outcrop and felsenmeer. The vegetation is limited to lichen, grass and arctic shrubs and flowers.

History

Quartz vein float was originally located in the Kupol area in 1966 during a Soviet government 1:200,000 regional mapping program. These float boulders assayed up to 3.0 g/t gold and 660 g/t silver and the find was designated as the “Oranzheviy Occurrence”. The main Kupol deposit was discovered by the Bilibino-based, state-funded Anyusk State Mining and Geological Enterprise (“Anyusk”) in 1995, through prospecting in the region of the “Oranzheviy Occurrence”. Prospecting was aided by the identification of gold, silver, arsenic, and antimony anomalies in a 1:200,000 stream sediment geochemical sampling program. During 1996 and 1997, Anyusk completed the following work: mapping; prospecting; magnetic and resistivity surveys; and, lithogeochemical and soil surveys.

During 1998, two drillholes were drilled and four trenches were excavated. In 1999, Metall, a Chukotka-based, Russian mining artel acquired the rights to the deposit and contracted Anyusk to conduct the exploration work. From 1999 through 2001, an additional thirty-one trenches and twenty-four drillholes were completed. In 2000 and 2001, 450 metres of the central portion of the vein system was stripped, mapped and channel sampled in detail. By the end of 2001, the work completed included 3,004 metres of drilling in twenty-six drillholes, 5,034.1 metres of trenching and 3,110.8 metres of channel sampling. Additionally, the majority of the license area was surveyed, and a frame for a small mill was constructed immediately south of Bolotnoye Lake, where the 2004-2006 camp is located.

Geology and Mineralization

Gold and silver mineralization is hosted by low sulphidation epithermal quartz-adularia veins within a north-south fault zone in Cretaceous andesite flows and pyroclastic units. Gold-bearing banded chalcedonic quartz-adularia veins and breccias are associated with silicification, argillization and rhyolite dykes for 4.1 kilometres along strike. The mineralization remains open to the north and south and at depth. The main veined zone is up to 50 metres wide and has been drilled to a maximum vertical depth of approximately 725 metres. The vein dips range from vertical to 75º to the east. The deposit has been divided into six contiguous zones; from north to south these are: North Extension, North, Central, Big Bend, South and South Extension. Mineralization, with widths up to 22 metres, has been defined along 3.9 kilometres of strike. Gold and silver occur as native gold, gold-silver alloy electrum, in acanthite and silver-rich sulphosalts (stephanite and pyrargyrite dominant). Gold and these minerals occur with pyrite and minor amounts of arsenopyrite, chalcopyrite, galena and sphalerite predominantly in bands within chalcedonic quartz, quartz and quartz-adularia colloform and crustiform veins and breccias. In 2005, a series of polymetallic veins were discovered starting 350 metres west of the main Kupol structure. These veins strike northwest and dip 55° to 75° to the west.

Exploration

During 2003, Bema spent approximately $9.8 million on an exploration program at the Kupol property which included 22,257 metres of drilling, extensive trenching, metallurgical test work, a site survey, hydrology studies and acquiring environmental baseline information. In addition, approximately $11.3 million in expenditures were incurred relating to initial engineering work and studies toward a scoping or preliminary economic assessment which was successfully completed in 2004, and on procurement of equipment and supplies for the 2004 exploration and development program.

The 2004 exploration and development program at Kupol commenced in May and ended in November 2004. The program included 52,828 metres of drilling in 309 holes to further explore the property and to conduct infill, reserve definition drilling. The highlights of results from the 2004 drilling program were: the extension of high-grade mineralization in the North Zone 250 metres to the north at depth; confirmation of multiple veins and identification of new veins in the North Zone; the discovery of a new high-grade sub-parallel or offset vein in the South Zone; the definition of existing and discovery of a new high-grade mineralized shoot in the Central Zone. The development portion of the 2004 program also included the engineering and design of a runway for fixed wing aircraft, preparatory earth works for mine and mill facilities, geotechnical and condemnation drill programs, water well drilling, final metallurgical test work and procurement of equipment for the planned commencement of mill construction in 2005. Bema spent approximately $82.3 million on exploration and development at Kupol in 2004.

Activity during 2005 at the Kupol project consisted primarily of continued exploration and development work at the site as well as mobilization of materials and supplies to Kupol for the 2005 season and to the East Siberian sea port of Pevek, Russia for the 2006 season. The seasonal nature of access to the site requires purchasing and placement of supplies and materials well in advance of being used for construction.

The 2005 exploration and development program at Kupol commenced in May and ended in September 2005. The program included 46,147 metres of drilling in 192 holes to further explore the property and to conduct infill and resource definition drilling.

The highlights of results from the 2005 drilling program are: the increase of indicated mineral resources; deep drilling in the North Extension which extended inferred mineral resources 200 metres north of previous estimates; deep drilling under the Big Bend and South zones; and further delineation of the South Offset zone located east of the main South veins. A new high-grade vein system, the Vtoryi II, was discovered outside of the main Kupol vein structure, which opens up the rest of the property and region for further exploration.

In late May 2006, an exploration program consisting of 20,000 metres of diamond drilling was commenced designed to test other veins, structures and extensions of the main Kupol vein which continues to remain open in all directions. An additional 17 holes, totalling 4,672.2 metres, have been drilled on the 650 zone since its discovery. The 650 zone has now been traced through drilling over a strike length of 775 metres and down dip for approximately 200 metres. Continuous high grade mineralization has been traced over 625 metres and appears to occur principally within a 100 to 125 metres elevation range, starting approximately 75 to 100 metres below surface. The zone remains open along strike to the north and south. Several parallel to sub-parallel veins are present in the 650 zone, with dips ranging from 70 degrees to vertical.

Drilling, Sample Preparation and Analysis

Drill core from the 2005 program was delivered from the drills to the logging facility in covered wooden core boxes. The core was ‘quick’ logged by a rig geologist, and then Russian geologists completed detailed geotechnical and geological logs. All core was photographed (wet and dry) after logging. Boxes of core to be sampled were delivered to the splitting shack; the remaining boxes were placed in storage racks. Core was 2/3 split using a diamond saw; the remaining third was returned to the core box as a permanent record. The boxes of cut core were then moved to a core storage tent or to racks. The rock saw core jig was calibrated to ensure that an even 2/3 split was taken of the core for both HQ- and NQ-sized samples. For samples of strongly broken core, care was taken to ensure a 2/3 split of the sample. This commonly involved the use of a metal divider and a spoon. The core was split in consecutive sampling order, from top of hole to the bottom. Field duplicate samples were created by cutting the 2/3 split into two 1/3 sections; both samples were sent for analysis.

Samples of cut core were bagged. Field blanks and reference standards were regularly inserted into the sample stream by the logging geologists. The samples were assembled into batches of 20, in the order they were sampled, and submitted to the laboratory two to three times per day. Well-mineralized or visible gold-bearing samples were indicated on the submission form to ensure that contamination reduction protocols were followed by the laboratory.

Trench sampling followed the same sampling and quality control and quality assurance protocols as the cores. For the trenches excavated across the zone, samples were collected using a chisel and hammer to cut an even channel across each zone. Care was taken to collect equal volumes of rock across each channel to ensure that there was no sampling bias based on rock softness or fracture density. In 2004 and 2005, portions of the Big Bend, South Zone and North Zone were stripped of cover and pressure-washed using a Wajax pump. The channel edges were cut using a diamond rock saw, and the samples were chiselled from the cut and collected into sample bags. Sample intervals were marked with metal tags. The same quality control protocols as for core were employed.

A strict field protocol for assay quality control program included the insertion of standard reference material to monitor accuracy, coarse blank material to monitor contamination and sample mix-ups, and field duplicates to monitor precision. This program was used for drill core, trench, channel, and rock samples. These protocols were used for the full 2003, 2004 and 2005 programs; they have been independently audited and deemed acceptable. There is no quality control data for work conducted prior to 2003.

In 2004 and 2005, all samples were initially assayed at the on-site Kupol assay laboratory. In 2003, due to start up problems with the Kupol assay laboratory, the initial sets of samples from the project were analyzed at Bema's Julietta Mine laboratory. The Russian assayers responsible for assaying at the Kupol laboratory were sent to Julietta to ensure the same protocols were followed for sample preparation and analyses. Pulps from all samples originally analyzed at the Julietta laboratory were returned to Kupol and re-analyzed at the Kupol laboratory. The database used in the resource calculation only contains data from the Kupol laboratory.

Pulp samples, representing 13% of the entire sample set, were analyzed at an independent assay laboratory in North Vancouver, British Columbia, Canada, as a check on the results obtained from the Kupol laboratory. Additionally, 269 samples that were analyzed by the first independent lab were also analyzed at a second independent lab in Vancouver, British Columbia, Canada. The quality control program, the Kupol laboratory, and the assay results have been independently audited (both on-site and off) and have been found to be fully compliant with National Instrument 43-101 requirements.

Mineral Resource and Mineral Reserve

The resource estimate was completed using a three-dimensional computer block model built using Datamine software. The interpretation of veins, stockwork zone, the dykes and faults were completed on vertical east-west trending cross sections with reconciliation of the interpretation done on levels. Three-dimensional solids (wireframe) models were the basis for coding blocks and drill hole assay intervals. A set of 39 estimation domains were used to control the search orientations for the inverse-distance-squared estimation. The Vtoryi II resource was estimated using inverse distance to the 6^{th} power.

Gold and silver grades were cut prior to grade estimation and resource reporting. The amount of metal removed is similar to the metal reduction targets recommended in the Kupol Feasibility Study. The gold and silver metal reduction for the indicated and inferred mineral resources is 6.2% and 6.8%, respectively, as compared to the uncut estimation.

Specific gravity measurements (using a wax-coated immersion technique with checks) were completed in the 2005 drill campaign in North Extension and Vtoryi II areas. A total of 109 measurements on vein and stockwork samples for North Extension give an average specific gravity of 2.52 and 78 measurements on vein samples in Vtoryi II gives a value of 2.54. Measurements (approximately 600) were made in 2003 and 2004 on the rest of the Kupol property including South, Big Bend, Central and North indicating 2.48 is an appropriate specific gravity for these areas.

Indicated mineral resources are nominally drilled on a 50x50-metre hole and trench spacing with approximately 80 percent of Big Bend drilled at 25x50-metre spacing. Projection of indicated mineral resources is limited to 25 metres down dip and 12.5 to 25 metres along strike. Inferred mineral resources are nominally on a 100-metre drill hole spacing with projection beyond a hole no more than 100 metres.

Metallurgical Testing

Detailed metallurgical test work for Kupol commenced in July 2004. Testing comprised the evaluation of drill core samples for assessing leach optimization; gold and silver recovery variability; grade versus recovery relationships; grind variability; cyanide destruction/recovery; thickener and filtration characteristics; and confirmation testing on new samples from similar locations to 2003 test samples. A small bulk sample for assessment of thickening/filtration characteristics and for testing material handling properties was collected.

In 2005, a limited amount of additional metallurgical testing, with an aim toward optimization of the ore processing, was conducted. In addition, preliminary testing was conducted on the new zones and areas of mineralization that were identified in the 2005 exploration program.

Test results to date indicate gold recoveries from 87.4% to 95.3% (mean 93.8%) and silver recoveries ranging from 46.8% to 79% (mean 78.8%).

Kupol Feasibility Study

In June 2005, Bema announced the results of the Kupol Feasibility Study. The Kupol Feasibility Study indicates that development of the Kupol project is technically feasible and can be developed as a high-grade, low cost gold and silver mine with robust project economics. The Kupol mine was then projected to produce more than 550,000 ounces of gold annually, over the initial 6.5-year mine life.

The Kupol Feasibility Study contemplates the simultaneous commencement of open pit and underground mining. Open pit mining methods during the first four years of the project will mine the ore on a two shift per day, 340 days per year schedule (25 days per year are not scheduled to allow for weather delays), at a rate of approximately 1,000 tonnes per day of ore and 11,500 tonnes per day of waste. Low grade ore will be stockpiled and delivered to the mill in the later years of the project's life. The waste to ore strip ratio is 12 to 1. The average mining dilution in the final pit model is 24%.

Underground mechanized sublevel mining methods will be used to mine the ore on a two shift per day, 365 days per year schedule from two portal locations, the South Underground Mine and the North Underground Mine. The South Mine underground development began in 2006 and the North Underground Mine will commence in 2008. Each of the mines will reach a production rate of approximately 1,750 tonnes per day of ore. The average dilution in the final underground model is 22%.

For the first three years, the mill is estimated to process approximately 1,000 tonnes per day of open pit ore and approximately 2,000 tonnes per day of underground ore. After year three, the mill is estimated to process approximately 2,750 tonnes per day of underground ore and 250 tonnes per day of stockpiled ore. Gold recoveries are estimated to average 93.8%, while silver recoveries are estimated to average 78.8%. The milling process will consist of a primary crushing and gravity circuit, and will include conventional gravity technology followed by whole ore leaching. Merrill Crowe precipitation will be used to produce gold and silver doré bars. Tailings wash thickeners will recover cyanide and a cyanide destruction system will be used to reduce cyanide concentrations to an acceptable level for disposal. Tails will be pumped to a conventional tailings impoundment.

Development Activities

Construction and development work in 2005 at the site included completion of the foundations for the mill, SAG and ball mills at the processing plant, erection of six 3,000 cubic metre fuel tanks; completion of the mill site earthworks and the pad for a new 600 person permanent man camp; completion of the roads to the airport and the south; and completion of all the geotechnical and hydrological drilling required for the project. All scheduled earthworks for 2005 were completed. In addition, the airstrip construction commenced and by year end was approximately 60% complete.

In 2006, construction and development work included completion of the permanent man campsite, airstrip, civil works for the mill/shop/administration facility and the building shell. Installation of the SAG mill and Ball mill was initiated. Phase 1 of the tailing dam construction was initiated in October. Physical completion of the project stood at 45.7% at the end of 2006 versus a plan of 46%. At year end, overall, process engineering was 84% complete.

Orocon Inc., the construction contractor, completed the erection of six 3,000 cubic metres fuel storage tanks and poured 3,200 m3 of concrete at the mill and services building in 2005, and, in 2006, major civil works for the mill/shop/administration facility. Approximately 4,900 m3 of concrete were poured in 2006, bringing the project-to-date concrete volume to 8,100 cubic metres.

The components for the permanent man camp, mill and services building and the grinding and crushing equipment were delivered to Pevek in 2005 and were transported to Kupol during the first quarter of 2006 over Bema-built winter road between Pevek and Kupol. Erection and installation work began later in 2006 when the supplies reached the site.

Logistically, a total of 18,000 tonnes of equipment, materials and supplies were shipped on three vessels from the port of Everett, Washington, two vessels from the Russian seaport of Vostochniy and two ships from the Russian seaport of Vanino. Road construction to allow transportation of all these supplies to the Kupol property began in the fourth quarter of 2006; the road was opened for use in February of 2007. In addition to the freight above, Bema purchased and transported approximately 14,500 tonnes of fuel for use during the winter months and for storage at the site for the remainder of the work completed in 2007.

Underground development was initiated in March 2006 with the establishment of the South Portal access. Primary development of the main haulage decline and the ventilation decline totaled 1209 metres versus a plan of 1090 metres. An additional 31 metres of secondary development was also completed, which was not included in the 2006 plan.

Open pit development was initiated in February 2006 with 841,000 tonnes moved during the year, compared to a plan of 426,000 tonnes. Some waste material from the open pit is being used for the tailing dam construction. Tailing dam engineering was finalized and Phase 1 construction initiated in 2006. The downstream portion of the starter dam was completed to the 515 metre elevation.

In 2005, Bema expended approximately $155 million on the Kupol project of which $14.5 million was for a property payment, $8.6 million related to capitalized interest expenses, bank fees, legal and other Kupol project financing-related costs and $132.2 million was for procurement of materials, transportation and construction of the Kupol project. Development and construction at the Kupol project of $132.2 million exceeded the budgeted amount of $117.6 million (which included a contingency of $5.9 million), by $14.6 million. Of the $14.6 million only $1.8 million relates to a cost overrun. The remaining $12.8 million of over spending in 2005 related primarily to advancing the timing of procurement of fuel, operating supplies and some mining equipment. In addition, a larger portion of the project supplies were shipped in 2005 than planned resulting in an acceleration of spending for the year which was not expected to result in a variance to the total project capital cost of approximately $470 million. Total contingency for the project, included in the $470 million estimate, was approximately $55 million of which $7.7 million was used in 2005.

The 2006 development budget at the Kupol property was approximately $ 140 million excluding value added tax (“VAT”). As noted above, the 2006 construction program included erecting the mill building and permanent 600-man camp and completing the runway for fixed-wing aircraft. In 2006, Bema expended approximately $199 million on the Kupol project of which $22.9 million related to capitalized interest expenses, bank fees, legal and other Kupol project financing-related costs, $22.8 million relates to taxes and duties and $153.0 million was for procurement of materials, transportation and construction of the Kupol Mine and facilities. Development and construction costs at the Kupol project of $153.0 million exceeded the budgeted amount of $140.2 million by $12.8 million mostly due to cost overruns associated with freight and winter road activities.

In December 2006, prior to its acquisition by Kinross, Bema announced its forecast cost at completion as being $661.6 million, inclusive of $51.2 million in preconstruction costs, $514.2 million in construction costs, $23.4 million in taxes and $72.8 in financing costs. At the same time Bema announced that its 2007 development budget for the Kupol property was approximately $122.3 million excluding VAT, and the construction program would include installation of the main diesel power plant, installation of mechanical and electrical equipment in the mill, completion of shop, office, assay lab, warehouse and development of the tailing dam to the 515 metre elevation. In addition, Bema advised that open pit mining and underground development work would continue. Further, Bema advised that the then current development plan contemplated production commencing at Kupol in June 2008.

In November 2006, CMGC submitted to the Russian Federation an application to reclassify the forestry lands of the Kupol gold and silver project to industrial lands. Such reclassification is required to replace the existing short term forestry land lease (which expires in October 2007) with a long term industrial land lease in respect of the subject lands to, among other things, allow the continued development of the project and the construction of relevant facilities. The reclassification application was approved by the Federal Forestry Agency and Ministry of Natural Resources of the Russian Federation, and the reclassification decree from the Government of the Russian Federation was issued on March 22, 2007. Applicable legislation prescribes that the remaining administrative steps to effect the reclassification should be completed within 31 days from the date of the decree; however, in practice, the administrative steps may take longer. Following completion of the reclassification process, a long term lease in the prescribed form is expected to be entered into between CMGC and the Department of Rosimushchestvo (the agency overseeing government property), and must then be registered with the proper authority in order to become effective.

Development Financing

On May 26, 2006, CMGC, 75% (less 1 share) owner of the Kupol gold and silver project, made an initial $200 million drawdown on the "Kupol Project Loan". The initial $200 million was used in part to repay the previous $150 million Kupol bridge loan with the remainder being allocated toward funding of the continued development and construction of the Kupol project. A further $40 million of the Project Loan was drawn down in the second quarter of 2006.

The Project Loan consists of two tranches totalling $400 million. The first tranche is for $250 million and is fully underwritten by the Mandated Lead Arrangers, namely Bayerische Hypo- und Vereinsbank AG ("HVB") and Société Générale Corporate & Investment Banking ("SG CIB"). The second tranche of the Project Loan for $150 million is from a group of multilateral and industry finance institutions, of which the Mandated Lead Arrangers are comprised of Caterpillar Financial SARL, Export Development Canada, International Finance Corporation ("IFC") and Mitsubishi Corporation. Both tranches of the Project Loan are being drawn down on a pro rata basis and administered by HVB, as documentation and facility agent, and SG CIB, as technical and insurance agent.

The $250 million tranche of the Project Loan has a six and a half year term from drawdown, and the $150 million tranche has a seven and a half year term. The annual interest rate is (a) London Inter Bank Offered Rate ("LIBOR") plus 2% prior to economic completion of the Kupol project; (b) LIBOR plus 2.5% for two years after economic completion; and (c) LIBOR plus 3% for each remaining term (each rate is net of political risk insurance premiums). The Project Loan is collateralized against the Kupol project and guaranteed by Bema until economic completion is achieved, as defined by the loan agreements. The loan agreements include customary covenants for debt financings of this type.

CMGC also arranged a subordinated loan with the IFC for $25 million for the development of the Kupol Mine, $19.8 million of which was drawn down as at December 31, 2006. The IFC Loan formed part of Bema's and the Government of Chukotka's project equity contributions. This loan is guaranteed by Bema until economic completion of the Kupol mine, and will have an eight and a half year term from drawdown. The annual interest rate is LIBOR plus 2%. On November 22, 2005, as part of the loan agreement, Bema issued 8.5 million share purchase warrants to the IFC, each warrant entitling the IFC to purchase one common share of Bema at a price of $2.94 per share until March 1, 2014. Proceeds from the exercise of the warrants are required to be used to repay the IFC Loan.

The fair value of the IFC warrants was calculated to be $10.4 million using the Black-Scholes option pricing model based on a risk free annual interest rate of 4%, an expected life of 4 years, an expected volatility of 40% and a dividend yield rate of nil. The fair value of these warrants has been recorded as deferred financing costs.

HVB also provided Bema with a $17.5 million construction cost overrun facility for the Kupol project. In the event that Bema draws down under this facility, Bema is to issue to HVB convertible unsecured notes with a seven year term from drawdown. The holder of the notes will have the right prior to maturity or repayment of the notes to convert the notes into common shares of Bema at a conversion price equal to $6.48 per share. The annual interest is expected to be at the rate of LIBOR plus 2.5% during the period of four years from date of issuance and thereafter at the rate of LIBOR plus 3%.

* * *

The conclusions reached in Bema's economic studies described above, were estimates and projections only and were based upon numerous assumptions, many of which may prove to be materially different than the actual circumstances which will exist at the Kupol project. There can be no assurance that such estimates, projections and assumptions will be borne out in actual operations.

Kinross is in the process of performing a review of the foregoing capital development, operating cost and other estimates and projections made by Bema in respect of the project (see “Risk Factors” - “Unforeseen liabilities from Bema acquisition” and “Inclusion of historical Bema information in this Annual Information Form”).



Cerro Casale, Chile

Reference should be made to the cautionary statement made at the beginning of the “Bema Properties” section of this Annual Information Form.

General

The Cerro Casale project, located in Chile, in which Kinross holds a 49% interest and Arizona Star holds a 51% interest, envisions a conventional open pit and milling operation producing 150,000 tonnes per day of gold and copper ore from a porphyry gold-copper deposit.

Technical Report and Feasibility Study

In January 2000, a feasibility study (the “2000 Feasibility Study”) was completed on the Cerro Casale deposit. The study was undertaken to investigate the technical, environmental and economic aspects of the Cerro Casale project. A project base case was selected and sensitivities were evaluated with variations in capital costs, operating costs and metal prices. The 2000 Feasibility Study confirmed that the Cerro Casale deposit was technically feasible as a large scale gold-copper mine assuming certain parameters including life-of-mine prices of $350 per ounce for gold and $0.95 per pound for copper.

The 2000 Feasibility Study contemplated a large scale open-pit gold-copper mine, with estimated mineable proven and probable mineral reserves containing 23 million ounces of gold and six billion pounds of copper from 1.035 billion tonnes of ore grading 0.69 g/t gold and 0.26% copper using a gold price of $350 per troy ounce, a silver price of $5.50 per troy ounce and a copper price of $0.95 per pound. The 2000 Feasibility Study concluded that the optimal processing rate would range from 150,000 to 170,000 tonnes per day for a projected average production of 975,000 ounces of gold, 1.83 million ounces of silver and 287 million pounds of copper annually over an 18 year mine life.

During 2003 and early 2004, as a result of improving metal prices, the capital and operating costs for the 2000 Feasibility Study were updated (the “March 2004 Update”) and these results were reported on April 6, 2004. The March 2004 Update indicated an increase in project capital costs from $1.43 billion to $1.65 billion. The project capital cost estimate, in the March 2004 Update, included a contingency of $148 million compared to $128 million in the 2000 Feasibility Study.

Bema commissioned AMEC to prepare an updated technical report dated August 22, 2006 (the “AMEC Report”) for the Cerro Casale project. The scope included reviewing technical and economic aspects prepared by Mine and Quarry Engineering Services, such as mine plans, processing concepts and economic parameters, which updated the 2000 Feasibility Study and the March 2004 Update. The base case parameters established for the detailed project development appraisal includes open pit mining, heap leaching of oxide ores at 75,000 tonnes per day and milling and flotation of mixed and sulphide ores at 150,000 tonnes per day using two grinding lines, each consisting of one semi-autogenous mill and two ball mills. The open pit operations were redesigned and rescheduled to optimize the effect of heap leaching the oxide ore.

Based on the updated capital and cash operating cost estimates set out below and base case metal prices of $450 per ounce of gold and $1.50 per pound of copper, this appraisal has confirmed the previously defined Cerro Casale proven and probable mineral reserves estimated at 1.035 billion tonnes of ore grading on average 0.69 grams per tonne of gold and 0.25% copper containing approximately 23 million ounces of gold and 5.8 billion pounds of copper. The base case for the project development appraisal (100% basis) requires an estimated initial capital investment of $1.96 billion, generates a projected pre-tax 100% equity internal rate of return of 13.1%, has a net present value of $1.35 billion at a 5% discount rate and a cash operating cost (net of copper and silver credits) of $107 per ounce of gold. The project life is projected at 17 years with a payback period of 4.9 years. Average gold production is projected at approximately one million ounces per year and copper production at 294 million pounds per year. Total metal production for the project is estimated to be 16.9 million ounces of gold, 5 billion pounds of copper and 28.5 million ounces of silver. This economic analysis excludes taxes, working capital, royalties and financing costs, and therefore must be considered preliminary at this time.

The concept of heap leaching the oxide ore commencing over one year prior to the start-up of milling has significantly improved the project economics. This effectively eliminates pre-stripping, provides early revenue, creates a second cash flow stream once the mills are on line, and eliminates the need to blend the oxide ore with the sulphide mill feed resulting in increased copper head grades and improved concentrate grades. As a result, the early production years of the project are expected to be significantly improved. Heap leach processing the oxide ore had been briefly considered by Placer Dome during the original 2000 feasibility study but was not pursued because the better economic case for the project was to mill all of the ore types given the capital and operating costs at that time.

Sulphide copper concentrate will be produced and shipped offsite for smelting and refining. Dore bars will be produced onsite by heap leaching the oxide ore and cyanide leaching the cleaner tails.

The technical information contained in this section is derived from the detailed information contained in the AMEC Report. A copy of the AMEC Report has also been filed by Kinross concurrently with this Annual Information Form.

Property Description and Location

The Cerro Casale project is located in the Maricunga District of Region III of northern Chile. The city of Copiapo is 145 kilometres northwest of the deposit. The approximate geographic coordinates of the project are 27^{o} 47' S and 69^{o} 17' W. The international border separating Chile and Argentina is located approximately 20 kilometres to the east. The project is located in an area of major relief, with local variations in topography ranging from 3,700 to 5,800 metres in elevation. The top of the Cerro Casale deposit is located at an elevation of 4,450 metres.

The Cerro Casale Project is owned by Compania Minera Casale ("CMC"), a contractual mining company formed under the laws of the Republic of Chile. CMC owns 30 claim groups containing 4,105 patented mining claims and totalling 19,955 hectares. Some of these claims partially overlap each other, reducing the actual ground covered by all patented mining claims to an area of 19,520 ha.

Water exploration concessions are held in three areas: Piedra Pomez, Pedernales and Cerro Casale. Piedra Pomez and Pedernales are located 121 kilometres and 210 kilometres, respectively, north of Cerro Casale.

CMC holds permits for 17 wells drilled at Piedra Pomez with a total yield of 1,237.62 lps. This area is expected to be the principal source of water for the Cerro Casale project.

There are no existing impediments to obtaining easements for rights of way for access roads, water pipelines or concentrate pipelines.

Minera Anglo American Chile Limitada (“MAAC”) and its affiliates are owed a royalty from production from the Cachito and Nevado mining concessions, which cover all of the Cerro Casale deposit. The royalty is capped at $3.0 million and varies from 1.0% to 3.0% of net smelter returns based on the gold price ($425 to $600/oz, respectively).

Environmental Studies

Ongoing environmental studies for the Cerro Casale project were initiated by CMC in 1998. The scope of these studies includes baseline assessments of the main environmental components comprised of physical (surface and groundwater quality, hydrology, hydrogeology, soil, air, meteorology, etc.), biological (vegetation and fauna), cultural (archaeological) and human resources. Engineering assessments, impact evaluations and development of environmental management plans also form part of environmental studies developed for the project. The study area covered the location of all project components including the proposed water supply well field located in the Piedra Pomez sector, the water pipeline from Piedra Pomez to Cerro Casale, mine site components (open pit, waste rock dump, tailings impoundment, support infrastructure and camp) in the Cerro Casale sector, the concentrate pipeline from Cerro Casale to the proposed port site at Punta Padrones and the proposed port site itself.

These studies led to the preparation of the environmental impact study (“EIS”) presented to the Government of Chile’s responsible authority, on March 12, 2001. Following a documented review process, approval for this EIS was granted on February 1, 2002. Through this approval the project has secured an important environmental authorization.

Based on AMEC America’s Limited (“AMEC”) review of the project, five items have been identified as potential environmental exposures that will require more study as the project advances. These include:

1. Environmental Approval of Power Supply Infrastructure. The future supplier of electrical power will need to obtain environmental permits for construction of power lines. It is reasonable to expect that administrative approval of power supply infrastructure will be granted.

2 . Environmental Approval of Port Facilities. CMC will need to obtain permits to build additional port facilities for concentrate shipping. It is reasonable to expect that CMC will negotiate terms for use of the port and that the necessary permits for construction of port facilities will be granted by the Chilean government.

3 . Acid Rock Drainage (“ARD”) potential. There is still uncertainty regarding if mine wastes from Cerro Casale will produce ARD. The potential for elevated concentrations of base metals such as copper and zinc is yet to be determined. ARD assessment work to date has shown that most of the sulphur occurs as sulphate minerals which readily dissolve in water, and could potentially result in drainage waters that carry over 1,000 milligrams per litre of sulphate. Preliminary models of waste rock water infiltration, however, show that there will be no net infiltration in periods with average annual precipitation and low (10-15 millimetres/year) infiltration in years with higher than average precipitation. ARD potential deserves additional study.

4 . Impacts on surrounding water systems from water take operations conducted in the Piedra Pomez well field. Permits for use of ground water in the Piedra Pomez basin have been granted by the Chilean Government. Groundwater exploration programs carried out by Placer Dome contractors have identified the Piedra Pomex basin as an endorreic system, or closed topographic and hydromorphic basin, based on geochemical studies. The geology of the basin is such that the basin may not be closed geohydrologically. Additional work may be warranted to confirm the lack of a hydrological connection with surrounding surface water systems.

5 . Downstream impacts from operation of tailing impoundment and waste rock dump facilities. The tailings impoundment is based on conceptual designs and further study of the potential of seepage from the impoundment should be carried out in the future. The potential downstream impact of ARD should be revisited once more information regarding ARD potential is developed.

The next step in relation to the environmental process will be to obtain sectorial permits from the various agencies that have authority over environmental resources and construction, operation and closure of project infrastructure.

Accessibility, Climate, Local Resources, Infrastructure, and Physiography

The climate is typical for the northern Chilean Andes. Precipitation is generally limited to snowfall in April through September and rain is rare. Daytime temperatures in summer months get up to 23°C, with night-time lows of 5°C. Daytime temperature in winter is around freezing, with night-time temperatures dropping to -15°C.

Vegetation is sparse and generally restricted to small plants, mostly along stream beds and river courses.

The terrain surrounding the Cerro Casale deposit is adequate for construction of administration, camp and mine facilities, as well as mill, concentrator, tailings and waste rock disposal facilities.

The project is approximately 180 kilometres by road from Copiapo. The initial 25 kilometres is paved highway leading south from Copiapo. After this, a 155 kilometre gravel road winds its way through the Andes Mountains to site. Total driving time from Copiapo to site is about 3 hours.

Copiapo is served by a national airport with daily flights from Santiago. The city has most major services and utilities and serves as a regional centre for this part of Chile. The population of Copiapo is approximately 136,000 and a skilled labor force is available in the Copiapo region and surrounding mining areas of northern Chile.

A source of electric power must be negotiated, but the current concept involves building a temporary power line from Refugio to the site for initial power supply. Long term power will be provided from a generation plant expansion (yet to be permitted and built) near Huasco in the south of Chile. The power will be delivered to the Cardones substation near Copiapo utilizing existing infrastructure with some sections requiring upgrades. Capital costs estimates for the power plant and required upgrades have been included in the operating cost of $0.0502/kWh. Delivery of power from Cardones to the Cerro Casale site has been included in the capital cost estimates.

History

Anglo American first explored the Aldebarán area in the late 1980's, drill testing multiple areas of alteration. Anglo American drilled two holes in the Cerro Casale deposit in 1989. In 1991, Anglo American conveyed its interests in the Cerro Casale property to Compañía Minera Estrella de Oro Limitada ("CMEO") and CMA, two companies presently owned by Bema and Arizona Star, both being members of the legal entity at that time, the Bema Shareholders Group. CMA, on behalf of the Bema Shareholders Group, conducted exploration drilling from 1991 through 1997, targeting both oxide and sulphide gold-copper mineralization. In 1997, Bema completed a feasibility study for development of oxide goldcopper mineralization, a prefeasibility study for an oxide-sulphide operation and a scoping study for development of deep sulphides.

In 1998, Placer Dome Inc. ("PDI") through its subsidiary Placer Aldebarán (Cayman) Limited and the Bema Shareholders Group established CMC to continue exploration and development of various gold-copper deposits in an area of interest covering the known gold-copper mineral occurrences in the Cerro Casale area.

Placer Dome Latin America ("PDLA") as General Manager of the project continued drilling in 1998 and 1999, leading to completion of a feasibility study in 2000. Work in 1998 included property-wide geological mapping, ground and airborne magnetic surveys and Audio Frequency Magnetic Telluric surveys ("AMT").

Geology and Mineralization

The Cerro Casale deposit is located in the Aldeberan subdistrict of the Maricunga Volcanic Belt. The Maricunga belt is made up of a series of coalescing composite, Miocene andesitic to rhyolitic volcanic centers that extend for 200 kilometres along the western crest of the Andes. The volcanic rocks are host to multiple epithermal gold and porphyry-hosted gold-copper deposits, including Cerro Casale, Refugio, Marte and La Coipa, as well as numerous other smaller mineral prospects. The volcanic rocks overly older sedimentary and volcanic rocks of Mesozoic and Paleozoic age.

Reverse faults parallel to the axis of the Andes have uplifted hypabyssal intrusive rocks beneath the extrusive volcanics, exposing porphyry-hosted gold-copper deposits in the Aldebaran area such as Cerro Casale, Eva, Jotabeche, Estrella and Anfiteatro. Composite volcanic centers are still preserved in the immediate Cerro Casale area at Volcan Jotabeche and Cerro Cadillal.

Extensive hydrothermal alteration consisting of quartz-feldspar veinlet stockworks, biotite-potassium feldspar, quartz-sericite and chlorite occurs in these intrusive centers. Gold-copper mineralization is principally associated with intense quartz-sulphide stockworks, potassic and phyllic alteration.

Gold-copper mineralization occurs in quartz-sulphide and quartz-magnetite-specularite veinlet stockworks developed in the dioritic to granodioritic intrusives and adjacent volcanic wall rocks. Stockworks are most common in two dioritic intrusive phases, particularly where intrusive and hydrothermal breccias are developed. Mineralization extends at least 1,450 metres vertically and 850 metres along strike. The strike of mineralization follows West-North-West fault and fracture zones. The main zone of mineralization pinches and swells from 250 to 700 metres along strike and down dip steeply to the southwest. The highest grade mineralization is coincident with well developed quartz-sulphide stockworks in strongly potassic-altered intrusive rocks.

Oxidation resulting from weathering and/or high oxygen activity in the last phase of hydrothermal alteration overprints sulphide mineralization in the upper portion of the Cerro Casale deposit. Oxidation locally extends deeply along fault zones or within steeply dipping breccia bodies. Oxidation generally goes no deeper than 15 metres where vertical structures are absent. Oxide is present in linear oxidation zones as deep as 300 metres along major fault and fracture zones, or as pendants along the intersection of multiple fault zones.

Exploration

RC and core drilling has been carried out in multiple campaigns since 1989. Anglo American drilled two RC holes in 1989. Bema and Arizona Star drilled a large number of RC and core holes between 1991 and 1997. Placer Dome drilled additional confirmation, infill and geotechnical core holes in 1998 and 1999.

A total of 224 RC and 124 core holes totalling 122,747 metres support the resource estimate for Cerro Casale. RC drilling was used principally to test the shallow oxide portion of the deposit on the north side of Cerro Casale and to pre-collar deeper core holes. RC holes have a range in depth from 23 to 414 metres and a mode of 100 metres. The average RC hole depth is 193 metres.

Core drilling was used to test mineralization generally below 200 metres. Core holes are from 30 to 1,473 metres deep. Drilling tools produced NC (61 millimetre), HQ (61 millimetre), NQ (45 millimetre) and HX (63 millimetre) cores. Core recovery is poorly documented but appears to have exceeded 95%.

Drilling, Sample Preparation and Analysis

Most RC and core holes were drilled from the south to north inclined at -60 to -70° to intersect the steeply south-dipping stockwork zones at the largest possible angle. Drill hole spacing varies with depth. Drill hole spacing in shallow oxide mineralization is approximately 45 metres. Average drill spacing in the core of the deposit in the interval between 3,700 and 4,000 metres is about 75 metres. Drill spacing increases with depth as the number holes decrease and holes deviate apart. Average spacing at the base of the ultimate reserve pit is about 100 metres.

Drilling equipment and procedures reported in the AMEC Report conform to industry standard practices and have produced information suitable to support resource estimates. Sample recovery, to the extent documented, was acceptable. Sampling of core and RC cuttings was done in accordance with standard industry practices. Collar surveying was of suitable accuracy to ensure reliable location of drill holes relative to the mine grid and other drill holes. Downhole surveys of RC and core holes are not complete and locally downgrade the confidence in the position of individual intercepts of deep mineralization. Holes not surveyed are dominated by RC holes testing oxide mineralization less than 200 metres deep.

Logging of RC drill cuttings and core followed procedures suitable for recording lithology, alteration and mineralization in a porphyry deposit. AMEC found the quality of logging to be generally professional and interpretations of lithology and stockwork veining intensity to honour original logs. Geological data and interpretations are suitable to support resource estimates.

Sample preparation and assay protocols generally met industry standard practices for gold and copper, although the 150 g split for pulverization in 1991 through 1994 is substandard for gold analyses and resulted in poorer precision compared to subsequent years.

Gold was determined on a one assay-ton aliquot by fire assay with either a gravimetric or atomic absorption finish. Copper and silver were obtained from a 2 gram sample aliquot by atomic absorption after an aqua regia digestion. Assay methods conform to industry standard practices.

Assay QA/QC protocols were observed throughout all drilling campaigns, with blind standard reference materials ("SRMs"), blanks and duplicates being inserted into the sample series since the inception of Bema's RC drill programs in 1993. Monitor Geochemical Laboratories used internal quality control procedures for assays in 1991 through 1994.

An external consultant reviewed QA/QC results in detail for 1991 to 1994 and again in 1997 for core and RC holes drilled in 1995 and 1996. Overall, results indicated that sampling, preparation, and analytical procedures were adequate for obtaining reproducible (±20 percent) results for gold and copper.

Another external consultant evaluated QA/QC data for RC and core assays in the 1996 and 1997 drilling programs. SRM performance and assays of blanks, duplicate and checks show acceptable analytical accuracy and precision.

AMEC independently evaluated QA/QC data for 1998 and 1999 drilling campaigns. Assays of SRMs show suitable accuracy. Assays of pulp duplicates indicate a precision for gold of ±19% and ±6% for copper at the 90 th percentile, which is marginally acceptable for gold. Assays of SRMs in 1999 show erratic patterns, but pulp duplicates indicate a preparation and assay precision for gold and copper the same as 1998. Analyses of blanks show contamination of up to 0.1 g/t gold during sample preparation for batches 135 to 234. These are mostly for holes in prospects other than Cerro Casale, but do include assays for Cerro Casale core hole CCD111 and geotechnical holes 99GT003-006. Gold grades above the 0.4 g/t internal cut-off are present in holes 99GT003, 99GT006 and CCD111. Coarse reject material should be reassayed for these holes prior to the next resource estimate update.

AMEC reviewed all previous analyses of QA/QC data by external consultants and agrees with their conclusions. With the exception of some remedial work required for holes CCD111 and geotechnical holes 99GT003 and 99GT006 (representing a small percentage of resource blocks), assays are of sufficient accuracy and precision to support resource estimates.

Geological, geotechnical and analytical information were developed over a period of multiple exploration programs between 1991 and 1999. Entry of information into databases utilized a variety of techniques and procedures to check the integrity of the data entered. With the exception of one period of drilling, assays were received electronically from the laboratories and imported directly into drill hole database spreadsheets.

An external consultant audited 5% of entries for geological attributes and assays against original logs and certificates for the 1991 to early 1996 drilling campaigns and found an error rate of 0.2%. The same consultant again audited the database for 1996 and 1997 drilling and found an error rate of 0.294%. AMEC audited all of 1998 and 1999 drilling data from Placer Dome and found no errors for assays and lithology for 1558 entries (4.5%).

The assay and geological databases are considered by AMEC to be suitable to support resource estimates.

AMEC did not independently sample drill core and obtain commercial assays of check samples. This was not considered to be necessary given the extent of historical blind QA/QC undertaken by Bema and Placer Dome and the level of independent auditing of sampling and assaying in 1994 through 1997.

Density

Bulk density values for ore and waste units are based on 877 measurements made on core samples in 1995 and 1996 core drilling campaign by external consultants, in 1996 and 1997 by Bema personnel, and in 1998 by Placer Dome.

Bulk densities are assigned by a combination of lithology, stockwork intensity and degree of oxidation. Methods conform to industry standard practices and are considered by Bema to be suitable for estimates of tonnage.

Metallurgical Tests

Metallurgical testwork appropriately categorized ore types on the basis of their metallurgical characteristics for comminution, optimal grind size, flotation response, cyanidation of tails (for gold) and trace element content.

Plant designs are considered reasonable. The resultant sizing of individual equipment, from the application of the adopted design criteria, was not completely confirmed during AMEC's review, although AMEC verified the testwork parameters and the procedures applied to achieve the scale-up were assessed and found to be following standard practices.

Mineral Resource and Mineral Reserve

The mineral resource estimates, done in 1999, were made from 3-dimensional block models utilizing mine planning software. Cell size was 15 metres east x 15 metres north x 17 metres high. Assays were composited into 2 metre down-hole composites.

Based on field observations and initial review of the completed geologic models, the author of the 2000 Feasibility Study concluded that the Cerro Casale gold model would be best represented by a combined lithologic-stockwork intensity model, whereas the copper model should be a combination of lithology-oxidation level-stockwork intensity parameters. AMEC concurs with this philosophy for development of geologic models or domains for use in grade interpolation at Cerro Casale.

The author of the 2000 Feasibility Study chose a "semi-soft" philosophy to reflect the transitional nature commonly found between stockwork intensity domains of the same lithology. The Catalina Breccia, due to its distinctly higher grades, was treated as it own interpolation domain with hard boundaries to adjacent domains with respect to gold and copper. Also the oxide and mixed unit contact was treated as a hard boundary with respect to copper. AMEC concurs with this philosophy.

Capping thresholds for extreme grades of copper and gold were determined using histograms, CDF plots and decile analysis. Generally, the distributions do not indicate a problem with extreme grades for copper nor gold (for most domains). Selected capping levels remove about 0.5% of metal.

Modelling for gold and copper grades consisted of grade interpolation by ordinary kriging. Only capped grades were interpolated. Nearest-neighbour grades were also interpolated for validation purposes. The radii of the search ellipsoids were oriented to correspond to the variogram directions and second range distances. Block discretization was 3 x 3 x 3.

A two pass approach was instituted each for gold and copper grade interpolation. The first and main interpolation was set-up so that a single hole could place a grade estimate in a block located in sparsely drilled regions yet multiple holes would be used in areas of denser drilling. Blocks needed a minimum of 6 composites in order for a block to receive an estimated grade. Maximum composite limits were set to 20. Because usage of data from multiple drill holes was not forced during the interpolation runs, AMEC and the author of the 2000 Feasibility Study checked the model in areas likely to be Measured (i.e., areas of higher density drilling). Almost all of these blocks used the maximum number of composites which meant, that because of the search ellipsoids used, multiple holes must have been used.

A second pass, mimicking all parameters of the first, was run strictly for inferred mineral resources and used 1.5 times the first pass search ellipse size.

Bulk density values were assigned into the resource model by means of the copper domains. The assigned values were: 2.40 (C01 domain), 2.65 (C02, C03, C04 and C05 domains), 2.58 (Catalina Breccia or C06 domain) and 2.61 (C15 or undefined domain). These values are supported by appropriate density measurements.

AMEC validated the resource estimates contained in the 2000 Feasibility Study using inspection of estimation run files, inspection of block grade sections and plans, cross validation using change of support, and inspection for local biases using nearest-neighbour estimates on spatial swaths through the deposit. These checks showed no biases or local artifacts due to the estimation procedures.

* * *

The conclusions reached in Bema's and AMEC's economic studies described above, were estimates and projections only and were based upon numerous assumptions, many of which may prove to be materially different than the actual circumstances which will exist at the Cerro Casale property. There can be no assurance that such estimates, projections and assumptions will be borne out in any actual operations. Kinross offer no opinion regarding the foregoing and is in the process of assessing same.

Kinross is in the process of performing a review of the foregoing capital development, operating cost and other estimates and projections made by Bema and AMEC in respect of the property (see "Risk Factors" –"Unforeseen liabilities from Bema acquisition" and "Inclusion of historical Bema information in this Annual Information Form").



Other Kinross Properties

Porcupine Joint Venture, Ontario

General

Goldcorp Canada Ltd. ("Goldcorp") owns a 51% participating interest and Kinross owns a 49% participating interest in the Porcupine Joint Venture. The joint venture is managed by Goldcorp. The Porcupine Joint Venture incorporates the Dome mine and mill, Hoyle Pond, Pamour) and other past producing properties in the Timmins area.

Detailed financial, production and operational information for the Porcupine Joint Venture is available in the MD&A.

Property Description and Location

The Porcupine Joint Venture is situated within the city of Timmins in north-eastern Ontario and consists of three operating gold mines and a central milling facility. The Dome Underground mine, the Hoyle Pond Underground mine and the Pamour Open Pit mine are currently in operation and feed into a central mill facility located at the Dome Site. In addition, there are a number of historic inactive properties including Nighthawk Lake, Marlhill, McIntyre and the Hollinger. The Porcupine Joint Venture operating sites combined have produced more than 16 million ounces of gold since production began in 1910 and include North America's longest continually operating gold mine/mill combination. The total property area, all of which is within 100 kilometres of the Dome Mill, is 38,000 hectares of mine claims.

Accessibility, Climate, Local Resources, Infrastructure, and Physiography

Access to the Hoyle Pond Underground mine is via a 5 kilometre all weather gravel road north of Highway 101. Services are generally acquired from vendors in the Timmins area. Adequate process water is available from the clear water pond at the tailings, while make up water and potable water comes from underground supply.

The existing Dome mill consists of three stages of crushing, rod/ball and primary ball grinding, gravity recovery, cyanide leach, carbon-in-pulp, carbon elution, solution electrowinning and direct smelting. Tailings are pumped to a tailings basin where the solids settle out and a portion of the solution is recycled to the mill. Excess effluent is seasonally treated and discharged.

As part of the Pamour project, the Dome mill was upgraded in late 2004 with the installation of a large rod mill in series with the existing primary ball mill to provide additional grinding capacity for the harder Pamour ores. Three leach tanks were installed to provide longer leach retention time, and a new carbon elution and regeneration circuit was installed, together with an upgrade to the process control network. This expansion will allow processing of 11,000 tonnes per day at a 95% mill utilization rate, making the mill more efficient and flexible for processing ores from the Dome, Hoyle Pond, Pamour, and other ore bodies.

Access to the Dome Underground mine is by paved road from the town of South Porcupine, 6 kilometres east of Timmins on Highway 101. Rail freight service is available from the Hallnor Road siding, 3 kilometres south of the mine.

The dominant surface material in the Dome Underground mine area is glacial till overlain by glaciolacustrine silts and clays. Mine waste and tailings cover some areas closer to the mine.

The Pamour Open Pit is located 2 kilometers south of the Hoyle Underground Pond mine and is accessible by an unpaved road. The Nighthawk Lake mine is located 17 kilometres southeast of the Hoyle Pond mine and accessible by 10 kilometres of paved roads and seven kilometres of unpaved roads.

The area climate consists of cold winters and hot summers. Temperatures range from below -40 degrees Celsius (-40 degrees Fahrenheit) to above +30 degrees Celsius (+95 degrees Fahrenheit). Mean precipitation (rain and snow combined) is approximately 80 centimetres annually.

The topography of the area is typical of the Canadian Shield and consists of an irregular surface with moderate relief. The topographic highs are the result of bedrock outcrops and are surrounded by low lying areas of poorly drained wetlands. Vegetation includes spruce, pine, poplar and birch trees and various shrubs, grasses and mosses. The elevation ranges from 200 metres to 300 metres.

Geology and Mineralization

Regional

All of the properties comprising the Porcupine Joint Venture lie within the Porcupine Gold Camp (the "PGC"). The PGC, located in the Archean Abitibi greenstone belt, has been the most productive gold-producing field in North America. Total historic production is in excess of 62 million ounces of gold. This production has come from quartz-carbonate lode systems hosted within low temperature metamorphic rocks (greenschist facies). Lodes are found in a corridor up to 10 kilometres wide parallel to the 200 kilometres long Destor Porcupine Fault. At the regional scale, gold deposits are spatially associated with regional fault zones. At the camp scale, gold deposits generally occur within five kilometres of, but not in, the regional faults.

Hoyle Pond

The Hoyle Pond Main Zone and 1060 Zone deposits, both of which are in production, are hosted within sheared and metamorphosed basalts rich in pyroxenes. The 7 Vein system occurs as a series of stacked, flat to gently northeast dipping veins within metabasalts. Mineralization occurs as coarse, free gold in white to grey-white quartz veins with variable ankerite, tourmaline, pyrite and local arsenopyrite. Alteration halos are generally narrow, consisting of mainly grey zones (carbon, carbonate, sericite, cubic pyrite) in the Hoyle Pond system, and carbonate-sericite, with fuchsite, pyrite, arsenopyrite and trace chalcopyrite, sphalerite within the 1060 structure.

The Hoyle Pond Main Zone includes a series of generally northeast striking, linked quartz vein zones (at least 11 veins of economic significance) folded on a small scale with moderate west trending and northeast plunging fold axis. The 1060 Zone consists of at least five main vein structures (B1, B2, and B3 Zones, A Zone and Porphyry Zone) with orientations ranging from north to northeast with generally subvertical dips.

Pamour Mine

The Pamour Open Pit is located approximately one kilometre north of the Destor Porcupine Fault Zone. Volcanic rocks occupy the area north of the mine and include interlayered mafic to ultramafic units. Sedimentary rocks including greywackes, argillites, and conglomerates are found to the south. Gold mineralization is hosted by both volcanic and sedimentary rocks and related to both individual quartz veins and vein swarms, which trend mainly east-west. Volcanic-hosted ore bodies include shallow north-dipping single vein structures within mafic volcanics, as well as irregular shaped vein swarms along various lithologic contacts within the volcanic sequence. Sedimentary hosted ore bodies include irregular shaped vein swarms along the unconformity as well as narrow, steep south-dipping veins in greywacke further to the south.

Dome Mine

The Dome Underground mine lies on the south limb of the Porcupine syncline in an area where the Archean Metavolcanics are overlain by the metasedimentary rocks. Gold mineralization is found in a number of different rock types and in association with a number of different structural settings. Mineralization in the district is commonly associated with the northeasterly plunge of the Porcupine syncline. At the mine site, the local sequence of north dipping metavolcanics and metasedimentary rocks has been folded to form a north-easterly plunging structure, referred to as "Greenstone Nose." Sediments consisting of conglomerates, slates and greywackes are draped around this structure and form the "Sedimentary Trough" on the south side.

Immediately south of the "Sedimentary Trough" lies an east-west striking, highly strained zone in which magnesium rich, carbonatized rock occurs. This highly altered zone corresponds to the trace of the ductile Dome Fault interpreted to represent a branch off the main Destor-Porcupine Fault. To the west, the Dome Fault Zone passes between two major porphyritic intrusive bodies — the Paymaster and the Preston Porphyries. To the east, lenses of porphyry, similar compositionally to the main porphyry bodies, occur within the Dome Fault Zone. To the south of the Dome Fault Zone are the "Southern Greenstones," a south-dipping sequence of basalts consisting of massive and pillowed flows.

Mineralization occurs mainly in association with structurally controlled quartz and quartz-ankerite veins. Principal orebodies can be classified into three main types: Long narrow veins in shear zones parallel to the stratigraphic trend; swarms of en-echelon veins and stockworks of veins; and disseminated mineralization, in which the gold is associated with pyrite and/or pyrrhotite and little or no vein material is present.

Exploration

Kinross' share of regional exploration within the Timmins camp totalled $3.5 million during 2005 and approximately $4.9 million in 2006. In 2006, diamond drilling from all surface and underground sources totalled 134,639 metres, a decrease of 1% under 2005 levels. Approximately 58,514 metres of surface exploration drilling was completed predominantly at Pamour and other regional properties. Additionally, 76,125 metres of exploration drilling was completed underground on the Hoyle Pond deposit.

This accelerated exploration program is scheduled to continue in 2007 with a total of 71,225 metres of underground drilling planned at Hoyle Pond and 68,025 metres of exploration drilling planned for regional targets.

Mining and Milling Operations

The Hoyle Pond operations consist of an underground mine serviced by two declines and one shaft serving production levels on 40m vertical spacings. The Hoyle Pond shaft provides access to the Hoyle Pond and 7 Vein Zones. The 1060 ramp provides access to the 1060 Zone and is currently being extended to provide access to lower levels on the 1060 Zone. Total production (ore and waste) is transported to the loading pocket by means of an ore/waste pass system and hoisted to surface in 6.5 tonne skips. The surface infrastructure consists of administration buildings, maintenance, compressed air, paste fill plant, and hoisting facilities. An internal winze construction was completed in 2005.

The mineralized zones at Hoyle Pond are narrow high-grade veins, dipping from 30 to 90 degrees. Underground mining methods used are cut and fill, shrinkage, panel and long-hole methods.

Mining of the Hoyle Pond crown pillar will be prioritized in the mining schedule if Goldcorp can successfully negotiate an agreement with Xstrata. Mining of the crown pillar will require isolating the adjacent Xstrata tailings management area, berms to separate the pit from the Hoyle Pond complex, relocation of the Hoyle Pond mine water settling ponds, relocation of the tailings management area utility and access road, and installation of underground bulkheads to isolate the Hoyle Pond underground workings from the pit.

The Dome Underground mine ceased production in 2003 and was placed on care and maintenance in May 2004 after 94 years of operation that began in 1910. Attempts to extend the mine life were evaluated with the mine restarting in January of 2006 focusing on two key bulk zones and planned recovery throughout the remainder of the mine which is expected to last three years.

The Pamour open pit feasibility study was completed in 2003 and permitting work was initiated on completion of the study. Construction of the haul road and site infrastructure commenced in 2004 and was completed in 2005. Stripping began in late 2004 and full-scale mining was achieved in 2005. Mining is by a conventional open pit method. Much of the equipment required for the Pamour operation has been relocated from the Dome open pit. The initial capital costs include the cost of equipment not available from the Dome operation as well as rebuild costs of some of the older units.

All ore mined by the Porcupine Joint Venture is milled at the Dome mill. Currently, the Dome Underground mine, the Hoyle Pond Underground mine, the Dome Stockpiles and the Pamour Open Pit provide feed to the mill. The mill was expanded in 2004 to accommodate planned production from the Pamour mine in mid 2005.

Based upon estimates by Goldcorp, Kinross' share of the net present value of future cash outflows for site restoration costs at the Porcupine Joint Venture under CICA Handbook Section 3110 are estimated to be approximately $25.5 million at December 31, 2006. Kinross has posted letters of credit totalling approximately $21.5million for site reclamation obligations with the provincial government in connection with its share of closure obligations.

Life of Mine, and Capital Expenditures

Currently estimated proven and probable reserves for the PJV are sufficient to extend mine life to 2020. There is significant potential for additional reserves and resources in the current property position controlled by the joint venture.

Kinross' share of capital expenditures at the Porcupine Joint Venture operations in 2006 was $19.5 million. The majority of the capital was attributed to the Pamour pit development.

La Coipa, Chile

General

Kinross owns a 50% interest in the La Coipa mine through a joint venture with Goldcorp Inc. (“Goldcorp”), which is the operator. Kinross acquired its interest in the La Coipa mine in January 2003.

Detailed financial, production and operational information for the La Coipa mine is available in the MD&A.

Property Description and Location

The La Coipa mine is located in the Atacama Region of northern Chile, approximately 1,000 kilometres north of Santiago and 140 kilometres northwest of the community of Copiapó, Chile. The mine is operated by a Chilean contractual company, Compania Minera Mantos de Oro (“MDO”), a joint venture between a wholly-owned subsidiary of Goldcorp (50%) and Kinross (50%). The overall operation consists of six deposits known as Ladera-Farellon, Coipa Norte, Brecha Norte, Can-Can, Chimberos and Puren. Puren and Coipa Norte are currently being mined by open pit methods. The Puren deposit at La Coipa has been approved for development by the partners. Puren is owned 65% by MDO,and 35% by Codelco of Chile. MDO is actively exploring in the district.

The La Coipa mine consists of approximately 7,500 hectares of mineral claims, of which the principal ones are Indagua, Marta, Escondida, Candelaria, Eduardo, and Chimberos. The MDO area of influence changes from time to time as agreed by the project partners. MDO currently has a 65% equity stake in the Puren area to the east of the mine, has an option to acquire a 100% stake in the Esperanza property to the north of La Coipa, and Kinross holds a 50% interest in the CMCLC (“Cominor”) ground (7,294 hectares) surrounding La Coipa. MDO has obtained a series of permits that allow exploration and mining activities to proceed in the La Coipa area. No other permits need to be obtained based on existing and recently planned operations. MDO’s land position as at the end of 2006 including exploitation concessions and exploration permits, but excluding Kinross’ interest in the Cominor property, covers 24,488 hectares.

No royalties are applicable on gold and silver produced from the mine, but an annual preferred dividend of $1.8 million is payable. The joint venture partners receive disbursements from the operation via common dividends from MDO. A 35% withholding tax is applicable on all dividends disbursed to foreign shareholders, less the corporate income tax already paid.

Accessibility, Climate, Local Resources, Infrastructure, and Physiography

The La Coipa mine is located approximately 1,000 kilometres north of Santiago in Copiapó Province in the Atacama Region of the Chilean Andes. Access is by a 140-kilometre road of which 30 kilometres are paved, from the regional center of Copiapó, which is served daily by commercial airline from Santiago. The nearest port, Caldera, is 80 kilometres west of Copiapó. The mine is connected to the national power grid system.

The mine lies in the Domeyko Cordillera at an elevation of between 3,800 and 4,400 metres, the plant site being at 3,815 metres. Current and future mining operations are at elevations ranging from 4,040 metres to 4,390 metres.

The climate is considered pre-arid Mediterranean, subject to low temperatures, strong winds and some snow during the winter. Despite the adverse climate, mining operations are performed year-round without interruption. Temperatures range from a high of 25 degrees Celsius (77 degrees Fahrenheit) to a low of -10 degrees Celsius (14 degrees Fahrenheit).

Geology and Mineralization

The La Coipa mine is located in the northern Chilean volcanic belt known as the Maricunga belt. It contains several well-known base metals and precious metals deposits such as Cerro Casale, Refugio, Marte and El Hueso.

La Coipa and surrounding deposits form part of a precious metal epithermal system. Structural controls on mineralization are dominant at La Coipa, but lithological controls are also present. The La Coipa deposits are mainly contained within two basic rock formations - Triassic sedimentary rocks that form the basement and overlying Tertiary volcanic rocks. Mineralization at Coipa Norte and Brecha Norte, are both hosted in volcanics and sediments. Silver mineralization occurs mainly in volcanics but gold is preferentially hosted in sedimentary rocks.

The 17,000 tonnes per day processing plant is located near Ladera-Farellon because this ore body comprised the majority of the original mineral reserve. The Coipa Norte deposit is located about three kilometres north of Ladera-Farellon and the Brecha Norte deposit is located northeast of the Coipa Norte deposit. The Puren deposit is located eight kilometres northwest from Ladera-Farellon, and was recently discovered by the MDO exploration team. The Chimberos deposit is approximately 45 kilometres northeast of the processing plant.

The most common precious metal-bearing minerals are cerargyrite, several other silver halide complexes, native silver, electrum and native gold as free particles in the size range of 0.5 to 50 microns. Mercury is common in all the deposits and occurs as calomel.

All the known reserves at La Coipa are found in oxidized zones. Both Ladera-Farellon and the silver orebody in Coipa Norte are located in the western and upper portions of the mineralized zones. At Coipa Norte, the silver orebody outcrops are closely associated with pervasively silicified rocks. The presence of bedded outflow material and geyserites suggest that this area has not been subjected to significant erosion.

Exploration

Exploration work in the La Coipa district started in the late 1800s and has been ongoing since, although the property ownership has changed a number of times. Modern exploration techniques have been implemented starting in the late 1970s to early 1980s. They included geological mapping, geochemistry, channel sampling, drilling and 800 metres of underground development. Numerous soil geochemical anomalies and historic gold silver prospects exist within the vicinity of the La Coipa ore bodies. These include the Las Colorada and Indagua anomalies on the MDO property, and the Maritza, Pompeya and Puren West anomalies on the surrounding CMCLC ground.

Kinross' share of exploration spending for 2006 was approximately $2.0 million.

Mining and Processing

The La Coipa mine currently operates two open pits: Coipa Norte and Puren. The Ladera-Farellon Norte and Can Can deposits are scheduled to be mined later in the mine life. Conventional open pit mining methods and equipment are used to mine all ore and waste. Benches are laid out at 10 metre intervals, allowing for the existence of berms every two benches. The overall wall slopes vary from 40 degrees to 52 degrees. Mining is carried out with one hydraulic shovel, front-end loaders, diesel rotary drills, and 154-tonne trucks.

Ore is crushed, then ground in a circuit incorporating a semi-autogenous mill with a pebble crusher and two ball mills with a throughput of 17,000 tonnes per day. The ground ore is leached, then filtered and washed to separate out the tailings, and the solution is passed through a Merrill-Crowe plant. The precipitate is then sent to the refinery.

Water and power supplies are critical infrastructure aspects of the La Coipa mine. Current water requirements for the plant are 50 litres per second and are obtained from underground springs which feed the Salar de Maricunga, a saltwater lake 38 kilometres from the mine site. The water is pumped via a pipeline from the groundwater wells to the plant site. The national power grid provides all the power necessary for the plant from a tie-in approximately 88 kilometres from the mine.

The doré produced at the mine is shipped to refineries in the United States, Mexico, Canada and Germany, with gold and silver credited to MDO metal accounts.

The La Coipa mine received an ISO 14001 certification in July 2002 and confirmed in 2006. There are comprehensive procedures in place in the event of a safety or environmental incident.

The most significant environmental issue at the mine is mercury contamination of the Quebrada La Coipa Aquifer.

In the mid 1990's, mercury and cyanide from tailings seepage were detected in control wells. MDO made appropriate notifications to responsible authorities and, as a remedial measure, MDO installed a fence of wells to intercept and divert uncontaminated water around the tailings area to a re-infiltration gallery downstream of the tailings. Other wells were also installed to collect contaminated groundwater and pump it to the process plant for recycling. These measures did not entirely contain the plume at the source, and therefore, in 2000, a water treatment plant was constructed at the leading edge of the plume. At the treatment plant, groundwater is intercepted and passed through resin ion exchange columns where mercury is removed.

During 2005 and 2006, geochemical investigations were completed in all tailings depth to characterize the source and hydrochemical and hydrological models were updated in the aquifer along the La Coipa valley. A workshop was held in September 2005 with consultants and experts from both Kinross and Placer Dome, the operator and joint venture partner at the time, to discuss the results of the investigation and how to proceed. It was recommended to construct two concrete cut-off walls in the valley at the toe of the tailings areas to isolate the contaminated water and stop the Hg/CN migration downstream in the valley. Construction of the first cut-off wall commenced in 2006 and both cut off walls are scheduled for completion during 2007. Water treatment capacity expansion and other improvements to the seepage management system are planned in 2007.

A seepage model of the tailings was developed estimating that the drain of the contaminated pore water will take about 30 years after the operation closes. During that period a dedicated water system should operate to clean the tailings effluent and discharge clean water to the aquifer. The contaminant transport model estimated that the lower water treatment plant should operate for 29 years to clean the remaining plume after the cut-off wall stops the contaminants migration.

Although generally grandfathered under the current Chilean legislative regime, MDO has voluntarily provided the regional regulatory authority with a Declaration of Environmental Impact ("DIA") concerning the tailings seepage and remediation plan. The DIA seeks approval from the regional regulatory authorities of MDO's remediation approach. The DIA was submitted on January 10, 2007 and is currently subject to normal regulatory process. The outcome of the review is not yet known.

Based upon estimates by operator Goldcorp, Kinross' share of the net present value of future cash outflows for site restoration costs at La Coipa under CICA Handbook Section 3110 are estimated at approximately $14.6 million at December 31, 2006. This includes costs to demolish and remove plant site buildings, secure the pit area and prevent a safety hazard to the public, and operate the water treatment facility for up to 20 years. Because of the lack of vegetation in the area no major re-vegetation or re-sloping activities are currently proposed. Small-scale experimentation with growing plants in the arid climate is currently underway, and further field-testing is planned prior to closure. There is no requirement to post financial assurance to secure site restoration costs in Chile at present.

Life of Mine

The Proven and Probable Reserves at La Coipa are sufficient for three years of production. The mine is scheduled to cease production in 2010 if additional reserves are not found; however, Kinross believes there is potential for additional reserves and resources to be discovered near the present mine site.

DIVIDEND POLICY

No dividends on the Kinross common shares have been paid by Kinross to date and may not do so in the future. Currently, it is anticipated that Kinross will use future earnings and other cash resources for future operations and development of its business. Payment of any future dividends will be at the discretion of Kinross' Board of Directors, after taking into account many factors, including Kinross' operating results, financial condition, and current and anticipated cash requirements. Further, pursuant to Kinross' syndicated credit facility, Kinross may be required to obtain consent from the lenders prior to declaring any common share dividend.

LEGAL PROCEEDINGS

Kinam Preferred Shares

The Company was named as a defendant in a Class Action Complaint filed on or about April 26, 2002 (the "Complaint"), entitled Robert A. Brown, et al. v. Kinross Gold U.S.A., Inc., et al., Case No. CV-S-02-0605-PMP-RJJ, in the United States District Court for the District of Nevada. The Complaint named as defendants the Company, its subsidiaries, Kinross Gold U.S.A., Inc. and Kinam Gold, Inc. ("Kinam"), and Robert M. Buchan, former President and CEO. of the Company. The Complaint was filed on behalf of one potential class and three subclasses, i.e., those who tendered their Kinam $3.75 Series B Preferred Stock (the "Kinam Preferred") into the tender offer for the Kinam Preferred made by the Kinross Gold U.S.A., those who did not tender their Kinam Preferred but later sold it directly to the Company or any of its controlled entities after closure of the tender offer and delisting of the Kinam Preferred, and those who continue to hold Kinam Preferred. The Complaint alleged, among other things, that amounts historically advanced to Kinam should be treated as capital contributions rather than loans, that the purchase of Kinam Preferred from certain institutional investors in July 2001 constituted a constructive redemption of the Kinam Preferred, an impermissible amendment to the conversion rights of the Kinam Preferred, or the commencement of a tender offer, that the Company and its subsidiaries have intentionally taken actions for the purpose of minimizing the value of the Kinam Preferred, and that the amount offered in the tender offer of $16.00 per share was not a fair valuation of the Kinam Preferred. The Complaint alleged breach of contract based on the governing provisions of the Kinam Preferred; breach of fiduciary duties; violations of the "best price" rule under Section 13(e) of the *Securities Exchange Act of 1934*, as amended, and the New York Stock Exchange rules; federal securities fraud in violation of Section 10(b) and 14(c) of the *Securities Exchange Act of 1934* , as amended, and Rules 10b-5 and 14c-6(a) thereunder; violation of Nevada's anti-racketeering law; and control person liability under Section 20A of the Sec*urities Exchange Act of 1934* , as amended. A second action seeking certification as a class action and based on the same allegations was also filed in the United States District Court for the District of Nevada on or about May 22, 2002. It named the same parties as defendants. This action has been consolidated into the Brown case, and the Brown plaintiffs have been designated as lead plaintiffs.

Among other remedies, the plaintiffs in both actions seek damages ranging from $9.80 per share, plus accrued dividends, to $39.25 per share of Kinam Preferred or, in the alternative, the issuance of 26.875 to 80.625 shares of the Company for each Kinam Preferred. The Company brought a motion for judgment on the pleadings with respect to the federal securities fraud claims. On September 29, 2003, the Court ruled that plaintiffs had failed to adequately state any federal securities fraud claim, but allowed the Plaintiffs an opportunity to file an amended complaint. In response, the plaintiffs filed an Amended Class Action Complaint (the "Amended Complaint"), and the Company again moved for judgment on the pleadings on the federal securities fraud claims. On November 2, 2004, the Court granted the second motion, dismissing with prejudice the federal securities claims. Subsequently, the Company moved for judgment on the pleadings on the best price rule and the Nevada RICO claims of the Amended Complaint. The Plaintiffs opposed the motion and filed a cross motion for summary judgment on the best price rule. On May 27, 2005, the Court denied Plaintiffs motion for summary judgment and granted the Company's motion and dismissed these counts from the Amended Complaint. On June 14, 2005, the Court granted the Plaintiffs' unopposed motion for certification of the class and three subclasses.

Discovery in the lawsuit is continuing. The parties participated in a mediation on April 6, 2006, without resolution. The Company intends to continue to vigorously defend this litigation and believes it has substantial defences to the claims asserted in the lawsuit. However, the Company cannot reasonably predict the outcome of this action, and the amount of loss, if any, cannot be reasonably estimated.

Hellenic Gold Properties

Pursuant to an October 14, 1998 judgment of the Ontario Court (General Division), Kinross had been holding a 12% carried interest in the Hellenic Gold Properties as constructive trustee for the Alpha Group. The Alpha Group commenced an action for damages against TVX and Kinross alleging among other things, a breach of trust arising from Kinross' decision to return the Hellenic Gold Properties to the Greek Government and place TVX Hellas into bankruptcy. In November 2005, Kinross entered into a settlement agreement with the Alpha Group pursuant to which Kinross paid the Alpha Group $8.0 million inclusive of legal costs and the parties exchanged mutual releases which brings all litigation between Kinross and the Alpha Group to an end.

1235866 Ontario Inc. ("1235866"), the successor to Curragh Resources Inc. commenced an action against the Alpha Group and TVX in 1998 relating to the Hellenic Gold Properties. The action alleged that members of Alpha Group had used confidential Curragh information in their pursuit of the Hellenic Gold Properties and that Alpha and TVX held their respective interest in these properties in trust for 1235866.

On July 28, 1999, TVX entered into an agreement with 1235866 whereby 1235866 agreed to limit any claim against TVX and diligently pursue its claim against the Alpha Group. In the event that 1235866 was successful in its actions against the Alpha Group, it would become entitled to a 12% carried interest as defined in the agreement and the right to acquire a 12% participating interest upon payment of 12% of the aggregate amounts expended by TVX and its subsidiaries in connection with the acquisition, exploration, development and operation of the Hellenic mines to the date of the exercise of the right to acquire the participating interest.

As a result of Kinross' decision to return the Hellenic Mining Properties to the Greek Government, place TVX Hellas into bankruptcy and settle with the Alpha Group, 1235866 threatened to revive its action against Kinross for breach of trust and claim for breach of the agreement. On December 14, 2006, 1235866 brought a motion before the Ontario court for leave to (i) substitute Kinross as a defendant in place of TVX and (ii) amend its Fresh Amended Statement of Claim in accordance with the threatened litigation. Notwithstanding Kinross' refusal to consent to the proposed amendment, the order was granted. Kinross delivered its Statement of Defence on February 28, 2007. Documentary production has not been completed and examinations for discovery will be scheduled for later this year. While Kinross believes that it has substantial defences to this action, it is too early in the process to predict the final outcome with any certainty.

Summa Corporation/ Howard Hughes Corporation

In September 1992, Summa Corporation ("Summa") commenced a lawsuit against Echo Bay Exploration Inc. and Echo Bay Management Corporation (together, the "Subsidiaries"), 100% owned subsidiaries of Echo Bay Mines Ltd. ("Echo Bay"), alleging improper deductions in the calculation of royalties payable over several years of production at the McCoy/Cove and Manhattan mines (the "Royalty Lawsuit.") The Manhattan mine is no longer in production and the McCoy/Cove mine was sold in January 2003. The assets and liabilities of the Subsidiaries are included under the heading Corporate and other in the segmented information (see Note 20 of the Consolidated Financial Statements of the Company for the fiscal year ended December 31, 2006). The first trial was conducted in the Eighth Judicial District Court ("District Court") of Nevada during April 1997, with Summa claiming more than $13.0 million in unpaid royalties and accrued interest. In September 1997, judgment was entered on behalf of the Subsidiaries and the Subsidiaries were awarded approximately $300,000 in attorney's fees and litigation costs. Summa appealed this judgment to the Nevada Supreme Court and in April 2002, the Supreme Court, sitting en banc, reversed the judgment of the trial court and returned the action to the District Court for further proceedings.

In September 2004, the District Court ordered that a new trial be conducted in February 2005. In the new trial, Summa updated its claim for unpaid royalties and accrued interest to the approximate amount of $25.0 million. In May 2005, judgment was again entered in favour of the Subsidiaries, with Summa receiving nothing by way of its complaint. The Subsidiaries' Motions for Litigation Costs and Attorney's Fees for both trial proceedings were granted, resulting in a judgment against Summa in the approximate amount of $700,000. Summa filed its notice of appeal in July 2005 and its related brief of appellant in the Nevada Supreme Court in January 2006. The Subsidiaries' responsive brief was filed on March 30, 2006. The appeal was heard on February 9, 2007 with the Nevada Supreme Court reserving judgment. A decision is expected within the next few months. On March 27, 2007, the Court entered an order affirming in part, vacating in part and remanding. The Supreme Court held that the trial court did not abuse its discretion in finding that Echo Bay may deduct milling costs from the royalty, but remanded for the District Court to determine whether various deductions taken by Echo Bay were allowable. The Supreme Court also vacated the District Court's award of attorneys fees, but upheld the legal premise upon which the trial court had awarded the fees. The Supreme Court remanded, observing that the District Court is required to address whether the requirements have been satisfied in a written order.

In March, 2004, Summa's successor in interest, The Howard Hughes Corporation ("Hughes"), filed an action in District Court against Kinross, and Echo Bay and the Subsidiaries (collectively, the "Echo Bay Entities"), as well as Newmont Mining Corporation ("Newmont") more than thirty current and former directors of the Echo Bay Entities, Kinross and Newmont ("Director and Officer Defendants") and fifty Doe defendants (collectively, the "Defendants".) The lawsuit alleges claims based upon a general allegation of a scheme or artifice to defraud, in which it is alleged that the Defendants, at various indeterminate times, diverted and distributed the assets of the Echo Bay Entities to render the Echo Bay Entities insolvent, so Summa would be unable to collect any judgment it might obtain against the Echo Bay Entities, as Defendants, in the Royalty Lawsuit. Immediately after being served, the Echo Bay Entities filed a Demand for Change of Venue as of Right and simultaneously moved for a Change of Venue. In May 2004, the District Court denied the motion without explanation, although, as of that date, none of the Defendants that had appeared resided in Clark County. The Echo Bay Entities immediately filed their Notice of Appeal from this venue ruling (the "Venue Appeal"). The Echo Bay Entities also filed a Demand for Stay of the District Court proceedings pending resolution of that appeal. The District Court granted that motion in part and denied it in part, staying all claims in Hughes' Complaint except for the claim asserting violation of the *Nevada Uniform Fraudulent Transfers Act* ("NUFTA"). On December 6, 2006, the Nevada Supreme Court issued its decision in Venue Appeal affirming the lower court's decision to deny Kinross' motion for a change of venue.

In September 2004, Hughes filed a First Amended Complaint. All Defendants filed a series of motions pursuant to Nevada Rule of Civil Procedure 12 to the remaining NUFTA claim, including a Motion to Dismiss for Lack of Personal Jurisdiction, a Motion for Judgment on the Pleadings and a Motion to Dismiss as a sanction for failure to comply with the District Court's Order to Amend. In January 2005, the District Court entered an Order granting all motions except for the Motion of Judgment on the Pleadings.

On June 10, 2005, the Echo Bay Entities and Kinross filed a Motion for Judgment on the Pleadings and to Dismiss, based on *res judicata*, as a final judgment was entered against Summa in the Royalty Lawsuit. In response, Hughes filed a Motion to Stay All Proceedings and later filed an Opposition, arguing that the judgment entered in the Royalty Lawsuit is not a final judgment, and that until the judgment becomes final (by affirmation from the Nevada Supreme Court or otherwise), the NUFTA lawsuit should be stayed. The Echo Bay Entities and Kinross opposed the motion to stay.

All of the pending motions were heard on July 5, 2005 by the District Court. The District Court denied the Echo Bay Entities' and Kinross' Motion for Judgment on the Pleadings and to Dismiss. However, the District Court did agree with the Echo Bay Entities that all of Hughes' common law claims were not ripe for adjudication and dismissed those claims. The District Court declined to dismiss the NUFTA claim and instead entered an Order staying that the claim pending the outcome of the Royalty Lawsuit appeal.

After this extensive motion practice, all claims from Hughes' Complaint have been dismissed, except for the NUFTA claim, which is stayed pending the outcome of the appeal on the Royalty Lawsuit. The only Defendants remaining are the Echo Bay Entities, Kinross, Newmont and five of the individual Defendants. A favourable result in the appeal of the Royalty Lawsuit will dispose of the claims asserted against Kinross and the other Defendants in the Hughes' lawsuit. While, the Company cannot reasonably predict the outcome of the Royalty Lawsuit, it believes that Kinross and the Echo Bay Entities have substantial defences to the Summa claims and intends to continue to vigorously defend against those claims.

Kettle River – Buckhorn Permitting

In November 2005, the Kettle River mill was temporarily shut down as all mining activities had been completed. Efforts are underway to get the Buckhorn mine operational. The Buckhorn property was acquired in the Crown transaction. On September 27, 2006, Washington State regulatory agencies issued permits that allowed construction of the Buckhorn mine to commence. On October 17, 2006, the Okanagan Highlands Alliance ("OHA") filed an administrative appeal of the water rights and stormwater permits issued by the Washington State Department of Ecology and the reclamation permit issued by the Washington State Department of Natural Resources. The appeal asserts that the permits were improperly issued and that the Supplemental Environmental Impact Statement ("EIS") prepared by the State supporting the permits is inadequate. The balance of the permits for the project are expected to be issued mid-year 2007, with further appeals at the State level of some or all of those expected to be filed sometime thereafter.

On January 17, 2007, the Okanogan/Wenatchee National Forest Supervisor issued a Record of Decision ("ROD") and Final EIS in respect of the Company's request for authorization of road access, power/utility lines, treated water pipelines and infiltration gallery, fences, and monitoring wells on national forest lands to serve the Buckhorn mine. On March 22, 2007, the OHA filed a written administrative appeal to the USDA Forest Service Regional Forester (the "Federal Appeal") stating that it appeals the ROD, the Final EIS, "and associated special use permits and/or authorizations (including any approval of any mining plan of operations)" for the "Buckhorn Access Project". The issues argued in the Federal Appeal include assertions that the ROD and Final EIS violate: 1) statute and Forest Service regulation requirements regarding access rights, mining plans of operations, right-of-way authorizations, minimization of environmental effects, and bonding; 2) the federal *Clean Water Act*; 3) federal reserved water rights for springs; 4) *National Forest Management Act Forest Plan* requirements; and 5) *National Environmental Policy Act*.

While at this time it would be premature to predict the outcome of such State and Federal appeals, the Company believes it has substantial defenses to these appeals, including any motion for a stay of operations.

Income Taxes

The Company operates in numerous countries around the world and accordingly is subject to, and pays annual income taxes under the various regimes in countries in which it operates. These tax regimes are determined under general corporate income tax laws of the country. The Company has historically filed, and continues to file, all required income tax returns and to pay the taxes reasonably determined to be due. The tax rules and regulations in many countries are complex and subject to interpretation. From time to time the Company will undergo a review of its historic tax returns and in connection with such reviews, disputes can arise with the taxing authorities over the Company's interpretation of the country's income tax rules. As at December 31, 2006, the Company did not have any material disputes.

Regulatory Investigations

In July 2005, Kinross was notified by the enforcement division of the SEC that Kinross would be requested to provide documentation in connection with an informal inquiry focused on Kinross' accounting of the business combination with TVX and Echo Bay. On June 1, 2006, the SEC requested that Kinross produce certain related documents. Kinross was responsive to the request and completed production on August 31, 2006. Neither Kinross nor its U.S. legal counsel has heard anything further from the SEC since that date.

DESCRIPTION OF CAPITAL STRUCTURE

KINROSS COMMON SHARES

Kinross has an unlimited number of common shares authorized and 583,784,242 common shares issued and outstanding as of March 19, 2007. There are no limitations contained in the articles or bylaws of Kinross on the ability of a person who is not a Canadian resident to hold Kinross common shares or exercise the voting rights associated with Kinross common shares. A summary of the rights of the Kinross common shares is set forth below.

Dividends

Holders of Kinross common shares are entitled to receive dividends when, as and if declared by the board of directors of Kinross out of funds legally available therefor, provided that if any Kinross preferred shares or any other preferred shares are at the time outstanding, the payment of dividends on common shares or other distributions (including repurchases of common shares by Kinross) will be subject to the declaration and payment of all cumulative dividends on outstanding Kinross preferred shares and any other preferred shares which are then outstanding. The OBCA provides that a corporation may not declare or pay a dividend if there are reasonable grounds for believing that the corporation is, or would after the payment of the dividend, be unable to pay its liabilities as they fall due or the realizable value of its assets would thereby be less than the aggregate of its liabilities and stated capital of all classes of shares of its capital.

Liquidation

In the event of the dissolution, liquidation, or winding up of Kinross, holders of Kinross common shares are entitled to share rateably in any assets remaining after the satisfaction in full of the prior rights of creditors, including holders of Kinross' indebtedness, and the payment of the aggregate liquidation preference of the Kinross preferred shares, and any other preferred shares then outstanding.

Voting

Holders of Kinross common shares are entitled to one vote for each share on all matters voted on by shareholders, including the election of directors.

MARKET PRICE FOR KINROSS SECURITIES

In Canada, the Kinross common shares trade on the TSX under the symbol "K." The Kinross common shares trade on the NYSE under the symbol "KGC." The Kinross common shares began trading on the NYSE on February 3, 2003. The following table sets forth, for the periods indicated, the high and low sales prices of the Kinross common shares on the TSX and the NYSE and the trading volume.

	Kinross Common Shares on the TSX			Kinross Common Shares on the NYSE		
	High	Low	Trading Volume	High	Low	Trading Volume
	(CDN Dollars)	(CDN Dollars)		(U.S. Dollars)	(U.S. Dollars)	
Fiscal Year Ending December 31, 2006						
January	13.68	10.95	83,805,000	11.94	9.41	41,791,000
February	13.33	10.37	80,177,000	11.70	9.10	44,595,100
March	12.85	10.21	71,424,000	11.17	8.77	46,233,900
April	13.87	12.10	63,616,000	12.37	10.57	35,813,900
May	14.49	11.51	80,911,296	13.12	10.24	52,704,800
June	12.70	9.92	60,404,400	11.50	8.92	41,251,900
July	13.39	11.78	54,146,300	11.85	10.30	33,398,000
August	15.51	12.93	77,668,000	14.04	11.37	44,635,400
September	17.00	12.61	83,849,000	15.39	11.30	55,084,400
October	14.84	12.26	70,694,000	13.23	10.87	56,156,700
November	15.40	12.90	100,868,400	13.64	11.27	70,852,200
December	14.67	13.00	62,400,100	12.88	11.24	49,640,900

	Kinross Common Shares on the TSX			Kinross Common Shares on the NYSE		
	High	Low	Trading Volume	High	Low	Trading Volume
	(CDN Dollars)	(CDN Dollars)		(U.S. Dollars)	(U.S. Dollars)	
Fiscal Year Ending December 31, 2005						
January	8.72	7.98	28,677,900	7.14	6.52	20,517,400
February	8.40	7.53	47,852,800	6.80	6.09	27,502,100
March	8.87	7.12	45,673,700	7.33	5.87	28,040,700
April	7.57	6.32	48,778,600	6.20	5.08	19,344,400
May	7.02	6.17	29,615,200	5.61	4.61	19,890,800
June	7.56	6.53	40,859,600	6.17	5.23	20,328,500
July	7.79	6.76	33,172,900	6.45	5.52	16,904,600
August	8.15	6.80	33,420,700	6.83	5.59	23,316,700
September	9.39	7.63	87,511,696	8.05	6.45	33,908,900
October	9.05	7.63	49,481,300	7.80	6.49	28,512,200
November	9.50	7.92	73,365,600	8.10	6.67	33,397,600
December	11.00	8.82	70,925,400	9.42	7.61	39,945,900

As of March 19, there were 8,704 holders of record of Kinross common shares (including holders who are nominees for an undetermined number of beneficial owners).

Kinross also has warrants (the "Warrants") listed on the TSX under the symbol "K.WT". Each three common share purchase warrants are exercisable on or before 5:00 p.m. (eastern standard time) on December 5, 2007, for one Kinross common share at an exercise price of Cdn. $15.00. The exercise price and the number of Kinross common shares issuable upon exercise are both subject to adjustment as provided for in the indenture governing the warrants. The warrants will expire and become null and void after 5:00 p.m. (eastern standard time) on December 2, 2007.

	Kinross Warrants on the TSX		
	High	Low	Trading Volume
	(CDN Dollars)	(CDN Dollars)	
Fiscal Year Ending December 31, 2006			
January	0.91	0.44	3,478,370
February	0.97	0.54	1,834,990
March	0.80	0.56	1,708,850
April	1.05	0.73	1,670,920
May	1.18	0.59	4,882,230
June	0.98	0.52	1,373,900
July	1.05	0.76	1,199,210
August	1.31	0.88	4,026,060
September	1.64	1.02	2,940,330
October	1.40	0.94	1,438,230
November	1.48	1.05	1,736,200
December	1.40	1.14	763,470
Fiscal Year Ending December 31, 2005			
January	0.60	0.36	1,775,900
February	0.45	0.36	319,500
March	0.45	0.31	891,490
April	0.36	0.205	321,650
May	0.25	0.15	472,800
June	0.29	0.155	983,290
July	0.29	0.205	167,540
August	0.32	0.20	494,900
September	0.49	0.20	4,133,750
October	0.35	0.245	812,400
November	0.38	0.25	817,910
December	0.44	0.285	2,300,650

DIRECTORS AND OFFICERS

DIRECTORS

Set forth below is information regarding the directors of Kinross as of March 19, 2007.

Name and Place of Residence	Principal Occupation	Director Since	Current Committees[(1)]
John A. Brough Vero Beach, Florida United States	President, Torwest Inc. (real estate development company)	January 19, 1994	A, C, N
Tye W. Burt Toronto, Ontario Canada	President and Chief Executive Officer of Kinross	March 23, 2005	None
John K. Carrington Thornhill, Ontario Canada	Retired Mining Executive	October 26, 2005	CG, E
Richard S. Hallisey Toronto, Ontario Canada	President of Sullivan Holdings Limited	December 5, 2003	CG, E, R
John M. H. Huxley Toronto, Ontario Canada	Retired Executive	May 31, 1993	A, C, N, R
John A. Keyes The Woodlands, Texas United States	Retired Mining Executive	March 3, 2003	E, R

Catherine McLeod-Seltzer Vancouver, British Columbia Canada	Chairman and Director, Pacific Rim Mining Corp.	October 26, 2005	C, N
George A. Michals Orangeville, Ontario Canada	President, Baymont Capital Resources Inc. (investment holding company)	January 31, 2003	CG
John E. Oliver Halifax, Nova Scotia Canada	Senior Vice President, Atlantic Region, Bank of Nova Scotia (financial institution)	March 7, 1995	C, N
Terence C.W. Reid Toronto, Ontario Canada	Retired Executive	January 5, 2005	A, E

(1) Committees: A-Audit, C-Human Resources and Compensation, CG-Corporate Governance, E-Environmental, Health & Safety, N-Nominating, R-Risk Committee.

Each of the directors has held the principal occupation set forth opposite his or her name, or other executive offices with the same firm or its affiliates, for the past five years, with the exception of Messrs. Tye W. Burt, John K. Carrington, Richard S. Hallisey, John A. Keyes and Terence C.W. Reid.

Prior to March 23, 2005, Mr. Burt was Vice Chairman and Executive Director, Corporate Development of Barrick Gold Corporation since February 2004. Prior to that he was Executive Director, Corporate Development of Barrick since December 2002. From April 2000 to December 2002, he was a Principal of Harris Partners Limited (investment banking) and President of Cartesian Capital Corp. (investment banking).

Prior to January 2005, Mr. Carrington was Vice Chairman and a director and prior to February 2004, he was Chief Operating Officer of Barrick Gold Corporation.

Prior to December 2001, Mr. Hallisey was Vice Chairman, National Bank Limited and, prior to January 1999, he was Vice Chairman, First Marathon Securities Limited. Mr. Keyes, prior to January 2001, was President and Chief Operating Officer of Battle Mountain Gold Company and prior thereto was Senior Vice President of Battle Mountain Gold Company. Mr. Terence C.W. Reid was president of Laketon Investment Management between 2001 and 2003.

Below is a biography of each of the directors of Kinross:

John A. Brough

Mr. Brough has been President of both Torwest Inc. and Wittington Properties Limited, real estate companies, since 1998. Prior thereto, from 1996 to 1998, Mr. Brough was Executive Vice President and Chief Financial Officer of iSTAR Internet, Inc. Prior thereto, from 1974 to 1996, he held a number of positions with Markborough Properties, Inc., his final position being Senior Vice President and Chief Financial Officer which position he held from 1986 to 1996. Mr. Brough is an executive with over 30 years of experience in the real estate industry. He is currently a director of Silver Wheaton Corp., Livingston International Income Fund, a director and Chairman of the Audit Committee of First National Financial Income Fund and a director and Chairman of the Audit Committee of Rockwater Capital Corporation. Mr. Brough holds a Bachelor of Arts degree in Political Science and Economics from the University of Toronto and is a Chartered Accountant. Mr. Brough has graduated from the Director's Education Program at the University of Toronto, Rotman School of Management.

Tye W. Burt

Mr. Burt was appointed President and Chief Executive Officer of Kinross in March, 2005. Prior to that Mr. Burt held the position of Vice Chairman and Executive Director of Corporate Development of Barrick Gold Corporation. From December 2002 to February 2004, he was Executive Director of Corporate Development of Barrick Gold Corporation. From May 2002 - December 2002 he was Principal, Harris Partners Limited (investment banking) (but consulting on a full time basis to Barrick Gold). From May 2000 - May 2002, Mr. Burt was President, Cartesian Capital Corp. Mr. Burt was a director and the Vice Chairman of the Audit Committee of the Ontario Financing Authority. Mr. Burt is a director of NRX Global Corporation and a member of the Board of Governors of the University of Guelph. Mr. Burt is a member of the Law Society of Upper Canada and holds a Bachelor of Laws degree from Osgoode Hall Law School and holds a Bachelor of Arts degree from the University of Guelph.

John K. Carrington

Mr. Carrington was Vice Chairman and a director of Barrick Gold Corporation from 1999 through 2004. Prior to that Mr. Carrington was Chief Operating Officer of Barrick from 1996 until February 2004. He has also occupied the functions of President and Executive Vice President, Operations of Barrick in 1997 and 1995 respectively. Prior to that Mr. Carrington occupied officerships in other mining companies, including Noranda Minerals Inc., Brunswick Mining & Smelting Inc. and Minnova Inc. Mr. Carrington holds a Bachelor of Applied Science (Mining Engineering) and a Master of Engineering (Mining). He is a member of the Association of Professional Engineers of Ontario.

Richard S. Hallisey

Mr. Hallisey is President and a director of Sullivan Holdings Limited, a position he has held full time since December, 2001. From January 1999 to December 2001, Mr. Hallisey was Vice-Chairman and Managing Director of National Bank Financial. Prior to his position with National Bank Financial, Mr. Hallisey was Co-founder, Vice-Chairman and a director of First Marathon Securities Limited. Mr. Hallisey holds a Bachelor of Applied Science (Civil-Geological Engineering) from the University of British Columbia and a Masters in Business Administration from the University of Western Ontario.

John M. H. Huxley

Mr. Huxley was most recently a principal of Algonquin Management Inc., the manager of the Algonquin Power Income Fund, from 1997 to his retirement in 2006. Prior to that he was President of Algonquin Power Corporation, a builder, developer and operator of hydroelectric generating facilities in Canada and the United States. He holds a Bachelor of Laws degree from Osgoode Hall Law School.

John A. Keyes

Mr. Keyes most recently held the position of President and Chief Operating officer of Battle Mountain Gold Company from 1999 to his retirement in 2001. Prior to that, he served as the Senior Vice President - Operations for Battle Mountain with responsibilities for operations in United States, Canada, Bolivia, Chile and Australia. Mr. Keyes received his Bachelor of Science Mine Engineering degree from Michigan Technological University and successfully completed an executive Master of Business Administration program at the University of Toronto. He is also a member of the Institute of Corporate Directors.

Catherine McLeod-Seltzer

Ms. McLeod-Seltzer is Chairman and a director of Pacific Rim Mining Corp. She has been an officer and a director of Pacific Rim since 1997. From 1994 to 1996, she was President, Chief Executive Officer and a director of Arequipa Resources Ltd., a publicly traded company which she co-founded in 1992. From 1985 to 1993, she was employed by Yorkton Securities Inc. as an institutional trader and broker, and also as Operations Manager in Santiago, Chile (1991-92). She has a Bachelor in Business Administration from Trinity Western University. She holds directorships in other publicly traded companies including Bear Creek Mining Corporation, Miramar Mining Corp., Stornoway Diamond Corporation and Peru Copper Inc.

George F. Michals

Mr. Michals is President of Baymont Capital Resources Inc., an investment holding company. Mr. Michals has served in the past on the boards of a number of public and private companies. Prior to January 2003, Mr. Michals was also Chairman of the board of TVX and from 1987 to 1990, he held the position of Executive Vice President and Chief Financial Officer of Canadian Pacific Limited. He holds a Bachelor of Commerce degree from Concordia University and is a Chartered Accountant.

John E. Oliver

Mr. Oliver was appointed Senior Vice President, Atlantic Region, Bank of Nova Scotia in March 2004. Prior to that, Mr. Oliver was Executive Managing Director and Co-Head of Scotia Capital U.S., Bank of Nova Scotia from October 1999. From 1997 to 1999 Mr. Oliver was Senior Vice President, Corporate and Real Estate Banking of Bank of Nova Scotia and prior thereto, he was Senior Vice President of Real Estate Banking of Bank of Nova Scotia. Mr. Oliver was appointed the Independent Chairman of Kinross in August 2002.

Terence C.W. Reid

Mr. Reid retired as Vice Chairman of CIBC Wood Gundy in 1997 after a career there spanning 31 years during which he provided investment banking services to many of Canada's leading corporations. He subsequently acted as a consultant in the electricity industry and helped develop an internet start-up business. Between 2001 and 2003 he was president of Laketon Investment Management, a leading Canadian investment asset manager. Mr. Reid has served on a number of investment industry committees and was Chairman of the Montreal Stock Exchange. Mr. Reid is a director of Norcast Income Fund and Pizza Pizza Royalty Fund. He holds a Diploma in Law from the University of Witwatersrand, Johannesburg and a Masters in Business Administration from the University of Toronto.

CORPORATE GOVERNANCE

The corporate governance practices established by Kinross' board of directors are described in Kinross' latest management information circular for its annual meeting of shareholders available at www.sedar.com. Details of Kinross' corporate governance practices compared to the corporate governance listing standards of the New York Stock Exchange are available for review on Kinross' website at www.kinross.com under the corporate governance section of the website.

OFFICERS

The following table sets forth the names of each of the executive and certain other officers of Kinross and all offices held by each of them as of March 28, 2007.

Name	Office Held
Hugh A. Agro Toronto, Ontario, Canada	Senior Vice President, Corporate Development
Rick A. Baker Sparks, Nevada, United States	Senior Vice President, Environmental, Health & Safety
Tim C. Baker Toronto, Ontario, Canada	Executive Vice President and Chief Operating Officer
Thomas M. Boehlert Toronto, Ontario, Canada	Executive Vice President and Chief Financial Officer
Tye W. Burt Toronto, Ontario, Canada	President and Chief Executive Officer
Geoffrey P. Gold Toronto, Ontario, Canada	Senior Vice President and Chief Legal Officer
Christopher T. Hill Toronto, Ontario, Canada	Senior Vice President and Treasurer
John E. Oliver Halifax, Nova Scotia, Canada	Independent Chairman
Shelley M. Riley Oakville, Ontario, Canada	Vice President, Administration and Corporate Secretary
Ronald W. Stewart Oakville, Ontario, Canada	Senior Vice President, Exploration
Lisa M. Zangari Toronto, Ontario, Canada	Senior Vice President, Human Resources

The following sets forth biographical information for each of the above officers of Kinross who is not also a director of Kinross:

Hugh A. Agro was appointed Senior Vice President, Corporate Development on August 5, 2005. Prior to that he was Vice President, Corporate Development from April 2005 to August 2005. Prior to that, Mr. Agro held the position of Vice President, Corporate Development for Placer Dome Canada from May 2004 to April 2005. Prior to that Mr. Agro was a Principal of Senator Capital Partners from April 2001 to April 2004. From August 1997 to April 2001, Mr. Agro held the positions of Vice President, Investment Banking, Global Metals & Mining Group and Associate, Investment Banking respectively with Deutsche Bank Securities Ltd.

Rick A. Baker was appointed Senior Vice President, Environmental, Health & Safety on March 1, 2005. Prior to that Mr. Baker held the positions of Vice President, Operations from October, 2003 to February, 2005 and Vice President and General Manager, Reclamation Operations from March to September, 2003 of Kinross Gold U.S.A., Inc. a 100% wholly-owned subsidiary of Kinross. Prior to that he held the positions of General Manager, from August, 2001 to February, 2002 and Operations Manager from April, 2000 to July 2001 with Fairbanks Gold Mining, Inc. a 100% wholly-owned subsidiary of Kinross. From July 1997 to March 2000, Mr. Baker was General Manager, McCoy/Cove Operation, Echo Bay Minerals Company.

Timothy C. Baker was appointed Executive Vice President and Chief Operating Officer effective in June 2006. Prior to that, Mr. Baker was Executive General Manager for Placer Dome Chile from 2005 until 2006; Managing Director for Placer Dome Tanzania from July 2003 until December 2004; Senior Vice President for Compania Minera Zaldivar from February 2002 until July 2003; Mine General Manager for Getchell Gold Corp from July 2000 until February 2002, and General Manager Operations for Minera Las Cristinas C.A from February 1999 until June 2000. Mr. Baker held various operations roles from 1988 until 1999.

Thomas M. Boehlert was appointed Executive Vice President and Chief Financial Officer effective April 2006. Prior to that, Mr. Boehlert was Chief Financial Officer, Executive Vice President for Texas Genco from February 2005 until August 2005; Chief Financial Officer, Executive Vice President for Centrica North America from January 2004 until February 2005; Chief Financial Officer, Senior Vice President for Sithe Energies Inc., from 2000 until 2003; Director, Investment Banking, Credit Suisse First Boston from 1997 to 2000 and Head of Project Finance - Europe, Africa and Middle East for Credit Suisse from 1993 to 1997.

Geoffrey P. Gold was appointed Senior Vice President and Chief Legal Officer of Kinross effective in May 2006. Prior to that, he was Vice President, Assistant Secretary and Associate General Counsel for Placer Dome from 2001 until 2006; Assistant Secretary and Associate General Counsel for Placer Dome from 1999 to 2001; General Counsel and Secretary for Placer Dome North America from 1998 to 1999, and held other legal positions with Placer Dome from 1994 to 1998

Christopher T. Hill is currently Senior Vice President and Treasurer and prior to March 2006 he was Sr. Vice President, Corporate Communication since August 2005 and prior to that he was Vice President, Investor Relations since May 2004. Mr. Hill was Vice President, Treasurer from May 1998 to March 2004.

Shelley M. Riley has been the Corporate Secretary of Kinross since June 1993 and was appointed Vice President, Administration and Corporate Secretary in September 2005.

Ronald W. Stewart has been the Senior Vice President, Exploration of Kinross since August 2005 and prior to that he was Vice President, Exploration since March 2002. Prior to that date he was Director of Investor Relations for Placer Dome from January 2000 to March 2002, Manager Mine Exploration for Placer Dome from February 1998 to January 2000 and Country Exploration Manager, Indonesia for Placer Dome from March 1996 to February 1998.

Lisa M. Zangari was appointed Senior Vice President, Human Resources in June 2006. Prior to her employment with Kinross in September 2005, Ms. Zangari was Vice President, Human Resources for Placer Dome Canada from June 2003 to September 2005, and Manager, Corporate Performance Management and International Human Resources, Placer Dome Group of Companies, USA and Canada from 1994 to 2003.

As at March 19, 2007, the directors and officers of Kinross, as a group owned, directly or indirectly, or exercised control or direction over 370,728 common shares of Kinross, representing less than one percent of the total number of common shares outstanding before giving effect to the exercise of options or other convertible securities held by such directors and officers. The statement as to the number of common shares beneficially owned directly or indirectly or over which control or direction is exercised by the directors and officers of Kinross as a group is based upon information provided by the directors and officers.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

No director or executive officer of Kinross or a shareholder holding a sufficient number of securities to affect materially the control of Kinross is, or within the ten years prior to the date hereof has been, a director or executive officer of any company (including Kinross) that, while that person was acting in that capacity, (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; or (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except as follows:

On April 14, 2005, the Ontario Securities Commission issued a definitive management cease trade order which superseded a temporary management cease trade order dated April 1, 2005 against all the directors and officers of the Company in connection with the Company's failure to file its audited financial statements for the year ended December 31, 2004. The following current officers and directors of Kinross were the subject of the Ontario Securities Commission's order: H. Agro, J. Brough, R. Hallisey, J. Huxley, J. Keyes, G. Michals, T. Reid, J. Oliver, R. Baker, C. Hill, R. Stewart, S. Riley, M. Cerqueira and T. Burt. A similar order was issued by the Nova Scotia Securities Commission against Mr. John Oliver dated July 6, 2005. These management cease trade orders have been lifted on February 22, 2006.

No director or executive officer of Kinross or a shareholder holding a sufficient number of securities of Kinross to affect materially the control of Kinross has, within the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or shareholder.

CONFLICT OF INTEREST

To the best of Kinross' knowledge, and other than as disclosed in this annual information form, in the notes to Kinross' financial statements and its MD&A, there are no known existing or potential conflicts of interest between Kinross and any director or officer of Kinross, except as disclosed below that certain of the directors and officers serve as directors and officers of other public companies and therefore it is possible that a conflict may arise between their duties as a director or officer of Kinross and their duties as a director or officer of such other companies.

The directors and officers of Kinross are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and Kinross will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with the *Business Corporations Act* (Ontario) and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

John E. Oliver is Senior Vice President, Atlantic Region, of the Bank of Nova Scotia. The Bank of Nova Scotia is a co-lead of the lending syndicate for Kinross' credit facility. Mr. Oliver's duties do not include responsibilities in the commercial lending department responsible for management and decisions with respect to the Kinross credit facility. The board of Kinross does not consider this relationship to present a conflict of interest with Mr. Oliver's responsibilities as a board member or in any way as reasonably affecting his independence.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described elsewhere in this Annual Information Form, the notes to the Company's financial statements and its MD&A, since January 1, 2004, no director, executive officer or 10% shareholder of Kinross or any associate or affiliate of any such person or company, has or had any material interest, direct or indirect, in any transaction that has materially affected or will materially affect the Company or any of its subsidiaries.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its principal office at 100 University Avenue, Toronto, Ontario, Canada M5J 2Y1, telephone 1-800-663-9097.

MATERIAL CONTRACTS

Kinross Material Contracts

The only material contracts entered into by the Company within the financial year ended December 31, 2006 or before such time that are still in effect, other than in the ordinary course of business, are as follows:

Acquisition and agreement and plan of merger agreement between Kinross, Crown Merger Corporation and Crown dated November 20, 2003 (and subsequent amendments) providing for the acquisition by Kinross of all the outstanding common shares of Crown. See “General Development of Business - Three Year History”.

Amended and restated credit facility dated August 18, 2006 between Kinross and a syndicate of lenders co-lead by the Bank of Nova Scotia and Export Development Canada, and 10 other financial institutions. Société See “General Development of Business - Three Year History”.

Arrangement agreement among Kinross and Bema dated December 21, 2006 providing for the acquisition of Bema by Kinross pursuant to an arrangement. See “General Development of Business - Three Year History”.

Bema Material Contracts

The only contracts entered into by Bema within the financial year ended December 31, 2006 or before such time that are still in effect other than in the ordinary course, which are material in the context of the Combined Company, are as follows:

The Kupol Project Loan Agreement dated December 1, 2005. See “General Development of Business - Bema Properties - Kupol gold and silver project, Russia”.

A Trust Deed dated February 23, 2004, was entered into by the Company and the Bank of New York as trustee for a $70 million principal amount of senior unsecured convertible notes due February 2011 (the ”Convertible Notes”), which trade on the Luxembourg Stock Exchange. The seven year Convertible Notes were launched with a coupon rate of 3.25% per annum. The conversion price was set at $4.664 per share. The Convertible Notes will be redeemed at par on maturity. In addition, Bema has the right to redeem all outstanding Convertible Notes on or after the third anniversary of closing if the shares of Bema, for a specified period of time, trade at 120% or more of the conversion price. EastWest Gold Corporation, successor corporation to Bema, entered into a supplemental trust deed and amendment to the Terms and Conditions of the Convertible Notes attached as Part C to Schedule 2 of the Trust Deed, pursuant to which, among other things, the holder of each Convertible Note has the right to convert its Convertible Note into 0.4447 of a common shares of Kinross plus Cdn.$0.01 for each Convertible Note. By notice dated March 6, 2007, EastWest gave irrevocable notice that it will redeem the Convertible Notes on April 12, 2007. See “Narrative Description of the Business - Operating Mines, Refugio Property, Chile”.

INTERESTS OF EXPERTS

The Company's independent auditors for fiscal 2006, KPMG LLP, have audited the consolidated financial statements of Kinross for the year ended December 31, 2006.

Except as provided below, Mr. Robert Henderson is the qualified person who supervised the preparation of the Company's mineral reserve and mineral resource estimates as at December 31, 2006. Mr. Henderson was at the time an officer of the Company.

Ms. Maryse Bélanger P. Geo, director of Technical Services of Kinross is the qualified person who prepared the mineral resource and reserve estimates for Kinross' Refugio property.

Mr. B. Scott, P. Geo, who was, Chief Geologist of Bema's Exploration Department is the qualified person who prepared the mineral reserve and resource estimates for the Q. Seca property and he also supervised the completion of the mineral reserve and resource estimates for the Julietta property with Mr. D. Cameron, Chief Geologist Operations of Bema. Mr. Cameron and Mr. T. Garagan, P. Geo, who was, Vice President, Exploration of Bema also supervised the preparation of the reserve and resource estimates for Kupol property.

Mr. Larry Smith, R. Geo, Manager of AMEC Mining & Metals Consulting is the qualified person under whose supervision the reserve and resource estimates for the Cerro Casale property were independently reviewed and confirmed. Mr. Smith and Mr. William Tilley, PE, a Registered Engineer, are the co-authors of the AMEC Report.

The Kupol Technical Report was co-authored by Mr. Garagan and Mr. Cameron of Bema.

Mr. Henderson and the other qualified persons beneficially owned, directly or indirectly, less than 1% of any class of shares of the Company's outstanding shares (or of Bema, as applicable) at the time of the preparation of the reserve and resource estimates and the technical reports.

AUDIT COMMITTEE

The Audit Committee's charter sets out its responsibilities and duties, qualifications for membership and reporting to the Company's board of directors. A copy of the charter is attached hereto as Schedule "A".

As of the date of this Annual Information Form, the members of the Company's Audit Committee are John Brough (Chairman), John Huxley and Terence Reid. Each of Messrs. Brough, Huxley and Reid are independent and financially literate within the meaning of Multilateral Instrument 52-110 *Audit Committees* ("MI 52-110"). In addition to being independent directors as described above, all members of the Company's Audit Committee must meet an additional "independence" test under MI 52-110 in that their directors' fees are the only compensation they, or their firms, receive from the Company and that they are not affiliated with the Company. Mr. Brough is a "financial expert" in accordance with SEC requirements.

Relevant Education and Experience

Set out below is a description of the education and experience of each audit committee member that is relevant to the performance of his responsibilities as an audit committee member.

John A. Brough	Mr. Brough holds a Bachelor of Arts degree in Political Science and Economics from the University of Toronto and is a Chartered Accountant. Mr. Brough has graduated from the Director's Education Program at the University of Toronto, Rotman School of Management. Mr. Brough has been President of both Torwest Inc. and Wittington Properties Limited, real estate companies, since 1998. Prior thereto, from 1996 to 1998, Mr. Brough was Executive Vice President and Chief Financial Office of iSTAR Internet, Inc. Prior thereto, from 1974 to 1996, he held a number of positions with Markborough Properties, Inc., his final position being Senior Vice President and Chief Financial Office which position he held from 1986 to 1996. Mr. Brough is an executive with over 30 years of experience in the real estate industry. He is currently a director of Silver Wheaton Corp., Livingston International Income Fund, a director and Chairman of the Audit Committee of First National Financial Income Fund and a director and Chairman of the Audit Committee of Rockwater Capital Corporation.

John M.H. Huxley	Mr. Huxley has a Bachelor of Laws degree, and was most recently a principal of Algonquin Management Inc., the manager of Algonquin Power Income Fund, from 1997 to 2006. Prior to that Mr. Huxley was President of Algonquin Power Corporation.
Terence C.W. Reid	Mr. Reid holds a diploma in law from the University of Witwatersrand, Johannesburg and an Masters in Business Administration from the University of Toronto. Mr. Reid retired as Vice Chairman of CIBC Wood Gundy in 1997 after a career there spanning 31 years during which he provided investment banking services to many of Canada's leading corporations. Between 2001 and 2003 he was president of Laketon Investment Management, a leading Canadian investment asset manager. Mr. Reid has served on a number of investment industry committees and was Chairman of the Montreal Stock Exchange. Mr. Reid is a director of Norcast Income Fund and Pizza Pizza Property Fund.

Pre-Approval Policies and Procedures

The Audit Committee has formalized its approach to non-audit services by the external auditors in its charter, a copy of which is attached hereto as Schedule "A".

External Auditor Service Fees

Audit Fees

The audit fees billed by the Company's external auditors for the financial year ended December 31, 2006 were Cdn$2,171, 000 (December 31, 2005 - Cdn$1,500,000 to its current external auditors and Cdn$1,187,295 is its former external auditors).

Audit-Related Fees

The audit-related fees billed by the Company's external auditors for the financial year ended December 31, 2006 were Cdn$258,000 (December 31, 2005 - Cdn$1,306,395) relating to due diligence in connection with the Bema acquisition.

Tax Fees

The tax fees in respect of tax compliance, tax advice and tax planning billed by the Company's external auditors for the financial year ended December 31, 2006 were Cdn$103,000 (December 31, 2005 - Nil).

All Other Fees

Cdn$219,000 was paid to the Company's auditors in 2006. Cdn$701,000 was paid to the Company's former auditors and Cdn$68,000 was paid to its current auditors in 2005 under this caption. There were no non-audit fees billed by the Company's external auditors for the financial year ended December 31, 2006.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at *www.sedar.com*. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans is contained in the management information circular of the Company filed for its most recent annual meeting of shareholders. Additional financial information is provided in the Company's audited Consolidated Financial Statements and the MD&A for the financial year ended December 31, 2006.

AA finish
A method used to complete fire assaying where the bead produced by this assay technique is dissolved in strong acids. The gold in the acid solution is determined by a machine called an atomic adsorption spectrometer. This method is used to accurately quantify small amounts of gold and other metals.

adularia
A variety of orthoclase, a mineral part of the feldspar group. A common mineral of granitic rocks.

alluvial
Referring to material, which has been placed by the action of surface water.

alluvium
A general term for all detrital deposits resulting from the flow of present waterways, thus including the sediments laid down in streambeds, flood plain, lakes, fan at the foot of mountain slopes, and estuaries.

almandine
An isometric mineral, 8[Fe32+Al2Si3O12]; pyralspilite subgroup of the garnet group, with Fe replaced by Mg, Mn, and Ca; in red to brownish-black dodecahedral and trapezohedral crystals, or massive; Mohs hardness, 7-1/2; occurs in medium-grade metamorphic rock and felsic igneous rocks; used as a gemstone and an abrasive.

ankerite
A trigonal mineral, Ca(Fe,Mg,Mn)(CO3)2; dolomite group; forms series with dolomite and with kutnohorite; associated with iron ores; commonly forms thin veins in some coal seams.

Archean Abitibi

The Abitibi-Grenville Transect focuses on the Late Archean Abitibi greenstone belt, which is part of the southern Superior Province, the central core of the North American craton, and on the Mesoproterozoic Grenville orogen which extends from southern Sweden to southern Mexico, but is exposed principally as the southeastern Canadian shield. The Abitibi subprovince is the largest, and perhaps the best studied, of the Archean greenstone terranes of the world and is host to a major proportion of Canada's mineral resources.

argillite
A compact rock, derived either from mudstone (claystone or siltstone), or shale, that has undergone a somewhat higher degree of induration than mudstone or shale but is less clearly laminated and without its fissility, and that lacks the cleavage distinctive of slate.

arsenopyrite
The most common arsenic mineral and principal ore of arsenic; occurs in many sulfide ore deposits, particularly those containing lead, silver and gold.

assay
To determine the value of various elements within an ore sample, streambed sample, or valuable metal sample.

B2 horizon
A local geological term identifying a particular formation of rock.

ball mill
A steel cylinder filled with steel balls into which crushed ore is fed. The ball mill is rotated, causing the balls to cascade and grind the ore.

basalt
An extrusive volcanic rock composed primarily of plagioclase, pyroxene and some olivine.

basement rocks
A name commonly applied to metamorphic or igneous rocks underlying the sedimentary sequence.

belt
A series of mineral deposits occurring in close proximity to each other often with a common origin.

biotite
A common rock-forming mineral in crystalline rocks, either as an original crystal in igneous rocks or as a metamorphic product in gneisses and schists; a detrital constituent of sedimentary rocks.

block faulted
A type of normal faulting in which the crust is divided into structural or fault blocks of different elevations and orientations. It is the process by which block mountains are formed.

boudins
Series of sausage-shaped segments occurring in a boudinage structure. Boudinage occurs when bed sets are divided by cross-fractures into pillowlike segments. The cross-fractures are not sharp, but rather rounded, and may be compared with the necks that develop in ductile metal pieces under tension. The overall resulting appearance is that of a string of linked sausages when observed in section.

breccia
A coarse-grained clastic rock, composed of angular broken rock fragments held together by a mineral cement or in a fine-grained matrix; it differs from conglomerate in that the fragments have sharp edges and unworn corners.

caldera
A large, basin-shaped volcanic depression, more or less circular, the diameter of which is many times greater than that of the included vent or vents, no matter what the steepness of the walls or the form of the floor may be.

calomel
A tetragonal mineral, 2[Hg2Cl2]; a secondary alteration of mercury-bearing minerals; horn quicksilver; mercurial horn ore.

carbon-in-leach
A process step wherein granular activated carbon particles much larger than the ground ore particles are introduced into the ore pulp. Cyanide leaching and precious metals adsorption onto the activated carbon occur simultaneously. The loaded activated carbon is mechanically screened to separate it from the barren ore pulp and processed to remove the precious metals and prepare it for reuse.

carbon-in-pulp
A process step wherein granular activated particles much larger than the ground ore particles are introduced into the ore pulp after primary leaching in cyanide. Precious metals adsorption occurs onto the activated carbon from the pregnant cyanide solution.

care and maintenance
The status of a mining operation when mining has been suspended but reclamation and closure of the property has not been commenced. The mill and associated equipment is being cared for and maintained until operations re-commence.

cathode
A rectangular plate of metal, produced by electrolytic refining, which is melted into commercial shapes such as wire-bars, billets, ingots, etc.

cerargyrite
A former name for chlorargyrite, which is an isometric mineral, 4[AgCl]; sectile; forms waxy white, yellow, or pearl-gray incrustations, darkening to violet on exposure to light; a supergene mineral occurring in silver veins; an important source of silver.

chalcopyrite
A copper mineral composed of copper, iron and sulphur. This mineral is very similar to marcasite in its characteristics; it tarnishes easily; going from bronze or brassy yellow to yellowish or grayish brown, has a dark streak, and are lighter in weight and harder than gold.

chert
A compact, glass-like siliceous rock composed of silica of various types (opaline or chalcedonic).

chip sample
A method of sampling of rock exposure whereby a regular series of small chips of rock is broken off along a line across the face.

chlorite
1. The mineral group chamosite, clinochlore, cookeite, gonyerite, nimite, orthochamosite, pennantite, and sudoite. 2. Chlorites are associated with and resemble micas (the tabular crystals of chlorites cleave into small, thin flakes or scales that are flexible, but not elastic like those of micas); they may also be considered as clay minerals when very fine grained. Chlorites are widely distributed, esp. in low-grade metamorphic rocks, or as alteration products of ferromagnesian minerals.

circuit
A processing facility for removing valuable minerals from the ore so that it can be processed and sold.

clay
An extremely fine-grained natural earthy material composed primarily of hydrous aluminum silicates. It may be a mixture of clay minerals and small amounts of nonclay materials or it may be predominantly one clay mineral. The type is determined by the predominant clay mineral. Clay is plastic when sufficiently pulverized and wetted, rigid when dry, and vitreous when fired to a sufficiently high temperature.

conglomerate
Rounded, water-worn fragments of rock or pebbles, cemented together by another mineral substance.

core
The long cylindrical piece of rock, about an inch in diameter, brought to surface by diamond drilling.

cupel
1. A small bone-ash cup used in gold or silver assaying with lead. 2. The hearth of a small furnace used in refining metals.

cut-off grade
The lowest grade of mineral resources considered economic; used in the calculation of reserves in a given deposit.

cyanidation
A method of extracting exposed gold or silver grains from crushed or ground ore by dissolving the contained gold and silver in a weak cyanide solution. May be carried out in tanks inside a mill or in heaps of ore out of doors.

cyclone underflow
A coarser sized fraction, which leaves via apex aperture of hydrocyclone.

dedicated pad
An area of topography where gold ore will be placed in order to be leached. The ore will remain permanently upon this pad upon the completion of the gold extraction.

Devonian
The fourth period, in order of decreasing age, of the periods making up the Paleozoic era. It followed the Silurian period and was succeeded by the Mississippian period. Also, the system of strata deposited at that time. Sometimes called the Age of Fishes.

dilution
The effect of waste or low-grade ore being included unavoidably in the mine ore, lowering the recovered grade.

dolomite
A carbonate sedimentary rock consisting of more than 50% to 90% mineral dolomite, depending upon classifier, or having a Ca:Mg ratio in the range 1.5 to 1.7, or having an MgO equivalent of 19.5% to 21.6%, or having a magnesium-carbonate equivalent of 41.0% to 45.4%. Dolomite beds are associated and interbedded with limestone, commonly representing postdepositional replacement of limestone.

doré
Unrefined gold and silver bullion bars, which will be further, refined to almost pure metal.

electrowinning
Recovery of a metal from a solution by means of electro-chemical processes.

epithermal
Said of a hydrothermal mineral deposit formed within about 1 kilometre of the Earth's surface and in the temperature range of 50 to 200 degrees C, occurring mainly as veins. Also, said of that depositional environment.

facies
A term of wide application, referring to such aspects of rock units as rock type, mode of origin, composition, fossil content, or environment of deposition.

fault
A fracture in the earth's crust accompanied by a displacement of one side of the fracture with respect to the other and in a direction parallel to the fracture.

feldspar
1. Constituting 60% of the Earth's crust, feldspar occurs in all rock types and decomposes to form much of the clay in soil, including kaolinite. 2. The mineral group albite, andesine, anorthite, anorthoclase, banalsite, buddingtonite, bytownite, celsian, hyalophane, labradorite, microcline, oligoclase, orthoclase, paracelsian, plagioclase, reedmergnerite, sanidine, and slawsonite.

felsic
A mnemonic adjective derived from (fe) for feldspar, (l) for lenad or feldspathoid, and (s) for silica, and applied to light-colored rocks containing an abundance of one or all of these constituents. Also applied to the minerals themselves, the chief felsic minerals being quartz, feldspar, feldspathoid, and muscovite.

flocculent
A chemical used to promote the formation of denser slurries.

flotation
A separation process in which valuable mineral particles are induced to become attached to bubbles and float, which the non-valuable minerals sink.

fold
Any bending or wrinkling of rock strata.

formation
Unit of sedimentary rock of characteristic composition or genesis.

galena
A lead mineral, which occurs with sphalerite in hydrothermal veins, also in sedimentary rocks as replacement deposits; an important source of lead and silver.

garnet
The silicate minerals almandine, andradite, calderite, goldmanite, grossular, hibshite, katoite, kimzeyite, knorringite, majorite, pyrope, schlorlomite, spessartine, and uvarovite.

geyserites
A type of rock associated with natural hot springs.

glacial till
Dominantly unsorted and unstratified drift, generally unconsolidated, deposited directly by and underneath a glacier without subsequent reworking by meltwater, and consisting of a heterogeneous mixture of clay, silt, sand, gravel, and boulders ranging widely in size and shape; ice-laid drift.

glaciolacustrine
Pertaining to, derived from, or deposited in glacial lakes; especially said of the deposits and landforms composed of suspended material brought by meltwater streams flowing into lakes bordering the glacier, such as deltas, kame deltas, and varved sediments.

gold
A yellow malleable ductile high density metallic element resistant to chemical reaction, often occurring naturally in quartz veins and gravel, and precious as a monetary medium, in jewellery, etc. Symbol – Au.

gold equivalent production
Gold equivalent production represents gold production plus silver production computed into gold ounces using a market price ratios.

grade
The amount of valuable metal in each tonne or ore, expressed as grams per tonne for precious metals.

Cut-off grade– is the minimum metal grade at which a tonne of rock can be processed on an economic basis.

Recovered grade– is actual metal grade realized by the metallurgical process and treatment or ore, based on actual experience or laboratory testing.

gravimetric finish
A method used to complete fire assaying where the bead produced by this assay technique is weighed upon an extremely sensitive weigh scale.

gravity recovery circuit
Equipment used within a plant to recover gold from the ore using the difference in specific gravity between the gold and the host rock. Typically used are shaking tables, spirals, etc.

greenschist
A metamorphosed basic igneous rock, which owes its color and schistosity to abundant chlorite.

greenschist facies
Metamorphic rocks produced under low temperature conditions.

greenstone
An old field term applied to altered basic igneous rocks which owe their color to the presence of chlorite, hornblende, and epidote.

halide
A fluoride, chloride, bromide, or iodide.

halos
A differentiated (lower) grade zone surrounding a central zone of higher grade.

heap leaching
A process whereby gold is extracted by “heaping” broken ore on sloping impermeable pads and repeatedly spraying the heaps with a weak cyanide solution which dissolves the gold content. The gold-laden solution is collected for gold recovery.

hedging
Taking a buy or sell position in a futures market opposite to a position held in the cash market to minimize the risk of financial loss from an adverse price change.

high-grade
Rich ore. As a verb, it refers to selective mining of the best ore in a deposit.

high rate thickener
A type of equipment used to perform solid liquid separation. Slurry (a mixture of rock and water) is fed into this unit with a clear solution produced in one stream and a moist solid produced in the second stream.

HQ
A diamond drill core measuring 2.500 inches in diameter (6.35 cm).

intrusive
Rock which while molten, penetrated into or between other rocks but solidified before reaching the surface.

intracaldera Oligocene ash-flow tuffs
A geological term referring to a rock formation comprising ash-flow tuffs existing inside a caldera. A caldera is a crater formed from by the collapse of the central part of a volcano. This particular formation dates back to the Oligocene epoch.

kaolinite
A monoclinic mineral, 2[Al2Si2O5(OH)4]; kaolinite-serpentine group; kaolinite structure consists of a sheet of tetrahedrally bonded silica and a sheet of octahedrally bonded alumina with little tolerance for cation exchange or expansive hydration; polymorphous with dickite, halloysite, and nacrite; soft; white; formed by hydrothermal alteration or weathering of aluminosilicates, esp. feldspars and feldspathoids; formerly called kaolin.

leach
A method of extracting gold from ore by a chemical solution usually containing cyanide.

lense
Pyrite, round or oval in plan and lenticular in section, ranging up to 2 to 3 feet (0.6 to 0.9 metres) in thickness and several hundred feet in the greatest lateral dimension, that is found in coalbeds.

lenticular
Resembling in shape the cross section of a lens. The term may be applied, e.g., to a body of rock, a sedimentary structure, or a mineral habit.

lode
Vein of metal ore.

low-grade
A term applied to ores relatively poor in the metal they are mined for; lean ore.

mafic
Igneous rocks composed mostly of dark, iron- and magnesium-rich minerals.

metamorphism
The process by which the form or structure of rocks is changed by heat and pressure.

mica
1. A group of phyllosilicate minerals having the general composition, X2Y4-6Z8O20(OH,F) where X=(Ba,Ca,Cs,H3O,K,Na,NH4), Y=(Al,Cr,Fe,Li,Mg,Mn,V,Zn), and Z=(Al,Be,Fe,Si); may be monoclinic, pseudohexagonal or pseudo-orthorhombic; soft; perfect basal (micaceous) cleavage yielding tough, elastic flakes and sheets; colorless, white, yellow, green, brown, or black; excellent electrical and thermal insulators (isinglass); common rock-forming minerals in igneous, metamorphic, and sedimentary rocks. 2. The mineral group anandite, annite, biotite, bityite, celadonite, chernykhite, clintonite, ephesite, ferri-annite, glauconite, hendricksite, kinoshitalite, lepidolite, margarite, masutomilite, montdorite, muscovite, nanpingite, norrishite, paragonite, phlogopite, polylithionite, preiswerkite, roscoelite, siderophyllite, sodium phlogopite, taeniolite, tobelite, wonesite, and zinnwaldite.

micaceous
Consisting of or containing mica; e.g., a micaceous sediment.

mill
A plant where ore is ground fine and undergoes physical or chemical treatment to extract the valuable metals.

mineral claim
A mineral claim usually authorizes the holder to prospect and mine for minerals and to carry out works in connection with prospecting and mining.

mineral reserves
The economically mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. An mineral reserve includes diluting materials and allowances for losses that may occur when the material is mined.

proven mineral reserve: The economically mineable part of a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified.

probable mineral reserve: The economically mineable part of an Indicated, and in some circumstances a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.

mineral resource
A concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge.

measured mineral resources: A measured mineral resource is that part of a mineral resource for which quantity, grade or quality, densities, shape, physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

indicated mineral resources: An indicated mineral resource is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and test information gathered through appropriate techniques from location such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

inferred mineral resource: The part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. Due to the uncertainty which may attach to inferred mineral resources, it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as result of continued exploration.

mineralization

The process or processes by which a mineral or minerals are introduced into a rock, resulting in a valuable or potentially valuable deposit. It is a general term, incorporating various types; e.g., fissure filling, impregnation, and replacement.

Mississippian

Belonging to the geologic time, system of rocks or sedimentary deposits of the fifth period of the Paleozoic Era, characterized by the submergence of extensive land areas under shallow seas.

muck sample

A representative piece of ore that is taken from a muck pile and then assayed to determine the grade of the pile.

muscovite

A monoclinic mineral, Kal2(Si3Al)O10(OH,F)2; mica group; pseudohexagonal; perfect basal cleavage; forms large, transparent, strong, electrically and thermally insulating, stable sheets; a common rock-forming mineral in silicic plutonic rocks, mica schists, gneisses, and commercially in pegmatites; also a hydrothermal and weathering product of feldspar and in detrital sediments. Also spelled muscovite.

net smelter return

A type of royalty payment where the royalty owner receives a fixed percentage of the revenues of a property or operation.

open pit

A mine that is entirely on surface. Also referred to as open-cut or open-cast mine.

Oligocene

An epoch of the early Tertiary Period, after the Eocene and before the Miocene; also, the corresponding worldwide series of rocks. It is considered to be a period when the Tertiary is designated as an era.

oxidation

A reaction where a material is reacted with an oxidizer such as pure oxygen or air in order to alter the state of the material.

Paleozoic

The era of geologic time that includes the Cambrian, Ordovician, Silurian, Devonian, Mississippian, Pennsylvanian and Permian periods and is characterized by the appearance of marine invertebrates, primitive fishes, land plants and primitive reptiles.

pegmatites

Igneous rocks of coarse grain found usually as dikes associated with large masses of plutonic rock.

phases
Stages in time and/or composition in forming the rock.

phyllite
1. A metamorphic rock, intermediate in grade between slate and mica schist. Minute crystals of sericite and chlorite impart a silky sheen to the surfaces of cleavage (or schistosity). Phyllites commonly exhibit corrugated cleavage surfaces. 2. A general term for minerals with a layered crystal structure. 3. A general term used by some French authors for the scaly minerals, such as micas, chlorites, clays, and vermiculites.

placer
A place where gold is obtained by the washing of materials: rocks, boulders, sand, clay, etc. containing gold or other valuable minerals by the elements. These are deposits of valuable minerals, in Kinross' case, native gold, are found in the form of dust, flakes, grains, and nuggets. In the United States mining law, mineral deposits, not veins in place, are treated as placers as far as locating, holding, and patenting are concerned. The term "placer" applies to ancient (Tertiary) gravel as well as to recent deposits, and to underground (drift mines) as well as surface deposits.

porphyry
An igneous rock in which relatively large crystals, called phenocrysts, are set in a fine-granted groundmass.

premium
An amount specified as such by the parties to a hedging agreement, which amount is the purchase price of the bullion option and is payable by the buyer to the seller on the premium payment date for value on such date.

pulp metallic
A type of assay method, which is used to handle the coarse gold component of a sample to allow for its accurate determination.

pyrite
A yellow iron sulphide mineral, normally of little value. It is sometimes referred to as "fool's gold."

pyroclastic
Produced by explosive or aerial ejection of ash, fragments, and glassy material from a volcanic vent. Applied to the rocks and rock layers as well as to the textures so formed.

qualified person
An individual who: (a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation, or mineral project assessment, or any combination of these; (b) has experience relevant to the subject matter of the mineral project; and (c) is a member in good standing of a professional association as defined by NI 43-101.

quartz
Common rock-forming mineral consisting of silicon and oxygen.

quartzite
1. A granoblastic metamorphic rock consisting mainly of quartz and formed by recrystallization of sandstone or chert by either regional or thermal metamorphism; metaquartzite. 2. A very hard but unmetamorphosed sandstone, consisting chiefly of quartz grains that are so completely cemented with secondary silica that the rock breaks across or through the grains rather than around them; an orthoquartzite. 3. Stone composed of silica grains so firmly cemented by silica that fracture occurs through the grains rather than around them. 4. As used in a general sense by drillers, a very hard, dense sandstone. 5. A granulose metamorphic rock consisting essentially of quartz. 6. Sandstone cemented by silica that has grown in optical continuity around each fragment.

reclamation
The restoration of a site after mining or exploration activity is completed.

recovery
A term used in process metallurgy to indicate the proportion of valuable material obtained in the processing of an ore. It is generally stated as a percentage of valuable metal in the ore that is recovered compared to the total valuable metal present in the ore.

run-of-mine
Said of ore in its natural, unprocessed state; pertaining to ore just as it is mined.

reusable pad ore
Ore which is processed on a reusable pad. The reusable pad is an area where heap leaching takes place on ore material temporarily placed onto it. Upon completion of leaching, the ore is removed from the pad and sent to disposal. New material is then applied.

sample
A small portion of rock or a mineral deposit, taken so that the metal content can be determined by assaying.

sanidine
A monoclinic mineral, (K,Na)AlSi3O8; feldspar group; forms a series with albite; prismatic cleavage; colorless; forms phenocrysts in felsic volcanic rocks.

schist
A foliated metamorphic rock the grains of which have a roughly parallel arrangement; generally developed by shearing.

sedimentary rocks
Secondary rocks formed from material derived from other rocks and laid down under water. Examples are limestone, shale and sandstone.

semi-autogenous (SAG) mill
A steel cylinder with steel balls into which run-of-mine material is fed. The ore is ground in the action of large lumps of rock and steel balls.

sericite
A white, fine-grained potassium mica occurring in small scales as an alteration product of various aluminosilicate minerals, having a silky luster, and found in various metamorphic rocks (especially in schists and phyllites) or in the wall rocks, fault gouge, and vein fillings of many ore deposits. It is commonly muscovite or very close to muscovite in composition, but may also include paragonite and illite.

shear zone
A geological term to describe a geological area in which shearing has occurred on a large scale.

silica
The chemically resistant dioxide of silicon, SiO2; occurs naturally as five crystalline polymorphs: trigonal and hexagonal quartz, orthorhombic and hexagonal tridymite, tetragonal and isometric cristobalite, monoclinic coesite, and tetragonal stishovite. Also occurs as cryptocrystalline chalcedony, hydrated opal, the glass lechatelierite, skeletal material in diatoms and other living organisms, and fossil skeletal material in diatomite and other siliceous accumulations. Also occurs with other chemical elements in silicate minerals.

silt
Material passing the No. 200 U.S. standard sieve that is nonplastic or very slightly plastic and that exhibits little or no strength when air-dried. Material composes of fine rock components.

skip
1. A guided steel hoppit, usually rectangular, with a capacity up to 50 st (45.4 t), which is used in vertical or inclined shafts for hoisting coal or minerals. It can also be adapted for personnel riding. 2. A large hoisting bucket, constructed of boiler plate that slides between guides in a shaft, the bail usually connecting at or near the bottom of the bucket so that it may be automatically dumped at the surface. 3. An open iron vehicle or car on four wheels, running on rails and used esp. on inclines or in inclined shafts. 4. A truck used in a mine. 5. A small car that conveys the charge to the top of a blast furnace.

slurry
Fine rock particles are suspended in a stream of water.

sphalerite
A zinc mineral, which is composed of zinc and sulphur. It has a specific gravity of 3.9 to 4.1.

stibnite
A mineral composed of antimony and sulphur often associated with other sulphides.

stock
A magma that has intruded into preexisting rock in a columnar shape typically a kilometre or more in diameter.

stockpile
Broken ore heaped on surface, pending treatment or shipment.

stockwork
A mineral deposit consisting of a three-dimensional network of planar to irregular veinlets closely enough spaced that the whole mass can be mined.

sympathetic faulting
A minor fault that has the same orientation as the major fault or some such structure with which it is associated.

syncline
A fold in rocks in which the strata dip inward from both sides toward the axis.

tailings
The material that remains after all metals considered economic have been removed from ore during milling.

tennantite
An isometric mineral, (Cu,Fe)12As4S13; tetrahedrite group; forms a series with tetrahedrite; may contain zinc, silver, or cobalt replacing copper; in veins; an important source of copper.

terrane
Area of land of a particular character, *e.g.,* mountainous, swampy.

tetrahedrite
1. An isometric mineral, (Cu,Fe)12Sb4S13, having copper replaced by zinc, lead, mercury, cobalt, nickel, or silver; forms a series with tennantite and freibergite; metallic; crystallizes tetrahedra; occurs in hydrothermal veins and contact metamorphic deposits; a source of copper and other metals. 2. The mineral group freibergite, giraudite, goldfieldite, hakite, tennantite, and tetrahedrite.

tourmaline
1. Any member of the trigonal mineral group, XY3Z6(BO3)3Si6O18(OH,F)4where X is Na partially replaced by Ca, K, Mg, or a vacancy, Y is Mg, Fe2+, Li, or Al, and Z is Al and Fe3+; forms prisms of three, six, or nine sides; commonly vertically striated; varicolored; an accessory in granite pegmatites, felsic igneous rocks, and metamorphic rocks. Transparent and flawless crystals may be cut for gems. 2. The mineral group buergerite, dravite, elbaite, ferridravite, liddicoatite, schorl, and uvite.

triassic
Belonging to the geolic time, system of rocks or sedimentary deposits of the first period of the Mesozoic Era, characterized by the diversification of land life, the rise of dinosaurs and the appearance of the earliest mammals.

tuff
Rock composed of fine volcanic ash.

ultramafic
Also called ultrabasic. Characterizes rocks containing less than 45% silica; containing virtually no quartz or feldspar. They are essentially composed of iron and magnesium-rich minerals, metallic oxides and sulfides, and native metals.

unconformity
A surface between successive strata representing a missing interval in the geologic record of time, and produced either by an interruption in deposition or by the erosion of depositionally continuous strata followed by renewed deposition.

vein
A fissure, fault or crack in a rock filled by minerals that have traveled upwards from some deep source.

volcanics
A general collective term for extrusive igneous and pyroclastic material and rocks.

zone
An area of distinct mineralization.

SCHEDULE "A"

KINROSS GOLD CORPORATION
("KINROSS")

CHARTER OF THE
AUDIT COMMITTEE

I. Purpose

The Audit Committee shall provide assistance to the Board of Directors in fulfilling its financial reporting and control responsibilities to the shareholders of Kinross and the investment community. The Audit Committee's primary duties and responsibilities are to:

- Oversee (i) the integrity of Kinross' financial statements; (ii) Kinross' compliance with legal and regulatory requirements regarding financial disclosure; (iii) the independent auditors' qualifications and independence; and (iv) the performance of Kinross' internal audit function.

- Serve as an independent and objective party to monitor Kinross' financial reporting processes and internal control systems.

- Review and appraise the audit activities of Kinross' independent auditors and the internal auditing functions.

- Annually evaluate the performance of the Audit Committee in light of the requirements of its Charter.

- Provide open lines of communication among the independent auditors, financial and senior management, and the Board of Directors for financial reporting and control matters. The Audit Committee will meet, periodically, with management, with the members of the internal audit function and with the independent auditors.

II. Composition

The Audit Committee shall be comprised of at least three directors. Each Committee member shall be an "independent director" in accordance with applicable legal requirements, including currently the requirements of Multilateral Instrument 52-110 and the Corporate Governance Rules of the New York Stock Exchange ("NYSE Rules"), which are reproduced in Schedule "A" attached hereto.

All members shall, to the satisfaction of the Board of Directors, be "financially literate", and at least one member shall have accounting or related financial management expertise to qualify as a "financial expert" in accordance with applicable legal requirements, including currently the requirements of Multilateral Instrument 52-110, the rules adopted by the United States Securities and Exchange Commission and the NYSE Rules reproduced in Schedule "A" attached hereto.

As the rules set out in Schedule "I" may be revised, updated or replaced from time to time, the Audit Committee shall ensure that such schedule is up-dated accordingly when required.

No director may serve as a member of the Committee if such director serves on the audit committee of more than two other public companies unless the Board of Directors determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee, and this determination is disclosed in the annual management information circular.

The Committee members will be elected annually at the first meeting of the Board of Directors following the annual general meeting of shareholders.

III. Responsibilities and Powers

Responsibilities and powers of the Audit Committee include:

- Annual review and revision of this Charter as necessary with the approval of the Board of Directors.

- Subject to the powers of the Board of Directors and the shareholders under Kinross' articles, by-laws and under the *Business Corporations Act* (Ontario), the Audit Committee is responsible for the selection, appointment, oversight, evaluation, compensation, retention and, if necessary, the replacement of the independent auditors who prepare or issue an auditors' report or perform other audit, review or attest services for Kinross.

- Approving the appropriate audit engagement fees and the funding for payment of the independent auditors' compensation and any advisors retained by the Audit Committee.

- Ensuring that the auditors report directly to the Audit Committee and are made accountable to the Board and the Audit Committee, as representatives of the shareholders to whom the auditors are ultimately responsible.

- Confirming the independence of the auditors, which will require receipt from the auditors of a formal written statement delineating all relationships between the auditors and Kinross and any other factors that might affect the independence of the auditors and reviewing and discussing with the auditors any significant relationships and other factors identified in the statement. Reporting to the Board of Directors its conclusions on the independence of the auditors and the basis for these conclusions.

- Ensuring that the independent auditors are prohibited from providing the following non-audit services and determining which other non-audit services the independent auditors are prohibited from providing:

  - bookkeeping or other services related to the accounting records or financial statements of Kinross;

  - financial information systems design and implementation;

  - appraisal or valuation services, fairness opinions, or contribution-in-kind reports;

  - actuarial services;

  - internal audit outsourcing services;

  - management functions or human resources;

  - broker or dealer, investment adviser or investment banking services;

  - legal services and expert services unrelated to the audit; and

  - any other services which the Public Company Accounting Oversight Board determines to be impermissible.

¨ Approving any permissible non-audit engagements of the independent auditors in accordance with applicable laws.

¨ Obtaining from the independent auditors in connection with any audit a timely report relating to the Kinross' annual audited financial statements describing all critical accounting policies and practices used, all alternative treatments within generally accepted accounting principles for policies and practices related to material items that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors, and any material written communications between the independent auditors and management, such as any "management" letter or schedule of unadjusted differences.

¨ Meeting with the auditors and financial management of Kinross to review the scope of the proposed audit for the current year, and the audit procedures to be used.

¨ Reviewing with management and the independent auditors:

- Kinross' annual and interim financial statements and related footnotes, management's discussion and analysis, earnings releases and the annual information form, for the purpose of recommending approval by the Board of Directors prior to being released or filed with regulators, and ensuring that:

  º management has reviewed the financial statements with the audit committee, including significant judgments affecting the financial statements

  º the members of the Committee have discussed among themselves, without management or the independent auditors present, the information disclosed to the Committee

  º the Committee has received the assurance of both financial management and the independent auditors that Kinross' financial statements are fairly presented in conformity with Canadian GAAP in all material respects

- Any significant changes required in the independent auditors' audit plan and any serious issues with management regarding the audit.

- Other matters related to the conduct of the audit that are to be communicated to the Committee under generally accepted auditing standards.

¨ With respect to the internal auditing department,

(i) to review the appointment and replacement of the director of the internal auditing department; and

(ii) to advise the director of the internal auditing department that he or she is expected to provide to the Audit Committee copies of significant reports to management prepared by the internal auditing department and management's responses thereto.

¨ With respect to accounting principles and policies, financial reporting and internal audit control over financial reporting,

(i) to advise management, the internal auditing department and the independent auditors that they are expected to provide to the Audit Committee a timely analysis of significant issues and practices relating to accounting principles and policies, financial reporting and internal control over financial reporting;

(ii) to consider any reports or communications (and management's and/or the internal audit department's responses thereto) submitted to the Audit Committee by the independent auditors required by or referred to in SAS 61 (as codified by AU Section 380), as it may be modified or supplemented or other professional standards, including reports and communications related to:

- deficiencies, including significant deficiencies or material weaknesses, in internal control identified during the audit or other matters relating to internal control over financial reporting;
- consideration of fraud in a financial statement audit;
- detection of illegal acts;
- the independent auditors' responsibility under generally accepted auditing standards;
- any restriction on audit scope;
- significant accounting policies;
- significant issues discussed with the national office respecting auditing or accounting issues presented by the engagement;
- management judgments and accounting estimates;
- any accounting adjustments arising from the audit that were noted or proposed by the auditors but were passed (as immaterial or otherwise);
- the responsibility of the independent auditors for other information in documents containing audited financial statements;
- disagreements with management;
- consultation by management with other accountants;
- major issues discussed with management prior to retention of the independent auditors;
- difficulties encountered with management in performing the audit;
- the independent auditors' judgments about the quality of the entity's accounting principles;
- reviews of interim financial information conducted by the independent auditors; and
- the responsibilities, budget and staffing of the Company's internal audit function.

¨ Satisfying itself that adequate procedures are in place for the review of Kinross' public disclosure of financial information extracted or derived from Kinross' financial statements, other than the public disclosure described in the preceding paragraph, and assessing the adequacy of such procedures periodically.

¨ Reviewing with the independent auditors and management the adequacy and effectiveness of the financial and accounting controls of Kinross.

- Establishing procedures: (i) for receiving, handling and retaining of complaints received by Kinross regarding accounting, internal controls, or auditing matters, and (ii) for employees to submit confidential anonymous concerns regarding questionable accounting or auditing matters.

- Reviewing with the independent auditors any audit problems or difficulties and management's response and resolving disagreements between management and the auditors.

- Making inquires of management and the independent auditors to identify significant, financial and control risks and exposures and assess the steps management has taken to minimize such risk to Kinross.

- Assessing the overall process for identifying principal financial and control risks and providing its views on the effectiveness of this process to the Board.

- Reviewing of confirmation of compliance with Kinross' policies on internal controls.

- Discussing any earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies.

- At least annually obtaining and reviewing a report prepared by the independent auditors describing (i) the auditors' internal quality-control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the auditors, or by any inquiry of investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditors, and any steps taken to deal with any such issues; and (iii) (to assess the auditors' independence) all relationships between the independent auditors and Kinross, including each non-audit service provided to the Company and at least the matters set forth in Independent Standards Board No.1.

- Setting clear hiring policies for partners, employees or former partners and former employees of the independent auditors.

- Engaging and compensating (for which Kinross will provide appropriate funding) independent counsel and other advisors if the Committee determines such advisors are necessary to assist the Committee in carrying out its duties.

- Reporting annually to the shareholders in Kinross' Management Information Circular prepared for the annual and general meeting of shareholders on the carrying out of its responsibilities under this charter and on other matters as required by applicable securities regulatory authorities.

IV. Meetings and Other Matters

The Audit Committee will meet regularly at times necessary to perform the duties described above in a timely manner, but not less than four times a year. Meetings may be held at any time deemed appropriate by the Committee.

The Audit Committee will meet periodically with representatives of the independent auditors, appropriate members of management and personnel responsible for the internal audit function, all either individually or collectively as may be required by the Committee.

The independent auditors will have direct access to the Committee at their own initiative.

The Chairman of the Committee will report periodically the Committee's findings and recommendations to the Board of Directors.

The Audit Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special or independent counsel, accountants or other experts and advisors, as it deems necessary or appropriate, without seeking approval of the Board or management.

Kinross shall provide for appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the Board, for payment of:

1. Compensation to the independent auditors and any other public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Company;

2. Compensation of any advisers employed by the Audit Committee; and

3. Ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

Schedule "I"

Independence Requirement of Multilateral Instrument 52-110

A member of the Audit Committee shall be considered "independent", in accordance with *Multilateral Instrument 52-110 - Audit Committees* ("MI 52-110"), subject to the additional requirements or exceptions provided in MI 52-110, if that member has no direct or indirect relationship with the Company, which could reasonably interfere with the exercise of the member's independent judgment. The following persons are considered to have a material relationship with the Company and, as such, can not be a member of the Audit Committee:

(a) an individual who is, or has been within the last three years, an employee or executive officer of the Company;

(b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the Company;

(c) an individual who:

(i) is a partner of a firm that is the Company's internal or external auditor;

(ii) is an employee of that firm; or

(iii) was within the last three years a partner or employee of that firm and personally worked on the Company's audit within that time;

(d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:

(i) is a partner of a firm that is the Company's internal or external auditor;

(ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or

(iii) was within the last three years a partner or employee of that firm and personally worked on the Company's audit within that time;

(e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the Company's current executive officers serves or served at the same time on the entity's compensation committee; and

(f) an individual who received, or whose immediate family member who is employed as an executive officer of the Company received, more than $75,000 in direct compensation from the Company during any 12 month period within the last three years, other than as remuneration for acting in his or her capacity as a member of the Board of Directors or any Board committee, or the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service for the Company if the compensation is not contingent in any way on continued service.

In addition to the independence criteria discussed above, any individual who:

(a) has a relationship with the Company pursuant to which the individual may accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any subsidiary entity of the Company, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee; or as a part-time chair or vice-chair of the board or any board or committee, or

(b) is an affiliated entity of the Company or any of its subsidiary entities,

is deemed to have a material relationship with the Company, and therefore, is deemed not to be independent.

The indirect acceptance by an individual of any consulting, advisory or other fee includes acceptance of a fee by:

(a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or

(b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the Company or any subsidiary entity of the Company.

Independence Requirement of NYSE Rules

A director shall be considered "independent" in accordance with NYSE Rules if that director has no material relationship with the Company that may interfere with the exercise of his/her independence from management and the Company.

In addition:

(a) A director who is an employee, or whose immediate family member is an executive officer, of the Company is not independent until three years after the end of such employment relationships.

(b) A director who receives, or whose immediate family member receives, more than $100,000 per year in direct compensation from the Company, other than director or committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service), is not independent until three years after he or she ceases to receive more than $100,000 per year in such compensation.

(c) A director who is affiliated with or employed by, or whose immediate family member is affiliated with or employed in a professional capacity by, a present or former internal or external auditor of the Company is not "independent" until three years after the end of the affiliation or the employment or auditing relationship.

(d) A director who is employed, or whose immediate family member is employed, as an executive officer of another company where any of the Company's present executives serve on that company's compensation committee is not "independent" until three years after the end of such service or the employment relationship.

(e) A director who is an executive officer or an employee, or whose immediate family member is an executive officer, of a company that makes payments to, or receives payments from, the Company for property or services in an amount which, in any single fiscal year, exceeds the greater of $1 million, or 2% of such other company's consolidated gross revenues, is not "independent" until three years after falling below such threshold.

A member of the Audit Committee must also satisfy the independence requirements of Rule 10A-3(b)(1) adopted under the *Securities Exchange Act of 1934* as set out below:

In order to be considered to be independent, a member of an audit committee of a listed issuer that is not an investment company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee:

(a) Accept directly or indirectly any consulting, advisory, or other compensatory fee from the issuer or any subsidiary thereof, provided that, unless the rules of the national securities exchange or national securities association provide otherwise, compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the listed issuer (provided that such compensation is not contingent in any way on continued service); or

(b) Be an affiliated person of the issuer or any subsidiary thereof.

An “affiliated person” means a person who directly or indirectly controls Kinross, or a director, executive officer, partner, member, principal or designee of an entity that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, Kinross.

Financial Literacy Under Multilateral Instrument 52-110

“Financially literate”, in accordance with MI 52-110, means that the director has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

Financial Expert under SEC Rules

An audit committee financial expert is defined as a person who has the following attributes:

(a) an understanding of generally accepted accounting principles and financial statements;

(b) the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;

(c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues which are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the registrant’s financial statements, or experience actively supervising one or more persons engaged in such activities;

(d) an understanding of internal controls and procedures for financial reporting; and

(e) an understanding of audit committee functions.

An individual will be required to possess all of the attributes listed in the above definition to qualify as an audit committee financial expert and must have acquired such attributes through one or more of the following means:

(a) education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor, or experience in one or more positions that involve the performance of similar function;

(b) experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions;

(c) experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or

(d) other relevant experience.

EXHIBIT 99.2

Management's Discussion and Analysis
for the year ended December 31, 2006

This management's discussion and analysis ("MD&A") relates to the financial condition and results of operations of Kinross Gold Corporation together with its wholly owned subsidiaries as of March 23, 2007, and is intended to supplement and complement Kinross Gold Corporation's audited consolidated financial statements for the year ended December 31, 2006 and the notes thereto. Readers are cautioned that the MD&A contains forward-looking statements and that actual events may vary from management's expectations. Readers are encouraged to consult Kinross Gold Corporation's audited consolidated financial statements and corresponding notes to the financial statements which are available on the Company's website www.kinross.com and on www.sedar.com. The consolidated financial statements and MD&A are presented in U.S. dollars and have been prepared in accordance with Canadian generally accepted accounting principles ("CDN GAAP"). This discussion addresses matters we consider important for an understanding of our financial condition and results of operations as of and for the year ended December 31, 2006, as well as our outlook.

This section contains forward-looking statements and should be read in conjunction with the risk factors described in "Risk Analysis". In certain instances, references are made to relevant notes in the consolidated financial statements for additional information.

Where we say "we", "us", "our", the "Company" or "Kinross", we mean Kinross Gold Corporation or Kinross Gold Corporation and it subsidiaries, as it may apply. Where we refer to the "industry", we mean the gold mining industry.

1. Description of the Business

Kinross Gold Corporation is engaged in gold mining and related activities, including exploration and acquisition of gold-bearing properties, extraction, processing and reclamation. Kinross' gold production and exploration activities are carried out principally in the United States, Canada, Brazil, Chile and Russia. Gold is produced in the form of doré, which is shipped to refineries for final processing. Kinross also produces and sells a limited quantity of silver.

The profitability and operating cash flow of Kinross is affected by various factors, including the amount of gold and silver produced, the market prices of gold and silver, operating costs, interest rates, regulatory and environmental compliance, the level of exploration and capital expenditures, general and administrative costs, and other discretionary costs. Kinross is also exposed to fluctuations in foreign currency exchange rates and varying levels of taxation that can impact profitability and cash flow. The Company seeks to manage the risks associated with its business operations, however, many of the factors affecting these risks are beyond the Company's control.

Segment Profile

Each of the Company's significant operating mines are considered separate segments. These are the segments that are reviewed and measured by the Chief Executive Officer as they are financially and operationally significant operations of Kinross. Other operations include those properties that no longer have significant production or are development stage properties. Properties that are shut down and are in care and maintenance or are in reclamation phase, and non-mining operations and other operations are included in corporate and other.

			Ownership percentage		
			2006	2005	2004
Operating Segments	**Operator**	**Location**			
Fort Knox	Kinross	U.S.A.	100%	100%	100%
Round Mountain	Kinross	U.S.A.	50%	50%	50%
La Coipa	Goldcorp	Chile	50%	50%	50%
Crixás	AngloGold Ashanti	Brazil	50%	50%	50%
Paracatu [(a)]	Kinross	Brazil	100%	100%	49%
Musselwhite	Goldcorp	Canada	32%	32%	32%
Porcupine Joint Venture	Goldcorp	Canada	49%	49%	49%
Refugio	Kinross	Chile	50%	50%	50%
Kettle River	Kinross	U.S.A.	100%	100%	100%
Other operations [(b)]	Kinross	Various	Various	Various	Various
Corporate and other		Various	Various	Various	Various

(a) Acquisition of the remaining 51% interest in Paracatu was completed on December 31, 2004. Consequently, operating results for the year ending December 31, 2004 only include the Company's 49% proportionate share of Paracatu.

(b) Other operations include Gurupi and Kubaka.

Consolidated Financial and Operating Highlights

	Years ended December 31,			Change	
(dollars in millions, except per share amounts)	**2006**	2005	2004	**06 vs 05**	05 vs 04
Gold equivalent ounces [(a)] - produced	**1,476,329**	1,608,805	1,653,784	(8%)	(3%)
Gold equivalent ounces [(a)] - sold	**1,510,836**	1,627,675	1,654,617	(7%)	(2%)
Gold ounces - sold	**1,416,797**	1,575,267	1,585,109	(10%)	(1%)
Metal sales	**$ 905.6**	$ 725.5	$ 666.8	25%	9%
Cost of sales (excludes accretion and reclamation expense, depreciation, depletion and amortization	**$ 481.7**	$ 448.1	$ 402.4	7%	11%
Accretion and reclamation expenses	**$ 33.5**	$ 56.0	$ 21.4	(40%)	162%
Depreciation, depletion and amortization	**$ 108.3**	$ 167.7	$ 170.1	(35%)	(1%)
Impairment	**$ 10.5**	$ 184.7	$ 59.9	(94%)	208%
Operating earnings (loss)	**$ 201.5**	$ (211.2)	$ (67.9)	195%	(211%)
Net earnings (loss)	**$ 165.8**	$ (216.0)	$ (63.1)	177%	(242%)
Basic and diluted earnings (loss) per share	**$ 0.47**	$ (0.63)	$ (0.18)	175%	(250%)
Cash flow from operating activities	**$ 292.0**	$ 133.7	$ 161.2	118%	(17%)
Average realized gold price ($/ounce)	**$ 598**	$ 445	$ 404	34%	10%
Cost of sales per ounce sold	**$ 319**	$ 275	$ 243	16%	13%

(a) Gold equivalent ounces include silver ounces produced and sold converted to gold based on the ratio of the average spot market prices for the commodities for each year. The ratios were 2006-52.28:1, 2005-60.79:1 and 2004-61.46:1.

Consolidated Financial Performance

Kinross recorded earnings of $165.8 million, or $0.47 per share, for the twelve months ended December 31, 2006, compared with a loss of $216.0 million, or $0.63 per share, in 2005 and a loss of $63.1 million, or $0.18 per share, in 2004. Financial results for 2006 reflect higher prices for gold and silver, with the average realized gold price in 2006 of $598 per ounce, 34% higher than that which was realized in 2005. Although quantities of gold equivalent ounces sold were down to 1,510,836 ounces from 2005 and 2004 levels of 1,627,675 ounces and 1,654,617 ounces, respectively, operating earnings rose to $201.5 million. This compares to losses of $211.2 million and $67.9 million in 2005 and 2004, respectively.

Cost of sales increased 7% even though the quantity of gold equivalent ounces sold was down 7% from 2005 level. Kinross, along with the rest of the industry, continues to experience increases in the costs for power, fuel, labour and consumables. Costs at the Company's mines located outside the United States were also higher due to the effects of the weakening U.S. dollar. General and administrative expenses increased to $52.1 million, from $45.3 million in 2005 and $36.4 million in 2004. Increases in stock-based compensation, higher costs associated with new hires and the effects of a strong Canadian dollar compared to the U.S. dollar all contributed to these cost increases. Accretion and reclamation expense decreased to $33.5 million in 2006, from $56.0 million in 2005, which was an increase from $21.4 million in 2004. The reclamation expense in 2006 was significantly impacted by a charge of $21.2 million for changes in estimates for reclamation, largely on properties no longer in production. This is in comparison to 2005 when expenses of $46.0 million were recorded in respect of similar issues.

When compared to 2005 results, 2006 earnings improved as a result of impairment charges taken in 2005. and a higher realized gold price. Impairment charges of $10.5 million in 2006 resulted from a write-down of long-term investments. Lower cost bases resulting from the 2005 impairment charges resulted in lower depreciation, depletion and amortization charges in 2006. 2005 results were negatively impacted by total impairment charges of $184.7 million, which included a charge relating to the Fort Knox mine of $141.8 million. The 2005 Fort Knox impairment resulted from a strategic review of the operation in which reserves at the True North and Gil deposits were reclassified to resources, the Company decided to withdraw from the Ryan Lode project and changes were made to the design of the mine pit.

The same impairment testing methodology was used in 2006, 2005 and 2004, using nominal prices and cost assumptions which included the impact of inflation and currency exchange rates. Gold price assumptions were based on gold price forecasts provided by an independent research firm as well as other external market data.

During 2006, cash flows from operations more than doubled to $292.0 million from $133.7 million in 2005. Higher gold prices were the primary driver behind the increase in cash flows in 2006 when gold prices reached a high, exceeding $725 per ounce. Cash flow increases were partially offset by increases in operating costs, primarily for energy, fuel, labour and consumables. The 17% decrease in operating cash flow from $161.2 million in 2004 to $133.7 million in 2005 was the result of higher operating costs and changes in working capital requirements, partially offset by higher gold prices.

Kinross has continued to pursue a strategy of growing core assets and shedding non-core assets. In 2006, this strategy resulted in the acquisition of Crown Resources Corporation, owner of the Kettle River - Buckhorn Property in Washington State, United States, near the Company's Kettle River mill. This follows the acquisition in 2004 of the remaining 51% of the Paracatu mine in Brazil, where Kinross held a 49% ownership interest.

Non-core assets that were disposed of in 2006 included the New Britannia Mine, Blanket Mine, Aquarius and George/Goose Lake properties. The Company also entered into an agreement to sell Lupin, which was finalized in 2007.

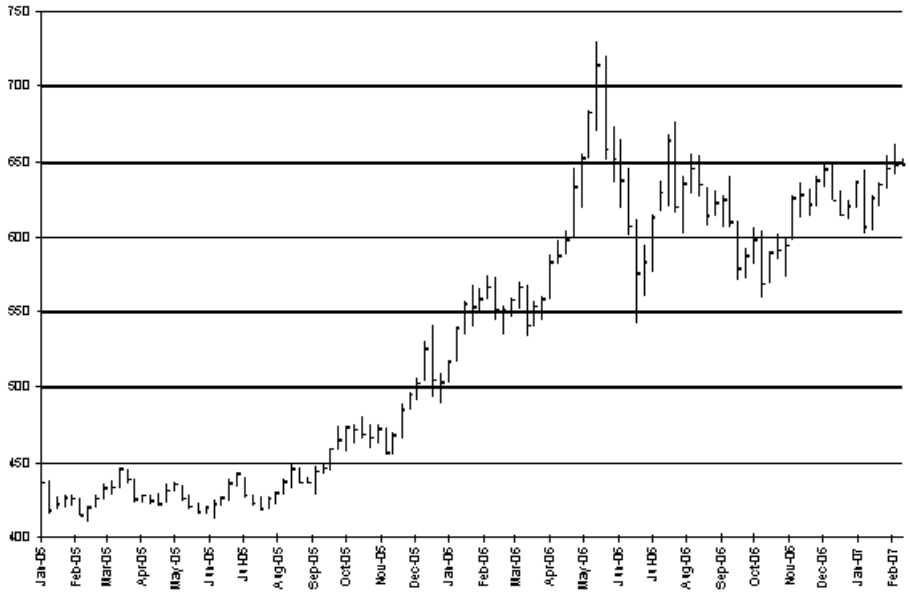
Cash used on additions to property, plant and equipment was $202.9 million in 2006, $142.4 million in 2005 and $169.5 million in 2004, reflecting expansion of operations at Paracatu, Round Mountain, Fort Knox, Refugio, Porcupine Joint Venture and Kettle River. Expenditures on property, plant and equipment were financed largely with cash provided by operating activities and existing cash balances. Cash and cash equivalents increased to $154.1 million at December 31, 2006, up from $97.6 million at December 31, 2005 and $47.9 million at December 31, 2004. During 2006, long-term debt decreased to $89.9 million at December 31, 2006 from the December 31, 2005 balance of $159.3 million.

Reserves

Kinross' Proven and Probable Reserves increased to 27.9 million ounces of gold, compared with 24.7 million at the end of 2005. This 13% increase is net of 1.6 million contained gold ounces depleted through mining. The reserve additions of 4.8 million ounces were the result of successful exploration efforts at Refugio, engineering design changes at Paracatu and Fort Knox, and the addition of the Buckhorn Property at Kettle River. A higher gold price assumption also had a positive impact on the reserve calculations. Reserves at December 31, 2006, were estimated based on a gold price of $475 per ounce, versus $400 per ounce at December 31, 2005.[1]

2. Impact of Key Economic Trends

Price of Gold - Two Year Price Performance



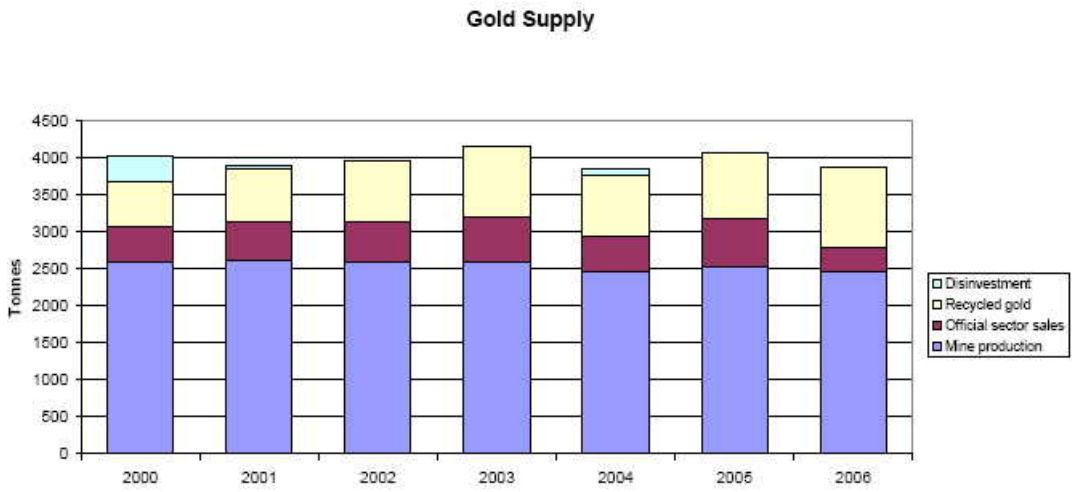
Source: Reuters

The price of gold is the largest single factor in determining profitability and cash flow from operations, therefore, the financial performance of the Company has been, and is expected to continue to be, closely linked to the price of gold. Historically, the price of gold has been subject to volatile price movements over short periods of time and is affected by numerous macroeconomic and industry factors that are beyond the Company's control. Major influences on the gold price include currency exchange rate fluctuations and the relative strength of the U.S. dollar, the supply of and demand for gold and macroeconomic factors such as the level of interest rates and inflation expectations. During 2006, the price of gold hit a high of approximately $725 per ounce. The average realized price for the year was $598 per ounce, a 34% increase over the 2005 average price of $445 per ounce. The major influences on the gold price during 2006 were increased investment demand, further producer de-hedging, a weaker U.S. dollar, a decrease in Central Bank selling activity, and lower supply from gold mines.

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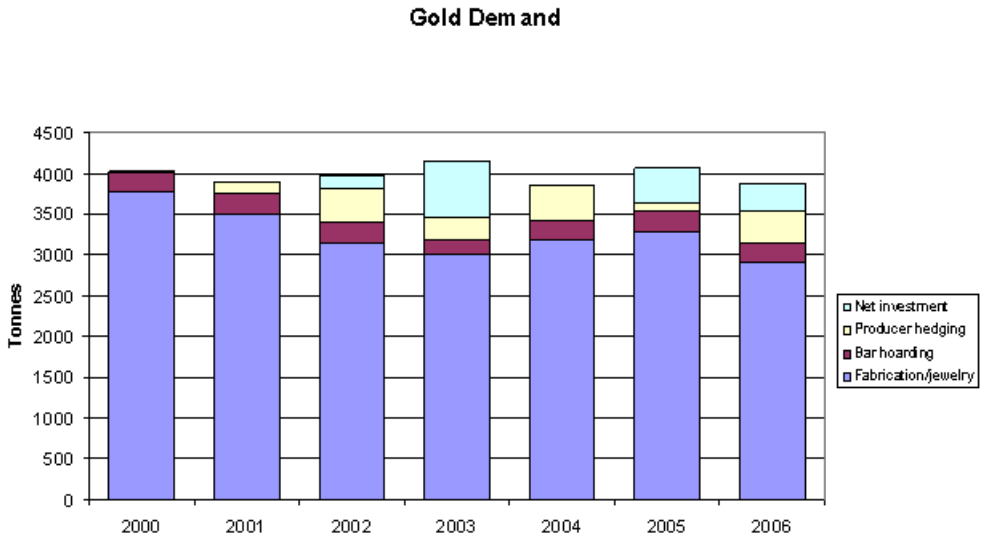
1 *For details concerning mineral reserve and mineral resource estimates refer to the Mineral Reserves and Mineral Resources tables and notes in the Company's Annual Information Form.*

Gold Supply and Demand Fundamentals



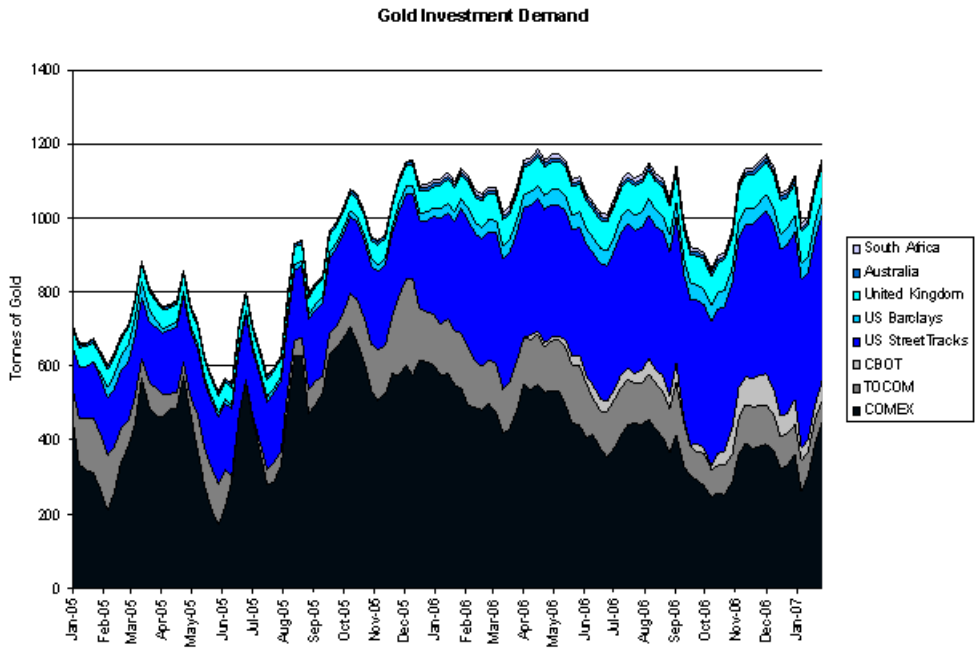
Source: GFMS 2006 Gold Survey

Global gold mine production in 2006 decreased 2.2% from 2005 production which is also lower than production in the 2000 through 2003 period. Mine supply is not predicted to increase in the near future. Central banks net sales of gold declined by almost 50% compared to the previous year, marking a change in sentiment at official institutions concerning gold. Recycled gold helped to fill the supply gap and increased roughly 20% from 2005 levels.



Source: GFMS 2006 Gold Survey

With the rising price of gold, fabrication and jewelry demand decreased by 11%. Investment demand was strong with over 300 tonnes purchased during the year. A new Exchange Trade Fund ("ETF"), was introduced in 2004, which enables investors to purchase 1/10 th of an ounce of gold and trades on the New York Stock Exchange. From initial demand of about 100 tonnes of gold in early 2005, the ETF now has over 450 tonnes of gold investment demand. Gold ETF's are marketed in the United States, Australia, United Kingdom, and South Africa. The U.S. streetTRACKS ETF is by far the most popular vehicle. Other sources of investment demand for gold include futures exchanges such as COMEX in the U.S. and TOCOM in Japan. Producer de-hedging also contributed to demand as gold hedging programs continued their decline.



Source: Mitsui and Co., USA

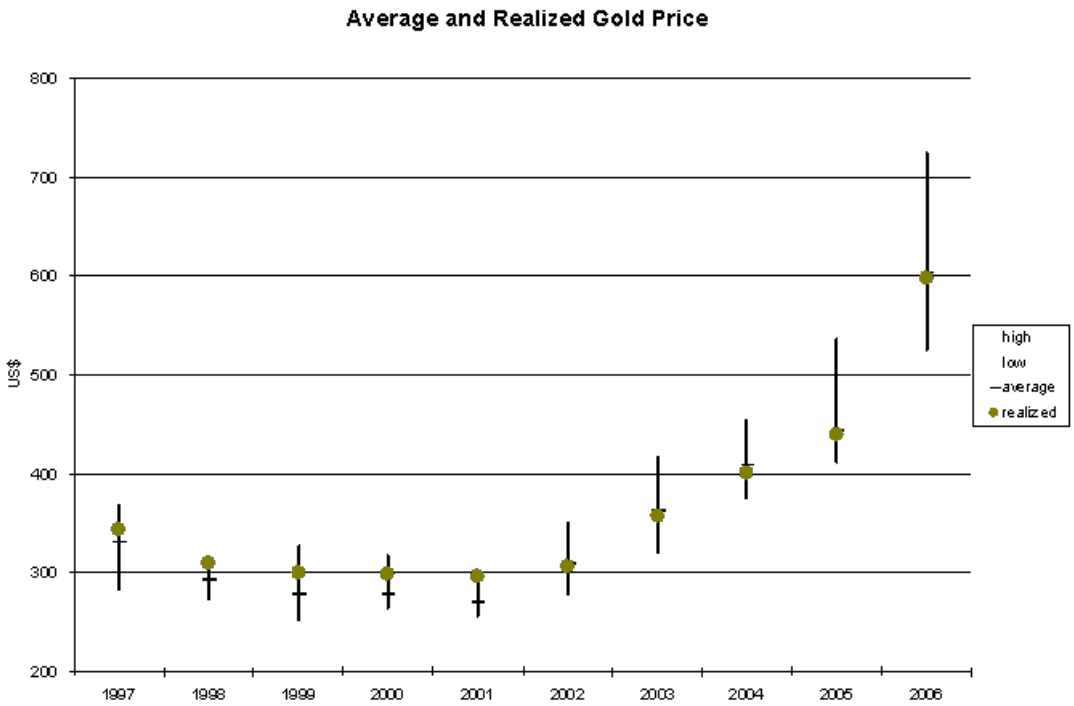
The Company generally has a "no gold hedge" policy. However, the Company may acquire gold and /or silver hedge or derivative product obligations as a result of an acquisition. A hedge program can protect the Company against future declines in price and can prevent the Company from benefiting from future price increases.

As a result of the acquisition of Bema, the Company acquired a portfolio of hedge contracts for gold and silver related to the Kupol pre-existing project financing. Otherwise, Kinross is not actively engaged in hedging its exposure to prices for gold or silver.

Kinross realized slightly lower than the average market prices for gold from 2002 through 2006, as ounces necessary to satisfy gold hedge contracts at prices that were lower than average market prices were delivered into and recognized in revenue as the existing hedge contracts were closed out.

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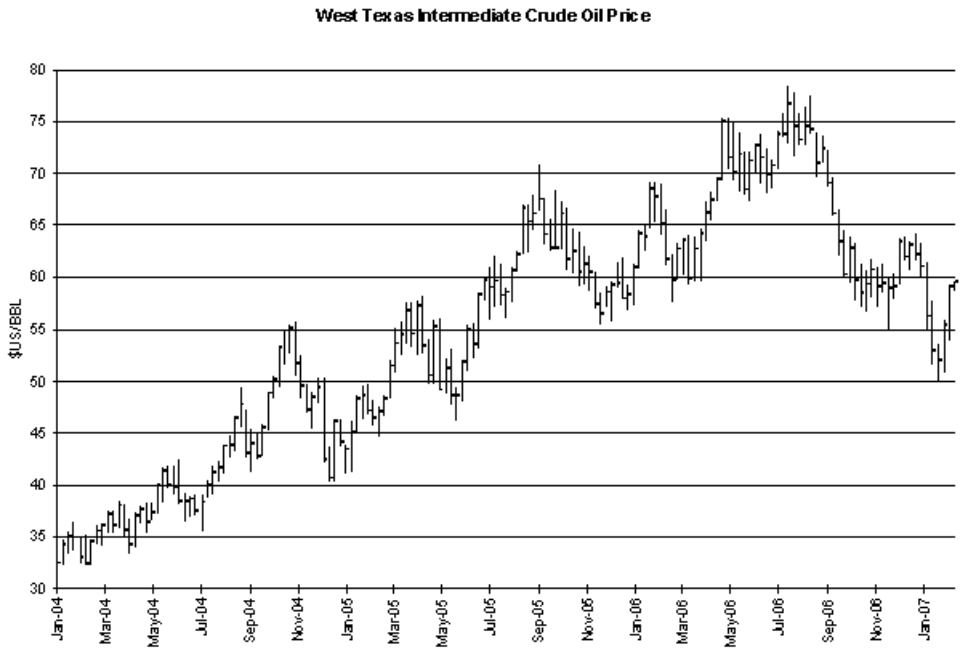
(2) The use of the words "hedge" or "hedging" throughtout the MD&A refers to an economic hedge, which is not necessarily a hedge from a financial statement perspective as defined in Accounting Guideline 13, "Hedging Relationships".



Source: London Bullion Marketing Association London PM Fix

Inflationary Cost Pressures

The Company's profitability has been negatively impacted by rising development and operating costs with respect to labour, energy and consumables in general. Since mining is generally an energy intensive activity, especially in open pit mining, energy prices can have a significant impact on operations. The cost of fuel as a percentage of operating costs varies amongst the Company's mines; however, all operations experienced higher fuel costs during 2006, largely attributable to a continuing rise in crude oil prices. Higher oil prices have translated into higher costs for petroleum based expenditures as well, including diesel fuel, lubricants, explosives, tires and transportation. Electricity prices have also increased in recent years as a result of increased demand and higher natural gas prices.

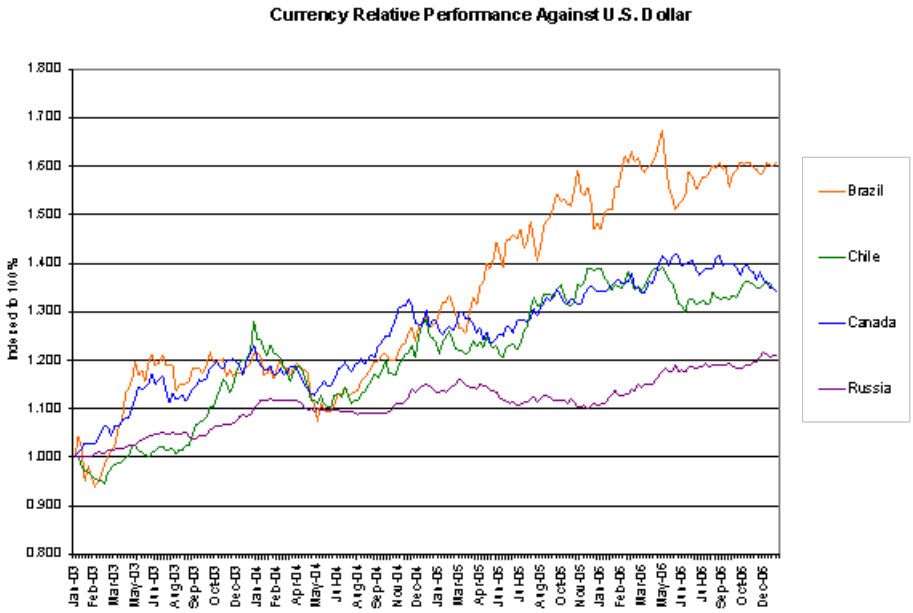


Source: Reuters

In order to mitigate the impact of higher consumable prices, the Company continues to focus on continuous improvement by extending the life of capital assets and promoting a more efficient use of materials and supplies in general.

Exploration, development and operating activities have grown substantially in the mining and resource industries due to the continued strengthening of the gold price and other commodity prices. This has led to higher labour costs due to increased competition for qualified personnel.

Currency Fluctuations



Source: Reuters

Changes in foreign exchange rates have an impact on the Company's operating costs and capital expenditures, affecting profitability and cash flow. For the Company's non-U.S. operations, which are located in Canada, Brazil, Chile and Russia, a portion of their operating costs and capital expenditures are denominated in the local currency. Since 2003, the currencies of the countries in which Kinross operates have strengthened against the U.S. dollar, as highlighted in the graph above. As those foreign currencies have risen, local costs incurred in those countries, when measured in U.S. dollars, have increased. As illustrated in the graph above, the Canadian dollar has appreciated by 34%, the Brazilian real by 61%, the Chilean peso by 34% and the Russian ruble by 21% since the beginning of 2003, as measured against the U.S. dollar. During 2006, the Canadian dollar, Brazilian real, Chilean peso and Russian ruble appreciated 6%, 11%, 5% and 4% respectively, against the U.S. dollar. Approximately 43% of the Company's expected production in 2007 is forecast to come from operations outside the U.S. and will continue to be exposed to foreign exchange rate movements. In order to manage this risk, the Company periodically uses currency hedges for certain foreign currency exposures.

3. 2007 Outlook

The following outlook relates to Kinross only. Production and cost outlook will be updated to include Bema at a subsequent date. Kinross expects to produce approximately 1.5 million gold equivalent ounces in 2007, substantially unchanged from 2006 levels. Decreases in production due to the cessation of mining activities at Kubaka and lower production at Round Mountain and Paracatu are offset by expected increases at Kettle River, La Coipa, Refugio, Porcupine Joint Venture and Musselwhite. Cost of sales are expected to be in the range of $320 to $330 per ounce sold, increasing over 2006 levels due to rising electricity, fuel and other commodity costs. The U.S. dollar continued to weaken against the Canadian dollar, Brazilian real and Chilean peso during 2006. As a result, 2007 operating results and capital expenditures in non-U.S. countries where the Company operates are expected to be negatively impacted.

In 2007, general and administrative expenses are expected to be approximately $48 million, a decline from 2006 levels. Reclamation expenditures in 2007 are expected to increase to approximately $29 million.

Exploration and business development expense is forecasted to be $44 million in 2007, an increase of $5 million over 2006 levels, as efforts continue to extend the mine life at the Company's core operations and look for new opportunities. Capital expenditures are expected to be approximately $450 million in 2007, for the expansion project at Paracatu, development of the Kettle River - Buckhorn Property, underground development at Musselwhite and expansion at La Coipa and Round Mountain.

Based on the average gold price to date in 2007, it is expected that the Company's existing cash balances, cash flow from operations and existing credit facilities will be sufficient to fund the exploration, capital and reclamation programs planned for 2007.

4. Strategy

Kinross continues to deliver according to the four point strategic plan laid out in 2005, aimed at maximizing net asset value and cash flow per share. The four points are growth from core assets; best people; building blocks for the future; and drive growth opportunities. In pursuing this plan, the Company has replaced Proven and Probable Reserves depleted through mining operations, such that as at December 31, 2006, the Company has gold reserves of 27.9 million ounces, an increase from 24.7 million ounces at December 31, 2005. This has been achieved through exploration efforts at existing properties and acquisition of new properties. With the management team in place, adherence to, and recognition of, high standards of environmental, health and safety, and a competitive human resources program, the Company created a work environment designed to attract and retain the best people. The Company continues to improve its technology and business systems, improve cost control and reporting systems and expand internal and external communications efforts. With increased cash flows and credit facilities, the Company has built a foundation on which to continue to deliver against the plan. Kinross' business development approach has seen the Company shed non-core assets and acquire properties strategic to its continued success.

The Company is positioned to continue to execute on its strategic plan. Newly acquired assets will be integrated into Kinross operations and the Company will continue to dispose of non-core assets. Exploration and development of Kinross' properties will continue throughout 2007 to add reserves and exploit the potential contained therein. Development projects continue in Brazil, Chile, Russia and the United States to ensure that potential from existing properties is maximized and long term growth is maintained.

With the management team now in place and systems continuing to be developed and improved, Kinross will build on this base to optimize shareholder value and ensure a high degree of corporate governance.

5. Developments

Acquisition of Bema Gold Corporation

On February 27, 2007, the Company finalized the acquisition of Bema after agreeing to waive the conditions related to classification of the land upon which the Kupol project in Russia is located and long term leases relating to this property as set out in the Purchase Agreement. Through the acquisition, Kinross now owns the remaining 50% interest in CMM, the company that owns the Refugio mine in Chile, that Kinross did not already own, a 75% interest in the Kupol mine project and a 90% interest in the Julietta mine, both of which are located in Eastern Russia. The properties will be included with Kinross' consolidated results commencing on the Acquisition Date. Also, included in the acquisition is a 49% interest in the Cerro Casale Deposit, an exploration property in Chile and an approximately 30% interest in Pamodzi Gold Limited, a public South African company that owns the Petrex mine.

Acquisition of Crown Resources Corporation

The Company completed the acquisition of Crown Resources Corporation ("Crown") on August 31, 2006, and with it acquired the Buckhorn Property in Washington State, U.S.A, which is near the Kettle River mill. Consideration consisted of 14.6 million common shares, plus the Company's previous ownership interests in Crown, consisting of 511,640 shares acquired in January 2004 and a $10.0 million convertible debenture issued in May 2005, plus accrued interest, and transaction costs for a total of $219.6 million. The purchase price has been allocated as follows:

Current assets	$ 0.1
Property, plant and equipment (net)	219.8
Other long-term assets	0.1
Current liabilities	(0.3)
Reclamation and remediation obligations	(0.1)
	$ 219.6

During 2006, the Company continued the process of disposing of non-core assets. The most significant transactions were:

New Britannia Mine

On December 22, 2006, Kinross sold its 50% interest in the New Britannia mine in Canada to Pegasus Mines Limited ("Pegasus") in exchange for a 19.9% interest in each of Pegasus' joint venture partners, Garson Resources Ltd. ("Garson") and Piper Capital Inc. ("Piper"). Fair value of consideration received was estimated to be CDN $5.1 million and a gain of $8.9 million was recorded on the sale. As part of the transaction, Pegasus replaced Kinross' environmental letter of credit of CDN $1.9 million with the Government of Manitoba and issued a CDN $3.9 million letter of credit to the Company in the event that the Government imposes any closure liability or obligation in respect of the New Britannia property onto Kinross. This letter of credit will be increased each anniversary date by an amount equal to the Consumer Price Index for the preceding 12 months. If the mine goes into production, the letter of credit will be returned to Pegasus by Kinross. In addition, the Company has retained a right to purchase 60% of the joint venture assets provided a feasibility study that identifies a deposit of at least 3.0 million ounces of gold reserves is completed by Pegasus.

Aquarius Property

In May 2006, the Company realized a gain of $0.1 million on the sale of the Aquarius property to St Andrew Goldfields ("St Andrew") in exchange for 100.0 million common shares and 25.0 million common share purchase warrants of St Andrew. In 2005, the property had been written down to approximate sale value.

Bolder Opportunity Limited Partnership

The Company recognized a gain of $1.6 million on the sale of its interest in Bolder Opportunity Limited Partnership on May 24, 2006.

Katanga

The Company received 5,751,500 shares of Katanga Mining Limited ("Katanga") in exchange for its 11.67% interest in Kinross Forrest Ltd. on June 27, 2006. On September 8, 2006, Kinross sold the 5,751,500 shares in Katanga through a private placement for proceeds of $31.4 million resulting in a gain of $31.3 million.

Lupin Mine

Kinross and Wolfden Resources Inc. ("Wolfden") signed a definitive agreement on June 19, 2006, whereby Kinross would sell the Lupin mine in the Territory of Nunavut to Wolfden in exchange for Wolfden assuming certain of the mine's liabilities. The agreement was finalized subsequent to year end. Under the terms of this agreement, Wolfden owns the mine and the related property. Kinross retired the letters of credit and promissory notes related to reclamation at Lupin. The Company delivered a CDN $3.0 million standby letter of credit to Wolfden and agreed to reimburse Wolfden for CDN $1.7 million of fuel costs in 2007. If the Lupin mill is demolished by Wolfden without restarting the mill, the Kinross letter of credit will be drawn on to help fund the demolition costs. Kinross agreed to pay up to CDN $1.0 million for reclamation and closing of the tailings facility if the mill is restarted, and up to CDN $4.0 million if the mill is not restarted, provided the work is performed before the end of 2008. The agreement also provides that if the price of gold exceeds $500 per ounce, Kinross is to be paid a 1% royalty on future production.

Blanket Mine

On July 5, 2006, the Company concluded its sale of the Blanket mine to Caledonia Mining Corporation ("Caledonia") and recorded a gain on sale of $2.9 million.

George/Goose Lake Property

The Company recorded a gain of $1.6 million on the sale of its interest in the George/Goose Lake property to Dundee Precious Metals Inc. on July 25, 2006.

Credit Facility

On August 18, 2006, the Company entered into a credit facility consisting of an amended and restated, three year revolving credit facility in the amount of $300.0 million, which replaced the previous $295.0 million revolving facility and extended the term to August 2008 and a five and a half year, $200.0 million term loan. The revolving credit facility will support the Company's liquidity and letters of credit requirements. The facility was secured by the assets of the Fort Knox mine as well as by the shares of various wholly owned subsidiaries. As at December 31, 2006, the Company had drawn $187.5 million of this facility in the form of a $60.0 million LIBOR loan and letters of credit totaling $127.5 million. The five and a half year $200.0 million term loan supports the Paracatu expansion project in Brazil. As of December 31, 2006, the Company was in compliance with the credit facility's various covenants.

Adoption of Shareholders' Rights Plan

A shareholders' rights plan (the "Plan") was ratified by the shareholders of the Company at the Company's 2006 annual and special shareholder's meeting. The Plan was adopted to ensure that the Board of Directors and shareholders of the Company have sufficient time to properly evaluate a take-over bid or pursue other alternatives. The Plan is described in greater detail in Note 12 to the accompanying financial statements.

Change in Chief Financial Officer

In March 2006, the Company announced the retirement of Lars-Eric Johansson and the appointment of Thomas M. Boehlert as Executive Vice President and Chief Financial Officer. Mr. Boehlert joined Kinross following his most recent position as Executive Vice President and Chief Financial Officer of Houston's Texas Genco and has spent over 20 years in corporate finance, accounting and banking.

Appointment of Chief Legal Officer

In April 2006, the Company announced the appointment of Geoffrey P. Gold as Senior Vice President and Chief Legal Officer of Kinross. Mr. Gold joined Kinross following his most recent position as Vice President, Assistant Secretary and Associate General Counsel of Placer Dome Inc., and has over 12 years of legal experience in the mining industry.

Change in Chief Operating Officer

In May 2006, the Company announced the resignation of Scott Caldwell and the appointment of Timothy C. Baker as Executive Vice President and Chief Operating Officer of Kinross. Mr. Baker joined Kinross following his most recent position as Executive General Manager of Place Dome Chile and has over 19 years of operations experience in the mining industry.

6. Consolidated Results of Operations

Financial and Operating Highlights

	Years ended December 31,			Change	
(in millions, except ounces and per share amounts)	**2006**	2005	2004	**'06 vs '05**	'05 vs '04
Gold equivalent ounces - sold [(a)]	1,510,836	1,627,675	1,654,617	(7%)	(2%)
Gold ounces - sold	1,416,797	1,575,267	1,585,109	(10%)	(1%)
Silver ounces - sold	4,864,084	3,185,776	4,271,980	53%	(25%)
Average realized gold price ($/ounce)	$ 598	$ 445	$ 404	34%	10%
Gold sales - revenue	$ 855.6	$ 702.7	$ 649.8	22%	8%
Loss on metal derivative contracts [(b)]	(8.2)	(2.4)	(9.3)	(242%)	74%
Silver sales revenue	58.2	25.2	26.3	131%	(4%)
Total revenue	$ 905.6	$ 725.5	$ 666.8	25%	9%
Operating earnings (loss)	$ 201.5	$ (211.2)	$ (67.9)	195%	(211%)
Net earnings (loss)	$ 165.8	$ (216.0)	$ (63.1)	177%	(242%)
Basic and diluted loss per share	$ 0.47	$ (0.63)	$ (0.18)	175%	(250%)

(a) All produced and sold ounces refer to Kinross' proportionate share. Gold equivalent ounces include silver ounces produced and sold converted to gold based on the ratio of average spot market prices for the commodities for each year. The ratios were 2006 - 52.28:1, 2005 - 60.79:1 and 2004 - 61.46:1.

(b) Gains or losses on purchased gold or silver options, spot deferred contracts or fixed forward contracts as a hedge against falling gold prices are recorded as revenue from metal sales.

2006 vs. 2005

- Gold equivalent ounces sold in 2006 were down to 1,510,836 ounces compared to 1,627,675 ounces in 2005. This is primarily the result of reduced output from Kubaka and Kettle River as these operations reduced their mining activites in 2006. These decreases were partially offset by increased sales of gold equivalent ounces at to Refugio which came into production in late 2005 and increased gold equivalent production at La Coipa.

- Revenue increased to $905.6 million from $725.5 million due to a realized gold price that was 34% higher than 2005, even though sales quantities were down 10%. The Company realized an average gold price of $598 per ounce in 2006 compared to $445 per ounce in 2005.

- Operating earnings went from a loss of $211.2 million in 2005 and a loss of $67.9 million in 2004 to earnings of $201.5 million in 2006. This performance was driven by higher metal prices and a reduced impairment charge of $10.5 million in 2006, compared to a charge of $184.7 million in 2005.

- Net gains on the disposals of assets and investments of $47.4 million in 2006 also contributed to improved operating earnings. Net gains of $6.0 million and $1.7 million were recorded in 2005 and 2004, respectively. Net earnings of $165.8 million, or $0.47 per share, were also impacted by a tax provision of $25.9 million, as compared to a recovery of taxes of $12.9 million in 2005, when a loss of $216.0 million, or $0.63 per share, was reported.

- General and administrative costs increased to $52.1 million up from $45.3 million as a result of stock-based compensation expenses, a stronger Canadian dollar and costs associated with new hires.

2005 vs. 2004

- In 2005, gold equivalent ounces sold decreased 2%, compared with 2004. Production and ounces sold decreased at Fort Knox, Round Mountain, Lupin, New Britannia and La Coipa. This was partially offset by increases at Kubaka, Musselwhite and attributable production at Paracatu due to the purchase of the remaining 51% at the end of 2004.

- Revenue from metal sales increased by 9% year-over-year; from $666.8 million in 2004 to $725.5 million in 2005. The increase was primarily due to a 10% increase in the realized gold price. During 2005, the Company realized an average price of $445 per ounce on the sale of its gold, against an average spot gold price for the year of $444 per ounce. During 2004, the Company realized an average gold price of $404 per ounce, versus an average spot gold price of $409 per ounce.

- The net loss increased from $63.1 million, or $0.18 per share, to $216.0 million, or $0.63 per share, between 2004 and 2005. During 2005, impairment charges totaling $184.7 million, were recorded against property, plant and equipment of $171.9 million, goodwill of $8.7 million, and investments of $4.1 million. This included impairment charges of $141.8 million on Fort Knox, $36.8 million on the Aquarius property, $3.4 million on Crixás and $2.0 million on Musselwhite. Excluding these impairment charges, results for 2005 would have been a net loss attributable to common shares of $32.1 million, compared to a net loss attributable to common shares of $5.6 million in 2004. The impairment charges are discussed further under “Impairment of Goodwill, Property, Plant and Equipment, and Investments”. General and administrative expense increased to $45.3 million, from $36.4 million in 2004. The increase was largely due to costs related to the regulatory review of the Company’s accounting for goodwill and subsequent restatement, as well as increased severance costs. In addition, accretion and reclamation expense related to the Company’s reclamation and remediation obligations increased to $33.5 million in 2006, from $56.0 million in 2005 and $21.4 million in 2004. Included in accretion and reclamation expense for 2006 and 2005 is $21.2 million and $46.0 million, respectively, related to increased cost estimates at mines no longer in production.

Segment Earnings (Loss)

(*in millions*)	Years ended December 31, 2006	2005	2004	2006 vs 2005 Change $	2006 vs 2005 Change %	2005 vs 2004 Change $	2005 vs 2004 Change %
Operating Segments							
Fort Knox	$ 77.2	$ (124.1)	$ 16.6	$ 201.3	nm	$ (140.7)	nm
Round Mountain	93.7	26.6	25.8	67.1	252%	0.8	3%
La Coipa	25.1	(2.4)	0.9	27.5	nm	(3.3)	nm
Crixás	26.2	11.3	12.8	14.9	132%	(1.5)	12%
Paracatu [(b)]	26.0	5.4	2.9	20.6	381%	2.5	86%
Musselwhite	(1.2)	(7.7)	(3.8)	6.5	84%	(3.9)	103%
Porcupine Joint Venture	18.6	(0.9)	5.7	19.5	nm	(6.6)	nm
Refugio	22.1	1.7	0.1	20.4	1200%	1.6	1600%
Kettle River	(4.3)	(4.7)	0.9	0.4	9%	(5.6)	nm
Other operations [(c)]	(19.8)	3.8	(37.9)	(23.6)	nm	41.7	nm
Corporate & other	(62.1)	(120.2)	(91.9)	58.1	48%	(28.3)	31%
Total	$ 201.5	$ (211.2)	$ (67.9)	$ 412.7	nm	$ (143.3)	211%

(a) "nm" refers to not meaningful.

(b) The acquisition of Paracatu was completed on December 31, 2004. Therefore, the Company's 49% proportionate share of Paracatu's operating results have been included for the year ended December 31, 2004.

(c) Other operations include Kubuka and Gurupi.

Results of Operations

Fort Knox (100% ownership and operator) - USA

(*in millions, except ounces*)	Years ended December 31, 2006	2005	2004	2006 vs 2005 Change	2006 vs 2005 Change %	2005 vs 2004 Change	2005 vs 2004 Change %
Operating Statistics							
Tonnes ore mined (000's)	14,514	12,683	10,927	1,831	14%	1,756	16%
Tonnes processed (000's)	13,462	13,050	13,239	412	3%	(189)	(1%)
Grade (grams/tonne)	0.90	0.90	0.94	—	0%	(0.04)	(4%)
Recovery (%)	85.7%	86.9%	84.2%	(1.2%)	(1%)	2.7%	3%
Gold equivalent ounces							
Produced	333,383	329,320	338,334	4,063	1%	(9,014)	(3%)
Sold	342,455	320,771	351,738	21,684	7%	(30,967)	(9%)
Financial Data (in US$ millions)							
Metal sales	$ 208.3	$ 143.1	$ 143.9	$ 65.2	46%	$ (0.8)	(1%)
Cost of sales [(a)]	102.9	88.1	89.2	14.8	17%	(1.1)	(1%)
Accretion and reclamation expense	1.3	1.1	1.3	0.2	18%	(0.2)	(15%)
Depreciation, depletion and amortization	25.0	34.8	35.9	(9.8)	(28%)	(1.1)	(3%)
	79.1	19.1	17.5	60.0	314%	1.6	9%
Exploration	1.4	0.6	0.6	0.8	133%	—	0%
Impairment charge	—	141.8	—	(141.8)	(100%)	141.8	nm
Other	0.5	0.8	0.3	(0.3)	(38%)	0.5	167%
Segment earnings (loss)	$ 77.2	$ (124.1)	$ 16.6	$ 201.3	nm	$ (140.7)	nm

(a) Cost of sales excludes accretion and reclamation expense, depreciation, depletion and amortization.

The Company has been operating the Fort Knox Mine, located near Fairbanks, Alaska, since it was acquired in 1998. The operation consists of the Fort Knox open pit and the True North open pit which is located approximately 15 kilometres northwest of the Fort Knox pit.

2006 vs. 2005

The quantity of ore processed at Fort Knox has remained relatively constant from 2004 through 2006, with stockpiles utilized in 2006 to maintain throughput of the mill. The decrease in the recovery rate from 86.9% in 2005, to 85.7% in 2006, resulted from processing ore from Phase V, which is a lower recovery ore than the Phase IV ore processed in 2005. Gold equivalent ounces increased 7% from 2005 levels, and combined with a higher gold price resulted in sales revenues increasing 46% to $208.3 million from $143.1 million in 2005.

Cost of sales increases of 17% reflect the fact that more tonnage was mined to extract the same quantity of metal in 2005 and there were higher costs, particularly for electricity, fuel and consumable costs. Depreciation, depletion and amortization expense was $25.0 million, down 28% from $34.8 million reflecting the impact of the write down of property, plant and equipment taken in 2005. This decrease was partly offset by increases to the cost base with over $40.0 million in capital expenditures in 2005 and 2006. Exploration spending has increased to $1.4 million as efforts continue to extend the life of the mine. The Company is evaluating a new heap leach project at Fort Knox in order to more economically recover lower grade ore. Expectations are that gold equivalent production in 2007 will be approximately the same as 2006 levels.

2005 vs. 2004

Production of gold equivalent ounces in 2005 remained about the same as 2004 levels. The lower grade in 2005 was the result of suspending production at the True North deposit in 2004, which was a higher grade ore. Lower mill throughput in 2005 resulted due to processing harder Fort Knox pit ore compared with the blended ore from the True North and Fort Knox pits for much of the prior year. Despite selling 9% fewer gold equivalent ounces in 2005, revenues remained largely unchanged, due to a higher realized gold price. The decrease in cost of sales reflects lower gold ounces sold. The cost of sales, on a per ounce basis, increased as a result of higher energy costs, partially offset by improved cost efficiencies as a result of the continuous improvement program. During 2005, a strategic review was conducted on the Fort Knox operation. The review was done in light of rising electricity and fuel costs, the metallurgical performance at True North and slope stability issues at the southwest wall of the pit. As a result of the review, the True North and Gil deposits were reclassified from reserves to resources, the Company decided to withdraw from the Ryan Lode project, which had been included in reserves, and design changes were made to the Fort Knox pit. As a result, the Company recorded a $141.8 million impairment charge against the mine. The impairment is discussed further under “Impairment of Goodwill, Property, Plant and Equipment, and Investments”. Depreciation expense remained relatively constant despite a 9% decrease in ounces being sold due to increased capital expenditures that have added to the assets subject to depreciation.

Round Mountain (50% ownership and operator) - USA

	Years ended December 31,			2006 vs 2005		2005 vs 2004	
(in millions, except ounces)	**2006**	2005	2004	**Change**	**Change %**	Change	Change %
Operating Statistics							
Tonnes ore mined (000's) [(a)]	21,488	29,002	35,820	(7,514)	(26%)	(6,818)	(19%)
Tonnes processed (000's) [(a)]	43,436	61,696	67,065	(18,260)	(30%)	(5,369)	(8%)
Grade (grams/tonne)	0.65	0.64	0.55	0.01	2%	0.09	16%
Gold equivalent ounces							
Produced	335,115	373,947	387,785	(38,832)	(10%)	(13,838)	(4%)
Sold	349,497	367,581	375,421	(18,084)	(5%)	(7,840)	(2%)
Financial Data (in US$ millions)							
Metal sales	$ 211.7	$ 164.0	$ 154.1	$ 47.7	29%	$ 9.9	6%
Cost of sales [(c)]	99.4	93.7	82.3	5.7	6%	11.4	14%
Accretion and reclamation expense	1.7	1.8	1.9	(0.1)	(6%)	(0.1)	(5%)
Depreciation, depletion and amortization	11.9	39.5	43.3	(27.6)	(70%)	(3.8)	(9%)
	98.7	29.0	26.6	69.7	240%	2.4	9%
Exploration	5.0	2.4	0.8	2.6	108%	1.6	200%
Segment earnings (loss)	$ 93.7	$ 26.6	$ 25.8	$ 67.1	252%	$ 0.8	3%

(a) Tonnes of ore mined/processed represent 100% of mine production.

(b) Due to the nature of heap leach operations, recovery rates cannot be accurately measured.

(c) Cost of sales excludes acretion and reclamation expense, depreciation, depletion and amortization.

The Company acquired its ownership interest in the Round Mountain open pit mine, located in Nye County, Nevada, in the acquisition of Echo Bay Mines Ltd. (“Echo Bay”) on January 31, 2003.

2006 vs. 2005

Tonnes of ore mined and processed have declined at Round Mountain as the existing pit is depleted. The pit is currently undergoing an expansion which is expected to contribute to improved grades and recovery rates. The decrease in tonnes processed is reflected in the 10% decrease in gold equivalent ounces produced of 335,115 ounces, from 373,947 ounces in 2005. Gold equivalent ounces were down 5% to 349,497 ounces, but with a higher gold price, saw revenues climb to $211.7 million, a 29% increase from 2005. Higher costs for energy, primarily in the form of diesel fuel and consumables resulted in a 6% increase in cost of sales over 2005, despite the lower quantities of ore processed. The decrease in depreciation expense by 70% is related to the increase in the reserves in 2005 which form the basis for depreciation, depletion and amortization changes. Exploration expenditures of $5.0 million are part of the continuing efforts to extend the life of the mine. Production in 2007 is expected to continue to trend lower than previous years.

2005 vs. 2004

Fewer tonnes of ore were delivered to the dedicated pads at a lower grade resulting in a production level that was 4% lower in 2005 than in the prior year. Tonnes processed were lower during the year due to pit phasing and pit slope failures. Revenues were up by 6% as a result of higher realized gold prices, despite fewer ounces being sold. Cost of sales increased by 14% due to increased commodity related costs, higher costs on replacement parts, increased contractor costs on equipment maintenance and higher royalties and taxes due to a stronger gold price. Depreciation expense was 10% lower year-over-year due to fewer ounces being sold and the addition of reserve ounces.

La Coipa (50% ownership; Goldcorp 50% and operator) - Chile

	Years ended December 31,			2006 vs 2005		2005 vs 2004	
(in millions, except ounces)	**2006**	2005	2004	**Change**	**Change %**	Change	Change %
Operating Statistics							
Tonnes ore mined (000's) [(a)]	2,751	3,450	3,769	(699)	(20%)	(319)	(8%)
Tonnes processed (000's) [(a)]	5,126	6,496	6,562	(1,370)	(21%)	(66)	(1%)
Grade (grams/tonne)							
Gold	0.95	1.01	1.10	(0.06)	(6%)	(0.09)	(8%)
Silver	94.31	45.07	60.83	49.24	109%	(15.76)	(26%)
Recovery (%)							
Gold	79.4%	80.5%	81.2%	(1.1%)	(1%)	(0.7%)	(1%)
Silver	64.4%	54.0%	57.5%	10.4%	19%	(3.5%)	(6%)
Gold equivalent ounces							
Produced	155,180	125,991	150,887	29,189	23%	(24,896)	(16%)
Sold	154,192	131,051	149,785	23,141	18%	(18,734)	(13%)
Silver ounces produced (000's)	4,346	2,547	3,693	1,799	71%	(1,146)	(31%)
Financial Data (in US$ millions)							
Metal sales	$ 94.0	$ 60.3	$ 59.0	$ 33.7	56%	$ 1.3	2%
Cost of sales [(b)]	47.6	45.4	39.7	2.2	5%	5.7	14%
Accretion and reclamation expense	0.9	0.4	0.4	0.5	125%	—	0%
Depreciation, depletion and amortization	16.9	15.8	16.8	1.1	7%	(1.0)	(6%)
	28.6	(1.3)	2.1	29.9	nm	(3.4)	nm
Exploration	2.0	1.1	0.5	0.9	82%	0.6	120%
Other	1.5	—	0.7	1.5	nm	(0.7)	nm
Segment earnings (loss)	$ 25.1	$ (2.4)	$ 0.9	$ 27.5	nm	$ (3.3)	nm

(a) Tonnes of ore mined/processed represent 100% of mine production.

(b) Cost of sales excludes accretion and reclamation expense, depreciation, depletion and amortization.

The Company acquired its ownership interest in the La Coipa open pit mine in the acquisition of TVX Gold Inc. ("TVX") on January 31, 2003. In the second quarter of 2006, Goldcorp Inc. ("Goldcorp") acquired the 50% interest in the mine from Barrick Gold Corporation ("Barrick"), which in turn had acquired the mine on its purchase of Placer Dome.

2006 vs. 2005

Gold equivalent production increased 23% from 2005 levels as ore from the Puren deposit came into production at a higher overall grade. With gold equivalent ounces sold increasing 18% to 154,192 ounces and a higher realized gold price, metal sales revenues rose to $94.0 million, up 56% from 2005 revenue of $60.3 million.

Due to higher labour costs, the negative impact of currency exchange rates and high processing costs for Puren ore, total cost of sales was up 5% to $47.6 million. Accretion and reclamation expense increased to $0.9 million reflecting the increased reclamation liability resulting from the mining activity at the Puren pit and the Coipa Norte pit. Gold equivalent production in 2007 is expected to be higher than 2006 since Puren came into production in July 2006.

2005 vs. 2004

Tonnes mined and milled, along with grade and recoveries were lower than 2004 due to changes in the mine plan caused by pit slope failures during the year. As a result, production was down 16% to 125,991 gold equivalent ounces from 150,887 equivalent ounces in 2004. Geotechnical studies were conducted in order to assess the situation and appropriate corrective actions were taken. While gold equivalent ounces sold were 13% lower in 2005, due to lower production, a higher realized gold price resulted in a 2% increase in revenue. Cost of sales was 14% higher year-over-year despite fewer ounces being sold. The increase was due to higher stripping costs, increased cost for power, fuel and other consumables, and the strengthening of the Chilean peso, against the U.S. dollar of approximately 9% year-over-year. Depreciation expense was 6% lower, largely due to fewer ounces being sold. There was no significant change during the year to the average ratio for conversion of silver into equivalent gold ounces.

Crixás (50% ownership; AngloGold Ashanti 50% and operator) – Brazil

	Years ended December 31,			2006 vs 2005		2005 vs 2004	
(in millions, except ounces)	**2006**	2005	2004	**Change**	**Change %**	Change	Change %
Operating Statistics							
Tonnes ore mined (000's) [(a)]	790	755	746	35	5%	9	1%
Tonnes processed (000's) [(a)]	790	755	746	35	5%	9	1%
Grade (grams/tonne)	7.98	8.32	8.18	(0.34)	(4%)	0.14	2%
Recovery	95.3%	95.2%	95.4%	0.1%	0%	(0.2%)	0%
Gold equivalent ounces							
Produced	97,009	96,212	93,540	797	1%	2,672	3%
Sold	94,986	93,309	93,265	1,677	2%	44	0%
Financial Data (in US$ millions)							
Metal sales	$ 57.0	$ 41.5	$ 38.2	$ 15.5	37%	$ 3.3	9%
Cost of sales [(b)]	17.7	14.1	12.2	3.6	26%	1.9	16%
Accretion and reclamation expense	0.2	0.1	0.1	0.1	100%	—	0%
Depreciation, depletion and amortizatio	11.2	12.3	12.8	(1.1)	(9%)	(0.5)	(4%)
	27.9	15.0	13.1	12.9	86%	1.9	15%
Exploration	1.5	0.3	0.3	1.2	400%	—	0%
Impairment charge	—	3.4	—	(3.4)	nm	3.4	nm
Other	0.2	—	—	0.2	nm	—	nm
Segment earnings	$ 26.2	$ 11.3	$ 12.8	$ 14.9	132%	$ (1.5)	(12%)

(a) Tonnes of ore mined/processed represent 100% of mine production.

(b) Cost of sales excludes accretion and reclamation expense, depreciation, depletion and amortization.

The Company acquired its ownership interest in the Crixás underground mine, located in the State of Goias, Brazil, in the acquisition of TVX on January 31, 2003.

2006 vs. 2005

Tonnes of ore processed, grades and recovery rates have remained relatively consistent over the last two years with gold equivalent production and sales ounces of 97,009 ounces and 94,986 ounces, respectively. Higher gold prices are reflected in a 37% increase in revenue to $57.0 million while cost of sales has increased 26% to $17.7 million, the result of higher consumable costs and an 11% appreciation of the Brazilian real against the U.S. dollar. Depreciation, depletion and amortization have remained relatively constant year-over-year. There were no impairment charges in 2006, compared to $3.4 million write-down of a tax-related receivable in 2005.

Production of gold equivalent ounces in 2007 is expected to be below 2006 levels due to lower grade of ore.

2005 vs. 2004

Gold production was 3% higher in 2005, compared with 2004, due to higher grade and increased mill throughput. Revenue increased by 9% as a result of a higher realized gold price. Costs of sales increased year-over-year by 16% due to the appreciation of the Brazilian real against the U.S. dollar, and higher energy, service and consumable costs. The average exchange rate of the Brazilian real against the U.S. dollar increased, year-over-year, by approximately 20%.

Paracatu (100% ownership and operator) – Brazil

	Years ended December 31,			2006 vs 2005		2005 vs 2004	
(in millions, except ounces)	**2006**	2005	2004 [b]	**Change**	**Change %**	Change	Change %
Operating Statistics							
Tonnes ore mined (000's) [a]	17,637	17,157	17,281	480	3%	(124)	(1%)
Tonnes processed (000's) [a]	18,137	16,945	17,342	1,192	7%	(397)	(2%)
Grade (grams/tonne)	0.38	0.42	0.44	(0.04)	(10%)	(0.02)	(5%)
Recovery (%)	76.8%	78.2%	76.8%	(1.4%)	(2%)	1.4%	2%
Gold equivalent ounces							
Produced	174,254	180,522	92,356	(6,268)	(3%)	88,166	95%
Sold	173,821	177,806	93,279	(3,985)	(2%)	84,527	91%
Financial data (in US$ millions)							
Metal sales	$ 104.1	$ 79.0	$ 38.2	$ 25.1	32%	$ 40.8	107%
Cost of sales [c]	57.7	50.0	20.6	7.7	15%	29.4	143%
Accretion and reclamation expense	0.9	0.7	0.5	0.2	29%	0.2	40%
Depreciation, depletion and amortization	12.5	17.0	9.5	(4.5)	(26%)	7.5	79%
	33.0	11.3	7.6	21.7	192%	3.7	49%
Exploration	1.5	5.2	—	(3.7)	(71%)	5.2	nm
Impairment charge	—	—	2.1	—	nm	(2.1)	nm
Other	5.5	0.7	2.6	4.8	686%	(1.9)	(73%)
Segment earnings	$ 26.0	$ 5.4	$ 2.9	$ 20.6	381%	$ 2.5	86%

(a) Tonnes of ore mined/processed represents 100% of mine production.

(b) The results for 2004 reflect the Company's 49% ownership. The Company acquired the remaining 51% on December 31, 2004.

(c) Cost of sales excludes accretion and reclamation expense, depreciation, depletion and amortization.

The Company acquired a 49% ownership interest in the Paracatu open pit mine, located in the State of Minas Gerais, Brazil, in the acquisition of TVX on January 31, 2003. On December 31, 2004, the Company completed the purchase of the remaining 51% of Paracatu from Rio Tinto Plc.

2006 vs. 2005

Harder ore at lower grades resulted in a 3% decrease in gold equivalent production to 174,254 ounces, from 180,522 ounces in 2005. Higher gold prices resulted in a 32% increase in revenue even though gold equivalent sales were down by 2%. The appreciation of the Brazilian real, higher production taxes related to the price of gold and higher costs for labour and consumables pushed cost of sales 15% higher than 2005 to $57.7 million. With the Paracatu expansion project underway, exploration efforts have been reduced resulting in a decrease in expenses to $1.5 million from $5.2 million in 2005. Other expenses increased to provide for tax contingencies. Gold production is expected to be lower in 2007 as fewer tonnes at a lower grade and recovery are anticipated.

2005 vs. 2004

Gold equivalent production attributable to Kinross' account increased by 95% between 2004 and 2005. The increase was due to the increase in Kinross' ownership of Paracatu from 49% in 2004 to 100% in 2005. On a 100% basis, gold equivalent production decreased by 4% year-over-year. The decrease was due to lower grade ore and the processing of fewer tonnes, partially offset by a higher recovery rate. Revenue increased by 107%, or approximately 1% on a 100% basis. Revenue, on a 100% basis, increased despite fewer ounces being sold as a result of a higher realized gold price. Cost of sales during 2005 increased by 19% against 2004, on a 100% basis. The increase was due to increased energy and consumable costs, and an appreciation of the Brazilian real against the U.S. dollar, year-over-year, of approximately 20%. Depreciation decreased in 2005 by 12% against 2004, on a 100% basis, due to increases in the mine's reserves.

Musselwhite (31.93% ownership; Goldcorp 68.07% and operator) – Canada

	Years ended December 31,			2006 vs 2005		2005 vs 2004	
(in millions, except ounces)	**2006**	2005	2004	**Change**	**Change %**	Change	Change %
Operating Statistics							
Tonnes ore mined (000's) [(a)]	1,301	1,390	2,340	(89)	(6%)	(950)	(41%)
Tonnes processed (000's) [(a)]	1,301	1,477	1,459	(176)	(12%)	18	1%
Grade (grams/tonne)	5.51	5.46	5.30	0.05	1%	0.16	3%
Recovery (%)	95.4%	95.0%	95.8%	0.4%	0%	(0.8%)	(1%)
Gold equivalent ounces							
Produced	69,834	79,916	76,640	(10,082)	(13%)	3,276	4%
Sold	71,405	79,919	78,430	(8,514)	(11%)	1,489	2%
Financial Data (in US$ millions)							
Metal sales	$ 43.0	$ 34.9	$ 32.1	$ 8.1	23%	$ 2.8	9%
Cost of sales [(b)]	31.9	26.4	21.1	5.5	21%	5.3	25%
Accretion and reclamation expense	0.2	0.1	0.1	0.1	100%	—	0%
Depreciation, depletion and amortization	10.4	12.5	12.5	(2.1)	(17%)	—	0%
	0.5	(4.1)	(1.6)	4.6	nm	(2.5)	(156%)
Exploration	1.7	1.6	2.0	0.1	6%	(0.4)	(20%)
Impairment charge	—	2.0	—	(2.0)	nm	2.0	nm
Other	—	—	0.2	—	nm	(0.2)	nm
Segment loss	$ (1.2)	$ (7.7)	$ (3.8)	$ 6.5	84%	$ (3.9)	(103%)

(a)Tonnes of ore mined/processed represent 100% of mine production.

(b)Cost of sales excludes accretion and reclamation expense, depreciation, depletion and amortization.

The Company acquired its 31.9% ownership interest in the Musselwhite underground mine, located in northwestern Ontario, Canada, in the acquisition of TVX on January 31, 2003. In the second quarter of 2006, Goldcorp acquired the 68.1% interest in the mine from Barrick, which had previously acquired the mine on its purchase of Placer Dome.

2006 vs. 2005

Production at Musselwhite was down 13% to 69,384 gold equivalent ounces due to reduced availability of labour and equipment. Revenue increased 23%, a result of higher realized gold prices to $43.0 million from $34.9 million in 2005, even though gold equivalent ounces sold were down 11% from the prior year. Depreciation expense is lower due to an increase in reserves in 2005. Increased throughput at slightly lower recovery rates is expected to increase 2007 production over 2006 levels.

2005 vs. 2004

Gold equivalent production increased 4% in 2005 due to a 3% increase in grade year-over-year and an increase in tonnes processed. The increased grade was the result of increased tonnage from underground sources which replaced low grade stockpile feed. Revenue from metal sales increased by 9% due to a higher realized gold price and a 2% increase in the number of ounces sold. Cost of sales increased 25% due to the increased tonnage from higher-cost underground ore, increased underground development costs and higher energy and commodity costs. Cost of sales was also negatively impacted by a 7% appreciation of the Canadian dollar against the U.S. dollar year-over-year.

Porcupine (49% interest; Goldcorp 51% and operator) - Canada

	Years ended December 31,			2006 vs 2005		2005 vs 2004	
(in millions, except ounces)	**2006**	2005	2004	**Change**	**Change %**	Change	Change %
Operating Statistics							
Tonnes ore mined (000's) [(a)]	20,348	5,443	13,752	14,905	274%	(8,309)	(60%)
Tonnes processed (000's) [(a)]	4,218	4,266	3,995	(48)	(1%)	271	7%
Grade (grams/tonne)	2.55	2.95	3.35	(0.40)	(14%)	(0.40)	(12%)
Recovery (%)	92.5%	92.6%	91.8%	(0.1%)	(0%)	0.8%	1%
Gold equivalent ounces							
Produced	156,735	183,976	193,799	(27,241)	(15%)	(9,823)	(5%)
Sold	161,196	179,585	191,296	(18,389)	(10%)	(11,711)	(6%)
Financial data (in US$ millions)							
Metal sales	$ 97.5	$ 80.8	$ 78.8	$ 16.7	21%	$ 2.0	3%
Cost of sales [(b)]	59.9	50.7	44.4	9.2	18%	6.3	14%
Accretion and reclamation expense	2.0	11.8	2.3	(9.8)	(83%)	9.5	413%
Depreciation, depletion and amortization	11.8	14.8	22.7	(3.0)	(20%)	(7.9)	(35%)
	23.8	3.5	9.4	20.5	580%	(5.9)	(63%)
Exploration	4.9	3.5	3.2	1.4	40%	0.3	9%
Other	0.3	0.9	0.5	(0.6)	(67%)	0.4	80%
Segment earnings (loss)	$ 18.6	$ (0.9)	$ 5.7	$ 19.5	nm	$ (6.6)	nm

(a) Tonnes of ore mined/processed represents 100% of mine production.

(b) Cost of sales excludes accretion and reclamation expense, depreciation, depletion and amortizaton.

On July 1, 2002, the Company formed the Porcupine Joint Venture with a wholly owned subsidiary of Placer Dome Inc. ("Placer Dome"). The formation of the joint venture combined the two companies' gold mining operations in the Porcupine district of Timmins, Ontario. In the second quarter of 2006, Goldcorp acquired the 51% interest in the joint venture from Barrick Gold Corporation which in turn had acquired their interest on its purchase of Placer Dome.

2006 vs. 2005

Gold equivalent production was down 15% as the mine transitioned activities from the Dome pit to the lower grade Pamour pit as planned. Lower production levels at lower grades, resulted in a 10% decline in gold equivalent ounces sold to 161,196 ounces from 179,585 ounces. Despite the decrease, revenue increased 21% due to higher gold prices. Cost of sales were negatively impacted by the 6% appreciation of the Canadian dollar to the U.S. dollar, plus higher energy and consumable costs. Accretion and reclamation expenses were down to $2.0 million from $11.8 million in 2005 due to an additional charge taken in 2005. Exploration costs of $4.9 million were up slightly from 2005 as efforts continue to expand reserves and resources. Production in 2007 is expected to increase from 2006 levels due to increases in tonnes and grade.

2005 vs. 2004

Production was positively impacted by higher recoveries and increased mill throughput in 2005; however, this was offset by lower grade, resulting in gold production that in 2005 was 5% lower than 2004. Mill throughput was higher as a result of a mill expansion undertaken to ensure the harder ores originating from the Pamour pit could be processed through the Dome mill. Feed grade was lower due to localized highwall instability in the Dome pit, no production from the Dome underground mine and the commencement of mining at the Pamour pit which has a lower average grade than the Dome pit. Revenue increased by 3% despite a 6% drop in ounces sold as a result of higher realized gold prices. Cost of sales was also up despite selling fewer ounces due to higher energy and commodity costs, and a 7% increase in value of the Canadian dollar against the U.S. dollar year-over-year. Increases during the year in the Company's portion of the estimated reclamation and remediation liability relating to areas of the joint venture no longer in production were expensed in the current year and have been included as part of accretion and reclamation expense. Depreciation expense decreased by 35% due to a 6% drop in ounces sold and a larger reserve base in 2005.

Refugio (50% ownership and operator) – Chile

	Years ended December 31,		2006 vs 2005	
(in millions, except ounces)	**2006**	2005	**Change**	**Change %**
Operating Statistics				
Tonnes ore mined (000's) [(a)]	14,832	5,800	9,032	156%
Tonnes processed (000's) [(a)]	14,721	5,800	8,921	154%
Grade (grams/tonne)	0.70	0.83	(0.13)	(16%)
Gold equivalent ounces				
Produced	116,868	30,580	86,288	282%
Sold	115,198	30,575	84,623	277%
Financial Data (in US$ millions)				
Metal sales	$ 69.7	$ 14.6	$ 55.1	377%
Cost of sales [(b)]	39.3	9.6	29.7	309%
Accretion and reclamation expense	(1.0)	0.2	(1.2)	nm
Depreciation, depletion and amortization	7.0	0.2	6.8	3400%
	24.4	4.6	19.8	430%
Exploration	1.8	—	1.8	nm
Impairment charge	0.5	—	0.5	nm
Other	—	2.9	(2.9)	(100%)
Segment earnings	$ 22.1	$ 1.7	$ 20.4	1200%

(a) Tonnes of ore mined/processed represent 100% of mine production.

(b) Cost of sales excludes accretion and reclamation, depreciation, depletion and amortization.

Kinross acquired its 50% interest in the Refugio open pit mine, located 120 kilometres northeast of Copiapo, Chile in 1998. In 2001, due to low gold prices and operational difficulties, mining activities were suspended and the operation was placed on care and maintenance. In late 2002, a multi-phase exploration program commenced and in 2003 it was determined that the mine would be recommissioned. The Refugio mine went into production in the second half of 2005 and achieved its targeted production rate in November 2005. As a result, comparative amounts from 2005 are not meaningful. With the acquisition of the remaining 50% interest in Refugio from Bema early in 2007 Kinross will report 100% of the site's production and sales commencing on the date of acquisition.

2006 vs 2005

The Refugio mine produced 116,898 gold equivalent ounces in 2006 as a full year of production was achieved, compared to 30,580 gold equivalent ounces in the last few weeks of 2005. Metal sales revenue was $69.7 million on 115,198 gold equivalent ounces, up from $14.6 million in 2005. Cost of sales reflects this increased production and higher costs for energy and consumables. Depreciation, depletion and amortization increased due to the mine coming into full production. Total 2007 mine production is expected to be approximately the same as in 2006.

In 2005, the mine processed 5.8 million tonnes of ore with an average grade of 0.83 gpt, to produce 30,580 ounces of gold to Kinross' account.

Kettle River (100% ownership and operator) – USA

In November 2005, the Kettle River mill was temporarily shut down as all mining activities had been completed. The Buckhorn property was acquired with the purchase of Crown in August 2006 and efforts are now underway to get the Buckhorn mine operational. On September 27, 2006, Washington State regulatory agencies issued permits allowing construction of the Buckhorn mine to commence. On October 17, 2006, the Okanagan Highlands Alliance ("OHA") filed an administrative appeal of the water rights and stormwater permits issued by the Washington State Department of Ecology and the reclamation permit issued by the Washington State Department of Natural Resources. The appeal asserts that the permits were improperly issued and that the Supplemental Environmental Impact Statement ("EIS") prepared by the State supporting the permits is inadequate. It is expected that the balance of the permits for the project will be issued mid-year 2007 and appeals of some or all of those expected to be filed sometime thereafter.

On January 17, 2007, the Okanagan/Wenatchee National Forest Supervisor issued a Record of Decision ("ROD") and Final EIS in respect of the Company's request for authorization of road access, power and utility lines, treated water pipelines and infiltration gallery, fences and monitoring wells to serve the Buckhorn mine. On March 22, 2007, the OHA filed a written administrative appeal of the ROD, the Final EIS and associated special use permits and/or authorizations (including any approval of any mining plan of operations) for the "Buckhorn Access Project", with the USDA Forest Service Regional Forester (the "Federal Appeal"). While it would be premature to predict the outcome of the appeal at this stage of the proceedings, the Company believes it has substantial defenses to the appeal, including any motion for a stay of operations.

Other Operating Segments

Kubaka (98.1% ownership and operator) – Russia

Kinross has held an interest in the Kubaka mine, located in the Magadan Oblast in far eastern Russia since 1998, and on February 28, 2003 increased its ownership interest to 98.1%.

All mining activity at Kubaka was completed by June 2005, and the remaining stockpiles had been processed by the third quarter of 2006. During 2006, materials and supplies inventory was written down by $7.6 million. Kubaka is reported with Other operations for segment reporting purposes.

Gold equivalent production in 2005 increased by 13% over 2004 levels to 140,195 ounces. The increase was due to a 10% increase in mill throughput and 7% increase in grades. The change in mill throughput was largely the result of an 8-week scheduled shutdown in 2004. Revenue from metal sales increased by 27% due to more ounces being sold and a higher realized gold price. Costs of sales increased due to more tonnes processed and an increase in the number of ounces sold. Depreciation, depletion and amortization was up by 39% as the remaining unamortized development costs and property, plant and equipment was fully depreciated over the production during the year, following the decision to close the mine.

Exploration and Business Development Expense

	Years ended December 31,			**2006 vs 2005**		2005 vs 2004	
(*in millions)*	**2006**	2005	2004	**Change $**	**Change %**	Change $	Change %
Exploration and business development	$ 39.4	$ 26.6	$ 20.4	$ 12.8	48%	$ 6.2	30%

2006 Exploration and business development expenses increased 48% from 2005 to $39.4 million. Of this, $13.5 million was spent on Kinross-owned properties and an additional $10.1 million at non-operated joint venture properties. This contributed to increases in reserves and resources at Refugio, Fort Knox, Paracatu, the Porcupine Joint Venture, La Coipa and Crixás.

Exploration and business development expenditures in 2007 are expected to rise to $44.0 million to ensure that there is a pipeline of projects to replace and build on the reserves and resources.

2005 Exploration expenditures in 2005 focused primarily on mine exploration. The two highest priorities were the resource expansion project at Paracatu and the pit expansion at Round Mountain. During 2005, the Company spent $5.2 million at Paracatu, while $2.4 million was spent at Round Mountain. Exploration expenditures at the other Company operated mines included $2.3 million at Kubaka, $0.6 million at Fort Knox and $0.4 million at Kettle River. The Company's share of exploration expenditures at non-operated joint venture properties included $3.5 million at Porcupine, $1.6 million at Musselwhite, $1.1 million at La Coipa and $0.3 million at Crixás.

2004 The focus of the Company's exploration program was to replace and increase reserves at existing mines and increase reserves at its development projects. Exploration expenditures at mines the Company operates totaled $14.4 million. This included $2.2 million at Kettle River, $0.6 million at Fort Knox, $0.8 million at Round Mountain and $0.4 million at Kubaka. The Company's share of exploration expenditures at joint venture properties operated by others included $3.2 million at Porcupine, $2.0 million at Musselwhite, $0.5 million at La Coipa and $0.3 million at Crixás.

General and Administrative

	Years ended December 31,			2006 vs 2005		2005 vs 2004	
(in millions)	**2006**	2005	2004	**Change $**	**Change %**	Change $	Change %
General and administrative	$ 52.1	$ 45.3	$ 36.4	$ 6.8	15%	$ 8.9	24%

General and administrative costs include expenses related to the overall management of the business which are not part of direct mine operating costs. This includes the costs incurred at corporate offices located in Toronto, Reno and Brasilia.

General and administrative costs have increased to $52.1 million in 2006 from $45.3 million in 2005. The increase was primarily due to stock-based compensation expense and higher personnel costs.

A large portion of the Company's general and administrative expense is incurred in Canadian dollars, therefore the weakening U.S. dollar has negatively impacted general and administrative expense. The average exchange rate of the U.S. dollar compared to the Canadian dollar decreased by 7% between 2004 and 2005 and a further 6% between 2005 and 2006.

Increases in general and administrative costs from 2004 to 2005 were the result of several factors, including increases in severance and related personnel costs, legal and insurance costs and costs incurred relating to the regulatory review of the Company's accounting for goodwill. Overall, costs related to regulatory requirements have increased each year.

Impairment of Goodwill, Property, Plant and Equipment and Investments

Goodwill

The Company evaluates its carrying value of Goodwill at least once each year. The test for impairment of goodwill is discussed further in the "The Carrying Value of Goodwill" in the Critical Accounting Policies and Estimates section below. In 2006, no impairment of goodwill was recorded. During 2005, goodwill impairment totaled $8.7 million which related to the Musselwhite mine and the Aquarius property. The goodwill impairment of $2.0 million relating to Musselwhite was the result of a reduction in the future value ascribed to the property by management and the goodwill impairment charge of $6.7 million at Aquarius followed management's decision to dispose of the property. Goodwill impairment charges of $12.4 million were recorded in 2004. A breakdown of the impairment charges to goodwill is as follows:

	Years ended December 31,		
(in millions)	**2006**	2005	2004
Goodwill Impairment Charges			
Musselwhite	$ —	$ 2.0	$ —
Gurupi property - exploration project	—	—	12.4
Aquarius	—	6.7	—
Total	$ —	$ 8.7	$ 12.4

Property, Plant and Equipment and investments

The impairment test of long lived assets is a test of recoverability. The test of the carrying value of property, plant and equipment is discussed further in the "The Carrying Value of Operating Mines, Mineral Rights, Development Properties and Other" in the Critical Accounting Policies and Estimates section below. In conducting the impairment analysis for 2006, the Company utilized the same methodology as 2005 and 2004, using nominal prices and cost assumptions, reflecting inflation and currency impacts. The gold price assumptions were based on a forecast from an independent external research firm, as well as other external market data.

During the last quarter of 2006, the Company determined that the decline in the market value of its holdings of St Andrew Goldfield shares and warrants and Caledonia Mining Corporation shares were other-than-temporary. As a result, long-term investments were impaired by $10.5 million.

The following is a breakdown of the impairments recorded against the Company's property, plant and equipment and investments for the three years ended December 31, 2006:

	Years ended December 31,		
(in millions)	**2006**	2005	2004
Property, plant and equipment Impairment Charges			
Fort Knox	$ —	$ 141.8	$ —
Paracatu	—	—	2.1
Kubaka	—	—	25.1
Gurupi property - exploration project	—	—	5.0
Lupin	—	—	7.9
New Britannia	—	—	1.3
Aquarius - exploration project	—	30.1	—
Norseman property - exploration project	—	—	3.5
Reclamation projects	—	—	1.2
	$ —	$ 171.9	$ 46.1
Investment Impairment Charges			
Crixás' taxes receivable	$ —	$ 3.4	$ —
Marketable securities and long-term investments	10.5	0.7	1.4
	$ 10.5	$ 4.1	$ 1.4
	$ 10.5	$ 176.0	$ 47.5

In the fourth quarter of 2005, an impairment charge of $141.8 million was recorded at Fort Knox as a result of a strategic review conducted on the Fort Knox operation. The True North and Gil deposits were reclassified from reserves to resources, the Company decided to withdraw from the Ryan Lode project, which previously had been included in reserves, and design changes were made to the Fort Knox pit.

An impairment charge of $3.4 million was recorded in the fourth quarter of 2005, following the determination that a tax receivable was unrecoverable by the Crixás mine. Following the Company's decision to dispose of the Aquarius exploration property in the third quarter of 2005, an impairment charge of $30.1 million was recorded against property, plant and equipment plus a $6.7 million charge against goodwill.

In 2004, impairment losses of $46.1 million were recorded against the carrying value of long-lived assets at various operations, along with an impairment loss of $1.4 million recorded against investments for a total of $47.5 million. An impairment loss of $25.1 million was recorded at the Company's Kubaka operation following the decision not to proceed with the development of the Tsokol vein located near the Kubaka mill. At Lupin, a charge of $7.9 million was recorded, as the mine was scheduled for reclamation in 2005. An impairment charge of $5.0 million was recorded at Gurupi on its long-lived assets, in addition to the impairment loss against goodwill. An impairment loss of $3.5 million was recorded against the carrying value of the Norseman property in Australia, as the decision was made by the Company to dispose of the property. Impairment losses were also recorded at Paracatu ($2.1 million), New Britannia ($1.3 million) and the Delamar reclamation property ($1.2 million).

Gain on Disposal of Assets

Kinross continues to dispose of non-core assets that were identified in the strategic review carried out in 2005. In 2006, total gains on disposal of assets and investments were $47.4 million. These gains were the result of the disposition of New Britannia mine ($8.9 million), the Blanket mine ($2.9 million) and George/Goose Lake property ($1.6 million) and other properties ($1.1 million). Gains of $31.3 million and $1.6 million were recorded on the disposal of investments in Katanga and Bolder, respectively.

The Company disposed of certain non-core assets in 2005, realizing a net gain totaling $6.0 million. $4.7 million related to the sale of a portion of its interest in Kinross Forrest Ltd. The investment in Kinross Forrest Ltd. is discussed further under "Related Party Transactions". Kinross also sold its position in Cumberland Resources Ltd. and various other equity holdings. The Company realized a net gain on the disposals of assets of $1.7 million in 2004. The gains were largely on the sale of investments in junior mining companies.

Other Expense - Net

Other expense was $9.3 million in 2006, compared with $17.0 million in 2005 and $6.2 million in 2004. Interest income increased to $5.3 million as a result of higher average cash balances throughout the year. A foreign exchange loss of $9.5 million was recorded in 2006, compared with a loss of $14.0 million in 2005 and $13.3 million in 2004. The loss on foreign exchange was largely the result of the impact of strengthening foreign currencies on net monetary liabilities in the Company's non-U.S. operations. Interest expense remained relatively constant from 2005, due to lower debt levels and an increase in capitalized interest, offset by higher interest rates in 2006. During 2006, the Company capitalized interest totaling $3.7 million relating to capital expenditures at Fort Knox, Round Mountain and Paracatu. During 2005, the Company capitalized interest totaling $1.8 million relating to capital expenditures at Fort Knox, the Porcupine Joint Venture, Refugio and Round Mountain. Interest and other income is expected to be lower in 2007 due to lower cash balances. Interest expense is expected to increase as a result of higher debt levels with the addition of Bema in 2007 and rising interest rates.

Kinross maintains a no-hedging policy on gold sales. However, the Company does, from time to time, generate premiums through the sale of gold call options. Non-hedge derivative gains and losses relate to the mark-to-market movement on these gold call options. During the year ended December 31, 2006, the Company closed out the remaining call options resulting in a pre-tax loss of $8.2 million. There were no written call options outstanding as at December 31, 2006. During 2005, the liability on call options sold increased by $3.2 million. At December 31, 2005, the Company had 255,000 ounces of sold call options outstanding at an average strike price of $522 per ounce, which had an unrealized loss of $6.2 million. Gains or losses on mark-to-market adjustments are reflected in the period incurred.

(in millions)	**2006**	2005	2004	**2006 vs 2005** **Change $**	**Change %**	2005 vs 2004 Change $	Change %
Interest and other income	$ 7.1	$ 7.0	$ 9.1	0.1	1%	(2.1)	(23%)
Interest expense	(6.9)	(6.8)	(5.1)	(0.1)	(1%)	(1.7)	(33%)
Foreign exchange losses	(9.5)	(14.0)	(13.3)	4.5	32%	(0.7)	(5%)
Non-hedge derivative gains (losses)	—	(3.2)	3.1	3.2	—	(6.3)	nm
Other expense - net	$ (9.3)	$ (17.0)	$ (6.2)	7.7	45%	(10.8)	(174%)

Income and Mining Tax Expense

Kinross is subject to tax in various jurisdictions including Canada, the United States, Brazil, Chile and Russia. The Company recorded a provision of $25.9 million on earnings before taxes and other items of $192.2 million in 2006 and recoveries of $12.9 million and $11.5 million for income and mining taxes in 2005 and 2004 on losses before tax and other items of $228.2 million and $74.1 million, respectively. Kinross' combined federal and provincial statutory tax rate was 34% for 2006, 34% for 2005 and 39% for 2004. There are a number of factors that can significantly impact the Company's effective tax rate including the geographic distribution of income, varying rates in different jurisdictions, the non-recognition of tax assets, mining allowance, foreign currency exchange rate movements, changes in tax laws and the impact of specific transactions and assessments. A reconciliation of the Company's statutory rate to the actual provision is provided in Note 15 to the consolidated financial statements.

Due to the number of factors that can potentially impact the effective tax rate and the sensitivity of the tax provision to these factors, as discussed above, it is expected that the Company's effective tax rate will continue to fluctuate in future periods.

Related Party Transactions

During 2004, the Company entered into a shareholders' agreement providing for the incorporation of Kinross Forrest Ltd. ("KF Ltd."). KF Ltd. is incorporated under the laws of the Territory of the British Virgin Islands and is a party to a joint venture with La Générale des Carrières et des Mines, a Congolese state-owned mining enterprise. The joint venture was formed for the purpose of exploiting the Kamoto Copper Mine located in the Democratic Republic of Congo. Upon incorporation, the Company held 35% of the shares of KF Ltd., 25% of the shares were held by a company controlled by Mr. Arthur Ditto, a former director and officer of the Company, and 40% were held by an unrelated third party. Mr. Ditto paid the Company his share of the expenses incurred in the amount of $0.3 million.

During 2005, the Company agreed to sell 23.33% of the shares of KF Ltd. to Balloch Resources Ltd. ("Balloch") for consideration of $4.7 million. Based on an original cost of less than $0.1 million, the Company recorded a gain on sale of $4.7 million. In addition, the Company and Balloch signed an agreement giving Balloch an option to purchase Kinross' remaining 11.67% interest in KF Ltd. Mr. Ditto owned a 17.1% interest in the outstanding common shares of Balloch and, following its purchase of the interest in KF Ltd., was appointed the president and Chief Executive Officer of Balloch. Mr. Robert M. Buchan, a former officer and director of the Company, is the non-executive Chairman of Balloch. On November 30, 2005, Balloch changed its name to Katanga Mining Ltd. ("Katanga"). On June 27, 2006, the Company received 5,751,000 shares of Katanga in exchange for its 11.67% interest in KF Ltd. On September 8, 2006, Kinross sold the 5,751,000 shares in Katanga for proceeds of $31.4 million, recording a gain of $31.3 million.

7. Liquidity and Capital Resources

The following table summarizes Kinross' cash flow activity and does not include Bema:

	Years ended December 31,			2006 vs 2005		2005 vs 2004	
(in millions)	**2006**	2005	2004	**Change $**	**Change %**	Change $	Change %
Cash flow:							
Provided from operating activities	$ 292.0	$ 133.7	$ 161.2	$ 158.3	118%	$ (27.5)	(17%)
Used in investing activities	(173.0)	(121.1)	(442.3)	(51.9)	(43%)	321.2	73%
Provided by (used in) financing acitvities	(64.2)	35.7	82.6	(99.9)	(280%)	(46.9)	(57%)
Effect of exchange rate changes on cash	1.7	1.4	0.6	0.3	21%	0.8	133%
Increase (decrease) in cash and cash equivalents	$ 56.5	$ 49.7	$ (197.9)	$ 6.8	14%	$ 247.6	125%
Cash and cash equivalents:							
Beginning of year	$ 97.6	$ 47.9	$ 245.8	$ 49.7	104%	$ (197.9)	(81%)
End of year	$ 154.1	$ 97.6	$ 47.9	$ 56.5	58%	$ 49.7	104%

Operating Activities

Primarily as a result of higher gold and silver prices, cash flow provided from operating activities increased 118% to $292.0 million from $133.7 million in 2005. This has been partially offset by higher cost of sales, although the actual quantity of gold equivalent ounces was lower than 2005 sales quantities.

Cash flow provided from operating activities in 2005 decreased to $133.7 million from $161.2 million in 2004. The decrease was largely the result of fewer ounces sold combined with increased operating costs, partially offset by higher realized gold prices.

Investing Activities

In 2006, net cash used in investing activities was $173.0 million, an increase of $51.9 million from the $121.1 million spent in 2005. Additions to property, plant and equipment in 2006 were $202.9 million compared to $142.4 million in 2005. Cash used in investing activities in 2004 was $442.3 million, primarily related to the $255.6 million used in the acquisition of the remaining 51% interest in the Paracatu mine and additions to property, plant and equipment of $169.5 million. The following schedule provides a breakdown by segment of the capital expenditures:

	Years ended December 31,			2006 vs 2005		2005 vs 2004	
(in millions)	**2006**	2005	2004	**Change $**	**Change %**	Change $	Change %
Operating Segments							
Fort Knox	$ 49.9	$ 44.6	$ 58.7	$ 5.3	12%	$ (14.1)	(24%)
Round Mountain	28.3	5.9	8.8	22.4	380%	(2.9)	(33%)
La Coipa	7.8	4.9	1.0	2.9	59%	3.9	390%
Crixás	7.8	6.2	3.6	1.6	26%	2.6	72%
Paracatu	61.8	21.3	5.8	40.5	190%	15.5	267%
Musselwhite	4.7	5.7	3.9	(1.0)	(18%)	1.8	46%
Porcupine Joint Venture	19.5	24.7	24.5	(5.2)	(21%)	0.2	1%
Refugio	4.7	26.2	43.4	(21.5)	(82%)	(17.2)	(40%)
Kettle River	16.7	1.7	1.6	15.0	882%	0.1	6%
Other operations	—	0.2	17.0	(0.2)	(100%)	(16.8)	(99%)
Corporate & other	1.7	1.0	1.2	0.7	70%	(0.2)	(17%)
Total	$ 202.9	$ 142.4	$ 169.5	$ 60.5	42%	$ (27.1)	(16%)

Expenditures on capital in 2006 included costs to continue Phase VI of the expansion at Fort Knox, the pit expansion and costs related to a new dedicated leach pad at Round Mountain, development of the Paracatu mine and infrastructure costs at Kettle River with the acquisition of Buckhorn.

Capital expenditures during 2005 included costs related to accessing Phase V and Phase VI ore zones at Fort Knox, development of the Pamour pit at the Porcupine Joint Venture, mine and mill expansion costs at Paracatu, and continuing recommissioning costs at Refugio.

During 2004, the major focus of the Company's program included expenditures at Fort Knox on the tailings dam, equipment and mine development, recommissioning of Refugio and development of the Pamour pit at the Porcupine Joint Venture.

During 2006, cash proceeds of $33.7 million were received from the disposal of long-term investments and other assets, compared with proceeds of $19.8 million in 2005 and $14.6 million in 2004. Cash of $13.9 million was used to acquire long-term investments and other assets compared to $16.9 million in 2005 and $26.4 million in 2004. At December 31, 2006, Kinross held long-term investments in resource companies with a book value of $25.8 million and a market value of $45.7 million and at December 31, 2005, held long-term investments in resource companies with a book value of $21.2 million and a market value of $27.7 million.

Financing Activities

Net cash used in financing activities during 2006 was $64.2 million compared with cash provided of $35.7 million in 2005 and $82.6 million in 2004. Debt of $104.6 million was repaid in 2006 and $35.3 million was received on proceeds from the issuance of debt. Included was repayment of $80.0 million on the revolving credit facility. During 2005, cash from financing activities was primarily from a net increase to the LIBOR loan of $35.0 million under the corporate credit facility and $5.5 million was drawn down on a $6.0 million credit facility for the Refugio mine in 2005.

In December 2004, $105.0 million was drawn down on the corporate credit facility, which helped fund the purchase of the remaining 51% interest in Paracatu. During the first quarter of 2004, the Company repaid the Industrial Revenue Bonds of $25.0 million owing to the Alaska Industrial Development and Export Authority. The repurchase of common shares resulting from a share consolidation followed by an immediate deconsolidation required the use of $11.8 million. The Company decided to undertake this action to eliminate the large number of shareholders who held less than 100 shares.

No dividends were declared or paid to the holders of the convertible preferred shares of Kinam Gold Inc., a subsidiary of the Company, in 2006, 2005, or 2004.

As of March 19, 2007, there were 583,784,242 million common shares of the Company issued and outstanding. In addition, at the same date, the Company had 10,748,502 million share purchase options outstanding under its share option plan, 1,249,834 million restricted share rights under its restricted share plan and 25.0 million common share purchase warrants outstanding which are convertible to 8.3 million common shares.

Balance Sheet

Kinross had cash and cash equivalents of $154.1 million at December 31, 2006, an increase of $56.5 million from December 31, 2005. The Company's net debt position, consisting of (long-term debt and preferred shares, less cash and cash equivalents) was $75.8 million at December 31, 2005 and was in a net cash position of $49.3 million at the end of 2006. The shift to a net cash position is due to the cash flow provided from operating activities of $292.0 million, less net cash used in financing including net debt repayments of $69.3 million, and investing activities which includes additions to property, plant and equipment of $202.9 million. Non-cash working capital comprised of current assets less cash and cash equivalents and restricted cash decreased by $5.4 million from $143.0 million at December 31, 2005 to $137.6 million at the end of 2006.

Property, plant and equipment had a net increase of $266.3 million which was primarily due to the acquisition of Crown and expansions at Round Mountain, Fort Knox and Paracatu. Depreciation, depletion and amortization expense was $108.3 million.

The reclamation and remediation obligation is estimated to be $168.4 million at December 31, 2006, compared to $175.9 million at the end of 2005. Reclamation expenditures totaled $22.8 million in 2006. The net decrease of $7.5 million is the result of a reduction in the liability through reclamation activities and the disposition of certain properties where Kinross was relieved of the obligation. These were offset by higher cost assumptions used in determining the estimated liabilities along with the ongoing development and expansion at various operations. At producing mines, increases to estimated reclamation and remediation costs are recorded as an adjustment to the corresponding asset carrying amount. At closed mines, changes to estimates are charged directly to earnings. Accretion and reclamation expense of $33.5 million in 2006 included $23.5 million related to increased cost estimates at mines no longer in production.

Credit Facilities

At December 31, 2006, the Company had in place a three-year revolving credit facility of $300 million and a five and a half year $200 million term loan. During August 2006, the Company amended and restated the previous $295.0 million revolving facility with a $300.0 million revolving credit facility that supports the Company's liquidity and letters of credit requirements. In addition, the term was extended to August 2008. The Company had drawn $187.5 million of this facility, at December 31, 2006 in the form of a $60.0 million LIBOR loan and letters of credit totaling $127.5 million. The new credit facility includes a five and a half year $200.0 million term loan that supports the Paracatu expansion project in Brazil. The following table outlines the credit facility utilization as at December 31:

	As at December 31,	
(in millions)	**2006**	2005
Credit facility limit	$ 300.0	$ 295.0
Term loan	195.0	—
LIBOR loan	(60.0)	(140.0)
Letters of credit	(127.5)	(117.6)
Credit facility availability as at December 31	$ 307.5	$ 37.4

Obligations under the facilities are secured by the assets of the Fort Knox mine as well as by a pledge of shares in various wholly owned subsidiaries. Pricing is dependent upon the ratio of the Company's net debt to operating cash flow. Assuming the Company maintains a leverage ratio less than 1.25, interest charges would be as follows:

Type of Credit	**Interest rates in credit facility**
Dollar based LIBOR loan	LIBOR plus 1.00%
Letters of credit	1.00%
Standby fee applicable to unused availability	0.25%

Significant financial covenants contained in the credit facility include a minimum tangible net worth of $700.0 million (2005 - $727.9 million), an interest coverage ratio of 4.5:1, net debt to operating cash flow of no more than 3.0:1 and minimum Proven and Probable Reserves of 6.0 million gold equivalent ounces. The Company was in compliance with all covenants as at December 31, 2006.

Total long-term debt of $89.9 million at December 31, 2006, consists of $60.0 million borrowed under the corporate credit facility, $5.0 million on the Paracatu term loan, $15.0 million outstanding on the Paracatu short-term loan and capital leases of $9.9 million. The Paracatu short-term loan bears an interest rate of 5.67% and is repayable in 30 days. Capital lease payments of $2.9 million and the repayment of the $15.0 million Paracatu short-term loan are expected to be made in 2007.

Liquidity Outlook

The following amounts do not include the effects of the acquisition of Bema. The three major uses of cash in 2007 as compared with 2006, outside of operating activities and general and administrative costs, are expected to be:

	As at December 31,	
(in millions)	**2007**	2006
Site restoration	$ 29.0	$ 22.8
Exploration and business development	44.0	39.4
Property, plant and equipment additions	450.0	202.9
	$ 523.0	$ 265.1

The exploration costs are discussed further in the “Exploration and Business Development Expense” section under “Consolidated Financial Results”.

Certain letters of credit are expected to be released as various closure properties proceed with final reclamation. However, the exact timing of these releases is uncertain. It is also difficult to predict the specific timing of reductions or further increases in LIBOR based borrowings. In addition, Kinross anticipates the need for additional bonding requirements.

Kinross had cash and cash equivalents of $154.1 million and $307.5 million available on its credit facilities at December 31, 2006. With the average gold price in the first two months of 2007 at $647 per ounce, it is expected that the Company’s existing cash balances, cash flow from operations and existing credit facilities will be sufficient to fund the exploration, capital and reclamation programs budgeted for 2007.

2007 Capital Additions

Major expenditures in Kinross’ capital program of approximately $450 million forecast for 2007, excluding Bema, include:

- $279 million at Paracatu, of which $260 million relates to the expansion project.
- $40 million at the Fort Knox mine, for development of Phase IV and potential Phase VII expansion and for a heap leach pad project.
- $58 million at Kettle River, of which $54 million relates to developing the Kettle River - Buckhorn Property project.
- $37 million at Round Mountain, for stripping in the expansion and additional mobile equipment.
- $20 million at the Porcupine Joint Venture on underground development and mill tailing lift.
- $12 million at La Coipa, which includes capital development and water treatment facilities.

All amounts represent Kinross’ proportionate share of planned expenditures.

2007 Reclamation Expenditures

Reclamation expenditures in 2007 are forecast to be $29 million, which includes expenditures of approximately $13 million at Delamar and $7 million at Kubaka. Reclamation is also scheduled at many of the operating mines as well as reclamation and monitoring continuing at the Company’s Haile and Mineral Hill sites.

Contractual Obligations and Commitments

The following amounts do not include the effects of the acquisition of Bema.

Table of Contractual Obligations:

(in millions)	**Total**	**2007**	**2008**	**2009**	**2010**	**2011 and beyond**
Long-term debt obligations	$ 91.1	$ 19.5	4.8	63.0	1.1	2.7
Capital lease obligations	10.9	3.4	3.3	4.1	0.1	–
Operating lease obligations	6.9	2.5	1.7	1.5	1.2	–
Purchase obligations	193.7	123.6	38.1	11.6	6.1	14.3
Reclamation and remediation obligations	168.4	28.8	19.8	12.8	20.2	86.8
Total	$ 471.0	$ 177.8	$ 67.7	$ 93.0	$ 28.7	$ 103.8

Financial Instruments

Kinross may manage its exposure to fluctuations in commodity prices and foreign exchange rates by entering into derivative financial instrument contracts in accordance with the formal risk management policies approved by its Board of Directors. Kinross' exposure with respect to foreign exchange is addressed under the section entitled "Risk Analysis - Foreign Currency Exchange Risk" and, with respect to commodities, in the section entitled "Risk Analysis - Commodity Price Risks."

8. Quarterly Information

	2006				2005			
(in millions)	**Q4**	**Q3**	**Q2**	**Q1**	Q4	Q3	Q2	Q1
Metal sales	$ 231.4	$ 223.6	$ 252.3	$ 198.3	$ 190.0	$ 181.1	$ 174.6	$ 179.8
Net earnings (loss) attributable to common shares	$ 41.0	$ 50.3	$ 65.6	$ 8.9	$ (154.3)	$ (44.4)	$ (16.4)	$ (0.9)
Basic and diluted earnings (loss) per share	$ 0.11	$ 0.14	$ 0.19	$ 0.03	$ (0.45)	$ (0.13)	$ (0.05)	$ —
Cash flow provided from operating activities	$ 91.2	$ 85.8	$ 94.9	$ 20.1	$ 23.8	$ 52.5	$ 30.6	$ 26.8

During the fourth quarter of 2006, revenue rose to $231.4 million on sales of 375,684 gold equivalent ounces, up from $190.0 million on sales of 389,037 gold equivalent ounces in the same period in 2005. The average price was $614 compared to $485 in the fourth quarter of 2005. Cost of sales in the quarter rose to $119.2 million from $110.9 million due to rising fuel, power labour and other production costs. The strengthening Canadian dollar, Chilean peso and Brazilian real against the United States dollar also increased costs at the Company's non-U.S. mines.

Accretion and reclamation expense was $1.8 million in the fourth quarter of 2006 as compared to $47.0 million in the same period in 2005 as a result of adjustments to the cost estimates for mines no longer in production recorded in December 2005 whereas the 2006 adjustments were made in the third quarter. Other items affecting net earnings in the fourth quarter were gains recorded on the sale of New Britannia of $8.9 million and an impairment charge against the investments in St Andrew Goldfields Ltd. and Caledonia Mining Corporation totaling $10.5 million.

9. Disclosure Controls and Procedures and Internal Controls

Pursuant to regulations adopted by the U.S. Securities and Exchange Commission (SEC), under the Sarbanes-Oxley Act of 2002 and those of the Canadian Securities Administrators, Kinross' management evaluates the effectiveness of the design and operation of the Company's disclosure controls and procedures (disclosure controls). This evaluation is done under the supervision of, and with the participation of, the President and Chief Executive Officer and the Chief Financial Officer.

As of the end of the period covered by this MD&A and accompanying audited financial statements, Kinross' management evaluated the effectiveness of its disclosure controls. Based on that evaluation, the President and Chief Executive Officer and the Chief Financial Officer have concluded that Kinross' disclosure controls and procedures were effective.

10. Critical Accounting Policies and Estimates

Kinross' accounting policies are described in Note 2 to the consolidated financial statements. The preparation of the Company's consolidated financial statements, in conformity with GAAP, requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. The following is a list of the accounting policies that the Company believes are critical, due to the degree of uncertainty regarding the estimates or assumptions involved and the magnitude of the asset, liability, revenue or expense being reported:

- Purchase price allocation;
- Goodwill and Goodwill Impairment;
- Property, plant and equipment and Impairment of Property, plant and equipment;
- Long-term investments;
- Inventories;
- Reclamation and remediation obligations; and
- Income and mining taxes

Management has discussed the development and selection of the above critical accounting policies with the Audit Committee of the Board of Directors, and the Audit Committee has reviewed the disclosure relating to such policies in the MD&A.

Purchase Price Allocation

Business acquisitions are accounted for by the purchase method of accounting whereby, the purchase price is allocated to the assets acquired and the liabilities assumed based on fair value at the time of the acquisition. The excess purchase price over the fair value of identifiable assets and liabilities acquired is goodwill. The determination of fair value often requires management to make assumptions and estimates about future events. The assumptions and estimates with respect to determining the fair value of property, plant and equipment acquired generally require a high degree of judgment, and include estimates of mineral reserves acquired, future gold prices and discount rates. Changes in any of the assumptions or estimates used in determining the fair value of acquired assets and liabilities could impact the amounts assigned to assets, liabilities and goodwill in the purchase price allocation.

Goodwill and Goodwill Impairment

The amount by which the purchase price of a business acquisition exceeds the fair value of identifiable assets and liabilities acquired, is goodwill. Goodwill is allocated to the reporting units acquired based on management's estimates of the fair value of each reporting unit as compared to the fair value of the assets and liabilities of the reporting unit. Estimates of fair value may be impacted by gold and silver prices, currency exchange rates, discount rates, level of capital expenditures, interest rates, operating costs and other factors that may be different from those used in determining fair value.

For reporting units that have recorded goodwill, the estimated fair value of each unit is compared to its carrying value at least once each year, or when circumstances indicate that the value may have become impaired. If the carrying value exceeds the estimated or implied fair value of goodwill, which is equal to management's estimate of potential value contained within the reporting unit, any excess of the carrying amount of goodwill over the estimated or implied goodwill is deducted from the carrying value of goodwill and charged to current period earnings.

While the Company believes that the approach used to calculate estimated fair value for each reporting unit is appropriate, the Company also recognizes that the timing and future value of additions to proven and probable mineral reserves, as well as the gold price and other assumptions discussed previously, may change significantly from current expectations. For example, a reduction in the forecasted gold price used to test impairment of 10% would have the impact of reducing the value of the goodwill by an additional $125.0 million, keeping other variables constant.

Carrying Value of Operating Mines, Mineral Rights, Development Properties and Other Assets

Kinross reviews and evaluates the carrying value of its operating mines and development properties for impairment whenever events or circumstances indicate that the carrying amounts of these assets might not be recoverable. When the carrying amount exceeds the undiscounted cash flow, an impairment loss is measured and recorded. Future cash flows are based on estimated recoverable production as determined from Proven and Probable Reserves and Measured, Indicated and Inferred resources. Assumptions underlying the cash flow estimates include, but are not limited to, forecasted prices for gold and silver, production levels, and operating, capital and reclamation costs. The fair values of exploration-stage properties are estimated based primarily on recent transactions of similar properties adjusted for any infrastructure that may already be in place. Assumptions underlying future cash flow estimates are subject to risks and uncertainties. Therefore, it is possible that changes in estimates with respect to the Company's mine plans could occur which may affect the expected recoverability of Kinross' investments in the carrying value of the assets. The components of the asset impairment charges are discussed in "Impairment of Goodwill, Property, Plant and Equipment and Investments" under the "Consolidated Financial Results" section.

Long-term Investments

Long-term investments over which the Company holds less than a 20% interest and does not exercise significant influence are accounted for at cost. Those investments where the Company holds greater than 20% but less than a 50% interest, and has the ability to exercise significant influence are accounted for as an equity investment. The Company reviews the carrying value of its interests in long term investments each reporting period. When there is a decline in the carrying value that is expected to be an other-than-temporary decline, the investment is written down to net realizable value with a charge to impairment expenses.

Depreciation, Depletion and Amortization

Plant and other facilities, used directly in mining activities, are amortized using the units-of-production ("UOP") method over the estimated life of the ore body based on recoverable ounces to be mined from estimated proven and probable mineral reserves. Mobile and other equipment is depreciated, net of residual value, on a straight-line basis, over the useful life of the equipment but does not exceed the related estimated life of the mine based on proven and probable reserves.

Costs to develop new properties, where it has been determined that a mineral property can be economically developed as a result of establishing proven and probable mineral reserves are capitalized. All such costs are amortized using the UOP method based on recoverable ounces to be mined from proven and probable mineral reserves.

Major costs incurred after the commencement of production that represent betterment to the property are capitalized and amortized using the UOP method based on recoverable ounces to be mined from estimated proven and probable mineral reserves from the reserves exposed as a result of these activities.

The calculation of the UOP rate, and therefore the annual depreciation, depletion, and amortization expense, could be materially affected by changes in the underlying estimates. Changes in estimates can be the result of actual future production differing from current forecasts of future production, expansion of proven and probable mineral reserves through exploration activities, differences between estimated and actual costs of mining and differences in gold price used in the estimation of proven and probable mineral reserves.

Significant judgment is involved in the determination of useful life and residual values for the computation of depreciation, depletion, and amortization and no assurance can be given that actual useful lives and residual values will not differ significantly from current assumptions.

Inventories

Expenditures incurred, and depreciation, depletion and amortization of assets used in mining and processing activities are deferred and accumulated as the cost of ore in stockpiles, ore on leach pads, in-process and finished metal inventories. These deferred amounts are carried at the lower of average cost or net realizable value ("NRV"). NRV is the difference between the estimated future gold price based on prevailing and long-term prices, less estimated costs to complete production into a saleable form. Write-downs of ore in stockpiles, ore on leach pads, in-process and finished metal inventories resulting from NRV impairments are reported as a component of current period costs. The primary factors that influence the need to record write-downs include prevailing and long-term gold prices and prevailing costs for production inputs such as labour, fuel and energy, materials and supplies, as well as realized ore grades and actual production levels.

Stockpiles are comprised of ore that has been extracted from the mine and is available for further processing. Stockpiles are valued based on mining costs incurred up to the point of stockpiling the ore, including applicable depreciation, depletion and amortization relating to mining operations. Costs are added to stockpiles based on the current mining cost per tonne and removed at the average cost per tonne.

Ore on leach pads is ore that is placed on pads where it is permeated with a chemical solution that dissolves the gold contained in the ore. Costs are attributed to the leach pads based on current mining costs, including applicable depreciation, depletion and amortization relating to mining operations incurred up to the point of placing the ore on the pad. Costs are removed from the leach pad based on the average cost per recoverable ounce of gold on the leach pad as the gold is recovered. Estimates of recoverable gold on the leach pads are calculated from the quantities of ore placed on the pads, the grade of ore placed on the leach pads and an estimated percentage of recovery. Timing and ultimate recovery of gold contained on leach pads can vary significantly. The quantities of recoverable gold placed on the leach pads are reconciled to the quantities of gold actually recovered (metallurgical balancing), by comparing the grades of ore placed on the leach pads to actual ounces recovered. The nature of the leaching process inherently limits the ability to precisely monitor inventory levels. As a result, the metallurgical balancing process is constantly monitored and the engineering estimates are refined based on actual results over time. The ultimate recovery of gold from a pad will not be known until the leaching process is completed.

In-process inventories are materials that are currently in the process of being converted to a saleable product. Conversion processes vary depending on the nature of the ore and the specific mining operation, but include mill in-circuit, leach in-circuit, flotation and column cells, and carbon in-pulp inventories. In-process material is measured based on assays of the material fed to the processing plants and the projected recoveries of the respective plants. In-process inventories are valued at the average cost of the material fed to the processing plant which is attributable to the source material coming from the mines, stockpiles or leach pads plus the in-process conversion costs, including applicable depreciation relating to the process facilities, incurred to that point in the process.

Finished metal inventory is gold and silver doré and bullion in saleable form and is valued at the lower of the previous three month average production cost and net realizable value. Average production cost represents the average cost of the respective in-process inventories incurred prior to the refining process plus applicable refining costs and associated royalties.

The allocation of costs to ore in stockpiles, ore on leach pads and in-process inventories and the determination of NRV involves the use of estimates. There is a high degree of judgment in estimating future costs, future production levels, proven and probable mineral reserve estimates, gold and silver prices, and the ultimate estimated recovery for ore on leach pads. There can be no assurance that actual results will not differ significantly from estimates used in the determination of the carrying value of inventories.

Reclamation and Remediation Obligations

Mining and exploration activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. The Company records the estimated present value of reclamation liabilities in the period in which they are incurred. A corresponding increase to the carrying amount of the related asset is recorded and depreciated over the life of the asset. The liability will be increased each period to reflect the interest element or accretion reflected in its initial measurement at fair value, and will also be adjusted for changes in the estimate of the amount, timing and cost of the work to be carried out.

Future remediation costs for inactive mines are accrued based on management's best estimate at the end of each period of the undiscounted cash costs expected to be incurred at each site. Changes in estimates are reflected in earnings in the period an estimate is revised.

Accounting for reclamation and remediation obligations requires management to make estimates of the future costs the Company will incur to complete the reclamation and remediation work required to comply with existing laws and regulations at each mining operation. Actual costs incurred may differ from those amounts estimated. Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation and remediation. At December 31, 2006, the undiscounted future cost of reclamation and remediation obligations before inflation was estimated to be $263.8 million. The present value of estimated future cash outflows for reclamation and remediation obligations was $168.4 million and $175.9 million at December 31, 2006 and 2005, respectively.

Income and Mining Taxes

The Corporation recognizes the future tax benefit related to deferred income and resource tax assets and sets up a valuation allowance against any portion that it believes will, more likely than not, fail to be realized (see Note 15 to the consolidated financial statements). Assessing the recoverability of future income tax assets requires management to make significant estimates of future taxable income. Estimates of future taxable income are subject to changes as discussed under the section "Carrying Value of Operating Mines, Mineral Rights, Development Properties and Other Assets". To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the balance sheet date could be impacted. In addition, future changes in tax laws could limit the ability of the Corporation to obtain tax deductions in future periods from deferred income and resource tax assets.

11. Recent Pronouncements and Accounting Changes

Please refer to Note 3 to the December 31, 2006 consolidated financial statements.

12. Risk Analysis

The operations of Kinross are high-risk due to the nature of mining, exploration, and development activities. Certain risk factors listed below are related to the mining industry in general while others are specific to Kinross. Included in the risk factors below are details on how Kinross seeks to mitigate these risks wherever possible. For additional discussion of risk factors please refer to the Company's Annual Information Form which is available on the Company's website *www.kinross.com* and on *www.sedar.com* or is available upon request from the Company.

Gold Price

The profitability of any gold mining operation in which Kinross has an interest will be significantly affected by changes in the market price of gold. Gold prices fluctuate on a daily basis and are affected by numerous factors beyond Kinross' control. The supply and demand for gold, the level of interest rates, the rate of inflation, investment decisions by large holders of gold, including governmental reserves, and stability of exchange rates can all cause significant fluctuations in gold prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of gold has fluctuated widely and future serious price declines could cause continued commercial production to be impractical. Depending on the price of gold, cash flow from mining operations may not be sufficient to cover costs of production and capital expenditures. If, as a result of a decline in gold prices, revenues from metal sales were to fall below operating costs, production may be discontinued.

Nature of Mineral Exploration and Mining

The exploration and development of mineral deposits involves significant financial and other risks over an extended period of time which may not be eliminated even with careful evaluation, experience and knowledge. While discovery of a gold-bearing structures may result in substantial rewards, few properties explored are ultimately developed into producing mines. Major expenditures are required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that the current or proposed exploration programs on properties in which Kinross has an interest will result in profitable commercial mining operations.

The operations of Kinross are subject to the hazards and risks normally incident to exploration, development and production of gold and silver, any of which could result in damage to life or property, environmental damage and possible legal liability for such damage. The activities of Kinross may be subject to prolonged disruptions due to weather conditions depending on the location of operations in which it has interests. Hazards, such as unusual or unexpected formations, rock bursts, pressures, cave-ins, flooding or other conditions, may be encountered in the drilling and removal of material. While Kinross may obtain insurance against certain risks, potential claims could exceed policy limits or could be excluded from coverage. There are also risks against which Kinross cannot or may elect not to insure. The potential costs which could be associated with any liabilities not covered by insurance or in excess of insurance coverage or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting the future earnings and competitive position of Kinross and, potentially, its financial viability.

Whether a gold deposit will be commercially viable depends on a number of factors, some of which include the particular attributes of the deposit, such as its size and grade, costs and efficiency of the recovery methods that can be employed, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of gold and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in Kinross not receiving an adequate return on its invested capital.

Kinross mitigates the likelihood and potential severity of these mining risks it encounters in its day-to-day operations through the application of high operating standards. In addition, Kinross reviews its insurance coverage at least annually to ensure the most complete and cost-effective coverage is obtained.

Environmental Risks

Kinross' mining and processing operations and exploration activities in Canada, the United States, Russia, Brazil and Chile are subject to various laws and regulations governing the protection of the environment, exploration, development, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, mine safety, and other matters. New laws and regulations, amendments to existing laws and regulations, or more stringent implementation of existing laws and regulations could have a material adverse impact on Kinross through increased costs, a reduction in levels of production and/or a delay or prevention of the development of new mining properties. Compliance with these laws and regulations requires significant expenditures and increases Kinross' mine development and operating costs.

Permits from various governmental authorities are necessary in order to engage in mining operations in all jurisdictions in which Kinross operates. Such permits relate to many aspects of mining operations, including maintenance of air, water and soil quality standards. In most jurisdictions, the requisite permits cannot be obtained prior to completion of an environmental impact statement and, in some cases, public consultation. Further, Kinross may be required to submit for government approval a reclamation plan, to post financial assurance for the reclamation costs of the mine site, and to pay for the reclamation of the mine site upon the completion of mining activities. Kinross mitigates this risk by performing certain reclamation activities concurrent with production.

Mining, like many other extractive natural resource industries, is subject to potential risks and liabilities concerning the environmental effects associated with mineral exploration and production. Environmental liability may result from mining activities conducted by others prior to Kinross' ownership of a property. To the extent Kinross is subject to uninsured environmental liabilities, the payment of such liabilities would reduce funds otherwise available for business activities and could have a material adverse effect on Kinross. Should Kinross be unable to fully fund the cost of remedying an environmental problem, Kinross might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy, which could have a material adverse effect. Kinross mitigates the likelihood and potential severity of these environmental risks it encounters in its day-to-day operations through the application of high operating standards.

Reserve Estimates

The reserve and resource figures are estimates, and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Market fluctuations in the price of gold may render the mining of ore reserves uneconomical and require Kinross to take a write-down of an asset or to discontinue development or production. Moreover, short-term operating factors relating to the reserves, such as the need for orderly development of the ore body or the processing of new or different ore grades, may cause a mining operation to be unprofitable in any particular accounting period.

Proven and Probable Reserves at Kinross' mines and development projects were estimated as of December 31, 2006, based upon a gold price of $475 per ounce of gold. Prior to 2002, gold prices were significantly below these levels. Prolonged declines in the market price of gold may render reserves containing relatively lower grades of gold mineralization uneconomic to exploit and could materially reduce Kinross' reserves. Should such reductions occur, material write-downs of Kinross' investment in mining properties or the discontinuation of development or production might be required, and there could be material delays in the development of new projects and reduced income and cash flow.

There are numerous uncertainties inherent in estimating quantities of proven and probable gold reserves. The estimates in this document are based on various assumptions relating to gold prices and exchange rates during the expected life of production and the results of additional planned development work. Actual future production rates and amounts, revenues, taxes, operating expenses, environmental and regulatory compliance expenditures, development expenditures and recovery rates may vary substantially from those assumed in the estimates. Any significant change in these assumptions, including changes that result from variances between projected and actual results, could result in a material downward or upward revision of current estimates.

Operations Outside of North America

Kinross has mining operations and carries out exploration and development activities outside of North America in Russia, Brazil and Chile. There is no assurance that future political and economic conditions in these countries will not result in those countries' governments adopting different policies respecting foreign development and ownership of mineral resources. Any such changes in policy may result in changes in laws affecting ownership of assets, taxation, rates of exchange, gold sales, environmental protection, labour relations, repatriation of income, and return of capital. Changes in any of these areas may affect both the ability of Kinross to undertake exploration and development activities in respect of future properties in the manner currently contemplated, as well as its ability to continue to explore, develop, and operate those properties for which it has obtained exploration, development, and operating rights to date. The possibility that a future government of these countries may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Kinross is subject to the considerations and risks of operating in Russia. The economy of the Russian Federation continues to display characteristics of an emerging market. These characteristics include, but are not limited to, the existence of a currency that is not freely convertible outside of the country, extensive currency controls and high inflation. The prospects for future economic stability in the Russian Federation are largely dependent upon the effectiveness of economic measures undertaken by the government, together with legal, regulatory and political developments. Russian laws, licenses and permits have been in a state of change and new laws may be given a retroactive effect. It is also not unusual in the context of dispute resolution in Russia for parties to use the uncertainty in the Russian legal environment as leverage in business negotiations. In addition, Russian tax legislation is subject to varying interpretations and constant change. Furthermore, the interpretation of tax legislation by tax authorities as applied to the transactions and activities of Kinross' Russian operations may not coincide with that of management. As a result, tax authorities may challenge transactions and Kinross' Russian operations may be assessed additional taxes, penalties and interest, which could be significant. The periods remain open to review by the tax authorities for three years. Kinross mitigates this risk through ongoing communications with the Russian regulators.

In addition, the economies of Russia, Brazil and Chile differ significantly from the economies of Canada and the United States. Growth rates, inflation rates and interest rates of developing nations have been and are expected to be more volatile than those of western industrial countries.

Licenses and Permits

The operations of Kinross require licenses and permits from various governmental authorities. However, such licenses and permits are subject to change in various circumstances. There can be no guarantee that Kinross will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities and properties under exploration or development or to maintain continued operations that economically justify the cost. Kinross endeavors to be in compliance with these regulations at all times.

Title to Properties

The validity of mining claims which constitute most of Kinross' property holdings in Canada, the United States, Brazil, Chile, and Russia may, in certain cases, be uncertain and are subject to being contested. Kinross' titles may be defective, particularly related to undeveloped properties.

Certain of Kinross' United States mineral rights consist of unpatented lode mining claims. Unpatented mining claims may be located on United States federal public lands open to appropriation, and may be either lode claims or placer claims depending upon the nature of the deposit within the claim. In addition, unpatented mill site claims, which may be used for processing operations or other activities ancillary to mining operations, may be located on federal public lands that are non-mineral in character. Unpatented mining claims and mill sites are unique property interests, and are generally considered to be subject to greater title risk than other real property interests because the validity of unpatented mining claims is often uncertain and is always subject to challenges of third parties or contests by the federal government of the United States. The validity of an unpatented mining claim, in terms of both its location and its maintenance, is dependent on strict compliance with a complex body of United States federal and state statutory and decisional law. In addition, there are few public records that definitively control the issues of validity and ownership of unpatented mining claims. The General Mining Law of the United States, which governs mining claims and related activities on United States federal public lands, includes provisions for obtaining a patent, which is essentially equivalent to fee title, for an unpatented mining claim upon compliance with certain statutory requirements, including the discovery of a valuable mineral deposit.

Competition

The mineral exploration and mining business is competitive in all of its phases. Kinross competes with numerous other companies and individuals, including competitors with greater financial, technical, and other resources than Kinross, in the search for and the acquisition of attractive mineral properties. The ability of Kinross to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for mineral exploration. There is no assurance that Kinross will continue to be able to compete successfully with its competitors in acquiring such properties or prospects.

Joint Ventures

Certain of the operations in which Kinross has an interest are operated through joint ventures with other mining companies. Any failure of such other companies to meet their obligations to Kinross or to third parties could have a material adverse effect on the joint venture. In addition, Kinross may be unable to exert control over strategic decisions made in respect of such properties.

Interest Rate Fluctuations

Fluctuations in interest rates can affect Kinross' results of operations and cash flow. The Company's credit facilities are subject to variable interest rates.

Disclosures About Market Risks

To determine its market risk sensitivities, Kinross uses an internally generated financial forecast model that is sensitized to various gold prices, currency exchange rates, interest rates and energy prices. The variable with the greatest impact is the gold price, and Kinross prepares a base case scenario and then sensitizes it by a 10% increase and decrease in the gold price. For 2007, sensitivity to a 10% change in the gold price is $73.1 million on pre-tax earnings. Kinross' financial forecast covers the projected life of its mines. In each year, gold is produced according to the mine plan. Costs are estimated based on current production costs plus the impact of any major changes to the operation during its life. Quantitative disclosure of market risks is disclosed below.

Gold and Silver Price Risks

Kinross' net earnings can vary significantly with fluctuations in the market price of gold and silver. At various times, in response to market conditions, Kinross has entered into gold forward sales contracts, spot deferred forward sales contracts, purchased put options and written call options for some portion of expected future production in an attempt to mitigate the risk of adverse price fluctuations. Kinross is not subject to margin requirements on any of its hedging lines. Kinross has made the decision not to continue with a comprehensive gold hedging program. On occasion, however, the Company may enter into forward sales contracts or similar instruments if hedges are acquired on a business acquisition, or, on a limited basis when deemed advantageous by management. As at December 31, 2006, Kinross had no forward sales contracts, spot deferred forward sales contracts, purchased put options or written call options outstanding.

Foreign Currency Exchange Risk

Kinross conducts the majority of its operations in the United States, Canada, Brazil, Chile and Russia. Currency fluctuations affect the cash flow that Kinross realizes from its operations as gold is sold in U.S. dollars, while production costs are incurred in U.S. and Canadian dollars, Brazilian reais, Chilean pesos and Russian rubles. Kinross' results are positively affected when the U.S. dollar strengthens against these foreign currencies and adversely affected when the U.S. dollar weakens against these foreign currencies. Where possible, Kinross' cash and cash equivalent balances are primarily held in U.S. dollars. The following analyses do not include the effects of Bema.

Chilean Pesos

Kinross has joint venture interests in the Refugio and La Coipa mines, both located in Chile. Kinross estimates a 10% change from a budgeted exchange rate of 525 pesos to one U.S. dollar could result in an approximate $3.6 million change in Kinross' operating earnings. In addition, a 10% change in the exchange rate could result in an approximate $.02 million change in Kinross' capital expenditures.

Brazilian Reais

Kinross is a partner in the Crixás mine and, as of December 31, 2004, the 100% owner of the Paracatu mine, both located in Brazil. Kinross estimates a 10% change from a budgeted exchange rate of 2.25 Brazilian reais to one U.S. dollar could result in an approximate $5.5 million change in Kinross' operating earnings. In addition, a 10% change in the exchange rate could result in an approximate $14.3 million change in Kinross' capital expenditures.

Canadian Dollars

Kinross is a partner in the Musselwhite and Porcupine joint ventures. As a result of these ownership interests, plus expenses incurred by the Canadian corporate office, Kinross has Canadian dollar denominated operating, exploration, and administrative expenses. The Company estimates a 10% change from a budgeted exchange rate of CDN $1.12 per U.S. dollar could result in an approximate $153 million change in Kinross' operating earnings. In addition, a 10% change in the exchange rate could result in an approximate $3.5 million change in Kinross' capital and reclamation expenditures.

Credit Risk

Credit risk relates to accounts receivable and derivative contracts and arises from the possibility that a counterparty to an instrument fails to perform. The Company only transacts with highly-rated counterparties and a limit on contingent exposure has been established for each counterparty based on the counterparty's credit rating. As at December 31, 2006, the Company's gross credit exposure was $nil and at December 31, 2005, the gross credit exposure was $0.1 million.

Cautionary Statement on Forward-Looking Information

All statements, other than statements of historical fact, contained or incorporated by reference in this MD&A, including any information as to the future financial or operating performance of Kinross, constitute "forward-looking statements" within the meaning of certain securities laws, including the "safe harbour" provisions of the Securities Act (Ontario) and the United States Private Securities Litigation Reform Act of 1995 and are based on expectations, estimates and projections as of the date of this MD&A. Forward-looking statements include, without limitation, statements with respect to the future price of gold and silver, the estimation of mineral reserves and resources, the realization of mineral reserve and resource estimates, the timing and amount of estimated future production, costs of production, expected capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. The words "plans," "expects," or "does not expect," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates," or "does not anticipate," or "believes," or variations of such words and phrases or statements that certain actions, events or results "may," "could," "would," "might," or "will be taken," "occur" or "be achieved" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Kinross as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of Kinross, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in our Annual Information Form as well as: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, damage to equipment or otherwise; (2) permitting, development and expansion at Paracatu proceeding on a basis consistent with our current expectations; (3) permitting and development at the Kettle River Buckhorn project proceeding on a basis consistent with Kinross' current expectations; (4) that a long-term lease replacing the short term lease for the Kupol lands and construction permits required from time to time will be obtained from the Russian authorities on a basis consistent with our current expectations, (5) that the exchange rate between the Canadian dollar, Brazilian real, Chilean peso, Russian Ruble and the U.S. dollar will be approximately consistent with current levels; (6) certain price assumptions for gold and silver; (7) prices for natural gas, fuel oil, electricity and other key supplies remaining consistent with current levels; (8) production forecasts meet expectations; and (9) the accuracy of our current mineral reserve and mineral resource estimates. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or certain other commodities (such as diesel fuel and electricity); changes in interest rates or gold lease rates that could impact the mark-to-market value of outstanding derivative instruments and ongoing payments/receipts under any interest rate swaps and variable rate debt obligations; risks arising from holding derivative instruments (such as credit risk, market liquidity risk and mark-to-market risk); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, Chile, Brazil, Russia or other countries in which we do or may carry on business in the future; business opportunities that may be presented to, or pursued by, us; our ability to successfully integrate acquisitions, including the acquisition of Bema Gold Corporation; operating or technical difficulties in connection with mining or development activities; employee relations; the speculative nature of gold exploration and development, including the risks of obtaining necessary licenses and permits; diminishing quantities or grades of reserves; adverse changes in our credit rating; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of gold exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect Kinross' actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, Kinross. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements, those in the "Risk Analysis" section hereof, and our most recent Annual Information Form and other filings with the securities regulators of Canada and the United States. These factors are not intended to represent a complete list of the factors that could affect Kinross. Kinross disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

The technical information about the Company's material mineral properties contained in this MD&A has been prepared under the supervision of Mr. Rob Henderson an officer of the Company who is a "qualified person" within the meaning of National Instrument 43-101.

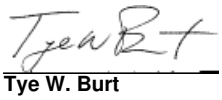
Management's responsibility for financial statements

The consolidated financial statements, the notes thereto and other financial information contained in the annual report have been prepared in accordance with Canadian generally accepted accounting principles and are the responsibility of the management of Kinross Gold Corporation. The financial information presented elsewhere in the Annual Report is consistent with the data that is contained in the consolidated financial statements.

In order to discharge management's responsibility for the integrity of the financial statements, the Company maintains a system of internal accounting controls. These controls are designed to provide reasonable assurance that the Company's assets are safeguarded, transactions are executed and recorded in accordance with management's authorization, proper records are maintained and relevant and reliable financial information is produced. These controls include maintaining quality standards in hiring and training of employees, policies and procedures manuals, a corporate code of conduct and ensuring that there is proper accountability for performance within appropriate and well-defined areas of responsibility. The system of internal controls is further supported by a compliance function, which is designed to ensure that we and our employees comply with securities legislation and conflict of interest rules.

The Board of Directors is responsible for overseeing management's performance of its responsibilities for financial reporting and internal control. The Audit Committee, which is composed of non-executive directors, meets with management as well as the external auditors to ensure that management is properly fulfilling its financial reporting responsibilities to the Directors who approve the consolidated financial statements. The external auditors have full and unrestricted access to the Audit Committee to discuss the scope of their audits, the adequacy of the system of internal controls and review financial reporting issues.

The consolidated financial statements have been audited by KPMG LLP, the independent registered chartered accountants, in accordance with Canadian generally accepted auditing standards and standards of the Public Company Accounting Oversight Board (United States).



Tye W. Burt
President and Chief Executive Officer



Thomas M. Boehlert
Executive Vice President
and Chief Financial Officer

Toronto, Canada
March 23, 2007

Report of Independent Registered Chartered Accountants

To the Shareholders of Kinross Gold Corporation

We have audited the consolidated balance sheets of Kinross Gold Corporation ("the Company") as at December 31, 2006 and December 31, 2005 and the consolidated statements of operations, common shareholders' equity and cash flows for each of the years in the two-year period ended December 31, 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States) and Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2006 and December 31, 2005 and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2006 in accordance with Canadian generally accepted accounting principles.

The consolidated financial statements as at December 31, 2004 and for the year then ended were audited by other auditors, who expressed an opinion without reservation on those statements, in their report dated November 18, 2005 except as to Note 22 which is as of February 8, 2006. We have audited the adjustments for the change in reporting segments to separately present Refugio and Kettle River and in our opinion, such adjustments, in all material respects, are appropriate and have been properly applied.

/s/ KGMP LLP

Chartered Accountants

Toronto, Canada
March 23, 2007

Report of Independent Registered Chartered Accountants

To the Shareholders of Kinross Gold Corporation

We have audited the consolidated statements of operations, cash flows and common shareholders' equity of Kinross Gold Corporation (the "Company") for the year ended December 31, 2004 (prior to the effects of the change in segment reporting to separately present Refugio and Kettle River). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, these consolidated financial statements of Kinross Gold Corporation present fairly, in all material respects, the results of its operations and its cash flows for the year ended December 31, 2004 in accordance with Canadian generally accepted accounting principles.

Our previous report, dated November 18, 2005, on the consolidated balance sheet as at December 31, 2004 and the consolidated statement of operations, cash flows and common shareholders' equity for the year then ended, which were restated, was withdrawn on December 23, 2005. The 2004 financial statements were further restated to reflect the changes described in note 22 to these consolidated financial statements.

The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly we express no such opinion.

/s/ Deloitte & Touche LLP

Independent Registered Chartered Accountants
Toronto, Canada

November 18, 2005, except as to note 22 which is as of February 8, 2006

Consolidated balance sheets

(expressed in millions of United States dollars, except share amounts)

		As at December 31,	
		2006	2005
Assets			
Current assets			
Cash and cash equivalents	Note 5	**$ 154.1**	$ 97.6
Restricted cash		**1.3**	1.3
Accounts receivable and other assets	Note 5	**38.1**	27.8
Inventories	Note 5	**99.5**	115.2
		293.0	241.9
Property, plant and equipment	Note 5	**1,331.0**	1,064.7
Goodwill	Note 5	**293.4**	321.2
Long-term investments	Note 5	**25.8**	21.2
Future income and mining taxes	Note 15	**29.4**	—
Deferred charges and other long-term assets	Note 5	**80.9**	49.1
		$ 2,053.5	$ 1,698.1
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	Note 5	**$ 161.0**	$ 132.2
Current portion of long-term debt	Note 8	**17.9**	9.4
Current portion of reclamation and remediation obligations	Note 9	**28.8**	36.3
		207.7	177.9
Long-term debt	Note 8	**72.0**	149.9
Reclamation and remediation obligations	Note 9	**139.6**	139.6
Future income and mining taxes	Note 15	**143.8**	129.6
Other long-term liabilities		**7.5**	7.9
Redeemable retractable preferred shares	Note 10	**—**	2.7
		570.6	607.6
Non-controlling interest		**—**	0.3
Convertible preferred shares of subsidiary company	Note 11	**14.9**	14.1
Common shareholders' equity			
Common share capital and common share purchase warrants	Note 12	**2,001.7**	1,777.6
Contributed surplus		**54.6**	52.6
Accumulated deficit		**(587.1)**	(752.9)
Cumulative translation adjustments		**(1.2)**	(1.2)
		1,468.0	1,076.1
Commitments and contingencies	Note 20		
		$ 2,053.5	$ 1,698.1
Common shares			
Authorized		**Unlimited**	Unlimited
Issued and outstanding		**362,704,112**	345,417,147

Signed on behalf of the Board:





John A. Brough
Director

John M.H. Huxley
Director

The accompanying notes are an integral part of these consolidated financial statements

Consolidated statements of operations

(expressed in millions of United States dollars, except per share amounts)

		For the years ended December 31		
		2006	2005	2004
Revenue				
Metal sales		**$ 905.6**	$ 725.5	$ 666.8
Operating costs and expenses				
Cost of sales (excludes accretion, depreciation, depletion and amortization)		**481.7**	448.1	402.4
Accretion and reclamation expenses		**33.5**	56.0	21.4
Depreciation, depletion and amortization		**108.3**	167.7	170.1
		282.1	53.7	72.9
Other operating costs		**26.0**	14.3	25.8
Exploration and business development		**39.4**	26.6	20.4
General and administrative		**52.1**	45.3	36.4
Impairment charges:	Note 5			
Goodwill		**—**	8.7	12.4
Property, plant and equipment		**—**	171.9	46.1
Investments and other assets		**10.5**	4.1	1.4
Gain on disposal of assets and investments - net		**(47.4)**	(6.0)	(1.7)
Operating earnings (loss)		**201.5**	(211.2)	(67.9)
Other expense - net	Note 5	**(9.3)**	(17.0)	(6.2)
Earnings (loss) before taxes and other items		**192.2**	(228.2)	(74.1)
Income and mining taxes recovery (expense)	Note 15	**(25.9)**	12.9	11.5
Non-controlling interest		**0.3**	0.1	0.3
Dividends on convertible preferred shares of subsidiary		**(0.8)**	(0.8)	(0.8)
Net earnings (loss)		**$ 165.8**	$ (216.0)	$ (63.1)
Earnings (loss) per share				
Basic		**$ 0.47**	$ (0.63)	$ (0.18)
Diluted		**$ 0.47**	$ (0.63)	$ (0.18)
Weighted average number of common shares outstanding (millions)	Note 14			
Basic		**352.1**	345.2	346.0
Diluted		**353.2**	345.2	346.0

The accompanying notes are an integral part of these consolidated financial statements

Consolidated statements of cash flows

(expressed in millions of United States dollars)

		For the years ended December 31		
		2006	2005	2004
Net inflow (outflow) of cash related to the following activities:				
Operating:				
Net earnings (loss)		**$ 165.8**	$ (216.0)	$ (63.1)
Adjustments to reconcile net earnings (loss) to net cash provided from (used in) operating activities:				
Accretion and reclamation expense		**33.5**	56.0	21.4
Depreciation, depletion and amortization		**108.3**	167.7	170.1
Impairment charges:				
Goodwill		**—**	8.7	12.4
Property, plant and equipment		**—**	171.9	46.1
Investments and other assets		**10.5**	4.1	1.4
Gain on disposal of assets and investments - net		**(47.4)**	(6.0)	(1.7)
Future income and mining taxes		**0.9**	(15.0)	(29.3)
Deferred revenue recognized		—	—	(6.3)
Non-controlling interest		**(0.3)**	(0.1)	—
Stock-based compensation expense		**10.4**	3.1	1.8
Unrealized foreign exchange losses and other		**0.9**	1.9	1.3
Changes in operating assets and liabilities:				
Accounts receivable and other assets		**(10.1)**	2.7	4.2
Inventories		**13.5**	(9.9)	(19.3)
Accounts payable and other current liabilities		**6.0**	(35.4)	22.2
Cash flow provided from operating activities		**292.0**	133.7	161.2
Investing:				
Additions to property, plant and equipment		**(202.9)**	(142.4)	(169.5)
Business acquistions - net of cash acquired	Note 4	**(0.6)**	—	(261.2)
Proceeds on sale of marketable securities		**—**	0.6	0.7
Proceeds on sale of long-term investments and other assets		**33.7**	19.8	14.6
Additions to long-term investments and other assets		**(13.9)**	(16.9)	(26.4)
Proceeds from the sale of property, plant and equipment		**10.7**	10.4	1.5
Disposals of (additions to) short-term investments		**—**	7.3	(5.7)
Decrease in restricted cash		**—**	0.1	3.7
Cash flow used in investing activities		**(173.0)**	(121.1)	(442.3)
Financing:				
Issuance of common shares		**7.6**	1.9	3.1
Repurchase of common shares		**—**	—	(11.8)
Debt issue costs		**(2.5)**	(0.5)	(1.4)
Proceeds from issuance of debt		**35.3**	50.5	119.5
Repayment of debt		**(104.6)**	(16.2)	(26.8)
Cash flow provided from (used in) financing activities		**(64.2)**	35.7	82.6
Effect of exchange rate changes on cash		**1.7**	1.4	0.6
Increase (decrease) in cash and cash equivalents		**56.5**	49.7	(197.9)
Cash and cash equivalents, beginning of year		**97.6**	47.9	245.8
Cash and cash equivalents, end of year		**$ 154.1**	$ 97.6	$ 47.9

The accompanying notes are an integral part of these consolidated financial statements

Consolidated statements of common shareholders' equity

(expressed in millions of United States dollars)

		For the years ended December 31		
		2006	2005	2004
Common shares				
Balance at the beginning of the year		**$ 1,777.6**	$ 1,775.8	$ 1,783.5
Common shares issued on acquisition of Crown		**205.4**	—	—
Expiry of TVX and Echo Bay options and warrants		**(0.1)**	(0.1)	(1.1)
Common shares issued for stock-based awards		**16.1**	1.9	4.6
Conversion of redeemable retractable preferred shares		**2.7**	—	0.6
Repurchase of common shares		**—**	—	(11.8)
Balance at the end of the year		**$ 2,001.7**	$ 1,777.6	$ 1,775.8
Contributed surplus				
Balance at the beginning of the year		**$ 52.6**	$ 49.4	$ 45.5
Transfer of fair value of expired warrants and options		**0.1**	0.1	1.1
Transfer of fair value of exercised options	Note 13	**—**	—	(0.2)
Stock-based compensation		**1.9**	3.1	1.8
Adoption of new accounting standards	Note 13	**—**	—	2.5
Redemption on share consolidation		**—**	—	(1.3)
Balance at the end of the year		**$ 54.6**	$ 52.6	$ 49.4
Accumulated deficit				
Balance at the beginning of the year		**$ (752.9)**	$ (536.9)	$ (471.3)
Adoption of new accounting standards		**—**	—	(2.5)
Net earnings (loss)		**165.8**	(216.0)	(63.1)
Balance at the end of the year		**$ (587.1)**	$ (752.9)	$ (536.9)
Cumulative translation adjustments				
Balance at the beginning and end of the year	Note 2	**$ (1.2)**	$ (1.2)	$ (1.2)
Total common shareholders' equity		**$ 1,468.0**	$ 1,076.1	$ 1,287.1

The accompanying notes are an integral part of these consolidated financial statements

1. Description of business and nature of operations

Kinross Gold Corporation and its subsidiaries and joint ventures (collectively, "Kinross " or the "Company") are engaged in gold mining and related activities, including exploration and acquisition of gold-bearing properties, extraction, processing and reclamation. Kinross' gold production and exploration activities are carried out principally in the United States, Canada, Russia, Brazil, and Chile. Gold is produced in the form of doré, which is shipped to refineries for final processing. Kinross also produces and sells a limited quantity of silver.

The operating cash flow and profitability of the Company are affected by various factors, including the amount of gold and silver produced and sold, the market prices of gold and silver, operating costs, interest rates, environmental costs and the level of exploration activity and other discretionary costs and activities. Kinross is also exposed to fluctuations in foreign currency exchange rates, political risk and varying levels of taxation. Kinross seeks to manage the risks associated with its business; however, many of the factors affecting these risks are beyond the Company's control.

2. Summary of significant accounting policies

The consolidated financial statements of Kinross have been prepared by management in accordance with Canadian generally accepted accounting principles ("CDN GAAP") using the following significant accounting policies and are expressed in United States dollars.

i. Basis of presentation and principles of consolidation:

The consolidated financial statements include the accounts of the Company and all its subsidiaries and investments. The significant mining properties of Kinross are listed below:

	Location	**December 31, 2006**	December 31, 2005
Through majority owned subsidiaries (Consolidated)			
Fort Knox	USA	**100%**	100%
Paracatu	Brazil	**100%**	100%
Kettle River	USA	**100%**	100%
As interests in unincorporated joint ventures (Proportionately consolidated)			
Round Mountain	USA	**50%**	50%
Porcupine	Canada	**49%**	49%
Musselwhite	Canada	**32%**	32%
As interests in incorporated joint ventures (Proportionately consolidated)			
La Coipa	Chile	**50%**	50%
Crixás	Brazil	**50%**	50%
Refugio	Chile	**50%**	50%

ii. Use of estimates

The preparation of the Company's consolidated financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Changes in estimates of useful lives are accounted for prospectively from the date of change. Actual results could differ from these estimates. The assets and liabilities which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to, property, plant and equipment, mineral interests, inventories, goodwill, long-term investments, reclamation and remediation obligations, provision for income and mining taxes, employee pension costs and post employment benefit obligations.

iii. Variable interest entities

The financial statements of entities, which are controlled by Kinross through voting equity interests, referred to as subsidiaries, are consolidated. Entities, which are jointly controlled, referred to as joint ventures, are proportionately consolidated. Variable Interest Entities ("VIEs") (which includes, but is not limited to, special purpose entities, trusts, partnerships and other legal structures) as defined by the Accounting Standards Board in Accounting Guideline ("AcG") 15, "Consolidation of Variable Interest Entities" are entities in which equity investors do not have the characteristics of a "controlling financial interest" or there is not sufficient equity at risk for the entity to finance its activities without additional subordinated financial support. VIEs are subject to consolidation by the primary beneficiary who will absorb the majority of the entities' expected losses and/or expected residual returns. Intercompany accounts and transactions, unrealized intercompany gains and losses are eliminated upon consolidation.

iv. Functional and reporting currency

The Company's functional currency is the United States dollar. The Company and its subsidiaries and joint ventures operate in the United States, Canada, Russia, Brazil and Chile. The Company's subsidiaries are considered integrated and their financial results have been translated into United States dollars using the temporal method.

Monetary assets and liabilities of the Company's operations denominated in currencies other than the United States dollar are translated into U.S. dollars at the rates of exchange at the consolidated balance sheet dates. Non-monetary assets and liabilities are translated at historical exchanges rates prevailing at each transaction date. Revenue and expenses are translated at average exchange rates throughout the reporting period, with the exception of depreciation, depletion and amortization which is translated at historical exchange rates. Gains and losses on translation of foreign currencies are included in earnings.

The cumulative translation adjustments relate to unrealized translation gains and losses on the Company's net investment in self-sustaining operations that were translated using the current rate method prior to September 29, 2003. The exchange gains and losses will become realized in earnings upon the substantial disposition, liquidation or closure of the investment that gave rise to such amounts.

v. Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments with a maturity of three months or less at the date of acquisition.

vi. Short-term investments

Short-term investments include short-term money market instruments with terms to maturity at the date of acquisition of between three and twelve months. The carrying value of short-term investments is equal to cost and accrued interest.

vii. Long-term investments and Impairment of Investments and Other Assets

Investments in shares of investee companies in which Kinross' ownership is greater than 20% but not more than 50%, over which the Company has the ability to exercise significant influence, are accounted for using the equity method. The cost method is used for entities in which the Company owns less than 20%, or cannot exercise significant influence. The Company periodically reviews the carrying value of its investments. When a decline in the value of an investment is considered to be other-than-temporary, the investment is written down to net realizable value with a charge to impairment expenses.

viii. Inventories

Inventories consisting of metal in circuit ore, metal in process and finished metal are valued at the lower of cost or net realizable value ("NRV"). NRV is calculated as the difference between the estimated future gold prices based on prevailing and long-term metal prices and estimated costs to complete production into a saleable form.

Metal in circuit is comprised of ore in stockpiles and ore on heap leach pads. Ore in stockpiles is coarse ore that has been extracted from the mine and is available for further processing. Costs are added to stockpiles based on the current mining cost per tonne and removed at the average cost per tonne. Costs are added to ore on the heap leach pads based on current mining costs and removed from the heap leach pad as ounces are recovered, based on the average cost per recoverable ounce of gold on the leach pad. Ore in stockpiles not expected to be processed in the next twelve months is classified as long-term.

In-process inventories represent materials that are currently in the process of being converted to a saleable product.

All of the Company's ore on leach pads is classified as current. In the event that the Company determines, based on engineering estimates, that a quantity of gold contained in ore on leach pads was to be recovered over a period exceeding twelve months, that portion would be classified as long-term.

Although the quantities of recoverable gold placed on the leach pads are reconciled by comparing the grades of ore placed on the leach pads to the quantities of gold actually recovered (metallurgical balancing), the nature of the leaching process inherently limits the ability to precisely monitor inventory levels. As a result, the metallurgical balancing process is constantly monitored and the engineering estimates are refined based on actual results over time. Variances between actual and estimated quantities resulting from changes in assumptions and estimates that do not result in write-downs to NRV are accounted for on a prospective basis. The ultimate recovery of gold from a leach pad will not be known until the leaching process has concluded.

Finished metal inventories, comprised of gold and silver doré and bullion, are valued at the lower of the previous three month average production cost and NRV. Average production cost represents the average cost of the respective in-process inventories incurred prior to the refining process, plus applicable refining costs and associated royalties.

Materials and supplies are valued at the lower of average cost and replacement cost.

Write-downs of inventory resulting from NRV or net replacement impairments are reported in current period costs.

ix. Property, plant and equipment and Impairment of property, plant and equipment

New facilities, plant and equipment are recorded at cost and carried net of depreciation. Mobile and other equipment are amortized, net of residual value, using the straight-line method, over the estimated productive life of the asset. Productive lives for mobile and other equipment range from 2 to 10 years, but do not exceed the related estimated mine life based on Proven and Probable Reserves. Plant and other facilities, used in carrying out the mine operating plan, are amortized using the units-of-production ("UOP") method over the estimated life of the ore body based on recoverable ounces to be mined from estimated Proven and Probable Reserves. Repairs and maintenance expenditures are expensed as incurred. Expenditures that extend the useful lives of existing facilities or equipment are capitalized and amortized over the remaining useful life of the related asset.

Exploration costs are expensed as incurred. From the time when it has been determined that a mineral property can be economically developed as a result of establishing Proven and Probable Reserves, costs incurred to develop the property are capitalized as incurred until assets are ready for their intended use.

Production stage mineral interests are amortized over the life of mine using the UOP method based on recoverable ounces to be mined from estimated Proven and Probable Reserves.

Costs to acquire mineral properties are capitalized and represent the property's fair value at the time it was acquired, either as an individual asset purchase or as a part of a business combination.

Interest expense allocable to the cost of developing mining properties and to constructing new facilities is capitalized until assets are ready for their intended use.

The expected useful lives used in depreciation and depletion calculations are determined based on the facts and circumstances associated with the mineral interest. The Company evaluates the remaining depletion period for each individual mineral interest at least on an annual basis. Any changes in estimates of useful lives are accounted for prospectively from the date of the change.

Kinross reviews and evaluates the carrying value of its operating mines, development and exploration properties for impairment whenever events or changes in circumstances indicate that the carrying amounts of related assets or groups of assets might not be recoverable.

Whenever the total estimated future cash flows on an undiscounted basis of a property is less than the carrying amount of the property, an impairment loss is measured and recorded. Future cash flows are based on estimated future recoverable mine production, sales prices, production levels and costs, capital and reclamation and remediation obligations, which are all based on detailed engineering life of mine plans. Future recoverable mine production is determined from Proven and Probable Reserves and Measured, Indicated and Inferred mineral resources net of losses during ore processing and treatment. Cash flow estimates of recoverable production from inferred mineral interests are risk-adjusted to reflect the greater uncertainty associated with those cash flows. All long-lived assets at a particular operation are combined for purposes of estimating future cash flows.

Exploration properties are the areas adjacent and contiguous to existing mines or development properties containing reserves, resources or without any identified exploration targets. These properties are assessed for impairment by comparing the carrying value against the fair value. Fair value is based primarily on values of recent transactions involving sales of similar properties.

x. Goodwill and Goodwill impairment

Business acquisitions are accounted for using the purchase method whereby acquired assets and liabilities are recorded at fair value as of the date of acquisition with the excess of the purchase price over such fair value is recorded as goodwill. Goodwill is assigned to the reporting units and is not amortized. Goodwill is attributed to the following factors:

- The expected ability of the Company to increase the reserves and resources at a particular mining property based on its potential to develop identified exploration targets existing on the properties which were part of the aquisitions;

- The optionality (real option value associated with the portfolio of acquired mines as well as each individual mine) to develop additional, higher-cost reserves and to intensify efforts to develop the more promising acquired properties and reduce efforts at developing the less promising acquired properties should gold prices change in the future; and

- The going concern value of the Company's capacity to replace and augment reserves through completely new discoveries whose value is not reflected in any of the other valuations.

Accordingly, in determining the basis of assigning goodwill to reporting units as at the date of acquisition, the value associated with expected additional value attributable to exploration potential is quantified for each reporting unit based on the specific geological attributes of the mineral property and based on market data for similar types of properties. The values associated with optionality and going concern value are not separately computed and accordingly the balance of goodwill is assigned to reporting units using a relative fair value methodology.

At least on an annual basis, the Company evaluates the carrying amount of goodwill to determine whether events and circumstances have changed from the last evaluation date such that the carrying amount may no longer be recoverable. The Company compares the estimated fair value of reporting units to which goodwill was allocated to the carrying amounts. If the carrying value of a reporting unit were to exceed its estimated fair value, the Company would compare the implied fair value of the reporting unit's goodwill to its carrying amount. Any excess of the carrying value over the fair value is charged to earnings.

xi. Financial instruments and hedging activity

As part of management's strategy to manage the risks associated with exposure to fluctuations in gold and silver prices and foreign currency exchange rates, Kinross periodically enters into derivative financial instrument contracts, including forward contracts, spot deferred contracts and options. The Company formally documents all relationships between hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking the hedge transactions. This process includes linking all derivatives to specific assets and liabilities on the balance sheet or to specific firm commitments or forecasted transactions. Hedge effectiveness is assessed based on the degree to which the cash flows from the derivative contracts are expected to offset the cash flows of the underlying position or transaction being hedged. At the time of inception of the hedge and on an ongoing basis, the Company assesses whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. In instances where the documentation supports an economic hedge but does not meet the standards for formal hedge accounting, the Company records changes in fair value of the financial instruments in current earnings.

The Company periodically uses spot deferred and fixed forward contracts to hedge the Company's exposure to the risk of falling gold and silver prices. Realized and unrealized gains or losses on derivative contracts that effectively establish prices for future production are deferred and recorded in earnings when the underlying hedged transaction, identified at the contract inception, is completed. Premiums received at the inception of written call options are recorded as a liability. Changes in the fair value of the liability are recognized in current earnings. Realized and unrealized gains or losses for derivative contracts, which do not qualify as hedges for accounting purposes or which relate to a hedged transaction or item that has been sold or terminated, are recorded in current earnings. Gains or losses on the early settlement of metal hedging contracts that were deemed to be effective at the inception of the contract are deferred on the balance sheet and included in earnings in accordance with the original delivery schedule of the hedged production.

Foreign currency forward contracts are used to hedge exposure to exchange rate fluctuations of foreign currency denominated settlement of capital and operating expenditures. Gains or losses on these contracts are matched with the hedged expenditures at the maturity of the contracts. Realized and unrealized gains or losses associated with foreign exchange forward contracts, which have been terminated or cease to be effective prior to maturity, are deferred under other assets or liabilities on the balance sheet and recognized in earnings in the period in which the underlying hedged transaction is recognized.

Changes in the fair value of any other financial instruments, for which the Company has not sought hedge accounting, are recognized currently in earnings.

xii. Pension, post-retirement and post-employment benefits

The Company participates in both defined contribution and defined benefit pension plans. The costs of defined contribution plans, representing the Company's required contribution, and the costs of defined benefit pension plans are charged to earnings in the year incurred. Defined benefit plan pension expense, based on management's assumptions, consists of the actuarially computed costs of pension benefits in respect of the current year's service, imputed interest on plan assets and pension obligations, straight-line amortization of experience gains and losses, assumption changes and plan amendments over the expected average remaining service life of the employee group.

The expected costs of post-retirement and post-employment benefits, other than pensions, for active employees, who are entitled to receive such benefits, are accrued for in the consolidated financial statements during the years that the employees provide service to the Company.

xiii. Stock-based incentive and compensation plans

The Company's stock-based incentive and compensation plans are comprised of:

1. Employee Share Purchase Plan ("ESPP"): The Company's contribution to the ESPP is recorded as compensation expense on a payroll cycle basis as the employer's obligation to contribute is incurred. The cost of the common shares issued under the ESPP is based on the average of the last twenty trading sessions prior to the end of the quarter.

2. Restricted Share Unit Plan: Restricted share units ("RSU") are only settled in equity and are valued using the market value of the underlying stock at the grant date. The Company's compensation expense is recognized on a straight-line basis over the vesting period. Adjustments to compensation expense for employment vesting requirements are accounted for in the period when they occur. On exercise of RSUs, the shares are issued from treasury.

3. Deferred Share Unit Plan: Deferred share units ("DSU") are settled in cash and accounted for as a liability as of the grant date based on the market value at the grant date. The value of the liability is re-measured each period based on the current market value of the underlying stock at period end and any changes in the liability are recorded as compensation expense each period.

4. Stock Option Plan: The fair value of stock options at grant date is estimated using the Black-Scholes option pricing model. Compensation expense is recognized on a straight-line basis over the stock option vesting period. Adjustments to compensation expense due to not meeting employment vesting requirements are accounted for in the period when they occur.

xiv. Revenue recognition

Metal sales revenue is recognized upon shipment of gold and silver to third-party refineries, when the sales price is fixed and title has passed to the customer.

xv. Reclamation and remediation obligations

The Company records a liability and corresponding asset for estimated costs for future site reclamation and closure. The estimated present value of the asset retirement obligation is reassessed on an annual basis or when new information becomes available. Increases or decreases to the obligation usually arise due to changes in legal or regulatory requirements, the extent of environmental remediation required, methods of reclamation or cost estimates. The estimated costs of these changes are recorded in the period in which the change is identified and quantified. Changes to asset retirement obligations related to operating mines are recorded with an offsetting increase to the related asset. For properties where mining activities have ceased or are in reclamation, changes are charged directly to earnings.

xvi. Income and mining taxes

The Company uses the liability method of accounting for income and mining taxes. Under the liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and for tax losses and other deductions carried forward. In a business acquisition, the cost of the acquisition is allocated to the assets and liabilities acquired by reference to their fair values at the date of acquisition. Temporary differences that exist between the assigned values and the tax bases of the related assets and liabilities, result in either future income tax liabilities or assets. These future income tax assets and liabilities are treated as identifiable assets and liabilities when allocating the cost of the purchase.

Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. A reduction in respect of the benefit of a future tax asset, a valuation allowance, is recorded against any future tax asset if it is not likely to be realized. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period in which the change is substantively enacted.

xvii. Earnings (loss) per share

Earnings (loss) per share calculations are based on the weighted average number of common shares and common share equivalents issued and outstanding during the year. Diluted earnings (loss) per share is calculated using the treasury method, which assumes that outstanding stock options, warrants and restricted share units with an average exercise price below market price of the underlying shares, are exercised and the assumed proceeds are used to repurchase common shares of the Company at the average market price of the common shares for the year.

xviii. Reclassifications

Certain comparative information has been reclassified to conform to the current year's presentation.

3. Accounting changes and recent pronouncements

Accounting changes:

(i) The Company adopted CICA ("Canadian Institute of Chartered Accountants") Handbook Section 3831, "Non-Monetary Transactions" ("Section 3831") for non-monetary transactions initiated in fiscal periods beginning on or after January 1, 2006, replacing Handbook Section 3830, "Non-Monetary Transactions". Section 3831 requires all non-monetary transactions to be measured at fair value, subject to certain exceptions. The standard also requires that commercial substance replace culmination of the earnings process as the test for fair value measurement. The standard defines commercial substance as a function of the cash flows expected from the assets. The adoption of Section 3831 did not have an impact on the Company's results of operations and financial position.

(ii) In October 2005, the Emerging Issues Committee ("EIC") issued CICA Abstract No. 157, "Implicit Variable Interests Under AcG-15" ("EIC 157"). This EIC clarifies that implicit variable interests are implied financial interests in an entity that change with changes in the fair value of the entity's net assets exclusive of variable interests. An implicit variable interest is similar to an explicit variable interest except that it involves absorbing and/or receiving variability indirectly from the entity. The identification of an implicit variable interest is a matter of judgment that depends on the relevant facts and circumstances. The Company adopted EIC 157 effective January 1, 2006. There was no impact on the results of operations and financial position. The impact of EIC 157 on the Company's future results of operations and financial condition will depend on the terms contained in contracts signed or contracts amended in the future.

(a) The CICA issued EIC 160, "Stripping Costs Incurred in the Production Phase of a Mining Operation" ("EIC 160") in March 2006 and is applicable to stripping costs incurred in fiscal years beginning on or after July 1, 2006. The EIC clarifies that stripping costs should be accounted for according to the benefit received by the entity. Generally, stripping costs should be accounted for as variable production costs that should be included in the costs of the inventory produced (that is, extracted) during the period in which stripping costs are incurred. However, stripping costs should be capitalized if the stripping activity can be shown to represent betterment to the mineral property. Capitalized stripping costs should be amortized in a rational and systematic manner over the reserves that directly benefit from specific stripping activity, such as the unit of production method. The reserves used to amortize capitalized stripping costs could differ from those used to amortize the mineral property and related life-of-mine assets as the stripping costs may only relate to a portion of the total reserves.

Recent pronouncements:

(i) On January 27, 2005, the CICA issued three new accounting standards which come into effect in the 2007 fiscal year:

Handbook Section 1530 - Other Comprehensive Income:
A new category, titled Other Comprehensive Income, will be added to shareholders' equity on the consolidated balance sheet. Major components for this category will include unrealized gains and losses on financial assets classified as available-for-sale; unrealized foreign currency translation gains and losses, net of hedging; unrealized gains and losses arising from translating financial statements of self-sustaining foreign operations; and changes in the fair value of the effective portion of cash flow hedging instruments.

Handbook Section 3855 - Financial Instruments - Recognition and Measurement:
All financial instruments will be classified as one of the following: held-to-maturity, loans and receivables, held-for-trading or available-for-sale. Financial assets and liabilities held-for-trading will be measured at fair value with gains and losses recognized in net earnings. Financial assets held-to-maturity, loans and receivables and financial liabilities, other than those held-for-trading, will be measured at amortized cost. Available-for-sale instruments will be measured at fair value with unrealized gains and losses recognized in other comprehensive income. The standard also permits designation of any financial instrument as held-for-trading upon initial recognition.

Handbook Section 3865 – Hedges:

This new standard specifies the criteria under which hedge accounting can be applied and how hedge accounting can be executed for fair value hedges, cash flow hedges and hedges of a foreign currency exposure of a net investment in a self-sustaining foreign operation. In a fair value hedging relationship, the carrying value of the hedged item is adjusted by gains or losses attributable to the hedged risk and recognized in net income. This change in fair value of the hedged item, to the extent that the hedging relationship is effective, is offset by changes in the fair value of the derivative. In a cash flow hedging relationship, the effective portion of the change in the fair value of the hedging derivative will be recognized in other comprehensive income. The ineffective portion will be recognized in net income. The amounts recognized in other comprehensive income will be reclassified to net income in the periods in which net income is affected by the variability in the cash flows of the hedged item. In hedging a foreign currency exposure of a net investment in a self-sustaining foreign operation, foreign exchange gains and losses on the hedging instruments will be recognized in other comprehensive income.

The final determination of the impact of implementing these standards will be dependent upon the outstanding positions and related fair values at the time of transition. Kinross is completing its assessment of the impact these standards will have on its consolidated financial statements.

(ii) In July, 2006, the CICA reissued Handbook Section 1506 "Accounting Changes" which is effective for fiscal years beginning on or after January 1, 2007. Under this standard, voluntary changes in accounting policy are only made to provide more reliable and more relevant information in the financial statements. Changes in accounting policy are applied retrospectively unless doing so is impracticable or the change in accounting policy is made on initial application of a primary source of GAAP. A change in accounting estimate is generally recognized prospectively and material prior period errors are amended retrospectively. New disclosures are required in respect of such accounting changes. The adoption of this standard is not expected to have a significant effect on the Company's consolidated financial condition.

4. Acquisitions and divestitures

(i) Acquisition of Crown Resources Corporation

On August 31, 2006, Kinross completed the acquisition of 100% of the issued and outstanding shares of Crown Resources Corporation ("Crown") which owned the Buckhorn Property ("Buckhorn") located in north central Washington State. Consideration paid was 0.32 of a common share of Kinross for each outstanding common share of Crown.

On January 7, 2004, the Company had acquired 511,640 shares of Crown in a private placement for $1.0 million. On May 15, 2005, the Company had purchased a $10.0 million convertible debenture from Crown. The debenture was convertible into 5.8 million common shares of Crown and had accrued interest receivable of $0.5 million.

The following table reflects the purchase price allocation for the acquisition of Crown:

The purchase price was calculated as follows:		
Fair value of Kinross common shares issued to acquire 100% of Crown (14.6 million shares)	$	205.4
Acquisition costs		2.7
Company's previous ownership interest in Crown		11.5
Total purchase price	$	219.6
The purchase price was allocated as follows:		
Current assets	$	0.1
Property, plant and equipment [(a)]		219.8
Other long-term assets		0.1
Current liabilities		(0.3)
Reclamation and remediation obligations		(0.1)
Total purchase price	$	219.6

(a) Property, plant and equipment includes mineral interests

(ii) Disposition of New Britannia Mine

The Company completed the sale of its 50% interest in the New Britannia mine to Pegasus Mines Limited ("Pegasus") on December 22, 2006. Pegasus, Piper Capital Inc. ("Piper") and Garson Resources Ltd ("Garson") had entered into a joint venture agreement in order to purchase Kinross' investment in the New Britannia mine. Consideration received by the Company consisted of 8,960,794 shares of Garson and 10,012,277 shares of Piper, representing a 19.9% interest in each of Piper's and Garson's issued and outstanding share capital. The fair value of the consideration received at the date of the transaction was estimated at CDN $5.1 million.

As part of the transaction, Pegasus replaced Kinross' environmental letter of credit for CDN $1.9 million issued to the Government of Manitoba and issued to the Company an additional letter of credit for CDN $3.9 million that the Company can draw upon in the event that the Government authorities impose any closure liability or obligation in respect to the property upon Kinross. On each anniversary of this sale transaction, Pegasus shall increase the current amount of the letter of credit by the increase in the Canadian Consumer Price Index for the previous 12 months. The letter of credit is refundable to Pegasus should the mine go into commercial production. Kinross has the right to purchase 60% of the joint venture assets, provided Pegasus completes a feasibility study that identifies a deposit containing at least 3.0 million ounces of gold resources. The Company realized a gain of $8.9 million on the disposition of this property.

(iii) *Disposition of Blanket Mine:*

On July 5, 2006, the Company disposed of its interest in the Blanket Mine to Caledonia Mining Corporation ("Caledonia") in exchange for 20.0 million shares of Caledonia. During 2001, Kinross wrote down its investment in the Blanket Mine property and discontinued its consolidation in 2002. As a result of the transaction, the Company recorded a gain on disposition of $2.9 million, equivalent to the fair value of the shares of Caledonia received at the date of the transaction. Refer to the Impairment charges section in Note 5 for discussion on the write-down associated with this investment.

(iv) *Disposition of Aquarius:*

On May 10, 2006, the Company closed the sale of the Aquarius property to St Andrew Goldfields ("St Andrew") in exchange for 100.0 million common shares and 25.0 million common share purchase warrants of St. Andrew for a total fair value of $14.4 million, resulting in a gain on sale of $0.1 million. The Aquarius property was written down to its net fair value of $14.3 million during 2005, which included $15.2 million in mineral interests and the related $0.9 million reclamation and remediation obligation. The Aquarius property was accounted for as an asset held for sale at December 31, 2005.

Following the completion of the sale, St Andrew Goldfields completed a 20 to 1 share consolidation. As a result, at December 31, 2006, Kinross held 5.0 million common shares and 1.25 million common share purchase warrants. Refer to the Impairment charges section in Note 5 for discussion on the write-down associated with this investment.

(v) *Disposition of Lupin:*

On June 19, 2006, Kinross signed a definitive agreement to sell the Lupin mine in the Territory of Nunavut to Wolfden Resources Inc. ("Wolfden"). The transaction was completed on February 28, 2007. See Note 21 Subsequent events for further discussion.

(vi) *Disposition of George/Goose Lake:*

The George/Goose Lake property was sold on July 25, 2006 for cash proceeds of $6.0 million, which resulted in a gain of $1.6 million.

(vii) *Acquisition of remaining 51% of Paracatu mine*

On December 31, 2004, the Company completed the purchase of the remaining 51% of the Rio Paracatu Mineracao ("RPM"), the owner of the Morro do Ouro mine (also known as Paracatu) in Brazil from Rio Tinto Plc. (''Rio Tinto''). Prior to this date, the Company proportionately consolidated its investment in RPM. Kinross acquired its original 49% interest in the mine on January 31, 2003 when the Company acquired TVX Gold Inc. ("TVX"). Consideration of $255.6 million was paid in cash on finalizing the post completion working capital adjustment. The Company financed the transaction with debt of $105.0 million and the remainder in cash.

The following table reflects the purchase price allocation for the acquisition of the remaining 51% interest of the Paracatu mine (in millions):

Cash paid	$	249.6
Working capital adjustment		6.0
Total cash paid to Rio Tinto Plc.	$	255.6
Plus - direct acquisition costs incurred by the Company		1.4
Total purchase price	$	257.0
Plus - Fair value of liabilities assumed by Kinross		
Accounts payable and accrued liabilities	$	8.3
Long-term debt, including current portion		10.5
Reclamation and remediation obligations, including current portion		5.4
Future income tax liabilities		3.0
Less - Fair value of assets acquired by Kinross		
Cash		(5.7)
Short-term investments		(0.4)
Accounts receivable and other assets		(2.7)
Inventories		(3.7)
Property, plant and equipment		(37.5)
Mineral interests		(233.4)
Other non-current assets		(0.8)
Residual purchase price allocated to goodwill	$	—

5. Consolidated financial statement details

Consolidated Balance Sheets

(i) *Accounts receivable and other assets*:

	2006	2005
Trade receivables	**$ 6.6**	$ 1.4
Taxes recoverable	**11.2**	0.4
Prepaid expenses	**4.8**	6.5
Other	**15.5**	19.5
	$ 38.1	$ 27.8

(ii) Inventories:

	2006	2005
Ore in stockpiles [(a)]	**$ 36.2**	$ 30.8
In-process	**9.3**	12.7
Ore on leach pads [(b)]	**15.8**	17.1
Finished metal	**19.6**	26.0
Materials and supplies	**50.0**	55.3
	130.9	141.9
Long-term portion of ore in stockpiles	**(31.4)**	(26.7)
	$ 99.5	$ 115.2

(a) Ore in stockpiles includes low-grade material not scheduled for processing within the next twelve months and is included in deferred charges and other long-term assets on the consolidated balance sheets. See Deferred charges and other long-term assets, Note 5 (vi).

(b) Ore on leach pads as at December 31, 2006 relate to the Company's 50% owned Round Mountain and Refugio mines. As at December 31, 2006, the weighted average cost per recoverable ounce of gold on the leach pads at Round Mountain was $323 per ounce (2005 - $275 per ounce) and at Refugio was $240 per ounce (2005 - $161 per ounce). Based on current mine plans, the Company expects to place the last tonne of ore on its current leach pad at Round Mountain in 2018 and at Refugio in 2020. The Company expects that all economic ounces will be substantially recovered within approximately 12 months following the date the last tonne of ore is placed on the leach pad.

(iii) Property, plant and equipment:

	2006			2005		
	Cost [b]	**Accumulated Depreciation**	**Net Book Value**	Cost [b]	Accumulated Depreciation	Net Book Value
Property, plant and equipment [a]						
Producing properties						
Straight line amortization basis	**$ 196.2**	**$ (105.0)**	**$ 91.2**	$ 172.4	$ (80.9)	$ 91.5
Units of production amortization basis	**1,133.1**	**(676.6)**	**456.5**	995.9	(635.0)	360.9
Development properties	**—**	**—**	**—**	**—**	—	—
Exploration properties	**—**	**—**	**—**	4.4	—	4.4
	$ 1,329.3	**$ (781.6)**	**$ 547.7**	$ 1,172.7	$ (715.9)	$ 456.8
Mineral Interests						
Producing properties	**$ 923.8**	**$ (216.7)**	**$ 707.1**	$ 702.6	$ (186.1)	$ 516.5
Development properties	**—**	**—**	**—**	15.2	—	15.2
Exploration properties	**76.2**	**—**	**76.2**	76.2	—	76.2
	$ 1,000.0	**$ (216.7)**	**$ 783.3**	$ 794.0	$ (186.1)	$ 607.9
Total property, plant and equipment	**$ 2,329.3**	**$ (998.3)**	**$ 1,331.0**	$ 1,966.7	$ (902.0)	$ 1,064.7

(a) Capitalized interest included within property, plant and equipment was $3.7 million and $1.8 million during the years ended December 31, 2006 and December 31, 2005, respectively. Interest capitalized during the year ended December 31, 2006, is related to capital expenditures at Fort Knox, Round Mountain and Paracatu and during the year ended December 31, 2005, is related to Fort Knox, the Porcupine Joint Venture, Refugio and Round Mountain.

(b) Cost includes adjustments for the impairment in the carrying value of property, plant and equipment. See Note 5 (viii) for details.

For impairment associated with property, plant and equipment, see the Impairment charges section within this note.

The following table shows capitalized stripping for the year ended December 31, 2006:

	2006		
	Round Mountain	**Fort Knox**	**Total**
Opening balance [a]	$ 1.1	$ —	**$ 1.1**
Additions	17.4	37.9	**$ 55.3**
Amortization [b]	—	(4.4)	**(4.4)**
	$ 18.5	**$ 33.5**	**$ 52.0**

(a) The opening balance relates to the Round Mountain pit expansion that was commenced in late 2005.

(b) Amortization of deferred stripping costs uses the UOP method based on reserves that have not yet been produced that will benefit directly from the stripping activity.

(iv) Goodwill:

The Goodwill allocated to the Company's reporting units and included in the respective operating segment assets is shown in the table below:

	2005			2006		
	Dec 31, 2004	Impairment [a]	Dec 31, 2005	**Impairment [a]**	**Reduction in goodwill [b]**	**Dec 31, 2006**
Operating segments						
Round Mountain	$ 86.5	$ —	$ 86.5	$ —	$ (27.8)	$ 58.7
La Coipa	71.4	—	71.4	—	—	71.4
Crixas	38.0	—	38.0	—	—	38.0
Paracatu	65.5	—	65.5	—	—	65.5
Musselwhite	31.0	(2.0)	29.0	—	—	29.0
Kettle River	20.9	—	20.9	—	—	20.9
Other operations	16.6	(6.7)	9.9	—	—	9.9
Corporate and other	—	—	—	—	—	—
Total	$ 329.9	$ (8.7)	$ 321.2	**$ —**	**$ (27.8)**	**$ 293.4**

(a) For impairment associated with Goodwill, see the Impairment charges section within this note.

(b) As a result of utilizing tax loss benefits acquired with the Round Mountain operation, a portion of goodwill has been reduced.

There were no additions to Goodwill during the years ended December 31, 2006 and 2005.

(v) Long-term investments:

The quoted market value of the Company's long-term investments at December 31, 2006 was $45.7 million (December 31, 2005 - $27.7 million). All long-term investments are carried at the lower of cost and market. During 2006, the Company sold certain long-term investments with a book value of $0.8 million for net proceeds of $33.7 million (2005 - net proceeds of $19.8 million; book value of $14.9 million).

The following are the most significant investment dispositions completed by the Company during 2006 fiscal year:

Katanga

The Company sold 5,751,500 shares of Katanga Mining Ltd. ("Katanga") on September 8, 2006 for cash proceeds of $31.4 million resulting in a gain of $31.3 million. For additional details on the shares related to Katanga, please see Note 19, Related party transaction.

Bolder

On May 24, 2006, the Company sold 1,000 units of Bolder Opportunity Limited Partnership for cash proceeds of $2.4 million, which resulted in a gain of $1.6 million.

(vi) Deferred charges and other long-term assets:

	2006	2005
Long-term ore in stockpiles [a]	**$ 31.4**	$ 26.7
Deferred charges, net of amortization	**3.8**	2.1
Long-term receivables	**13.2**	9.5
Advance on the purchase of capital equipment	**22.6**	—
Acquisition costs	**8.2**	9.2
Other	**1.7**	1.6
	$ 80.9	$ 49.1

(a) Ore in stockpiles represents stockpiled ore at the Company's Fort Knox and Kettle River mines and its proportionate share of stockpiled ore at Round Mountain and the Porcupine Joint Venture (2005 - Fort Knox, Round Mountain and the Porcupine Joint Venture).

(vii) Accounts payable and accrued liabilities:

	2006	2005
Trade payables	**$ 49.1**	$ 41.8
Accrued liabilities	**60.9**	42.3
Employee related accrued liabilities	**18.6**	18.3
Taxes payable	**17.9**	7.3
Accruals related to acquisition	**1.3**	6.5
Other accruals	**13.2**	16.0
	$ 161.0	$ 132.2

Consolidated Statements of Operations

(viii)Impairment charges:

The Company reviews the carrying values of its portfolio of investments on a quarterly basis. The carrying values of its property, plant and equipment and goodwill are reviewed at least once each fiscal year.

The following is a summary of impairment charges recorded during the fiscal years ended December 31, 2006, 2005 and 2004:

	2006	2005	2004
Goodwill impairment	**$ —**	$ 8.7	$ 12.4
Impairment of property, plant and equipment			
Aquarius [(b)]	**—**	30.1	—
Fort Knox [(c)]	**—**	141.8	—
Kubaka [(d)]	**—**	—	25.1
Lupin [(d)]	**—**	—	7.9
New Britannia [(d)]	**—**	—	1.3
Exploration projects and other assets [(d)]	**—**	—	11.8
Impairment of investments and other assets			
Other receivable [(c)]	**—**	3.4	—
Long-term investments [(a)]	**10.5**	0.7	1.4
Total	**$ 10.5**	$ 184.7	$ 59.9

(a) During the fourth quarter of 2006, Kinross determined that the decline in the market values of its holdings of St Andrew shares and warrants and Caledonia Mining Corporation shares were other-than-temporary. As a result, the Company recorded an impairment charge to long-term investments of $10.5 million.

(b) In December, 2005, the Company agreed to sell its interest in the Aquarius project in Timmins, Ontario to St Andrew for 100.0 million shares and 25.0 million warrants of St Andrew. As a consequence, the asset was written down to fair value less selling costs resulting in an impairment of property, plant and equipment of $30.1 million and goodwill of $6.7 million was recorded during 2005. See "Gain on disposal of assets-net" section within this note.

(c) During the fourth quarter of 2005, the Company conducted a strategic assessment of the Fort Knox operation in light of higher electricity and fuel costs, the metallurgical performance at the True North site and the slope stability issues at the southwest wall of the pit. As a result of the review, reserves at True North and Gil were reclassified from reserves to resources and the Company also elected to withdraw from the Ryan Lode project, which had previously been included in reserves, resulting in an overall write-down of $141.8 million. Also recorded in the fourth quarter of 2005 was a write-down of a long-term, tax related receivable of $3.4 million.

(d) As a result of a comprehensive review of its mining properties and investments, the Company wrote down the net investments of the Kubaka, Lupin and New Britannia mines to their net recoverable amounts, resulting in a write-down of $34.3 million in the fourth quarter of 2004. An impairment charge of $8.5 million was taken against the Gurupi exploration project in Brazil and the Norseman exploration project in Australia in 2004.

(ix) Gain on sale of assets and investments - net:

The following is a summary of the gains on the sale of assets and investments - net during the fiscal years ended December 31, 2006, 2005 and 2004:

	2006	2005	2004
Investments:			
Bolder Limited Opportunity Partnership	**$ 1.6**	$ —	$ —
Katanga Mining Inc. [(b)]	**31.3**	—	—
Kinross Forrest [(b)]	**—**	4.7	—
Marketable securities	**—**	0.4	0.7
Other	**—**	0.2	0.1
Assets:			
New Britannia mine [(a)]	**$ 8.9**	$ —	$ —
Blanket mine [(a)]	**2.9**	—	—
George/Goose Lake property [(a)]	**1.6**	—	—
Other	**1.1**	0.7	0.9
	$ 47.4	$ 6.0	$ 1.7

(a) See Note 4, Acquisitions and divestitures.

(b) Shares of Kinross Forrest were exchanged for shares of Katanga. See Related party Note 19 for further discussion.

(x) Other income (expense):

	2006	2005	2004
Interest income	**$ 5.3**	$ 3.1	$ 5.6
Interest expense	**(6.9)**	(6.8)	(5.1)
Foreign exchange losses	**(9.5)**	(14.0)	(13.3)
Sundry sales	**—**	—	1.3
Other	**1.8**	3.9	2.2
Non-hedge derivative (losses) gains	**—**	(3.2)	3.1
	$ (9.3)	$ (17.0)	$ (6.2)

Supplemental cash flow information

(xi) Cash and cash equivalents:

	2006	2005	2004
Cash on hand and balances with banks	**$ 26.7**	$ 33.4	$ 29.5
Short-term deposits	**127.4**	64.2	18.4
	$ 154.1	$ 97.6	$ 47.9

(xii) Interest and taxes paid:

	2006	2005	2004
Interest	**$ 10.1**	$ 7.9	$ 2.4
Income taxes	**$ 11.0**	$ 7.3	$ 16.1

6. Joint venture interests

The Company conducts a substantial portion of its business through joint ventures where the venturers are bound by contractual arrangements establishing joint control over the ventures. The Company records its proportionate share of assets, liabilities, revenue and operating costs of the joint ventures.

As at December 31, 2006, the Company had interests in six joint venture projects after consideration of the disposal of the Company's interest in the New Britannia mine in 2006 (see Note 4 – Business acquisition and divestitures).

The following tables contain selected financial information on Kinross' share participation for each of its participating joint ventures for the years ended December 31, 2006, 2005 and 2004.

Joint venture interests - 2006	Round Mountain (i)	Porcupine (ii)	Mussel-white (iii)	New Britannia (iv)	La Coipa (v)	Crixás (vi)	Refugio (vii)	Total
Metal sales	$ 211.7	$ 97.5	$ 43.0	$ 1.9	$ 94.0	$ 57.0	$ 69.7	$ 574.8
Cost of sales	99.4	59.9	31.9	0.6	47.6	17.7	39.3	296.4
Accretion and reclamation expense	1.7	2.0	0.2	0.2	0.9	0.2	(1.0)	4.2
Depreciation, depletion and amortization	11.9	11.8	10.4	—	16.9	11.2	7.0	69.2
Exploration and business development	5.0	4.9	1.7	—	2.0	1.5	1.8	16.9
Other operating costs	—	0.3	—	—	1.5	0.2	0.5	2.5
Operating earnings (loss)	$ 93.7	$ 18.6	$ (1.2)	$ 1.1	$ 25.1	$ 26.2	$ 22.1	$ 185.6
Current assets	$ 21.2	$ 7.3	$ 3.6	$ —	$ 42.2	$ 17.2	$ 26.6	$ 118.1
Property, plant and equipment	69.2	95.2	80.6	—	62.6	40.7	69.0	417.3
Goodwill	58.7	—	29.0	—	71.4	38.0	—	197.1
Deferred charges and other assets	8.2	5.2	—	—	1.0	0.1	20.8	35.3
	157.3	107.7	113.2	—	177.2	96.0	116.4	767.8
Current liabilities	21.6	10.2	4.1	0.1	21.9	12.2	9.5	79.6
Long-term liabilities	20.9	24.1	2.6	—	13.9	16.0	10.1	87.6
	42.5	34.3	6.7	0.1	35.8	28.2	19.6	167.2
Net investment in joint ventures	$ 114.8	$ 73.4	$ 106.5	$ (0.1)	$ 141.4	$ 67.8	$ 96.8	$ 600.6
Cash flow provided from (used in):								
Operating activities	$ 111.3	$ 31.3	$ 11.6	$ 1.5	$ 41.2	$ 34.8	$ 21.9	$ 253.6
Investing activities	$ (28.3)	$ (19.4)	$ (4.7)	$ 2.8	$ (7.7)	$ (7.8)	$ (4.7)	$ (69.8)
Financing activities	$ —	$ —	$ —	$ —	$ —	$ —	$ (8.8)	$ (8.8)

Joint venture interests - 2005	Round Mountain (i)	Porcupine (ii)	Mussel-white (iii)	New Britannia (iv)	La Coipa (v)	Crixás (vi)	Refugio (vii)	Total
Metal sales	$ 164.0	$ 80.8	$ 34.9	$ 0.8	$ 60.3	$ 41.5	$ 14.6	$ 396.9
Cost of sales	93.7	50.7	26.4	0.8	45.4	14.1	9.6	240.7
Accretion and reclamation expense	1.8	11.8	0.1	3.3	0.4	0.1	0.2	17.7
Depreciation, depletion and amortization	39.5	14.8	12.5	—	15.8	12.3	0.2	95.1
Exploration and business development	2.4	3.5	1.6	—	1.1	0.3	—	8.9
Impairment charges	—	—	2.0	—	—	3.4	—	5.4
Other operating costs	—	1.0	(0.1)	0.9	—	—	2.9	4.7
Operating earnings (loss)	$ 26.6	$ (1.0)	$ (7.6)	$ (4.2)	$ (2.4)	$ 11.3	$ 1.7	$ 24.4
Current assets	$ 26.3	$ 10.0	$ 4.1	$ 0.1	$ 13.3	$ 12.6	$ 15.3	$ 81.7
Property, plant and equipment	55.6	88.0	86.3	—	70.6	45.3	72.4	418.2
Goodwill	86.5	—	29.0	—	71.4	38.0	—	224.9
Deferred charges and other assets	6.2	5.3	0.1	—	0.7	0.3	—	12.6
	174.6	103.3	119.5	0.1	156.0	96.2	87.7	737.4
Current liabilities	20.8	10.0	2.0	—	12.4	2.8	16.3	64.3
Long-term liabilities	23.2	25.0	2.7	3.2	14.0	20.6	13.7	102.4
	44.0	35.0	4.7	3.2	26.4	23.4	30.0	166.7
Net investment in joint ventures	$ 130.6	$ 68.3	$ 114.8	$ (3.1)	$ 129.6	$ 72.8	$ 57.7	$ 570.7
Cash flow provided from (used in):								
Operating activities	$ 66.0	$ 20.6	$ 6.9	$ (3.7)	$ 9.9	$ 25.8	$ (5.0)	$ 120.5
Investing activities	$ (5.9)	$ (24.7)	$ (5.7)	$ 0.3	$ (4.7)	$ (6.1)	$ (26.2)	$ (73.0)
Financing activities	$ —	$ —	$ —	$ —	$ —	$ —	$ 3.6	$ 3.6

Joint venture interests - 2004	Round Mountain (i)	Porcupine (ii)	Mussel-white (iii)	New Britannia (iv)	La Coipa (v)	Crixás (vi)	Refugio (vii)	Paracatu (viii)	Total
Metal sales	$ 154.1	$ 78.8	$ 32.1	$ 10.8	$ 59.0	$ 38.2	$ 3.8	$ 38.2	$ 415.0
Cost of sales	82.3	44.4	21.1	7.9	39.7	12.2	2.0	20.6	230.2
Accretion and reclamation expense	1.9	2.3	0.1	(0.1)	0.4	0.1	—	0.5	5.2
Depreciation, depletion and amortization	43.3	22.7	12.5	—	16.8	12.8	—	9.5	117.6
Exploration and business development	0.8	3.2	2.0	0.4	0.5	0.3	—	—	7.2
Impairment charges	—	—	—	1.3	—	—	—	2.1	3.4
Other operating costs	—	0.3	0.2	1.3	0.7	(0.1)	1.7	2.6	6.7
Operating earnings (loss)	$ 25.8	$ 5.9	$ (3.8)	$ —	$ 0.9	$ 12.9	$ 0.1	$ 2.9	$ 44.7
Current assets	$ 31.6	$ 9.6	$ 3.7	$ 0.6	$ 16.4	$ 13.8	$ 7.1	$ 19.2	$ 102.0
Property, plant and equipment	86.3	75.3	92.2	—	74.1	50.9	43.0	451.2	873.0
Goodwill	86.5	—	31.0	—	71.4	38.0	—	65.5	292.4
Deferred charges and other assets	1.4	4.4	0.1	—	0.4	0.2	0.9	3.2	10.6
	205.8	89.3	127.0	0.6	162.3	102.9	51.0	539.1	1,278.0
Current liabilities	16.5	14.5	2.3	1.5	8.5	1.9	7.4	16.4	69.0
Long-term liabilities	26.0	11.8	2.0	0.6	13.8	21.2	13.4	77.2	166.0
	42.5	26.3	4.3	2.1	22.3	23.1	20.8	93.6	235.0
Net investment in joint ventures	$ 163.3	$ 63.0	$ 122.7	$ (1.5)	$ 140.0	$ 79.8	$ 30.2	$ 445.5	$ 1,043.0
Cash flow provided from (used in):									
Operating activities	$ 63.7	$ 30.4	$ 10.3	$ 2.2	$ 14.3	$ 25.8	$ 0.6	$ 13.3	$ 160.6
Investing activities	$ (8.5)	$ (24.5)	$ (3.9)	$ (0.5)	$ (0.9)	$ (3.6)	$ (44.3)	$ (15.7)	$ (101.9)
Financing activities	$ —	$ —	$ —	$ —	$ —	$ —	$ 13.0	$ —	$ 13.0

i. Round Mountain

The Company owns a 50% interest in the Smoky Valley Common Operation joint venture, which owns the Round Mountain mine, located in Nye County, Nevada, U.S.A. Under the joint venture agreement between the Company and Barrick Gold Corporation ("Barrick"), the Company is the operator.

The Management Committee of the joint venture represents the joint venture partners, authorizes annual programs and budgets and approves major transactions prior to execution by site management. The joint venture owners are entitled to their pro-rata share of production and are obliged to make their pro-rata share of contributions as requested.

ii. Porcupine

The Company owns a 49% interest in the Porcupine Joint Venture ("PJV"), operating in the Timmins area of Ontario, Canada. Under the PJV agreement, Goldcorp Inc. ("Goldcorp") is the operator, having acquired its interest in PJV from Barrick in 2006.

The Management Committee of the PJV approves annual programs and budgets, and authorizes major transactions prior to execution by site management. The PJV participants are entitled to their pro-rata share of production and are obliged to make their pro-rata share of contributions as requested.

iii. Musselwhite

The Company owns a 31.9% interest in the Musselwhite joint venture. The mine is located in northwestern Ontario, Canada. Under the joint venture agreement, Goldcorp is the operator, having acquired its interest in Musselwhite from Barrick in 2006.

The Management Committee of the joint venture approves annual programs and budgets, and authorizes major transactions prior to execution by site management. The joint venture participants are entitled to their pro-rata share of production and are obliged to make their pro-rata share of contributions as requested.

iv. New Britannia

As discussed in Note 4, the Company's interest in the New Britannia mine was sold on December 22, 2006. Until that time, the Company owned a 50% interest in the New Britannia joint venture and was appointed the operator under the joint venture agreement.

The Management Committee of the joint venture approved annual programs and budgets, and authorized major transactions prior to execution by site management. The joint venture participants were entitled to their pro-rata share of production and were obliged to make their pro-rata share of contributions as requested. Kinross funded all of the reclamation and closure costs. Kinross sold all of the production from the mine and on an annual basis, was entitled to apply its partner's share of any operating surplus against the outstanding balance of the loan. Both partners were required to fund their pro-rata share of any annual operating deficit.

v. La Coipa

The Company owns a 50% interest in Compania Minera Mantos de Oro ("MDO"), a Chilean contractual mining company. MDO owns the La Coipa mine, located in central Chile. Under the joint venture agreement, Goldcorp is the operator of the mine, having acquired its interest in MDO from Barrick in 2006.

The Board of Directors of MDO approves annual programs and budgets and authorizes major transactions prior to execution by site management. The joint venture participants are entitled to their pro-rata share of profits in the form of distributions and are obliged to make their pro-rata share of contributions if required.

vi. Crixás

The Company owns a 50% interest in Mineracao Serra Grande, S.A. ("MSG"), which owns the Crixás mine, located in central Brazil. Under the joint venture agreement, a wholly owned subsidiary of AngloGold Ashanti Limited ("AngloGold") is the operator.

The Board of Directors of MSG approves annual programs and budgets, and authorizes major transactions prior to execution by site management. The joint venture participants are entitled to their pro-rata share of profits in the form of distributions and are obliged to make their pro-rata share of contributions if required.

vii. Refugio

The Company owns a 50% interest in Compania Minera Maricunga ("CMM"), a Chilean contractual mining company that owns the Refugio mine located in central Chile. The Company is operator of the Refugio mine and provides services to CMM in exploration, mining development, and operations on the Refugio Project Properties and the Refugio mine.

The Board of Directors of CMM approves annual budgets, approves distributions and authorizes major transactions prior to execution by site management. The shareholders are entitled to their pro-rata share of profits in the form of distributions and are obliged to make their pro-rata share of contributions if required.

On February 27, 2007, the Company concluded the acquisition of Bema Gold Corporation ("Bema"), which holds the remaining 50% interest in CMM. See Note 21 Subsequent events for further discussion.

viii. Paracatu

Prior to January 1, 2005, the Company owned a 49% interest in RPM which owns the Paracatu mine located next to the city of Paracatu, Brazil. Under the joint venture agreement, Rio Tinto Brasil, a subsidiary of Rio Tinto, was the operator. On December 31, 2004, the Company purchased the remaining 51% of RPM, thereafter owning 100% of the property.

Prior to the Company's acquisition of the remaining 51% of RPM, the Board of Directors of RPM approved annual programs and budgets and authorized major transactions prior to execution by site management. The joint venture participants were entitled to their pro-rata share of profits in the form of distributions and were obliged to make their pro-rata share of contributions if required.

7. Financial instruments

The Company manages its exposure to fluctuations in gold and silver prices and foreign currency exchange rates by entering into derivative financial instrument contracts in accordance with the formal risk management policies approved by the Company's Board of Directors.

Gold and silver price risk management

The profitability of the Company is directly related to the price of gold and silver. From time to time, the Company may use spot deferred contracts and fixed forward contracts to hedge against the risk of falling prices for a portion of its forecasted metal sales. Spot deferred contracts are forward sale contracts with flexible delivery dates that enable management to choose to deliver into the contract on a specific date or defer delivery until a future date. However, if the delivery is postponed, a new contract price is established based on the old contract price plus a premium, referred to as "contango".

From time to time, the Company sells call options as part of its overall strategy of managing the risk of changing gold and silver prices. The option premium is received at the time call options are sold. If the gold or silver price is higher than the call option strike price on the expiry date of the option, Kinross will either sell gold or silver at the strike price of the option or enter into a spot deferred contract with a starting price equal to the strike price of the option. If the gold or silver price is lower than the strike price of the call option at expiry, the option expires worthless.

The Company may also purchase put options to protect against the risk of falling prices. The option premium is paid out at the time the put options are purchased. If the gold or silver price is lower than the strike price of the put option on the expiry date, metal is sold at the strike price of the option. If the gold or silver price is higher than the strike price of the put option, the option expires worthless.

Call Options

There were no call options on gold or silver outstanding as at December 31, 2006. As at December 31, 2005, the Company had 255,000 ounces of written gold call options outstanding at various strike prices for which the Company had recorded a $6.2 million unrealized loss. Premiums received at the inception of these written call options were recorded as a liability and changes in the fair value of options were recognized in current earnings. During the year end December 31, 2006, the Company closed out these written call options resulting in a pre-tax loss of $8.2 million.

Put Options

As at December 31, 2006, there were no put options outstanding. As at December 31, 2005, the Company had 150,000 ounces of purchased put options on gold outstanding at a strike price of $250 per ounce. Changes in their fair value are recorded in current earnings.

Spot Deferred Contracts

The Company had no spot deferred contracts outstanding as at December 31, 2006 or at December 31, 2005.

As at December 31, 2006 and 2005, the Company has no derivative financial instruments outstanding relating to silver.

Foreign currency risk management

All metal sales revenues for the Company are denominated in U.S. dollars. The Company is primarily exposed to currency fluctuations relative to the U.S. dollar on expenditures that are denominated in Canadian dollars, Russian rubles, Chilean pesos and Brazilian reais. These potential currency fluctuations could have a significant impact on production costs and thereby, the profitability of the Company. This risk is reduced, from time to time, through the use of foreign exchange forward contracts to lock in the exchange rates on future foreign currency denominated cash outflows. The Company is also exposed to the impact of currency fluctuations on its monetary assets and liabilities. The Company does not actively manage this exposure.

As at December 31, 2006, the Company had no outstanding foreign exchange hedging contracts. As at December 31, 2005, the Company had foreign currency forward contracts to sell $6.0 million U.S. dollars and buy 14.8 million Brazilian reais at an average exchange rate of 2.47 over a nine month period ending December 31, 2006. The Company uses these fixed forward contracts to partially hedge its Canadian dollar and Brazilian real denominated costs. During 2006, the Company recognized a gain of $nil from hedging against movements in the exchange rate against the U.S. dollar (2005 – gain of $2.6 million, 2004 – gain of $2.9 million). The gains in 2005 and 2004 have been netted against operating costs from the Company's Canadian mines and against Canadian general and administrative expenses.

Credit risk management

Credit risk relates to accounts receivable and derivative contracts and arises from the possibility that any counterparty to an instrument fails to perform. The Company only transacts with highly-rated counterparties and a limit on contingent exposure has been established for any counterparty is based on that counterparty's credit rating. At December 31, 2006, the Company's gross credit exposure was $nil (2005 – $0.1 million).

Other risks

The Company is exposed to interest rate risk on its variable rate debt. The Company is also exposed to changes in crude oil prices as a result of diesel fuel consumption, primarily at its open pit mines. There were no derivative instruments related to interest rates or fuel prices outstanding as at December 31, 2006 or December 31, 2005.

Fair values of financial instruments

Carrying values for primary financial instruments, including cash and cash equivalents, short-term investments and other accounts receivable, marketable securities, certain long-term investments, accounts payable and accrued liabilities, approximate fair values due to their short-term maturities. The carrying value for long-term debt other than redeemable retractable preferred shares and capital leases, approximates fair value primarily due to the floating rate nature of the debt instruments.

Fair value estimates for derivative contracts are based on quoted market prices for comparable contracts and represent the amount the Company would have received from, or paid to, a counterparty to unwind the contract at the market rates in effect at December 31. The following table represents the fair value gain (loss) relating to derivative contracts outstanding as at December 31:

	2006	2005
Call options sold [(a)]	**$ —**	$ (6.2)
Foreign currency contracts [(b)]	**$ —**	$ 0.1

(a) Based on a spot gold price of $513 per ounce as at December 31, 2005.

(b) Based on a Brazilian real exchange rate of $2.3407 and a Canadian dollar exchange rate of $1.2036, both at December 31, 2005.

8. Long-term debt and credit facilities

		Interest Rates	**2006**	2005
Corporate revolving credit facility	(i)	Variable	**$ 60.0**	$ 140.0
Corporate term loan facility	(i)	Variable	**5.0**	
Refugio credit facility	(ii)	Variable	**—**	5.5
Paracatu short-term loan	(iii)	5.67%	**15.0**	—
Fort Knox capital leases	(iv)	5.0% - 5.25%	**—**	0.6
Refugio capital leases	(iv)	5.7% - 6.2%	**9.9**	13.2
			89.9	159.3
Less: current portion			**(17.9)**	(9.4)
Long-term debt			**$ 72.0**	$ 149.9

As of December 31, 2006, the long-term debt repayments for each of the years ending December 31 are as follows:

	2007	**2008**	**2009**	**2010**	**2011**	**2012**	**Total**
Corporate revolving credit facility	$ —	$ —	$ 60.0	$ —	$ —	$ —	$ 60.0
Corporate term loan facility	—	0.7	0.9	0.9	0.9	1.6	5.0
Paracatu short-term loan	15.0	—	—	—	—	—	15.0
Refugio capital leases	2.9	3.0	3.9	0.1	—	—	9.9
Total long-term debt payable	$ 17.9	$ 3.7	$ 64.8	$ 1.0	$ 0.9	$ 1.6	$ 89.9

(i) Corporate Revolving Credit and Term Loan Facilities

At the end of 2004, the Company had in place a three year $200.0 million revolving credit facility. In April 2005, the facility was increased to $295.0 million and the term extended to April 2008.This facility has been used to partially finance the acquisition of the 51% interest in RPM and provide credit support for letters of credit used to satisfy financial assurance requirements primarily associated with reclamation-related activities. Assets of the Fort Knox mine and shares of certain wholly-owned subsidiaries were pledged as collateral.

On August 18, 2006 the Company entered into an amended and restated three year revolving credit facility and a five and a half year term loan for $300.0 million and $200.0 million respectively. The revolving credit facility will support Kinross' liquidity and letter of credit needs. The term loan will support the previously announced expansion program at the Paracatu mine in Brazil.

The credit agreement can be drawn in U.S. or Canadian dollars. The facility can be extended at each of the first two maturity dates by an additional year at the option of the lenders. During the year ended December 31, 2006, issue costs related to both facilities, totaling $2.5 million, were deferred on the balance sheet and are being amortized over the term of the new facilities. At December 31, 2006, the balance of the unamortized deferred financing charges totaled $3.6 million.

The $300.0 million revolving credit facility continues to provide support for letters of credit to satisfy financial assurance requirements, primarily associated with activities related to reclamation. As at December 31, 2006, in addition to the LIBOR loans of $60.0 million noted in the table above, letters of credit totaling $127.5 million were drawn against this facility. In the event that the underlying credit facility is not extended, the amounts drawn against the facility will become due and payable at maturity.

Loan interest is variable, set at LIBOR plus an interest rate margin which is dependent on the ratio of the Company's net debt to operating cash flow.

Assuming the Company maintains a net debt/operating cash flow ratio less than 1.25, interest charges would be as follows:

Type of Credit	credit facility
Dollar based LIBOR loan	LIBOR plus 1%
Letters of credit	1.00%
Standby fee applicable to unused availability	0.25%

The credit agreement contains various covenants that include limits on indebtedness, distributions, asset sales and liens. Significant financial covenants include a minimum tangible net worth of $700.0 million for 2006 and $727.9 million for 2005, an interest coverage ratio of at least 4.5:1, net debt to operating cash flow of no more than 3.0:1 and minimum Proven and Probable Reserves of 6 million gold equivalent ounces after repayment of the term loan.

(ii) Refugio credit facility

During 2005, ScotiaBank Sud Americano extended a $12.0 million credit facility to CMM, the Chilean company that owns the Refugio mine. Kinross owns 50% of CMM. The Company, along with Bema (see Subsequent event Note 21), its joint venture partner on the Refugio mine, arranged for the credit facility to fund any additional CMM cash requirements. The Company was the guarantor of the agreement. During the first quarter of 2006, the Company reduced the size of the facility to a maximum of $10.0 million. Funds drawn on the facility are in the form of one-year promissory notes with a maturity date of one year and bear an interest rate of 30 day LIBOR plus 1.24%. Interest is payable every 90 days on all drawn amounts. As at December 31, 2006, CMM had repaid all of the loans under this facility and the facility was terminated.

(iii) Paracatu short-term loan

As at December 31, 2006, RPM, a subsidiary of the Company, borrowed $15.0 million to fund the expansion project. This short-term loan is payable in 30 days and bears an interest rate of 5.67%.

(iv) Capital leases

At December 31, 2006, Refugio had equipment under capital lease totaling $9.9 million (2005 - $13.2 million) at an interest rate based on the average U.S. federal SWAP rate plus 1.95%. Repayments on the Refugio leases end in 2010. Fort Knox capital leases were fully repaid by September 30, 2006.

The Company recorded interest expense related to the capital leases of $0.9 million, $0.7 million and $0.9 million for the years ended December 31, 2006, 2005 and 2004, respectively.

Following is a schedule of future minimum lease payments required under these facilities:

For the years ended December 31, 2006 and 2005, the capital lease obligations are as follows:

	2006	2005
2006	$ —	$ 4.8
2007	3.4	3.4
2008	3.3	3.3
2009	4.1	4.1
2010	0.1	0.1
Total minimum lease payments	$ 10.9	$ 15.7
Less amount representing interest	1.0	1.9
Present value of net minimum lease payments	$ 9.9	$ 13.8
Current portion of obligations under capital lease	2.9	3.9
	$ 7.0	$ 9.9

9. Reclamation and remediation obligations

The Company conducts its operation so as to protect the public health and the environment, and to comply with all applicable laws and regulations governing protection of the environment. Kinross has made, and will continue to undertake these reclamation and remediation activities. Reclamation and remediation obligations arise throughout the life of each mine. The Company estimates future reclamation costs based on the level of current mining activity and estimates of costs required to fulfill the Company's future obligation. The following table details the items that affect the reclamation and remediation obligations:

	2006	2005	2004
Balance at January 1,	**$ 175.9**	$ 131.7	$ 130.3
Additions resulting from acquisitions [(a)]	**0.1**	—	5.4
Dispositions [(b)]	**(4.9)**	—	—
Reclamation spending	**(22.8)**	(24.0)	(17.9)
Accretion and reclamation expenses	**33.5**	56.0	21.4
Foreign exchange	**—**	—	0.8
Asset retirement cost	**(13.4)**	12.2	(6.7)
Other	**—**	—	(1.6)
Balance at December 31,	**$ 168.4**	$ 175.9	$ 131.7
Current Portion	**28.8**	36.3	23.6
Long-term balance at December 31,	**$ 139.6**	$ 139.6	$ 108.1

(a) Reflects the 2006 acquisition of Crown and the 2004 acquisition of the remaining interest in RPM.

(b) Reflects the disposal of the Aquarius and New Britannia mines (see Note 4 - Acquisitions and divestitures)

Included in the December 31, 2006 accretion expense is a $23.3 million charge reflecting revised estimated fair values of costs that support the reclamation and remediation obligation for properties that have been closed. The undiscounted cash flows, before inflation adjustments, estimated to settle the reclamation and remediation obligations as at December 31, 2006 is approximately $263.8 million. The majority of the expenditures are expected to occur from 2007 to 2035. The credit adjusted risk-free rates used in estimating the site restoration cost obligation were 7%, 7% and 6% and the inflation rates used were 2%, 2.5% and 2% for the years ended December 31, 2006, 2005 and 2004, respectively.

Regulatory authorities in certain jurisdictions require that security be provided to cover the estimated reclamation and remediation obligations. As at December 31, 2006, letters of credit totaling $120.6 million (2005 - $110.3 million) had been issued to various regulatory agencies to satisfy financial assurance requirements for this purpose. The letters of credit were issued against the Company's revolving credit facility.

10. Redeemable retractable preferred shares

The redeemable retractable preferred shares entitled the holder to receive a CDN $0.80 per share fixed cumulative annual preferential cash dividend, payable in equal quarterly installments and was entitled at any time to convert all or any part of the redeemable retractable preferred shares into common shares on the basis of 2.7518 common shares for each redeemable retractable preferred share so converted, subject to anti-dilution adjustments. The Company could redeem all or any part of the redeemable retractable preferred shares at a price of CDN $10.00 per share, together with unpaid dividends accrued to the date of redemption at any time, upon a minimum thirty day notice. The holder of the redeemable retractable preferred shares was entitled to require the Company to redeem for cash all or any part of the redeemable retractable preferred shares at this price. These redeemable retractable preferred shares were outstanding and held by a former senior officer and director of the Company. As at December 31, 2005, there were 311,933 redeemable retractable preferred shares outstanding. There were no conversions during 2005. During 2006, all 311,933 redeemable preferred shares outstanding were converted into 858,388 common shares, based on the stated exchange ratio.

11. Convertible preferred shares of subsidiary company

The convertible preferred shares of a subsidiary company consist of $3.75 Series B Convertible Preferred Shares of Kinam ("Kinam Preferred Shares") which are exchangeable into common shares of the Company at a conversion rate of 1.6171 common shares for each Kinam Preferred Share, subject to adjustment in certain events.

Annual cumulative dividends of $3.75 per share are payable quarterly on each February 15, May 15, August 15 and November 15, as and if declared by Kinam's Board of Directors. Dividend payments on these shares were suspended in accordance with their terms in August 2000 and continue to remain suspended. No dividends were declared or paid on the Kinam Preferred Shares during 2006, 2005 or 2004. The cumulative dividends in arrears on the Kinam Preferred Shares owned by non-affiliated shareholders of $5.0 million and $4.2 million as at December 31, 2006 and 2005, respectively, have been accrued and included in the carrying value of the convertible preferred shares of subsidiary company. These convertible preferred shares are also considered as a form of non-controlling interests.

During 2006, 100 Kinam Preferred Shares, net of adjustments, were exchanged into 161 common shares of the Company. During 2005, 506 Kinam Preferred Shares, net of adjustments, were exchanged into 1,000 common shares of the Company. During 2004, 1,722 Kinam Preferred Shares were exchanged into 2,781 common shares of the Company. There were 204,855 and 204,955 Kinam Preferred Shares held by non-affiliated shareholders as at December 31, 2006 and 2005, respectively. If all the Kinam Preferred Shares owned by non-affiliated shareholders were exchanged, an additional 331,265 common shares of the Company would be issued.

12. Common share capital and common share purchase warrants

The authorized share capital of the Company is comprised of an unlimited number of common shares. A summary of common share transactions for each of the years in the three-year period ended December 31, 2006 is as follows:

	2006		2005		2004	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
	(000's)	$	(000's)	$	(000's)	$
Common shares						
Balance, January 1,	**345,417**	**$ 1,768.2**	345,066	$ 1,766.4	345,638	$ 1,774.1
Issued (cancelled):						
Issued on acquisition of Crown	**14,657**	**$ 205.4**	—	—	—	—
Repurchase and cancellations [(a)]	**—**	**—**	—	—	(1,609)	(11.8)
Under employee share purchase plan	**151**	**1.6**	213	1.4	218	1.4
Under stock option and restricted share plan	**1,621**	**14.5**	137	0.5	616	3.2
Expiry of TVX and Echo Bay options	**—**	**(0.1)**	—	(0.1)	—	(1.1)
Conversions:						
Kinam Preferred Shares	**—**	**—**	1	—	3	—
Redeemable retractable preferred shares [(b)]	**858**	**2.7**	—	—	200.0	0.6
Balance, December 31,	**362,704**	**$ 1,992.3**	345,417	$ 1,768.2	345,066	$ 1,766.4
Common share purchase warrants [(c)]						
Balance, January 1,	**8,333**	**$ 9.4**	8,333	$ 9.4	8,333	$ 9.4
Balance, December 31,	**8,333**	**$ 9.4**	8,333	$ 9.4	8,333	$ 9.4
Total common share capital		**$ 2,001.7**		$ 1,777.6		$ 1,775.8

(a) On November 26, 2004, the Company held a special meeting of its shareholders and approved an amendment to the Company's articles to effect a consolidation (reverse split) of its common shares on a 100:1 basis, followed by an immediate deconsolidation (split) of such shares on a 1:100 basis. The effective date for the consolidation was December 5, 2004 and with the deconsolidation to follow immediately on December 6, 2004 to allow Kinross common shares to begin trading under its new CUSIP number. Shareholders holding less than 100 pre-consolidation shares received a cash payment of CDN $9.71 or $8.19 per share an amount equal to the weighted average trading price per share on the Toronto Stock Exchange for the five trading days prior to November 26, 2004. Shareholders holding 100 or more pre-consolidation shares were not affected by the consolidation/deconsolidation except for the change in CUSIP numbers. As a result of this transaction, the Company repurchased 1,608,844 of its common shares for $11.8 million.

(b) During 2006, all the remaining 311,933 redeemable retractable preferred shares outstanding were converted into 858,388 common shares of the Company, based on the stated exchange ratio.

(c) There are 25.0 million common share purchase warrants outstanding. Three common share purchase warrants can be exercised on or before December 5, 2007 for one common share at an exercise price of CDN $15.00. The fair value of the common share purchase warrants was $9.4 million.

Shareholders' rights plan

On March 27, 2006, the Company's Board of Directors adopted a shareholders' rights plan (the "Plan") to ensure that all shareholders are treated fairly in any transaction involving a change of control of the Company. The Plan addresses the Company's concern that existing legislation does not permit sufficient time for the Board of Directors and shareholders of the Company to properly evaluate a take-over bid or pursue alternatives with a view to maximize shareholder value.

The Plan is not intended to prevent take-over bids. "Permitted Bid" provisions of the Plan do not invoke the dilutive effects of the Plan if a bid meets certain requirements intended to protect the interests of all shareholders. A bid will constitute a Permitted Bid if it is made by the way of a take-over bid circular, remains open for a minimum of 60 days and otherwise complies with the Permitted Bid provisions of the Plan. The Plan will be invoked by an acquisition, other than pursuant to a Permitted Bid, of 20% or more of the outstanding common shares of the Company or the commencement of a take-over bid that is not a Permitted Bid.

Under the Plan, one right is issued for each common share of the Company. The rights will trade together with the common shares and will not be separable from the common shares or exercisable unless a take-over bid is made that does not comply with the Permitted Bid requirements. In such event, such rights will entitle shareholders, other than shareholders making the take-over bid, to purchase additional common shares of the Company at a substantial discount to the market price at the time. The Plan was ratified by shareholders of the Company at the Company's 2006 annual and special meeting of shareholders.

13. Stock-based compensation

Stock-based compensation recorded during the years ended December 31 was as follows:

	2006	2005	2004
Stock option plan expense	**$ 4.0**	$ 2.7	$ 1.4
Employer portion of stock purchase plan	**0.5**	0.5	0.5
Restricted share plan expense	**5.0**	1.3	0.7
Deferred share units expense	**0.7**	0.4	0.3
Total stock-based compensation	**$ 10.2**	$ 4.9	$ 2.9

Share purchase plan

The Company has an ESPP whereby North American employees of the Company have the opportunity to contribute up to a maximum of 10% of their annual base salary to purchase common shares. Since 2004, the Company contributes 50% of the employees' contributions. The Company issues common shares equal to the employees' contribution and the Company's contribution from treasury each quarter. The common shares are purchased based on the weighted average price on the last twenty trading sessions prior to the end of the quarter. The number of shares issued by the Company and the average of the price per share for the years ending December 31 are as follows:

	2006	2005	2004
Common shares issued	**151**	213	218
Average price of shares issued	**$ 10.86**	$ 6.89	$ 6.36

Restricted share plan

On February 15, 2001, the Company adopted a restricted share plan. The restricted share plan provides that restricted share units may be granted to employees, officers, directors and consultants of the Company. A restricted share unit is exercisable into one common share entitling the holder to acquire the common share for no additional consideration. Restricted share units vest over a three-year period. The current maximum number of common shares issuable under the restricted share plan is 4.0 million. There were 897,619 and 457,547 restricted share units granted and outstanding as at December 31, 2006 and 2005, respectively.

Deferred share unit plan

On October 1, 2003, the Company adopted a DSU Plan for its outside directors. The DSU plan provides that each outside director receives, on the date in each quarter which is two business days following the publication by the Company of its earnings results for the previous quarter, or year in the case of the first quarter, that number of DSUs having a value equal to 50% of the compensation of the outside director for the current quarter. The number of DSUs granted to an outside director is based on the closing price of the Company's common shares on the Toronto Stock Exchange on the business day immediately preceding the date of grant. At such time as an outside director ceases to be a director, the Company will make a cash payment to the outside director, equal to the market value of a Kinross common share on the date of departure, multiplied by the number of DSUs held on that date. There were 124,897 and 95,845 DSUs outstanding as at December 31, 2006 and 2005, respectively.

Stock option plan

The Company has a stock option plan for officers and employees, enabling them to purchase common shares. The total number of options outstanding at any time cannot exceed 10% of the total number of outstanding common shares. Each option granted under the plan is for a maximum term of five years. All options granted before January 31, 2003, vested immediately pursuant to the combination of Kinross, TVX and Echo Bay Mines Limited ("Echo Bay"). Effective November 24, 2003, one-third of the options are exercisable each year commencing one year after the date of grant. The exercise price is determined by the Company's Board of Directors at the time the option is granted, subject to regulatory approval and may not be less than the closing market price of the common shares on the last trading day prior to the grant of the option. The stock options outstanding at December 31, 2006 expire at various dates to 2010. As at December 31, 2006, 3,968,462 common shares, in addition to those outstanding at year end, were available for granting of options.

Section 3870 outlines a fair value based method of accounting required for stock-based transactions, effective January 1, 2002 and applied to awards granted on or after that date.

Adoption of the fair value based method for all awards impacted the Company's method of accounting for stock options. As a result, stock option compensation of $2.5 million (pre-tax) was recorded as the cumulative effect of the adoption as an adjustment to the opening accumulated deficit as at January 1, 2004, in the consolidated statements of common shareholders' equity and $0.2 million was recorded as an increase in the value of common shares on the exercise of options on adoption.

A summary of the status of the stock option plan and changes during the years ended December 31, 2006, 2005 and 2004, are as follows:

Canadian $ denominated options	**2006**		2005		2004	
	(000's)		*(000's)*		*(000's)*	
Opening balance	**2,368**	**$ 18.72**	3,488	$ 17.18	3,431	$ 14.04
Exercised	**(1,180)**	**8.33**	(134)	3.91	(579)	6.16
Granted	**1,891**	**12.69**	—	—	1,229	9.53
Cancelled/expired	**(564)**	**16.23**	(986)	15.27	(593)	6.01
Outstanding at December 31,	**2,515**	**$ 12.53**	2,368	$ 18.72	3,488	$ 17.18

US $ denominated options	**2006**		2005		2004	
	(000's)		*(000's)*		*(000's)*	
Opening balance	**6**	**$ 16.32**	9	$ 19.38	20	$ 21.09
Exercised	**(41)**	**9.15**	—	—	—	—
Granted	**—**	**—**	—	—	—	—
Adjustment	**66**	**14.86**	—	—	—	22.50
Cancelled/expired	**—**	**19.90**	(3)	25.62	(11)	—
Outstanding at December 31,	**31**	**$ 22.40**	6	$ 16.32	9	$ 19.38

The following table summarizes information about the stock options outstanding and exercisable at December 31, 2006:

	Options outstanding			**Options exercisable**		
Exercise price range	**Number outstanding**	**Weighted average exercise price**	**Weighted average remaining contractual life**	**Number exercisable**	**Weighted average exercise price**	**Weighted average remaining contractual life**
	(000's)	*($)*	*(years)*	*(000's)*	*($)*	*(years)*
Exercisable in Canadian dollars:						
$ 7.60 - $ 11.39	863	$ 10.14	2.54	592	$ 10.25	2.29
$ 11.40 - $ 17.09	1,590	12.81	3.63	208	12.89	3.05
$ 17.10 - $ 25.64	18	20.79	1.80	18	20.79	1.80
$ 38.48 - $ 46.16	44	46.15	0.36	44	46.15	0.36
	2,515	$ 12.53	3.19	862	$ 12.94	2.37
Exercisable in United States dollars:						
$9.15	2	$ 9.15	1.01	2	$ 9.15	1.01
$23.43	29	$ 23.43	0.01	29	$ 23.43	0.01
	31	$ 22.40	0.08	31	$ 22.40	0.08

The following weighted average assumptions were used in computing the fair value of stock options granted during the last three fiscal years ended December 31:

	2006	2005 [a]	2004
Black-Scholes weighted-average assumptions			
Expected dividend yield	**0.0%**	—	0.0%
Expected volatility	**36.3%**	—	40.4%
Risk-free interest rate	**4.8%**	—	3.2%
Estimated forfeiture rate	**3.0%**	—	N/A
Expected option life in years	**3.5**	—	3.5
Weighted average fair value per stock option granted	**$ 4.21**	—	$ 3.18

(a) There were no stock options granted during 2005.

14. Earnings (loss) per share

Earnings (loss) per share ("EPS") has been calculated using the weighted average number of shares outstanding during the year. Diluted EPS is calculated using the treasury stock method with the exception of all preferred shares which use the if-converted method. The following table details the weighted average number of outstanding common shares for the purposes of computing basic and diluted earnings (loss) per common share for the following years:

(Number of common shares in 000's)	**2006**	2005 [a]	2004 [a]
Basic weighted average shares outstanding:	**352,097**	345,237	346,034
Weighted average shares dilution adjustments:			
Dilutive stock options [b]	**119**	—	—
Restricted shares	**937**	—	—
Diluted weighted average shares outstanding	**353,153**	345,237	346,034
Weighted average shares dilution adjustments - exclusions: [c]			
Stock options	**258**	2,189	—
Restricted shares	**—**	458	230
Redeemable preferred shares	**—**	858	858
Kinam Preferred Shares	**331**	331	335

(a) As a result of the net loss for the years ended December 31, 2005 and 2004, diluted earnings per share was calculated using the basic weighted average shares outstanding because to do otherwise would have been anti-dilutive.

(b) Dilutive stock options were determined by using the Company's average share price for the period. For the years ended December 31, 2006, 2005 and 2004 the average share price used was $11.36, $6.56 and $6.57 per share, respectively.

(c) These adjustments were excluded, as they were anti-dilutive for the years ended December 31, 2006, 2005 and 2004, respectively.

15. Income and mining taxes

(i) Income and mining taxes (expense) recovery

The following table shows the (provision for) recovery of income and mining taxes:

	2006	2005	2004
Income taxes			
Current			
Canada [(a)]	**$ —**	$ (0.5)	$ (0.5)
Foreign	**(43.9)**	(1.3)	(17.3)
Future			
Foreign	**19.9**	5.7	28.2
Mining taxes			
Current - Canada	**(0.2)**	(0.3)	—
Future - Canada	**(1.7)**	9.3	1.1
	$ (25.9)	$ 12.9	$ 11.5

(a) Represents Large Corporations Tax.

The reconciliation of the combined Canadian federal and provincial statutory income tax rate to the effective tax rate is as follows:

	2006	2005	2004
Combined statutory income tax rate	**36.1%**	38.1%	39.1%
Increase (decrease) resulting from:			
Mining taxes	**1.0%**	4.1%	1.4%
Resource allowance and depletion	**(11.5%)**	5.2%	16.3%
Difference in foreign tax rates	**(1.7%)**	3.0%	23.6%
Benefit of losses not recognized	**0.8%**	(45.0%)	(64.2%)
Recognition of tax attributes not previously benefited	**(10.8%)**	0.0%	0.0%
Other	**(0.4%)**	0.3%	(0.7%)
Effective tax rate	**13.5%**	5.7%	15.5%

(ii) Future income taxes

The following table summarizes the components of future income taxes:

	2006	2005
Future tax assets		
Accrued expenses and other	**$ 34.2**	$ 15.9
Reclamation and remediation obligations	**22.4**	36.8
Alternative minimum tax credits	**15.8**	23.8
Non-capital loss carryforwards	**261.5**	318.5
Inventory capitalization	**0.6**	0.4
Property, plant and equipment	**164.0**	140.3
Valuation allowance	**(368.7)**	(521.2)
	129.8	14.5
Future tax liabilities		
Property, plant and equipment	**244.2**	144.1
Future tax liabilities - net	**$ 114.4**	$ 129.6

During 2005, the Chilean Congress passed a tax bill imposing a maximum 5% tax on mine operating profits, effective January 1, 2006. MDO, the operator of the La Coipa mine, has been granted a reduced tax rate of 4% for a period of 12 years. CMM, the operator of the Refugio mine, has a tax stability agreement in place, whereby, the new mining tax will not apply to Refugio unless CMM elects to opt out of the tax stability agreement in the future. The final regulations relating to this new mining tax have yet to be issued, thus the Company cannot determine the exact impact of the change at this time.

(iii) Non-capital losses

The following table summarizes the Company's non-capital losses that can be applied against future taxable income:

Country	Type	Amount	Expiry Date
Canada [(a)]	Net operating losses	$ 156.0	2007 - 2026
United States [(b)]	Net operating losses	459.5	2007 - 2024
United States [(b)]	Alternative minimum tax	228.4	2007 - 2024
Chile	Net operating losses	206.7	No expiry
Australia	Net operating losses	13.4	2007 - 2024

(a) Approximately $67.5 million are limited in their deduction to income from specific operations.

(b) Utilization of the U.S. loss carry forwards will be limited in any year as a result of previous changes in ownership.

16. Segmented information

The Company operates primarily in the gold mining industry and its major product is gold. Its activities include gold production, acquisition, exploration and development of gold properties. The Company's primary mining operations are in the United States, Canada, Brazil, Russia, and Chile. The reported segments are those operations whose operating results are reviewed by the Chief Executive Officer as were those operations that pass certain quantitative measures. Operations whose revenues, earnings or losses or assets exceed 10% of the total consolidated revenue, earnings or losses, or assets are reportable segments. Properties that are in development or have not reached commercial production levels are reported as other operations. Properties that are under care and maintenance are shut down and are in reclamation, non-mining and other operations are reported in Corporate and other. At December 31, 2006, the Company's reportable segments reflect the recommissioning of the Refugio mine in 2005 and the acquisition of Crown Resources Corporation, which is included with Kettle River. As at December 31, 2005, the Company's reportable segments reflected the reduction in mining operations at Kubaka, which is classified within Other operations, and properties in care and maintenance or disposed such as Lupin, New Britannia and Aquarius which are now part of Corporate and other. Prior year segment information has been revised to reflect the 2006 and 2005 classifications.

Operating results by segments:

The following tables set forth information by segment for the following periods:

For the year ended December 31, 2006:

	Metal sales	Cost of sales [a]	Accretion	DD&A [b]	Exploration	Impairment	Other [c]	Segment operating earnings (loss)
Operating segments								
Fort Knox	$ 208.3	$ 102.9	$ 1.3	$ 25.0	$ 1.4	$ —	$ 0.5	$ 77.2
Round Mountain	211.7	99.4	1.7	11.9	5.0	—	—	93.7
La Coipa	94.0	47.6	0.9	16.9	2.0	—	1.5	25.1
Crixás	57.0	17.7	0.2	11.2	1.5	—	0.2	26.2
Paracatu	104.1	57.7	0.9	12.5	1.5	—	5.5	26.0
Musselwhite	43.0	31.9	0.2	10.4	1.7	—	—	(1.2)
Porcupine Joint Venture	97.5	59.9	2.0	11.8	4.9	—	0.3	18.6
Refugio	69.7	39.3	(1.0)	7.0	1.8	—	0.5	22.1
Kettle River	2.5	0.8	—	—	0.2	—	5.8	(4.3)
Other operations	23.9	23.9	2.7	—	3.5	—	13.6	(19.8)
Corporate and other [e]	(6.1)	0.6	24.6	1.6	15.9	10.5	2.8	(62.1)
Total	$ 905.6	$ 481.7	$ 33.5	$ 108.3	$ 39.4	$ 10.5	$ 30.7	$ 201.5

For the year ended December 31, 2005:

	Metal sales	Cost of sales [a]	Accretion	DD&A [b]	Exploration	Impairment	Other [c]	Segment operating earnings (loss)
Operating segments								
Fort Knox	$ 143.1	$ 88.1	$ 1.1	$ 34.8	$ 0.6	$ 141.8	$ 0.8	$ (124.1)
Round Mountain	164.0	93.7	1.8	39.5	2.4	—	—	26.6
La Coipa	60.3	45.4	0.4	15.8	1.1	—	—	(2.4)
Crixás	41.5	14.1	0.1	12.3	0.3	3.4	—	11.3
Paracatu	79.0	50.0	0.7	17.0	5.2	—	0.7	5.4
Musselwhite	34.9	26.4	0.1	12.5	1.6	2.0	—	(7.7)
Porcupine Joint Venture	80.8	50.7	11.8	14.8	3.5	—	0.9	(0.9)
Refugio	14.6	9.6	0.2	0.2	—	—	2.9	1.7
Kettle River	31.7	18.9	6.5	8.8	0.4	—	1.8	(4.7)
Other operations	68.0	44.9	2.9	9.6	2.3	—	4.5	3.8
Corporate and other [e]	7.6	6.3	30.4	2.4	9.2	37.5	42.0	(120.2)
Total	$ 725.5	$ 448.1	$ 56.0	$ 167.7	$ 26.6	$ 184.7	$ 53.6	$ (211.2)

For the year ended December 31, 2004:

	Metal sales	Cost of sales [a]	Accretion	DD&A [b]	Exploration	Impairment	Other [c]	Segment operating earnings (loss)
Operating segments								
Fort Knox	$ 143.9	$ 89.2	$ 1.3	$ 35.9	$ 0.6	$ —	$ 0.3	$ 16.6
Round Mountain	154.1	82.3	1.9	43.3	0.8	—	—	25.8
La Coipa	59.0	39.7	0.4	16.8	0.5	—	0.7	0.9
Crixás	38.2	12.2	0.1	12.8	0.3	—	—	12.8
Paracatu [d]	38.2	20.6	0.5	9.5	—	2.1	2.6	2.9
Musselwhite	32.1	21.1	0.1	12.5	2.0	—	0.2	(3.8)
Porcupine Joint Venture	78.8	44.4	2.3	22.7	3.2	—	0.5	5.7
Refugio	3.8	2.0	—	—	—	—	1.7	0.1
Kettle River	37.6	21.8	0.4	11.8	2.2	—	0.5	0.9
Other operations	53.6	36.4	0.4	6.9	2.8	42.5	2.5	(37.9)
Corporate and other [e]	27.5	32.7	14.0	(2.1)	8.0	15.3	51.5	(91.9)
Total	$ 666.8	$ 402.4	$ 21.4	$ 170.1	$ 20.4	$ 59.9	$ 60.5	$ (67.9)

(a) Cost of sales excludes accretion, depreciation, depletion and amortization.

(b) Depreciation, depletion and amortization is referred to as “DD&A” in the tables above.

(c) Other includes Other operating costs, General and administrative expenses and (Gain) loss on disposals of assets.

(d) Operating results for the year ended December 31, 2004 include the Company’s 49% share of Paracatu. On December 31, 2004, the Company acquired the remaining 51% interest in RPM; thereafter, owning 100% of the property.

(e) Includes corporate, shutdown operations and other non-core operations.

Segment assets and Capital expenditures:

The following table details the segment assets and capital expenditures for the following years:

	Segment assets		Capital expenditures		
	As at December 31,		Years ended December 31,		
	2006	2005	**2006**	2005	2004
Operating segments					
Fort Knox	**$ 183.1**	$ 161.4	**$ 49.9**	$ 44.6	$ 58.7
Round Mountain	**157.3**	174.6	**28.3**	5.9	8.8
La Coipa	**177.2**	156.0	**7.8**	4.9	1.0
Crixás	**96.0**	96.2	**7.8**	6.2	3.6
Paracatu [a]	**600.4**	550.9	**61.8**	21.3	5.8
Musselwhite	**113.2**	119.5	**4.7**	5.7	3.9
Porcupine Joint Venture	**107.7**	103.3	**19.5**	24.7	24.5
Refugio	**116.4**	87.7	**4.7**	26.2	43.4
Kettle River	**269.4**	26.7	**16.7**	1.7	1.6
Other operations [c]	**75.6**	96.9	**—**	0.2	17.0
Corporate and other [b] [c]	**157.2**	124.9	**1.7**	1.0	1.2
Total	**$ 2,053.5**	$ 1,698.1	**$ 202.9**	$ 142.4	$ 169.5

(a) Segment assets in 2006 and 2005 reflect the 100% interest in the assets of Paracatu as a result of the acquisition of the remaining 51% interest in the Paracatu mine.

(b) Includes Corporate, shutdown operations and other non-core operations. Also includes $99.5 million and $63.5 million in cash and cash equivalents held at the Corporate level as at December 31, 2006 and December 31, 2005, respectively.

(c) Included in these categories during 2004 were Aquarius (Other operations), Norseman and E-Crete (Corporate and other). Norseman and E-Crete were subsequently sold during 2005.

Metal sales and Property, plant and equipment by geographical regions:

	Metal sales			Property, plant & equipment	
	Years ended December 31,			As at December 31,	
	2006	2005	2004	**2006**	2005
Geographic information:					
United States	**$ 422.5**	$ 338.8	$ 335.6	**449.8**	$ 173.8
Canada	**134.4**	123.3	138.4	**177.9**	195.2
Brazil	**161.1**	120.5	76.4	**571.7**	552.7
Chile	**163.7**	74.9	62.8	**131.6**	143.0
Russia	**23.9**	68.0	53.6	**—**	—
Total	**$ 905.6**	$ 725.5	$ 666.8	**$ 1,331.0**	$ 1,064.7

The following table represents sales to individual customers exceeding 10% of annual metal sales:

	Sales of customers greater than 10% of total Metal sales		
Rank	**2006**	2005	2004
1	**$ 217.9**	$ 183.8	$ 190.2
2	**132.5**	96.0	108.5
3	**130.7**	93.2	98.5
4	**99.1**	71.8	88.4
Total	**$ 580.2**	$ 444.8	$ 485.6
% of Total Sales	**64.1%**	61.3%	72.8%

The Company is not economically dependent on a limited number of customers for the sale of its product because gold can be sold through numerous commodity market traders worldwide.

17. Employee pension and post-retirement benefit plans

Defined contribution pension and retirement plans

The Company has several defined contribution retirement plans covering substantially all employees in North America and certain foreign countries. Under these plans, the Company either contributes a set percentage of the employee's salary or matches a percentage of the employee's contributions. The employees are able to direct the contributions into a variety of investment funds offered by the plans.

In 2004, the Company adopted an Executive Retirement Allowance Plan ("ERAP") to bring the Company's retirement arrangements for executives in line with industry standards. Executives, both in the U.S. and Canada, participating in the ERAP do not receive Company contributions under the Company's other retirement plans. The Company has issued a letter of credit for the ERAP plan of $1.8 million. As of December 31, 2006, the liability associated with this plan was $1.4 million.

The Company's expense related to these plans was $6.3 million in 2006, $7.1 million in 2005, and $6.0 million in 2004.

Defined benefit pension plans

In the United States, defined benefit plans cover former employees of the Candelaria and DeLamar mines, and certain U.S. employees of the mines previously owned by Kinam. Prior to the Kinam acquisition, all employees in the U.S. employed by Kinam were covered by a non-contributory defined benefit pension plan. That plan was frozen on June 1, 1998, and all active employees were transferred into the Company's defined contribution retirement plan. Benefits under these plans are based on either the employees' compensation prior to retirement or stated amounts for each year of service with the Company. The Company makes annual contributions to the U.S. plans in accordance with the requirements of the Employee Retirement Income Security Act of 1974 (ERISA).

The date of the actuarial valuation was December 31, 2006.

Other benefit plans

The Company provides certain health care benefits to retired employees in the United States. The retiree plan covers the former employees of the Candelaria and DeLamar mines as well as former Kinam employees. Following the acquisition of the Candelaria and DeLamar mines in August 1993, that retiree plan was frozen and employees who retired after August 1993 were not eligible to participate in the plan. Following the merger with Kinam in June 1998, that retiree plan was also frozen and employees who retired after June 1998 were not eligible to participate in the plan, absent special circumstances. The post-retirement health plans are contributory in certain cases based upon years of service, age and retirement date. The Company does not fund post-retirement benefits other than pensions and may modify the plan provisions at its discretion.

The following tables summarize the change in benefit obligations and fair value of assets as at December 31:

	Defined benefit plans		Other benefits	
	2006	2005	**2006**	2005
Change in benefit obligation				
Benefit obligation, beginning of year	**$ 14.9**	$ 13.0	**$ 3.1**	$ 2.6
Interest costs	**0.9**	0.8	**0.1**	0.2
Plan participants' contributions	**—**	—	**0.1**	0.1
Actuarial loss (gain)	**(0.5)**	1.6	**0.1**	0.6
Benefits paid	**(0.4)**	(0.5)	**(0.6)**	(0.4)
Benefit obligation, end of year	**$ 14.9**	$ 14.9	**$ 2.8**	$ 3.1
Change in plan assets				
Fair value of plan assets, beginning of year	**$ 10.8**	$ 10.6	**$ —**	$ —
Actual return on plan assets	**1.0**	0.7	**—**	—
Employer contributions	**0.7**	—	**0.5**	0.3
Plan participant contributions	**—**	—	**0.1**	0.1
Benefits paid	**(0.3)**	(0.5)	**(0.6)**	(0.4)
Fair value of plan assets, end of year	**$ 12.2**	$ 10.8	**$ —**	$ —
Funded status	**(2.7)**	(4.1)	**(2.8)**	(3.1)
Unrecognized net actuarial loss	**3.4**	4.4	**0.7**	0.7
Unrecognized prior service cost	**—**	—	**—**	—
Net amount recognized	**$ 0.7**	$ 0.3	**$ (2.1)**	$ (2.4)

The following table summarizes components of net periodic pension expense for the years December 31:

	Defined benefit plans			Other benefits		
	2006	2005	2004	**2006**	2005	2004
Interest cost	**$ 0.9**	$ 0.8	$ 0.7	**$ 0.1**	$ 0.2	$ 0.1
Expected return on plan assets	**(0.7)**	(0.6)	(0.6)	**—**	—	—
Amortization of actuarial loss	**0.2**	0.2	0.2	**—**	—	—
Net periodic cost	**$ 0.4**	$ 0.4	$ 0.3	**$ 0.1**	$ 0.2	$ 0.1

The following table summarizes the assumptions used in measuring the Company's benefit obligation:

	Defined benefit plans		Other benefits	
	2006	2005	**2006**	2005
Discount rate	**5.95%**	5.75%	**5.80%**	5.60%
Expected long-term return on plan assets	**7.50%**	7.00%	**n/a**	n/a
Rate of compensation increase	**n/a**	n/a	**n/a**	n/a

The expected long-term rate of return on assets was determined using a weighted average calculation for the various investments of the plans. This weighted average is based on the expected yield on bonds, based on the Moody's AA year end rate, on current short-term investment rates, the yield on cash investments, and for equities, based on current forecasts and the plans' historical return on equities. In 2006 and 2005, this weighted average was determined to be 7.5% and 7.0%, respectively.

The following table summarizes the assumed health care trend rates at December 31:

	2006	2005
Health care cost trend rate assumed for next year	**9.60%**	9.95%
Rate to which the cost trend rate is assumed to decline (ultimate trend rate)	**5.50%**	5.50%
Year that the rate reaches the ultimate trend rate	**2018**	2018

The assumed health care cost trend rates can have a significant effect on the amounts reported for the health care plans:

	2006	2005
Effect on total of service and interest cost		
1% increase	**$ —**	$ —
1% decrease	**$ —**	$ —
Effect on post-retirement benefit obligation		
1% increase	**$ 0.3**	$ 0.4
1% decrease	**$ (0.3)**	$ (0.3)

Plan assets

The allocation of plan assets is set forth in the Investment Policy Statement. The Investment Policy Statement delegates authority to the Kinross Gold U.S.A., Inc. Employee Benefits Committee (the "Committee") to maintain and establish investment policies relating to the defined benefit and defined contribution pension plans. The Kinross Gold U.S.A., Inc. Board of Directors approves these policies and any material changes to these policies.

In 2004, the Committee requested an actuarial evaluation of the feasibility and advisability of terminating the DeLamar\Candelaria Retirement Plan and the Retirement Plan for Non-Exempt Employees of AMAX Gold (collectively, the "Plans") on behalf of Kinross Gold U.S.A., Inc. and Kinam Gold, Inc., the companies that sponsor the respective Plans. The companies, as sponsor of the respective Plans, ultimately determine whether or not to terminate the Plans. During the evaluation period and pending receipt of analysis regarding termination of the Plans, investments did not conform to the written investment policy and guidelines established for the Plans. The Plans remained in fixed income and cash positions so as to be in a position to readily liquidate Plan assets in the event a termination occurred. In November 2004, following the conclusion of the evaluation, no Plan terminations occurred. In light of the determination to continue the Plans, the Committee reviewed the asset allocation and investment policy in effect and determined to recommend changes to the Kinross Gold U.S.A., Inc. Board to provide more flexibility to address the returns for the plans in light of their on-going status. The Board approved the revised allocations and investment policy on January 11, 2005. Asset allocations were altered in 2005 so as to conform to the revised asset allocation and investment policy guidelines. Discussion concerning the termination of the plans resulted in late 2006, with a decision expected in 2007.

In 2006, the Committee retained a financial advisor to review the investments of the defined benefit plans and to recommend changes to lower risk and maximize return. The advisor will also recommend fund lineup changes to both the defined benefit and defined contribution plans in the U.S. Additionally the advisor will assist the Committee in negotiating administrative fees and providing additional data for the Committee's periodic review of the plans.

The Company has adopted the following standards for the Committee to follow when deciding how to invest the plan assets.

Assets shall be invested:

- In the sole interest of the plan participants and beneficiaries;
- With the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and of like aims in compliance with Section 404(A) of ERISA, and other applicable provisions of ERISA; and
- By diversifying the investments so as to minimize the risk of large losses as well as provide a reasonable rate of return on the assets.

The following table summarizes the target asset allocation as of December 31:

Asset category	**2006**	2005
Equities	**40%-60%**	40%-60**%**
Fixed income	**40%-60%**	40%-60**%**
Cash and other investments	**0%-20%**	0%-20**%**

The following table summarizes the defined benefit plan asset weighted-average asset allocation percentages by asset category:

Asset category	2006	2005
Equities	**47%**	46%
Fixed income	**44%**	47%
Cash and other investments	**9%**	7%

Contributions

The Company has requirements under ERISA to contribute to its defined benefit pension plans. Additionally the Company also has the option to make voluntary contributions. The Company expects to contribute $0.7 million to its post-retirement benefit plans in 2007.

Estimated future benefit payments

The following table summarizes the expected future benefit payments by the years indicated:

	2007	2008	2009	2010	2011	2012-2016
Defined benefit plan	$ 0.4	0.5	0.6	0.5	0.8	4.0
Other benefits	0.2	0.2	0.2	0.2	0.2	1.0

Post-employment benefits

The Company has a number of post-employment plans covering severance and disability income. At December 31, 2006 and 2005, the Company's liability for post-employment benefits totaled $4.6 million ($1.7 million in current liabilities) and $5.5 million ($0.3 million in current liabilities), respectively.

18. Operating leases

The Company has a number of operating lease agreements involving office space and equipment. The operating leases for equipment provide that the Company may, after the initial lease term, renew the lease for successive yearly periods or may purchase the equipment at its fair market value. One of the operating leases for office facilities contains escalation clauses for increases in operating costs and property taxes. A majority of these leases are cancelable and are renewable on a yearly basis. Future minimum lease payments required to meet obligations that have initial or remaining non-cancelable lease terms in excess of one year as of December 31, 2006 are as follows:

Minimum lease payments						
2007	2008	2009	2010	2011	Thereafter	Total
$ 2.5	**1.7**	**1.5**	**1.2**	**—**	**—**	**$ 6.9**

Rent expense was $3.6 million, $5.4 million and $2.1 million in 2006, 2005 and 2004, respectively.

19. Related party transaction

During 2004, the Company entered into a shareholders' agreement providing for the incorporation of Kinross Forrest Ltd. ("KF Ltd.") and the issuance of 35% of the shares of KF Ltd. to the Company, 25% to a company controlled by Arthur H. Ditto, a former director and officer of the Company, and 40% to an unrelated third party. Mr. Ditto paid the Company his share of the total expenses incurred in the amount of approximately $0.3 million related to KF Ltd. The cost of the Company's 35% investment in KF Ltd. was less than $0.1 million.

KF Ltd. is incorporated under the laws of the Territory of the British Virgin Islands and is a party to a joint venture with La Générale des Carrières et des Mines ("Gecamines"), a Congolese state-owned mining enterprise. The 75% KF Ltd. - 25% Gecamines joint venture was formed for the purpose of exploiting the Kamoto Copper Project (the "Project") located in the Democratic Republic of Congo (the "DRC").

On July 29, 2005, the Company and the other shareholders of KF Ltd. entered into an agreement (the "Option Agreement") with Balloch Resources Ltd. ("Balloch") giving Balloch the option to purchase all of the shares of KF Ltd. by funding a feasibility study ("Feasibility Study"), obtaining equity commitments to fund development of the first stage of the Project and issuing a number of common shares pro rata to each KF Ltd. shareholder in proportion to their holdings in KF Ltd. The number of Balloch shares to be issued to the KF Ltd. shareholders was to have been based on a formula dependent on the Net Present Value of the Project as determined by the Feasibility Study.

Balloch is a public company whose shareholders include Mr. Ditto and Mr. Robert M. Buchan, both former officers and directors of the Company.

On September 2, 2005, in keeping with the Company's strategy to divest of its non-core interests and focus on precious metals properties, the Company agreed to sell 23.33% of the shares of KF Ltd. to Balloch and retain the balance of its KF Ltd. holdings. Following the satisfaction of various conditions, including regulatory approvals and the completion of a private placement by Balloch, consideration of $4.7 million was received. Based on an original cost of less than $0.1 million, the Company recorded a gain on sale of $4.7 million.

In October 2005, Balloch disclosed Mr. Ditto's holdings as 1,000,000 shares of Balloch (17.1% of issued and outstanding shares) and Mr. Buchan's holdings as 500,000 shares of Balloch (8.6% of issued and outstanding shares). Additionally, Balloch disclosed that Mr. Buchan had purchased one half of the shares in KF Ltd. previously owned by a company controlled by Mr. Ditto.

On November 30, 2005, Balloch changed its name to Katanga Mining Ltd. ("Katanga").

On March 15, 2005, the shareholders of KF Ltd. agreed to amend the Option Agreement waiving the requirement for Katanga to obtain equity funding for the first stage of development of the Project and fixing the number of shares of Katanga to be received by each shareholder of KF Ltd. on exercise of the option. The Company was to receive 5,751,500 such shares of Katanga on exercise of the option.

On June 27, 2006, Katanga exercised its option, and accordingly Kinross received 5,751,500 shares of Katanga. At the time of the exercise of the option Kinross held an 11.67% interest in KF Ltd.

On September 8, 2006, Kinross sold the 5,751,500 shares in Katanga through a private placement for proceeds of $31.4 million. A gain of $31.3 million was recorded on disposal.

20. Commitments and contingencies

General

Estimated losses from loss contingencies are accrued by a charge to earnings when information available prior to the issuance of the financial statements indicates that it is likely that a future event will confirm that an asset has been impaired or a liability incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Other legal matters

The Company is involved in legal proceedings from time to time, arising in the ordinary course of its business. Typically, the amount of ultimate liability with respect to these actions will not, in the opinion of management, materially affect Kinross' financial position, results of operations or cash flows.

The Company has settled various litigations. Included in the statement of operations were $0.3 million in 2006, $nil in 2005 and $10.0 million in 2004 related to legal claims. The settlement of the Hellenic litigation in 2005 was accrued in the prior year.

Kinam Preferred Shares

The Company was named as a defendant in a Class Action Complaint filed on or about April 26, 2002 (the "Complaint"), entitled Robert A. Brown, et al. v. Kinross Gold U.S.A., Inc., et al., Case No. CV-S-02-0605-PMP-RJJ, in the United States District Court for the District of Nevada. The Complaint named as defendants the Company, its subsidiaries, Kinross Gold U.S.A., Inc. and Kinam Gold, Inc. ("Kinam"), and Robert M. Buchan, former President and C.E.O. of the Company. The Complaint was filed on behalf of one potential class and three subclasses, i.e., those who tendered their Kinam $3.75 Series B Preferred Stock (the "Kinam Preferred") into the tender offer for the Kinam Preferred made by the Kinross Gold U.S.A., those who did not tender their Kinam Preferred but later sold it directly to the Company or any of its controlled entities after closure of the tender offer and delisting of the Kinam Preferred, and those who continue to hold Kinam Preferred. The Complaint alleged, among other things, that amounts historically advanced to Kinam should be treated as capital contributions rather than loans, that the purchase of Kinam Preferred from certain institutional investors in July 2001 constituted a constructive redemption of the Kinam Preferred, an impermissible amendment to the conversion rights of the Kinam Preferred, or the commencement of a tender offer, that the Company and its subsidiaries have intentionally taken actions for the purpose of minimizing the value of the Kinam Preferred, and that the amount offered in the tender offer of $16.00 per share was not a fair valuation of the Kinam Preferred. The Complaint alleged breach of contract based on the governing provisions of the Kinam Preferred; breach of fiduciary duties; violations of the "best price" rule under Section 13(e) of the Securities Exchange Act of 1934, as amended, and the New York Stock Exchange rules; federal securities fraud in violation of Section 10(b) and 14(c) of the Securities Exchange Act of 1934, as amended, and Rules 10b-5 and 14c-6(a) thereunder; violation of Nevada's anti-racketeering law; and control person liability under Section 20A of the Securities Exchange Act of 1934, as amended.

A second action seeking certification as a class action and based on the same allegations was also filed in the United States District Court for the District of Nevada on or about May 22, 2002. It named the same parties as defendants. This action has been consolidated into the Brown case, and the Brown plaintiffs have been designated as lead plaintiffs.

Among other remedies, the plaintiffs in both actions seek damages ranging from $9.80 per share, plus accrued dividends, to $39.25 per share of Kinam Preferred or, in the alternative, the issuance of 26.875 to 80.625 shares of the Company for each Kinam Preferred. The Company brought a motion for judgment on the pleadings with respect to the federal securities fraud claims. On September 29, 2003, the Court ruled that plaintiffs had failed to adequately state any federal securities fraud claim, but allowed the Plaintiffs an opportunity to file an amended complaint. In response, the plaintiffs filed an Amended Class Action Complaint (the "Amended Complaint"), and the Company again moved for judgment on the pleadings on the federal securities fraud claims. On November 2, 2004, the Court granted the second motion, dismissing with prejudice the federal securities claims. Subsequently, the Company moved for judgment on the pleadings on the best price rule and the Nevada RICO claims of the Amended Complaint. The Plaintiffs opposed the motion and filed a cross motion for summary judgment on the best price rule. On May 27, 2005, the Court denied Plaintiff's motion for summary judgment and granted the Company's motion and dismissed these counts from the Amended Complaint. On June 14, 2005, the Court granted the plaintiffs' unopposed motion for certification of the class and three subclasses.

The Company intends to continue to vigorously defend this litigation and it believes it has substantial defenses to the claims asserted in the lawsuit. However, the Company cannot reasonably predict the outcome of this action, and the amount of loss, if any, cannot be reasonably estimated. This class action relates to the Corporate and other segment (see Note 16).

Hellenic Gold Properties

Pursuant to an October 14, 1998 judgment of the Ontario Court (General Division), Kinross had been holding a 12% carried interest in the Hellenic Gold Properties as constructive trustee for the Alpha Group. The Alpha Group commenced an action for damages against TVX and Kinross alleging among other things, a breach of trust arising from Kinross' decision to return the Hellenic Gold Properties to the Greek Government and place TVX Hellas into bankruptcy. In November 2005, Kinross entered into a settlement agreement with the Alpha Group pursuant to which Kinross paid the Alpha Group $8.0 million inclusive of legal costs and the parties exchanged mutual releases which brings all litigation between Kinross and the Alpha Group to an end.

1235866 Ontario Inc. ("1235866"), the successor to Curragh Resources Inc. commenced an action against the Alpha Group and TVX in 1998 relating to the Hellenic Gold Properties. The action alleged that members of Alpha Group had used confidential Curragh information in their pursuit of the Hellenic Gold Properties and that Alpha and TVX held their respective interest in these properties in trust for 1235866.

On July 28, 1999, TVX entered into an agreement with 1235866 whereby 1235866 agreed to limit any claim against TVX and diligently pursue its claim against the Alpha Group. In the event that 1235866 was successful in its actions against the Alpha Group, it would become entitled to a 12% carried interest as defined in the agreement and the right to acquire a 12% participating interest upon payment of 12% of the aggregate amounts expended by TVX and its subsidiaries in connection with the acquisition, exploration, development and operation of the Hellenic mines to the date of the exercise of the right to acquire the participating interest.

As a result of Kinross' decision to return the Hellenic Mining Properties to the Greek Government, place TVX Hellas into bankruptcy and settle with the Alpha Group;, 1235866 threatened to revive its action against Kinross for breach of trust, and claim for breach of the agreement. On December 14, 2006, 1235866 brought a motion for leave to (i) substitute Kinross as a defendant in place of TVX and (ii) amend its Fresh Amended Statement of Claim in accordance with the threatened litigation. Notwithstanding Kinross' refusal to consent to the proposed amendment, the order was granted. Kinross delivered its Statement of Defence on February 28, 2007. Documentary production has not been completed and examinations for discovery will be scheduled for later this year.

While Kinross believes that it has substantial defences to this claim, it is too early in the process to predict the final outcome with any certainty.

Summa Corporation/Howard Hughes Corporation

In September 1992, Summa Corporation ("Summa") commenced a lawsuit against Echo Bay Exploration Inc. and Echo Bay Management Corporation (together, the "Subsidiaries"), 100% owned subsidiaries of Echo Bay, alleging improper deductions in the calculation of royalties payable over several years of production at the McCoy/Cove and Manhattan mines (the "Royalty Lawsuit"). The Manhattan mine is no longer in production and the McCoy/Cove mine was sold in January 2003. The assets and liabilities of the Subsidiaries are included under the heading Corporate and other in the segmented information (see Note 16). The first trial was conducted in the Eighth Judicial District Court ("District Court") of Nevada during April 1997, with Summa claiming more than $13.0 million in unpaid royalties and accrued interest. In September 1997, judgment was entered on behalf of the Subsidiaries and the Subsidiaries were awarded approximately $0.3 million in attorneys' fees and litigation costs. Summa appealed this judgment to the Nevada Supreme Court and, in April 2002, the Supreme Court, sitting *en banc*, reversed the judgment of the trial court and returned the action to the District Court for further proceedings.

In September 2004, the District Court ordered that a new trial be conducted in February 2005. In the new trial, Summa updated its claim for unpaid royalties and accrued interest to the approximate amount of $25.0 million. In May 2005, judgment was again entered in favour of the Subsidiaries, with Summa receiving nothing by way of its complaint. The Subsidiaries' Motions for Litigation Costs and Attorneys' Fees for both trial proceedings were granted, resulting in a judgment against Summa in the approximate amount of $0.7 million. Summa's appeal was heard on February 9, 2007 with the Nevada Supreme Court reserving judgment. A decision is expected within the next few months. Whatever the result, the party that does not prevail may petition the court for an *en banc* rehearing of the appeal before the entire five-justice court.

In March, 2004, Summa's successor in interest, The Howard Hughes Corporation ("Hughes"), filed an action in District Court against Kinross, and the Subsidiaries and Echo Bay Mines Ltd. (collectively, the "Echo Bay Entities"), as well as Newmont Mining Corporation ("Newmont"), more than thirty current and former directors of the Echo Bay Entities, Kinross and Newmont ("Director and Officer Defendants") and fifty Doe defendants (collectively, the "Defendants"). The lawsuit alleges claims based upon a general allegation of a scheme or artifice to defraud, in which it is alleged that the Defendants, at various indeterminate times, diverted and distributed the assets of the Echo Bay Entities to render them insolvent, so Summa would be unable to collect any judgment it might obtain against the Echo Bay Entities in the Royalty Lawsuit. The parties have engaged in extensive motion practice in this action, including a motion by Kinross and the Echo Bay Entities demanding a change of venue. The District Court denied the motion, and the Nevada Supreme Court has affirmed that decision.

The result of the remaining motions is that all claims from Hughes' Complaint have been dismissed, except for its claim under the Nevada Uniform Fraudulent Transfer Act. The court has stayed that claim pending the outcome of the appeal in the Royalty Lawsuit. The only defendants remaining are the Echo Bay Entities, Kinross, Newmont, and five of the individual Defendants. A favourable result in the appeal of the Royalty Lawsuit will dispose of the claims asserted against Kinross and the other Defendants in the lawsuit by Hughes. While the Company cannot reasonably predict the outcome of the Royalty Lawsuit, it believes that the Echo Bay Entities have substantial defenses to Summa's claims and intends to continue to vigorously defend against the claims.

Kettle River – Buckhorn Permitting

In November 2005, the Kettle River mill was temporarily shut down as all mining activities had been completed. Efforts are underway to get the Buckhorn mine operational. The Buckhorn property was acquired in the Crown transaction. On September 27, 2006, Washington State regulatory agencies issued permits that allowed construction of the Buckhorn mine to commence. On October 17, 2006, the Okanagan Highlands Alliance ("OHA") filed an administrative appeal of the water rights and stormwater permits issued by the Washington State Department of Ecology and the reclamation permit issued by the Washington State Department of Natural Resources. The appeal asserts that the permits were improperly issued and that the Supplemental Environmental Impact Statement ("EIS") prepared by the State supporting the permits is inadequate. The balance of the permits for the project are expected to be issued mid-year 2007, with appeals of some or all of those expected to be filed sometime thereafter.

On January 17, 2007, the Okanogan/Wenatchee National Forest Supervisor issued a Record of Decision ("ROD") and Final EIS in respect of the Company's request for authorizing road access, power/utility lines, treated water pipelines and infiltration gallery, fences, and monitoring wells on national forest lands to serve the Buckhorn mine. On March 22, 2007, the OHA filed a written administrative appeal to the USDA Forest Service Regional Forester (the "Federal Appeal") stating that it appeals the ROD, the Final EIS, "and associated special use permits and/or authorizations (including any approval of any mining plan of operations)" for the "Buckhorn Access Project". The issues argued in the Federal Appeal include assertions that the ROD and Final EIS violate: 1) statute and Forest Service regulation requirements regarding access rights, mining plans of operations, right-of-way authorizations, minimization of environmental effects, and bonding; 2) the federal Clean Water Act; 3) federal reserved water rights for springs; 4) National Forest Management Act Forest Plan requirements; and 5) National Environmental Policy Act.

While it would be premature to predict the outcome of the appeals at this stage of the proceedings, the Company believes it has substantial defenses to these appeals, including any motion for a stay of operations.

Income taxes

The Company operates in numerous countries around the world and accordingly is subject to, and pays annual income taxes under the various regimes in countries in which it operates. These tax regimes are determined under general corporate income tax laws of the country. The Company has historically filed, and continues to file, all required income tax returns and to pay the taxes reasonably determined to be due. The tax rules and regulations in many countries are complex and subject to interpretation. From time to time the Company will undergo a review of its historic tax returns and in connection with such reviews, disputes can arise with the taxing authorities over the Company's interpretation of the country's income tax rules. As at December 31, 2006 the Company had the following significant disputes and has not accrued any additional tax liabilities in relation to the disputes listed below:

Brazil

Mineracao Serra Grande, S.A. ("MSG"), the Company's 50% joint venture with AngloGold, which owns the Crixás mine, received four tax reassessments since November 2003 from the Minas Gerais State and Goias State IRS. The reassessment disallowed the claiming of certain sales tax credits and assessed interest and penalties of which the Company's 50% share totals $10.2 million. The Company and its joint venture partner believe that this reassessment will be resolved without any material adverse effect on its financial position, results of operations or cash flows. This reassessment relates to the Crixás business segment (see Note 16).

In September 2005, MSG received assessments relating to payments of sales taxes on exported gold deliveries from tax inspectors for the State of Goias. The Company's share of the assessments is approximately $29.0 million. The counsel for MSG believes the suit is in violation of Federal legislation on sales taxes and that there is a remote chance of success for the State of Goias. The assessment has been appealed. This reassessment relates to the Crixás operating segment.

In October 2006, MSG received an assessment from the Goias State IRS relating to remittance of gold from Crixás to Nova Lima in Minas Gerais for export purposes. Since May 2006, the Goias State signed an authorization (TARE) to this procedure. The Company's share of this assessment is approximately $17.9 million. The Company and its joint venture partner believe that this reassessment will be resolved without any material adverse affect on its financial position, results of operations or cash flows.

Other commitments and contingencies

Financial assurance

As part of its ongoing business and operations, the Company and its affiliates are required to provide financial assurance in the form of letters of credit for environmental and site restoration costs, exploration permitting, workers' compensation and other general corporate purposes. As at December 31, 2006, there were $127.5 million (December 31, 2005 - $117.6 million) letters of credit issued pursuant to the syndicated credit facility further described in Note 8. The obligations associated with these instruments are generally related to performance requirements that the Company addresses through its operations including post closure site restoration. Upon completion of the underlying performance requirement, the beneficiary of the associated letter of credit cancels and returns the letter of credit to the issuing entity. Some of the instruments associated with long-lived assets will remain outstanding until closure. Generally, financial assurance requirements associated with environmental regulations are becoming more restrictive. The Company believes it is in compliance with all applicable financial assurance requirements and will be able to satisfy all future financial assurance requirements.

21. Subsequent events

Acquisition of Bema Gold Corporation

On November 6, 2006, the Company announced its intentions to acquire Bema Gold Corporation ("Bema"). On January 30, 2007, the shareholders of Bema voted to approve the acquisition of Kinross and on February 20, 2007, the Company agreed to waive the conditions as set out in the Purchase Agreement. These conditions related to classification of the land upon which the Kupol project in Russia is located and long-term leases relating to this property. The acquisition was completed on February 27, 2007 ("Acquisition Date"). As consideration, the Company issued 216.0 million common shares. As a result, Kinross has acquired a 75% interest in the Kupol mine project and a 90% interest in the Julietta mine, both of which are located in Eastern Russia. The acquisition also included the 50% interest in CMM that Kinross did not already own. The properties will be included with Kinross' consolidated results commencing on the Acquisition Date. Kinross also acquired an approximately 30% interest in Pamodzi Gold Limited, a public South African company that owns the Petrex mine. The Aldebaron Property (Cerro Casale Deposit), an exploration property in Chile is now owned 49% by Kinross as part of the acquisition of Bema. The business combination will be accounted for as a purchase transaction with the Company as the acquirer of Bema. The allocation of the purchase price is yet to be determined.

Disposition of Lupin Mine

On February 28, 2007, the Company and Wolfden finalized the agreement of June 19, 2006 whereby Kinross agreed to sell the Lupin mine to Wolfden in exchange for Wolfden assuming certain of the mine's liabilities. Under the terms of this agreement, Wolfden owns the mine and the related property and Kinross retired the letters of credit and in promissory notes related to reclamation obligations at Lupin. The Company delivered a CDN $3.0 million standby letter of credit to Wolfden and agreed to reimburse Wolfden for CDN $1.7 million of fuel costs in 2007. If the Lupin mill is demolished by Wolfden without restarting the mill, the Kinross letter of credit may be drawn on to help fund the demolition costs. Kinross has also agreed to pay up to CDN $1.0 million for reclamation and closing of the tailings facility if the mill is restarted, and up to CDN $4.0 million if the mill is not restarted, provided the work is performed by the end of 2008. The agreement also provides that Kinross is to be paid a 1% royalty on future production if the price of gold exceeds $500 per ounce.

22. Restatement - Correction of foreign currency translation impact on future tax liabilities

During the preparation of its interim financial statements for 2005, the Company discovered an error relating to its financial statements for the years ended December 31, 2003 and 2004 and the related interim periods. In those previously released financial statements, the Company had not properly assessed the impact of changes in foreign currency exchange rates affecting the future tax liabilities primarily arising on the acquisition of TVX and Echo Bay on January 31, 2003. This restatement gives effect to the adjustment of those future income tax liabilities to properly reflect changes in currency exchange rates between the U.S. dollar and the currency of the country in which the future tax liability arose. The impact of the foreign currency exchange rate changes related primarily to the future tax liabilities of the Brazilian operations. This restatement primarily affected foreign exchange losses included in other income (expense) and income and mining tax expense. As a result of the treatment of foreign operations as self-sustaining operations until September 29, 2003, a portion of the foreign exchange loss has been charged to cumulative translation adjustment. This non-cash adjustment has no impact on net cash flows or cash balances previously reported. All amounts included within these consolidated financial statements and accompanying notes have been adjusted to reflect this restatement. The following is a summary of the effects of the aforementioned adjustments on the consolidated financial statements:

Consolidated balance sheets

	As previously reported [(a)]	Adjustments	As restated
As at December 31, 2004			
Liabilities			
Future income and mining taxes	$ 90.6	$ 32.9	$ 123.5
Common shareholders' equity			
Accumulated deficit	$ (487.7)	$ (33.7)	$ (521.4)
Cumulative translation adjustments	$ (2.0)	$ 0.8	$ (1.2)
As at December 31, 2003			
Liabilities			
Future income and mining taxes	$ 126.6	$ 25.9	$ 152.5
Common shareholders' equity			
Accumulated deficit	$ (429.1)	$ (26.7)	$ (455.8)
Cumulative translation adjustments	$ (2.0)	$ 0.8	$ (1.2)

(a) As previously disclosed in the 2004 financial statements filed with regulators in November 2005.

Consolidated statements of operations

	As previously reported [(a)]	Adjustments	As restated
Year ended December 31, 2004			
Operating loss	$ (67.9)	$ —	$ (67.9)
Other income (expense) - net	$ 3.7	$ (9.9)	$ (6.2)
Loss before taxes and other items	$ (64.2)	$ (9.9)	$ (74.1)
Income and mining taxes recovery	$ 8.6	$ 2.9	$ 11.5
Non-controlling interest	$ 0.3	$ —	$ 0.3
Share in loss of investee companies	$ —	$ —	$ —
Dividends on convertible preferred shares of subsidiary	$ (0.8)	$ —	$ (0.8)
Net loss	$ (56.1)	$ (7.0)	$ (63.1)
Net loss attributable to common shareholders	$ (56.1)	$ (7.0)	$ (63.1)
Loss per share			
Basic and diluted	$ (0.16)	$ (0.02)	$ (0.18)
Year ended December 31, 2003			
Operating loss	$ (419.6)	$ —	$ (419.6)
Other income (expense) - net	$ 11.1	$ (24.1)	$ (13.0)
Loss before taxes and other items	$ (408.5)	$ (24.1)	$ (432.6)
Income and mining taxes expense	$ (1.5)	$ (2.6)	$ (4.1)
Non-controlling interest	$ (0.2)	$ —	$ (0.2)
Share in loss of investee companies	$ —	$ —	$ —
Dividends on convertible preferred shares of subsidiary	$ (0.8)	$ —	$ (0.8)
Net loss	$ (411.0)	$ (26.7)	$ (437.7)
Net loss attributable to common shareholders	$ (401.0)	$ (26.7)	$ (427.7)
Loss per share			
Basic and diluted	$ (1.30)	$ (0.09)	$ (1.39)

(a) As previously disclosed in the 2004 financial statements filed with regulators in November 2005.

Exhibit 99.4

KINROSS GOLD CORPORATION
RECONCILIATION TO UNITED STATES GAAP

US GAAP NOTE

Year End 2006

KINROSS GOLD CORPORATION
RECONCILIATION TO UNITED STATES GAAP

AUDITORS' REPORT ON THE RECONCILIATION TO UNITED STATES GAAP

To the Board of Directors of Kinross Gold Corporation

On March 23, 2007, we reported on the consolidated balance sheets of Kinross Gold Corporation ("the Company") as at December 31, 2006 and December 31, 2005 and the consolidated statements of operations, shareholders' equity and cash flows for each of the years in the two-year period December 31, 2006 which are included in the annual report on the 40-F. In connection with our audits of the aforementioned consolidated financial statements, we also have audited the related supplemental note entitled "Reconciliation to United States GAAP" included in the Form 40-F. This supplemental note is the responsibility of the Company's management. Our responsibility is to express an opinion on this supplemental note based on our audits.

In our opinion, such supplemental note, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

The consolidated financial statements as at December 31, 2004 and for the year then ended were audited by other auditors, who expressed an opinion without reservation on those statements, in their report dated November 18, 2005 except as to Note 22 which is as of February 8, 2006.

/s/ KPMG LLP
Chartered Accountants

Toronto, Canada
March 23, 2007

KINROSS GOLD CORPORATION
RECONCILIATION TO UNITED STATES GAAP

REPORT OF INDEPENDENT REGISTERED CHARTERED ACCOUNTANTS

To the Board of Directors of Kinross Gold Corporation

On November 18, 2005, except as to Note 22 which is as of February 8, 2006, we have reported on the consolidated statements of operations, shareholders' equity and cash flows of Kinross Gold Corporation ("the Company") for the year ended December 31, 2004 which are included in the annual report on the Form 40-F. In connection with our audit of the aforementioned financial statements, we also have audited the related supplemental note entitled "Reconciliation to United States GAAP" included in the Form 40-F. This supplemental note is the responsibility of the Company's management. Our responsibility is to express an opinion on this supplemental note based on our audit.

In our opinion, such supplemental note, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ Deloitte & Touche LLP
Independent Registered Chartered Accountants

Toronto, Canada
November 18, 2005, except as to note 22 which is as of February 8, 2006

KINROSS GOLD CORPORATION
RECONCILIATION TO UNITED STATES GAAP

The 2006 audited consolidated financial statements of Kinross Gold Corporation ("Kinross", or the "Company") have been prepared in accordance with Canadian generally accepted accounting principles (GAAP), which in some respects, differ from US GAAP. The effects of these differences on the Company's consolidated financial statements for the year ended December 31, 2006 are provided in the following CDN to US GAAP reconciliation which should be read in conjunction with Kinross' audited consolidated financial statements prepared in accordance with Canadian GAAP.

CONSOLIDATED BALANCE SHEET
(expressed in millions of U.S. dollars)
As at December 31, 2006

	Under CDN GAAP	Reversal of capitalized development costs from applying EITF 04-6	Elimination of effects of recognizing the equity component of convertible debentures	Property, plant and equipment & amortization differences	Reversal of 1991 and 2003 deficit eliminations	Gains on marketable securties and long-term investments	Derivative instruments and hedging activities	Flow through shares	Minimum pension liability	Reclassi-fication of cumulative translation adjustments	Restatement to equity account for investment in Echo Bay	Defined benefit and other post-retirement plans	Goodwill impairment	Stock-based compensation	Under U.S. GAAP
		(a)	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*(k)*	*(i)*	*(e)*	*(k)*	*(e)*	*(l)*	
Assets															
Current assets															
Cash and cash equivalents	$ 154.1	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 154.1
Restricted cash	1.3	—	—	—	—	—	—	—	—	—	—	—	—	—	1.3
Accounts receivable and other assets	38.1	—	—	—	—	—	—	—	—	—	—	—	—	—	38.1
Inventories	99.5	(1.5)	—	—	—	—	—	—	—	—	—	—	—	—	98.0
	293.0	(1.5)	—	—	—	—	—	—	—	—	—	—	—	—	291.5
Property, plant and equipment	1,331.0	(52.0)	—	—	—	—	—	—	—	—	—	—	—	—	1,279.0
Goodwill	293.4	—	—	—	—	—	—	—	—	—	40.8	—	(40.2)	—	294.0
Long-term investments	25.8	—	—	—	—	19.9	—	—	—	—	—	—	—	—	45.7
Future income and mining taxes	29.4	4.2	—	—	—	—	—	—	—	—	—	—	—	—	33.6
Deferred charges and other long-term assets	80.9	—	—	—	—	—	—	—	—	—	—	(0.9)	—	—	80.0
	$2,053.5	$ (49.3)	$ —	$ —	$ —	$ 19.9	$ —	$ —	$ —	$ —	$ 40.8	$ (0.9)	$ (40.2)	$ —	$ 2,023.8
Liabilities															
Current liabilities															
Accounts payable and accrued liabilities	$ 161.0	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 161.0
Current portion of long-term debt	17.9	—	—	—	—	—	—	—	—	—	—	—	—	—	17.9
Current portion of reclamation and remediation obligations	28.8	—	—	—	—	—	—	—	—	—	—	—	—	—	28.8
	207.7	—	—	—	—	—	—	—	—	—	—	—	—	—	207.7
Long-term debt	72.0	—	—	—	—	—	—	—	—	—	—	—	—	—	72.0
Reclamation and remediation obligations	139.6	—	—	—	—	—	—	—	—	—	—	—	—	—	139.6
Future income and mining taxes	143.8	—	—	—	—	—	—	—	—	—	—	—	—	—	143.8
Other long-term liabilities	7.5	—	—	—	—	—	—	—	3.5	—	—	(0.3)	—	—	10.7
	570.6	—	—	—	—	—	—	—	3.5	—	—	(0.3)	—	—	573.8
Non-controlling interest	—	—	—									—	—	—	—
Convertible preferred shares of subsidiary company	14.9	—	—	—	—	—	—	—	—	—	—	—	—	—	14.9
Common shareholders' equity															
Common share capital and common share purchase warrants	2,001.7	—	—	—	766.7	—	—	(1.1)	—	—	—	—	—	—	2,767.3
Contributed surplus	54.6	—	(32.0)	—	—	—	—	—	—	—	—	—	—	(2.5)	20.1
Accumulated deficit	(587.1)	(49.3)	32.0	—	(766.7)	—	—	1.1	—	—	40.8	—	(40.2)	2.5	(1,366.9)
Cumulative translation adjustments	(1.2)	—	—	—	—	—	—	—	—	1.2	—	—	—	—	—
Accumulated other comprehensive income (loss)	—	—	—	—	—	19.9	—	—	(3.5)	(1.2)	—	(0.6)	—	—	14.6
	1,468.0	(49.3)	—	—	—	19.9	—	—	(3.5)	—	40.8	(0.6)	(40.2)	—	1,435.1
	$2,053.5	$ (49.3)	$ —	$ —	$ —	$ 19.9	$ —	$ —	$ —	$ —	$ 40.8	$ (0.9)	$ (40.2)	$ —	$ 2,023.8

CONSOLIDATED BALANCE SHEET
(expressed in millions of U.S. dollars)
As at December 31, 2005

		(a)	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*(k)*	*(i)*	*(e)*	*(l)*	*(e)*	*(m)*	
Assets															
Current assets															
Cash and cash equivalents	$ 97.6	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 97.6
Restricted cash	1.3	—	—	—	—	—	—	—	—	—	—	—	—	—	1.3
Accounts receivable and other assets	27.8	—	—	—	—	—	—	—	—	—	—	—	—	—	27.8
Inventories	115.2	—	—	—	—	—	—	—	—	—	—	—	—	—	115.2

	241.9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	241.9
Property, plant and equipment	1,064.7	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,064.7
Goodwill	321.2	—	—	—	—	—	—	—	—	—	—	40.8	—	(40.2)	—	321.8
Long-term investments	21.2	—	—	—	—	6.5	—	—	—	—	—	—	—	—	—	27.7
Deferred charges and other long-term assets	49.1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	49.1
	$1,698.1	$ —	$ —	$ —	$ —	$ 6.5	$ —	$ —	$ —	$ —	$ —	$ 40.8	$ —	$ (40.2)	$ —	$ 1,705.2
Liabilities																
Current liabilities																
Accounts payable and accrued liabilities	$ 132.2	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 132.2
Current portion of long-term debt	9.4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	9.4
Current portion of reclamation and remediation obligations	36.3	—	—	—	—	—	—	—	—	—	—	—	—	—	—	36.3
	177.9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	177.9
Long-term debt	149.9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	149.9
Reclamation and remediation obligations	139.6	—	—	—	—	—	—	—	—	—	—	—	—	—	—	139.6
Future income and mining taxes	129.6	—	—	—	—	—	—	—	—	—	—	—	—	—	—	129.6
Other long-term liabilities	7.9	—	—	—	—	—	—	—	4.4	—	—	—	—	—	—	12.3
Redeemable retractable preferred shares	2.7	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2.7
	607.6	—	—	—	—	—	—	—	4.4	—	—	—	—	—	—	612.0
Non-controlling interest	0.3	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0.3
Convertible preferred shares of subsidiary company	14.1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	14.1
Common shareholders' equity																
Common share capital and common share purchase warrants	1,777.6	—	—	—	766.7	—	—	(1.1)	—	—	—	—	—	—	—	2,543.2
Contributed surplus	52.6	—	(32.0)	—	—	—	—	—	—	—	—	—	—	—	(2.5)	18.1
Accumulated deficit	(752.9)	—	32.0	—	(766.7)	—	—	1.1	—	—	40.8	—	(40.2)	2.5	(1,483.4)	
Cumulative translation adjustments	(1.2)	—	—	—	—	—	—	—	—	1.2	—	—	—	—	—	
Accumulated other comprehensive income (loss)	—	—	—	—	—	6.5	—	—	(4.4)	(1.2)	—	—	—	—	0.9	
	1,076.1	—	—	—	—	6.5	—	—	(4.4)	—	40.8	—	(40.2)	—	1,078.8	
	$1,698.1	$ —	$ —	$ —	$ —	$ 6.5	$ —	$ —	$ —	$ —	$ 40.8	$ —	$ (40.2)	$ —	$ 1,705.2	

CONSOLIDATED STATEMENT OF OPERATIONS
(expressed in millions of U.S. dollars, except per share amounts)
For the year ended December 31, 2006

	Under CDN GAAP	Reversal of capitalized development costs from applying EITF 04-6	Elimination of effects of recognizing the equity component of convertible debentures	Property, plant and equipment & amortization differences	Reversal of 1991 and 2003 deficit eliminations	Gains on marketable securties and long-term investments	Derivative instruments and hedging activities	Flow through shares	Reclassification of cumulative translation adjustments	Restatement to equity account for investment in Echo Bay	Goodwill impairment	Under U.S. GAAP
		(a)	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*(i)*	*(e)*	*(e)*	
Revenue												
Metal sales	$ 905.6	$ —	$ —	$ —	$ —	$ —		$ —	$ —	$ —	$ —	$ 905.6
Operating costs and expenses												
Cost of sales (excludes accretion, depreciation, depletion and amortization)	481.7	—	—	—	—	—	—	—	—	—	—	481.7
Accretion and reclamation expenses	33.5	—	—	—	—	—	—	—	—	—	—	33.5
Depreciation, depletion and amortization	108.3	(2.9)	—	—	—	—	—	—	—	—	—	105.4
	282.1	2.9	—	—	—	—	—	—	—	—	—	285.0
Other operating costs	26.0	52.1	—	—	—	—	—	—	—	—	—	78.1
Exploration and business development	39.4	—	—	—	—	—	—	—	—	—	—	39.4
General and administrative	52.1	—	—	—	—	—	—	—	—	—	—	52.1
Impairment charges:												
Investments and other assets	10.5	—	—	—	—	—	—	—	—	—	—	10.5
Gain on disposal of assets and investments - net	(47.4)	—	—	—	—	—	—	—	—	—	—	(47.4)
Operating earnings (loss)	201.5	(49.2)	—	—	—	—	—	—	—	—	—	152.3
Other expense - net	(9.3)	(3.2)	—	—	—	—	—	—	—	—	—	(12.5)
Earnings (loss) before taxes and other items	192.2	(52.4)	—	—	—	—	—	—	—	—	—	139.8
Income and mining taxes recovery (expense)	(25.9)	4.2	—	—	—	—	—	—	—	—	—	(21.7)
Non-controlling interest	0.3	—	—	—	—	—	—	—	—	—	—	0.3
Share in income (loss) on investee companies				—	—	—	—	—	—	—	—	—
Dividends on convertible preferred shares of subsidiary company	(0.8)	—	—	—	—	—	—	—	—	—	—	(0.8)
Net earnings (loss) before cumulative effect of adjustment on prior years of the adoption of EITF 04-6	$ 165.8	$ (48.2)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 117.6
Adjustment for adoption of EITF 04-6	—	(1.1)										(1.1)
Net earnings (loss) after adjustment for adoption of EITF 04-6	$ 165.8	$ (49.3)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 116.5
Earnings per share before cumulative effect of adjustment												
Basic	$ 0.47											$ 0.33
Diluted	$ 0.47											$ 0.33
Earnings per share after cumulative effect of adjustment												
Basic	$ 0.47											$ 0.33
Diluted	$ 0.47											$ 0.33
Weighted average common shares outstanding (millions)												
Basic	352.1											352.1
Diluted	353.2											353.2

CONSOLIDATED STATEMENT OF OPERATIONS
(expressed in millions of U.S. dollars, except per share amounts)
For the year ended December 31, 2005

		(a)	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*(i)*	*(e)*	*(e)*	
Revenue												
Metal sales	$ 725.5	$ —	$ —	$ —	$ —	$ —	$ 4.7	$ —	$ —	$ —	$ —	$ 730.2
Operating costs and expenses												
Cost of sales (excludes accretion, depreciation, depletion and amortization)	448.1	—	—	—	—	—	—	—	—	—	—	448.1
Accretion and reclamation expenses	56.0	—	—	—	—	—	—	—	—	—	—	56.0
Depreciation, depletion and amortization	167.7	—	—	(3.3)	—	—	—	—	—	—	—	164.4
	53.7	—	—	3.3	—	—	4.7	—	—	—	—	61.7
Other operating costs	14.3											14.3
Exploration and business development	26.6	—	—	—	—	—	—	—	—	—	—	26.6
General and administrative	45.3	—	—	—	—	—	—	—	—	—	—	45.3
Impairment charges:												
Goodwill	8.7	—	—	—	—	—	—	—	—	—	—	8.7
Property, plant and equipment	171.9	—	—	(21.1)	—	—	—	—	—	—	—	150.8
Investments and other assets	4.1	—	—	—	—	—	—	—	—	—	—	4.1
Gain on disposal of assets and investments - net	(6.0)	—	—	—	—	—	—	—	—	—	—	(6.0)
Operating loss	(211.2)	—	—	24.4	—	—	4.7	—	—	—	—	(182.1)
Other income (expense) - net	(17.0)	—	—	—	—	—	—	—	—	—	—	(17.0)
Earnings (loss) before taxes and other items	(228.2)	—	—	24.4	—	—	4.7	—	—	—	—	(199.1)
Income and mining taxes recovery (expense)	12.9	—	—	—	—	—	—	—	—	—	—	12.9
Non-controlling interest	0.1	—	—	—	—	—	—	—	—	—	—	0.1
Dividends on convertible preferred shares of subsidiary	(0.8)	—	—	—	—	—	—	—	—	—	—	(0.8)
Net earnings (loss)	$ (216.0)	$ —	$ —	$ 24.4	$ —	$ —	$ 4.7	$ —	$ —	$ —	$ —	$(186.9)
Loss per share												
Basic and diluted	$ (0.63)											$ (0.54)
Weighted average common shares outstanding (millions)												
Basic and diluted	345.2											345.2

CONSOLIDATED STATEMENT OF OPERATIONS
(expressed in millions of U.S. dollars)
For the year ended December 31, 2004

	Under CDN GAAP	Reversal of capitalized development costs from applying EITF 04-6	Property, plant and equipment & amortization differences	Reversal of 1991 and 2003 deficit eliminations	Gains on marketable securties and long-term investments	Derivative instruments and hedging activities	Flow through shares	Reclassification of cumulative translation adjustments	To adjust to equity basis	Restatement to equity account for investment in Echo Bay	Goodwill impairment	Under U.S. GAAP
		(a)	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*(i)*	*(j)*	*(e)*	*(e)*	
Revenue												
Metal sales	$ 666.8	$ —	$ —	$ —	$ —	$ 17.5	$ —	$ —	$ —	$ —	$ —	$ 684.3
Operating costs and expenses												
Cost of sales (excludes accretion, depreciation, depletion and amortization)	402.4	—	—	—	—	—	—	—	—	—	—	402.4
Accretion and reclamation expenses	21.4	—	—	—	—	—	—	—	—	—	—	21.4
Depreciation, depletion and amortization	170.1	—	(3.8)	—	—	—	—	—	—	—	—	166.3
	72.9	—	3.8	—	—	17.5	—	—	—	—	—	94.2
Other operating costs	25.8	—	—	—	—	—	—	—	—	—	—	25.8
Exploration and business development	20.4	—	—	—	—	—	—	—	—	—	—	20.4
General and administrative	36.4	—	—	—	—	—	—	—	—	—	—	36.4
Impairment charges:												—
Goodwill	12.4	—	—	—	—	—	—	—	—	—	—	12.4
Property, plant and equipment	46.1	—	—	—	—	—	—	—	—	—	—	46.1
Investments and other assets	1.4	—	—	—	—	—	—	—	—	—	—	1.4
Gain on disposal of assets and investments - net	(1.7)	—	—	—	—	—	—	—	—	—	—	(1.7)
Operating earnings (loss)	(67.9)	—	3.8	—	—	17.5	—	—	—	—	—	(46.6)
Other (expense) income - net	(6.2)		—	—	—	(1.4)	—	—	—	—	—	(7.6)
Earnings (loss) before taxes and other items	(74.1)	—	3.8	—	—	16.1	—	—	—	—	—	(54.2)
Income and mining taxes recovery (expense)	11.5	—	—	—	—	—	—	—	—	—	—	11.5
Non-controlling interest	0.3	—	—	—	—	—	—	—	—	—	—	0.3
Dividends on convertible preferred shares of subsidiary company	(0.8)	—	—	—	—	—	—	—	—	—	—	(0.8)
Net earnings (loss)	$ (63.1)	$ —	$ 3.8	$ —	$ —	$ 16.1	$ —	$ —	$ —	$ —	$ —	$ (43.2)
Loss per share												
Basic and diluted	$ (0.18)											$ (0.12)
Weighted average common shares outstanding (millions)												
Basic and diluted	346.0											346.0

CONSOLIDATED STATEMENT OF CASH FLOWS
(expressed in millions of U.S. dollars)
For the year ended December 31, 2006

		(a)	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*(i)*	*(j)*	*(e)*	*(e)*	
Net inflow (outflow) of cash related to the following activities:												
Operating:												
Net earnings (loss)	$ 165.8	$ (49.3)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 116.5
Adjustments to reconcile net earnings (loss) to net cash provided from (used in) operating activities and investments - net			—									
Accretion and reclamation expense	33.5	—	—	—	—	—	—	—	—	—	—	33.5
Depreciation, depletion and amortization	108.3	(2.9)	—	—	—	—	—	—	—	—	—	105.4
Impairment charges	10.5	—	—	—	—	—	—	—	—	—	—	10.5
Gain on disposal of assets and investments - net	(47.4)	—	—	—	—	—	—	—	—	—	—	(47.4)
Future income and mining taxes	0.9	(4.2)	—	—	—	—	—	—	—	—	—	(3.3)
Non-controlling interest	(0.3)	—	—	—	—	—	—	—	—	—	—	(0.3)
Stock-based compensation expense	10.4	—	—	—	—	—	—	—	—	—	—	10.4
Unrealized foreign exchange losses and other	0.9	1.1	—	—	—	—	—	—	—	—	—	2.0
Changes in operating assets and liabilities:						—						
Accounts receivable and other assets	(10.1)	—	—	—	—	—	—	—	—	—	—	(10.1)
Inventories	13.5	—	—	—	—	—	—	—	—	—	—	13.5
Accounts payable and current liabilities	6.0	—	—	—	—	—	—	—	—	—	—	6.0
Cash flow provided from operating activities	292.0	(55.3)	—	—	—	—	—	—	—	—	—	236.7
Investing:												
Additions to property, plant and equipment	(202.9)	55.3	—	—	—	—	—	—	—	—	—	(147.6)
Acquisition costs	(0.6)	—	—	—	—	—	—	—	—	—	—	(0.6)
Proceeds on sale of marketable securities	—	—	—	—	—	—	—	—	—	—	—	—
Proceeds on sale of long-term investments and other assets	33.7	—	—	—	—	—	—	—	—	—	—	33.7
Additions to long-term investments and other assets	(13.9)	—	—	—	—	—	—	—	—	—	—	(13.9)
Proceeds from the sale of property, plant and equipment	10.7	—	—	—	—	—	—	—	—	—	—	10.7
Cash flow used in investing activities	(173.0)	55.3	—	—	—	—	—	—	—	—	—	(117.7)
Financing:												
Issurance of common shares	7.6	—	—	—	—	—	—	—	—	—	—	7.6
Debt issue costs	(2.5)	—	—	—	—	—	—	—	—	—	—	(2.5)
Proceeds from issuance of debt	35.3	—	—	—	—	—	—	—	—	—	—	35.3
Repayment of debt	(104.6)	—	—	—	—	—	—	—	—	—	—	(104.6)
Cash flow used in financing activities	(64.2)	—	—	—	—	—	—	—	—	—	—	(64.2)
Effect of exchange rate changes on cash	1.7	—	—	—	—	—	—	—	—	—	—	1.7
Increase in cash and cash equivalents	56.5	—	—	—	—	—	—	—	—	—	—	56.5
Cash and cash equivalents, beginning of year	97.6	—	—	—	—	—	—	—	—	—	—	97.6
Cash and cash equivalents, end of year	$ 154.1	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 154.1

CONSOLIDATED STATEMENT OF CASH FLOWS
(expressed in millions of U.S. dollars)
For the year ended December 31, 2005

	Under CDN GAAP	Reversal of capitalized development costs from applying EITF 04-6	Elimination of effects of recognition of equity component of convertible debentures	Property, plant and equipment & amortization differences	Reversal of 1991 and 2003 deficit eliminations	Gains on marketable securties and long-term investments	Derivative instruments and hedging activities	Flow through shares	Reclassification of cumulative translation adjustments	To adjust to equity basis	Restatement to equity account for investment in Echo Bay	Goodwill impairment	Under U.S. GAAP
		(a)	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*(i)*	*(j)*	*(e)*	*(e)*	*(e)*
Net inflow (outflow) of cash related to the following activities:													
Operating:													
Net earnings (loss)	$ (216.0)	$ —	$ —	$ 24.4	$ —	$ —	$ 4.7	$ —	$ —	$ —	$ —	$ —	$(186.9)
Adjustments to reconcile net earnings (loss) to net cash provided from (used in) operating activities:													
Depreciation, depletion and amortization	167.7	—	—	(3.3)	—	—	—	—	—	—	—	—	164.4
Impairment charges	184.7	—	—	(21.1)	—	—	—	—	—	—	—	—	163.6
Gain on disposal of assets and investments — net	(6.0)	—	—	—	—	—	—	—	—	—	—	—	(6.0)
Future income and mining taxes	(15.0)	—	—	—	—	—	—	—	—	—	—	—	(15.0)
Deferred revenue recognized	—	—	—	—	—	—	(4.7)	—	—	—	—	—	(4.7)
Stock-based compensation	3.1	—	—	—	—	—	—	—	—	—	—	—	3.1
Unrealized foreign exchange losses and other	1.8	—	—	—	—	—	—	—	—	—	—	—	1.8
Changes in operating assets and liabilities													
Accounts receivable and other assets	2.7	—	—	—	—	—	—	—	—	—	—	—	2.7
Inventories	(9.9)	—	—	—	—	—	—	—	—	—	—	—	(9.9)
Accounts payable and current liabilities	20.6	—	—	—	—	—	—	—	—	—	—	—	20.6
Cash flow provided from operating activities	133.7	—	—	—	—	—	—	—	—	—	—	—	133.7
Investing:													
Additions to property, plant and equipment	(142.4)	—	—	—	—	—	—	—	—	—	—	—	(142.4)
Business acquisitions, net of cash acquired	—	—	—	—	—	—	—	—	—	—	—	—	—
Proceeds on sale of marketable securities	0.6	—	—	—	—	—	—	—	—	—	—	—	0.6
Proceeds on sale of long-term investments and other assets	19.8	—	—	—	—	—	—	—	—	—	—	—	19.8
Additions to long-term investments and other assets	(16.9)	—	—	—	—	—	—	—	—	—	—	—	(16.9)
Proceeds from the sale of property, plant and equipment	10.4	—	—	—	—	—	—	—	—	—	—	—	10.4
Additions to short-term investments	7.3	—	—	—	—	—	—	—	—	—	—	—	7.3
Decrease in restricted cash	0.1	—	—	—	—	—	—	—	—	—	—	—	0.1
Cash flow used in investing activities	(121.1)	—	—	—	—	—	—	—	—	—	—	—	(121.1)
Financing:													
Issuance of common shares	1.9	—	—	—	—	—	—	—	—	—	—	—	1.9
Debt issue costs	(0.5)	—	—	—	—	—	—	—	—	—	—	—	(0.5)
Proceeds from issuance of debt	50.5	—	—	—	—	—	—	—	—	—	—	—	50.5
Repayment of debt	(16.2)	—	—	—	—	—	—	—	—	—	—	—	(16.2)
Cash flow used in financing activities	35.7	—	—	—	—	—	—	—	—	—	—	—	35.7
Effect of exchange rate changes on cash	1.4	—	—	—	—	—	—	—	—	—	—	—	1.4
Increase in cash and cash equivalents	49.7	—	—	—	—	—	—	—	—	—	—	—	49.7
Cash and cash equivalents, beginning of period	47.9	—	—	—	—	—	—	—	—	—	—	—	47.9
Cash and cash equivalents, end of period	$ 97.6	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 97.6

CONSOLIDATED STATEMENT OF CASH FLOWS
(expressed in millions of U.S. dollars)
For the year ended December 31, 2004

		(a)	*(a)*	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*(i)*	*(j)*	*(e)*	*(e)*	
Net inflow (outflow) of cash related to the following activities:													
Operating:													
Net earnings (loss)	$ (63.1)	$ —	$ —	$ 3.8	$ —	$ —	$ 16.1	$ —	$ —	$ —	$ —	$ —	$ (43.2)
Adjustments to reconcile net earnings (loss) to net cash provided from (used in) operating activities:													
Depreciation, depletion and amortization	170.1	—	—	(3.8)	—	—	—	—	—	—	—	—	166.3
Impairment charges	59.9	—	—	—	—	—	—	—	—	—	—	—	59.9
Gain on disposal of assets and investments - net	(1.7)	—	—	—	—	—	—	—	—	—	—	—	(1.7)
Future income and mining taxes	(29.3)	—	—	—	—	—	—	—	—	—	—	—	(29.3)
Deferred revenue recognized	(6.3)	—	—	—	—	—	6.9	—	—	—	—	—	0.6
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	—	—	—
Stock-based compensation	1.8	—	—	—	—	—	—	—	—	—	—	—	1.8
Unrealized foreign exchange losses and other	1.3	—	—	—	—	—	(0.3)	—	—	—	—	—	1.0
Changes in operating assets and liabilities													—
Accounts receivable	4.2	—	—	—	—	—	—	—	—	—	—	—	4.2
Inventories	(19.3)	—	—	—	—	—	—	—	—	—	—	—	(19.3)
Accounts payable and current liabilities	43.6	—	—	—	—	—	(22.7)	—	—	—	—	—	20.9
Cash flow provided from operating activities	161.2	—	—	—	—	—	—	—	—	—	—	—	161.2
Investing:													

Additions to property, plant and equipment	(169.5)	—	—	—	—	—	—	—	—	—	—	—	(169.5)
Business acquisitions, net of cash acquired	(261.2)	—	—	—	—	—	—	—	—	—	—	—	(261.2)
Proceeds on sale of marketable securities	0.7	—	—	—	—	—	—	—	—	—	—	—	0.7
Proceeds on sale of long-term investments and other assets	14.6	—	—	—	—	—	—	—	—	—	—	—	14.6
Additions to long-term investments and other assets	(26.4)	—	—	—	—	—	—	—	—	—	—	—	(26.4)
Proceeds from the sale of property, plant and equipment	1.5	—	—	—	—	—	—	—	—	—	—	—	1.5
Additions to short-term investments	(5.7)	—	—	—	—	—	—	—	—	—	—	—	(5.7)
Decrease in restricted cash	3.7	—	—	—	—	—	—	—	—	—	—	—	3.7
Cash flow used in investing activities	(442.3)	—	—	—	—	—	—	—	—	—	—	—	(442.3)
Financing:													
Issuance of common shares	3.1	—	—	—	—	—	—	—	—	—	—	—	3.1
Repurchase of common shares	(11.8)	—	—	—	—	—	—	—	—	—	—	—	(11.8)
Debt issue costs	(1.4)	—	—	—	—	—	—	—	—	—	—	—	(1.4)
Proceeds from issuance of debt	119.5	—	—	—	—	—	—	—	—	—	—	—	119.5
Repayment of debt	(26.8)	—	—	—	—	—	—	—	—	—	—	—	(26.8)
Cash flow provided from financing activities	82.6	—	—	—	—	—	—	—	—	—	—	—	82.6
Effect of exchange rate changes on cash	0.6	—	—	—	—	—	—	—	—	—	—	—	0.6
Decrease in cash and cash equivalents	(197.9)	—	—	—	—	—	—	—	—	—	—	—	(197.9)
Cash and cash equivalents, beginning of year	245.8	—	—	—	—	—	—	—	—	—	—	—	245.8
Cash and cash equivalents, end of year	$ 47.9	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 47.9

KINROSS GOLD CORPORATION
RECONCILIATION TO UNITED STATES GAAP

Consolidated Statements of Comprehensive Earnings (loss)
The Company's statements of comprehensive earnings (loss) under U.S. GAAP are as follows:

	Twelve months ended December 31,		
	2006	2005	2004
Net earnings (loss) for the period under U.S. GAAP	$ 117.6	$ (186.9)	$ (43.2)
Change in unrealized gains on marketable securities and long-term investments [e]	13.4	0.9	(1.6)
Derivative instruments and hedging activities [f]	—	—	(0.3)
Change in the funded status of the minimum pension liability [k]	0.9	(1.1)	(0.2)
Comprehensive earnings (loss) under U.S. GAAP	$ 131.9	$ (187.1)	$ (45.3)

(a) Under CDN GAAP, Kinross accounts for stripping costs in accordance with EIC-160, "Stripping Costs Incurred in the Production of a Mining Operation" ("EIC-160"). Under EIC-160, stripping costs are accounted for according to the benefit received by the Company and are capitalized if the stripping activity can be shown to represent a betterment to the mineral property. A betterment occurs when the stripping activity provides access to sources of reserves that will be produced in future periods that would not have been accessible in the absence of this activity. However, under U.S. GAAP, as outlined under EITF Issue No. 04-6, "Accounting for Stripping Costs Incurred During Production in the Mining Industry" ("EITF 04-6"), all stripping costs incurred during the production of a mine are considered variable production costs during the period that the stripping costs are incurred. For U.S. GAAP purposes, the Company has adopted EITF 04-6 effective the beginning of 2006 and has adjusted for this difference prospectively from January 1, 2006. Ongoing pit expansions at Round Mountain and Fort Knox that have been capitalized as development costs under CDN GAAP are required to be expensed for U.S. GAAP as outlined under EITF 04-6. The adjustment upon adoption on January 1, 2006 was an increase to the opening accumulated deficit of $1.1 million with a corresponding decrease to property, plant and equipment of $1.1 million. As a result of an impairment charge writing down property, plant and equipment at Fort Knox to fair value during the year ended December 31, 2005, no further adjustments were required to Fort Knox's property, plant and equipment upon the adoption of EITF 04-6. The adjustment to property, plant and equipment upon adoption relates entirely to Round Mountain. For the year ended December 31, 2006, the effect of applying EITF 04-6 for U.S. GAAP purposes would have resulted in a decrease in earnings of $48.2 million. The decrease in earnings would consist of: stripping costs of $52.1 million expensed as part of other operating costs; $3.2 million capitalized under CDN GAAP would be expensed as interest expense; a reduction to depreciation expense of $2.9 million; and, a reduction to the Company's tax provision of $4.2 million. At December 31, 2006, the cumulative impact of EITF 04-6 was: an increase in the accumulated deficit of $49.3 million; a decrease in property, plant and equipment of $52.0 million; a decrease in inventory of $1.5 million; and, an increase of $4.2 million to future tax assets. The EITF 04-6 adjustments in 2006 related to activities at Fort Knox and Round Mountain.

(b) In 1996, the Company issued convertible debentures in the aggregate principal amount of $146.0 million (CDN $200.0 million). The Company redeemed the convertible debentures on September 29, 2003, with a payment of $144.8 million (CDN $195.6 million) and accrued interest of $2.0 million (CDN $2.7 million). Originally, under CDN GAAP, the convertible debentures were accounted for in accordance with their substance and, as such, were presented in the financial statements in their liability and equity component parts. However, during 2005, the Company adopted amendments to CICA Handbook Section 3860, "Financial Instruments - Disclosure and Presentation", ("Section 3860"), which was retroactively applied to the accounting for the Company's convertible debentures. Under the amended Section 3860, the convertible debentures were bifurcated into a principal and an option component for accounting purposes. The principal component was recorded as debt and the option component recorded as equity. The principal component was accreted over the life of the convertible debentures through periodic charges to expense. On redemption, under CDN GAAP, the Company recognized a net gain of $15.4 million, which was apportioned between the principal and option components, based on their relative fair values compared to their carrying values. The Company recorded a loss on the principal component of $16.6 million and a gain on the option component of $32.0 million. The loss on the principal component was charged against income and the gain on the option component was accounted for as an increase in contributed surplus. Under U.S. GAAP, both the loss on the principal component and the gain on the option component would have been recognized in income. As a result, the accumulated deficit would decrease by $32.0 million along with a decrease to contributed surplus for the same amount.

(c) Under U.S. GAAP, as a result of applying SFAS 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of" and following the adoption of SFAS 144, "Accounting for the Impairment or Disposal of Long-Lived Assets", property, plant and equipment would be reduced and the accumulated deficit increased by $60.5 million. This difference arose from the requirement to discount future cash flows from impaired property, plant and equipment under U.S. GAAP and from using proven and probable reserves only. At the time of the impairment, future cash flows from impaired property, plant and equipment were not discounted under CDN GAAP. In subsequent periods, the methodology for calculating asset impairment under CDN GAAP was harmonized with U.S. GAAP, requiring the use of discounted cash flows. However, under CDN GAAP, the change was not made retroactively and, as a result, the difference remained. Under U.S. GAAP, in periods subsequent to the impairment, the lower property, plant and equipment carrying value would have resulted in lower depreciation, depletion and amortization expense. Under U.S. GAAP, during the years ended December 31, 2005 and 2004, depreciation, depletion and amortization would have been reduced by $3.3 million and $3.8 million, respectively, to reflect the above. As a result, the net reduction to property, plant and equipment, as at December 31, 2005, was $21.1 million with an increase to the accumulated deficit of the same amount. At December 31, 2005, the reduced property, plant and equipment related entirely to the Fort Knox mine.

During the fourth quarter of 2005, for CDN GAAP purposes, the Company recorded an impairment charge to property, plant and equipment totaling $171.9 million, of which $141.8 million related to Fort Knox. Due to the mine's carrying value under U.S. GAAP being $21.1 million lower, the impairment charge recorded in 2005 would have been decreased by $21.1 million.

(d) CDN GAAP allows for the elimination of operating deficits by the reduction of stated capital attributable to common shares with a corresponding offset to the accumulated deficit. For CDN GAAP, the Company eliminated operating deficits of $761.4 million and $5.3 million in 2003 and 1991, respectively. These reclassifications are not permitted by U.S. GAAP and would require in each subsequent year a cumulative increase in share capital and a cumulative increase in deficit of $766.7 million.

(e) Under CDN GAAP, unrealized gains on long-term investments and marketable securities are not recorded. Under U.S. GAAP, unrealized gains on long-term investments that are classified as securities available-for-sale of $19.9 million and $6.5 million at December 31, 2006 and December 31, 2005 respectively are included as a component of comprehensive income (loss).

Furthermore, U.S. GAAP requires that the transaction on April 3, 2002, whereby the Company exchanged its investment in debt securities of Echo Bay for 57.1 million common shares of Echo Bay, be recorded at fair value with the resulting gain included in earnings. Fair value of the Echo Bay common shares received, under U.S. GAAP, was $49.1 million, representing 57.1 million common shares at $0.86 each, being the closing market price of such shares on April 3, 2002. Fair value is not discounted for liquidity concerns or other valuation considerations. The resulting gain of $42.5 million, after deducting the $6.6 million carrying value of the debt securities exchanged, increased the carrying value of this investment and was included in earnings for the year ended December 31, 2002. Under CDN GAAP, the cost of the Echo Bay common shares acquired on the exchange was recorded at the values of the securities given up. Since the fair value of the capital securities given up approximated their carrying value, no gain was recorded under CDN GAAP.

Subsequent to the exchange of debt securities, the Company accounted for its share investment in Echo Bay as an available-for-sale security under U.S. GAAP. At January 31, 2003, when the Company acquired the remaining outstanding common shares of Echo Bay, the Company retroactively restated its 2002 consolidated financial statements, prepared in accordance with U.S. GAAP, to account for its share investment in Echo Bay on an equity basis. As a result, the Company reversed an unrealized gain of $21.8 million previously included in other comprehensive income, increased its deficit by $0.7 million to reflect its share of equity losses for the period ended December 31, 2002 and correspondingly reduced the carrying value of its investment. In addition, the Company decreased long-term investments and recorded a share of loss in investee company of $1.0 million for the one month ended January 31, 2003 and increased long-term investments and recorded a share of income in investee company of $0.7 million during the year ended December 31, 2002. For U.S. GAAP purposes, as a result of the business combination on January 31, 2003, the Company recognized an additional $40.8 million of goodwill representing the difference in carrying value of its share investment in Echo Bay between CDN and U.S. GAAP.

For the year ended December 31, 2003, the Company, computed a goodwill impairment charge of $40.2 million thereby reducing the additional goodwill balance, under U.S. GAAP, at December 31, 2003 to $0.6 million. As at December 31, 2006 and December 31, 2005, the additional goodwill remained at $0.6 million under U.S. GAAP.

(f) Effective January 1, 2004, the Company adopted Accounting Guideline 13 (“AcG-13”), “Hedging Relationships”, which provides guidance concerning documentation and effectiveness testing for derivative contracts. Derivative instruments that do not qualify as a hedge under AcG-13, or are not designated as a hedge, are recorded on the balance sheet at fair value with changes in fair value recognized in earnings. Upon the adoption of AcG-13, certain derivative instruments that had been previously accounted for as hedges failed to meet the requirements of AcG-13 for formal hedge accounting. As a result, on January 1, 2004, the fair value of the outstanding derivative financial instruments, which were not designated or did not qualify as effective hedging relationships, were deferred on the balance sheet and recognized in earnings when the previously designated hedged item occurred. Prior to the adoption of AcG-13, the Company applied hedge accounting to its derivative financial instruments. These instruments remained off balance sheet until the hedged transaction was recorded. In addition, realized gains or losses on derivatives instruments that were closed out prior to their maturity were deferred and recognized in earnings when the previously designated hedged item occurred.

On January 1, 2001, the Company adopted Financial Accounting Standards Board (“FASB”) Statement No. 133, “Accounting for Derivative Instruments and Hedging Activities (“SFAS 133”), and the corresponding amendments under FASB Statement No. 138 and FASB Statements No. 149. SFAS 133 requires that all derivative financial instruments be recognized in the financial statements and measured at fair value regardless of the purpose or intent for holding them. Realized and unrealized gains and losses on derivative instruments included in other comprehensive income on transition at January 1, 2001 were reclassified into mining revenue for cash flow hedges of forecasted commodity sales and foreign exchange gain (loss) on forecasted foreign currency revenue or expense when the previously hedged forecasted revenue or expense occurred.

At December 31, 2006, the application of SFAS 133 did not result in any differences between CDN and U.S. GAAP. However, for the year ended December 31, 2005, the application of SFAS 133 would have resulted in an increase to revenue and a resultant decrease in the loss under U.S. GAAP of $4.7 million. For the year ended December 31, 2004, the net loss under U.S. GAAP would have decreased by $16.1 million.

(g) Under Canadian income tax legislation, a company is permitted to issue shares, known as flow-through shares, whereby the company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. The Company accounted for the issue of flow-through shares issued in 2001 using the deferral method in accordance with CDN GAAP. At the time of issue, the funds received were recorded as share capital. Qualifying expenditures were made in 2002. For U.S. GAAP, the premium paid in excess of the market value of $1.1 million was credited to other liabilities and included in income as the qualifying expenditures were made. As at December 31, 2006 and December 31, 2005, the application of U.S. GAAP would result in a decrease in common share capital of $1.1 million and a corresponding reduction in accumulated deficit.

(h) The terms “proven and probable reserves”, “exploration”, “development”, and “production” have the same meaning under both U.S. and CDN GAAP. Exploration costs incurred are expensed at the same point in time based on the same criteria under both U.S. and CDN GAAP. In addition, mining related costs are only capitalized after proven and probable reserves have been designated under both U.S. and CDN GAAP.

(i) Under CDN GAAP, the unrealized translation gains and losses on the Company’s net investment in self-sustaining operations is translated using the current rate method and accumulated in a separate component of shareholders’ equity, described as cumulative translation adjustments, on the consolidated balance sheets. Under U.S. GAAP, the unrealized translation gains and losses would not accumulate in a separate component of shareholders’ equity but rather as an adjustment to other comprehensive income. As indicated in Note 2, as of September 29, 2003, the functional currency of all the Company’s operations is the U.S. dollar. Prior to that date, the currency of measurement for certain operations domiciled in Canada was the Canadian dollar. As such, the $1.2 million accumulated translation loss in other comprehensive income will only become realized in earnings upon the substantial disposition, liquidation or closure of the mining property or investment that gave rise to such amounts.

(j) Under CDN GAAP, Kinross proportionately consolidates its interests in the following incorporated joint ventures: MDO (La Coipa), MSG (Crixás), CMM (Refugio) and, prior to the Company’s purchase of the remaining 51% at December 31, 2004, RPM (Paracatu). In addition, the Company proportionately consolidates its interests in the following unincorporated joint ventures: Round Mountain, Porcupine Joint Venture, Musselwhite and New Britannia, which was sold on December 22, 2006. See Note 4 for further discussion.

These investments are accounted for using the equity method under U.S. GAAP. The Company relies on an accommodation provided for in Item 17(c)(2)(vii) of SEC Form 20-F, which permits a company using the equity method for U.S. GAAP to omit the differences arising from the use of proportionate consolidation under CDN GAAP. Each of the joint ventures listed qualifies for this accommodation on the basis that it is an operating entity, the significant financial and operating policies of which are, by contractual arrangement, jointly controlled by all parties having an equity interest in the entity.

(k) In September 2006, FASB issued SFAS No. 158 “Employers’ Accounting for Defined Benefit Pension and Other Post-retirement Plans” (“SFAS 158”) which amended FASB statements No. 87, 88, 106 and 132 (R). For the Company’s U.S. GAAP financial statements, SFAS 158 became effective as of December 31, 2006. Retrospective application of SFAS 158 is not permitted.

SFAS 158 requires an employer to recognize the overfunded or underfunded status of a defined benefit post-retirement plan as an asset or liability on its balance sheet and to recognize changes in that funded status, through comprehensive income, in the year in which the changes occur. The amounts recognized in the Company’s consolidated balance sheets as at December 31, 2006, are as follows:

	2006
Current benefit liability	$ 0.2
Non-current benefit liability	5.3
	$ 5.5

Pre-tax amounts recognized in accumulated other comprehensive income are as follows:

December 31, 2006	**Pension Benefits**	**Other Benefits**	**Total**
Net loss	**$ 3.4**	**$ 0.7**	**$ 4.1**

The funded status for all defined benefit pension plans based on the accumulated benefit obligation as at December 31, 2006 and 2005, is as follows:

	2006	2005
Accumulated benefit obligation	$ 14.9	$ 14.9
Fair value plan of assets	12.2	10.8
Funded status - (deficit)	**$ (2.7)**	**$ (4.1)**

The accumulated benefit obligation and fair value of plan assets in respect of plans that are not fully funded included in the amounts above as at December 31, 2006 and 2005 are as follows :

	2006	2005
Accumulated benefit obligation	$ 14.9	$ 14.9
Fair value plan of assets	12.2	10.8
Funded status - (deficit)	**$ (2.7)**	**$ (4.1)**

The estimated net loss for the defined benefit pension plans that will be amortized from accumulated other comprehensive income into net periodic benefit cost over the next fiscal year is $0.2 million.

The accumulated benefit obligation for the Company's defined benefit pension plans was $14.9 million at December 31, 2006 and December 31, 2005.

Under SFAS 158, an additional pension liability of $0.3 million would be recorded and a long-term pension asset of $0.9 million would be reduced to $nil. The corresponding adjustment would be a decrease to accumulated other comprehensive income of $0.6 million. CDN GAAP does not have the concept of other comprehensive income. None of the additional liability relates to unrecognized prior service cost.

	Before application of SFAS 158	Adjustments	After application of SFAS 158
Other long-term assets	$ 0.9	$ (0.9)	$ —
Current benefit liability	$ (0.2)	$ —	$ (0.2)
Noncurrent benefit liability	$ (5.6)	$ 0.3	$ (5.3)
Accumulated other comprehensive income	$ (3.5)	$ (0.6)	$ (4.1)

Accumulated other comprehensive income consists of unrecognized net actuarial losses that will be recognized in future periods.

Plan assets are not expected to be returned to the Company during the coming year.

Under U.S. GAAP, if the accumulated pension plan benefit obligation exceeds the market value of plan assets, a minimum pension liability for the excess is recognized to the extent that the liability recorded in the balance sheet is less than the minimum liability. Any portion of this additional liability that relates to unrecognized prior service cost is recognized as an intangible asset while the remainder is charged to other comprehensive income. CDN GAAP does not require the Company to record a minimum liability and does not have the concept of other comprehensive income. As at December 31, 2005, the Company had a minimum pension liability of $4.4 million with a corresponding decrease in other comprehensive income. None of the additional liability relates to unrecognized prior service cost.

(l) The Company has adopted SFAS No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure, an amendment to SFAS No. 123" ("SFAS 148"), which is similar to the new amended Canadian accounting standard, which was adopted in 2004. Accordingly, there is no CDN/U.S. GAAP difference in the calculation of stock-based compensation expense. However, upon adoption of the amended Canadian accounting standard, stock option compensation of $2.5 million was recorded as a cumulative effect of the adoption as an adjustment to opening retained earnings with an offsetting adjustment to contributed surplus. Under U.S. GAAP, this adjustment would be reversed.

In February 2007, the SEC provided an interpretation of the U.S. accounting rules contained in SFAS 133, "Accounting for Derivatives and Hedging Activities" ("SFAS 133"), which determines the U.S. accounting rules for the Company's share purchase warrants and redeemable retractable preferred shares. The interpretation states that under U.S. GAAP when a company has instruments outstanding with an exercise price denominated in a functional currency other than the company's functional currency, those instruments must be fair valued with the resulting gains or losses being included in the calculation of U.S. GAAP earnings. In these circumstances a loss (gain) would be recorded by the Company when the value of the Company's share purchase warrants and redeemable retractable preferred shares increase (decrease). Following the issuance of this interpretation by the SEC discussions were initiated by the FASB concerning the application and adoption of this interpretation of SFAS 133 that have yet to be concluded and, as a result, the Company has not changed the treatment of its share purchase warrants and redeemable retractable preferred shares. However, if the Company were to fair value its share purchase warrants and redeemable retractable preferred shares earnings for the twelve months ended December 31, 2006 would be reduced by $19.6 million. Also, as at December 31, 2006, the accumulated deficit would be increased by $24.6 million, common shares would be increased by $5.5 million and current liabilities would be increased by $19.1 million.

Recent Accounting Pronouncements

i. In November 2005, the FASB issued FASB Staff Position (FSP) SFAS 115-1 and SFAS 124-1, "The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments". This FSP addresses the determination as to when an investment is considered impaired, whether that impairment is other than temporary, and the measurement of an impairment loss. This FSP also includes accounting considerations subsequent to the recognition of an other-than-temporary impairment and requires certain disclosures about unrealized losses that have not been recognized as other-than-temporary impairments. The guidance in FSP SFAS 115-1 and SFAS 124-1 is applicable to reporting periods beginning after December 15, 2005. The Statement did not have an impact on the financial statements.

ii. In November 2004, the FASB issued SFAS No. 151, "Inventory Costs" ("SFAS 151"). SFAS 151 requires that abnormal amounts of idle facility expense, freight, handling costs and wasted material (spoilage) be recognized as current period charges rather than capitalized as a component of inventory costs. In addition, SFAS 151 requires allocation of fixed production overheads to inventory based on the normal capacity of the production facilities. This statement is effective for inventory costs incurred in fiscal years beginning after June 15, 2005. The adoption of SFAS 151 in 2006 did not impact the Company's financial statements.

iii. In December 2004, the FASB issued SFAS No. 123 (Revised 2004), "Share-Based Payments" ("SFAS 123R"). SFAS 123(R) supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees," and amends SFAS No. 95, "Statement of Cash Flows". Generally, the fair value approach in SFAS 123(R) is similar to the fair value approach described in SFAS No. 123. In 2004 and 2005 Kinross used the Black-Scholes formula to estimate the fair value of stock options granted to employees. Kinross adopted SFAS 123(R), using the modified-prospective method, beginning January 1, 2006. Based on the terms of Kinross' plans, it did not have a cumulative effect related to its plans. Kinross also elected to continue to estimate the fair value of stock options using the Black-Scholes formula. During the year ended December, 31, 2006, the adoption of SFAS 123(R) did not have a material impact on stock-based compensation expense.

iv. The FASB issued SFAS No. 153, "Exchanges of Non-Monetary Assets, an Amendment of APB Opinion 29 ("SFAS 153"). This Statement amends Opinion 29 to eliminate the exception for non-monetary exchanges of similar productive assets and replaces it with a general exception for exchanges of non-monetary assets that do not have commercial substance. A non-monetary exchange has commercial substance if the future cash flows of the entity are expected to change significantly as a result of the exchange. SFAS 153 is effective for fiscal periods beginning after June 15, 2005. The adoption of SFAS 153 did not have an impact on the Company's financial statements.

v. In May 2005, the FASB issued SFAS No. 154, "Accounting Changes and Error Corrections" ("SFAS 154"), which relates to the accounting for and reporting of a change in accounting principles and applies to all voluntary changes in accounting principles. The reporting of corrections of an error by restating previously issued financial statements is also addressed by this statement. SFAS 154 applies to pronouncements in the event they do not include specific transition provisions. When a pronouncement includes specific transition provisions, those provisions should be followed. SFAS 154 requires retroactive application to prior periods' financial statements of changes in accounting principle, unless the period specific effects or cumulative effects of an accounting change are impracticable to determine, in which case the new accounting principle is required to be applied to the assets and liabilities as of the earliest period practicable, with a corresponding adjustment made to opening retained earnings. SFAS 154 will be effective on accounting changes and corrections of errors beginning on or after December 15, 2005. Adoption of SFAS 154 did not have a material impact on the Company's consolidated financial position, results of operations or cash flows.

vi. In February 2006, the FASB issued SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments - an amendment of FASB Statements No. 133 and 140". This Statement resolves issues addressed in Statement 133 Implementation Issue No. D1, "Application of Statement 133 to Beneficial Interest in Securitized Financial Assets." This Statement:

(a) Permits fair value remeasurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation;

(b) Clarifies which interest-only strips and principal-only strips are not subject to the requirements of SFAS 133;

(c) Establishes a requirement to evaluate interests in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial instruments that contain an embedded derivative requiring bifurcation;

(d) Clarifies that concentration of credit risk in the form of subordination are not embedded derivatives; and

(e) Amends Statement 140 to eliminate the prohibition on a qualifying special-purpose entity from holding a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument.

This statement is effective for all financial instruments acquired or issued after the beginning of fiscal years that begin after September 15, 2006. The Company does not expect that this pronouncement will have an impact.

vii. In June 2006, the FASB issued FIN 48 "Accounting for Uncertainty in Income Taxes - an interpretation of FASB Statement No. 109" ("FIN 48"). FIN 48 provides guidance on the recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return. FIN 48 requires that the Company recognize in its financial statements the impact of a tax position if that position is more likely than not of being sustained on audit, based on the technical merits of the position. It also provides criteria for the derecognition, classification, interest and penalties, accounting in interim periods and disclosure. The interpretation is effective for fiscal years beginning after December 15, 2006 with the cumulative effect of the change in accounting principle recorded as an adjustment to the opening balance of retained earnings. The Company is presently evaluating the impact of this statement on its financial statements.

viii. In September 2006, the FASB issued SFAS 157, “Fair Value Measurements” (“SFAS 157”), which defines fair value, establishes a framework for measuring fair value and a framework for measuring assets and liabilities at fair values when a particular standard describes it. In addition, SFAS 157 prescribes a more enhanced disclosure of fair value measures and requires additional expanded disclosure when non-market data is used to assess fair values. The provisions of SFAS 157 are effective for fiscal years beginning after November 15, 2007. The Company is currently evaluating the impact that the adoption of this statement will have on its financial statements.

ix. In February 2007, the FASB issued SFAS No. 159, “The Fair Value Option for Financial Assets and Financial Liabilities—Including an Amendment of FASB Statement No. 115.” This pronouncement permits entities to use the fair value method to measure certain financial assets and liabilities by electing an irrevocable option to use the fair value method at specified election dates. After election of the option, subsequent changes in fair value would result in the recognition of unrealized gains or losses as period costs during the period the change occurred. SFAS No. 159 becomes effective as of the beginning of the first fiscal year that begins after November 15, 2007, with early adoption permitted. However, entities may not retroactively apply the provisions of SFAS No. 159 to fiscal years preceding the date of adoption. We are currently evaluating the impact that SFAS No. 159 may have on our financial position, results of operations and cash flows.

Exhibit 99.5

Management's Report on Internal Control over Financial Reporting

The management of Kinross Gold Corporation ("Kinross") is responsible for establishing and maintaining adequate internal control over financial reporting, and have designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles ("CDN GAAP").

Management has used the Internal Control - Integrated Framework to evaluate the effectiveness of internal control over financial reporting, which is a recognized and suitable framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Because of its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has evaluated the design and operation of Kinross' internal control over financial reporting as of December 31, 2006, and has concluded that such internal control over financial reporting is effective. There are no material weaknesses that have been identified by management in this regard.

KPMG LLP, the independent auditors appointed by the shareholders of Kinross, who have audited the consolidated financial statements of Kinross, have also audited management's assessment of internal controls over financial reporting and have issued the report entitled "Audit Report of Independent Registered Public Accounting Firm".

Tye W. Burt
President and Chief Executive Officer

Thomas M. Boehlert
Executive Vice President
and Chief Financial Officer

Toronto, Canada
March 23, 2007

Exhibit 99.6

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of Kinross Gold Corporation

We have audited management's assessment, included in the accompanying management's report on internal control over financial reporting, that Kinross Gold Corporation ("the Company") maintained effective internal control over financial reporting as of December 31, 2006, based on the criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on management's assessment and an opinion on the effectiveness of the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, management's assessment that the Company maintained effective internal control over financial reporting as of December 31, 2006, is fairly stated, in all material respects, based on the criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2006, based on the criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We also have conducted our audits on the consolidated financial statements in accordance with Canadian generally accepted auditing standards. With respect to the years ended December 31, 2006 and December 31, 2005, we also have conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Our report dated March 23, 2007 expressed an unqualified opinion on those consolidated financial statements

The consolidated financial statements as at December 31, 2004 and for the year then ended were audited by other auditors, who expressed an opinion without reservation on those statements, in their report dated November 18, 2005 except as to Note 22 which is as of February 8, 2006. We have audited the adjustments for the change in reporting segments to separately present Refugio and Kettle River and in our opinion, such adjustments, in all material respects, are appropriate and have been properly applied.

/s/ KPMG LLP
Chartered Accountants

Toronto, Canada
March 23, 2007

COMMENTS BY AUDITORS FOR UNITED STATES READERS ON CANADA-UNITED STATES REPORTING DIFFERENCES

To the Board of Directors of Kinross Gold Corporation

In the United States, reporting standards for auditors require the addition of an explanatory paragraph (following the opinion paragraph) that refers to the audit report on the effectiveness of the Company's internal control over financial reporting. Our report to the shareholders dated March 23, 2007 is expressed in accordance with Canadian reporting standards, which do not require a reference to the audit report on the effectiveness of the Company's internal control over financial reporting in the financial statement auditors' report.

/s/ KPMG LLP
Chartered Accountants
Toronto, Canada
March 23, 2007

Exhibit 99.7

CONSENT OF INDEPENDENT
REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
Kinross Gold Corporation

We consent to the inclusion in this annual report on Form 40-F of:

- our auditors' report dated March 23, 2007 on the consolidated balance sheets of Kinross Gold Corporation ("the Company") as at December 31, 2006 and December 31, 2005, and the consolidated statements of operations, common shareholders' equity and cash flows for each of the years in the two-year period ended December 31, 2006;

- and our Comments by Auditors for US Readers on Canada-US Reporting Differences, dated March 23, 2007;

- our auditors' report on reconciliation to United States GAAP dated March 23, 2007;

- our Report of Independent Registered Public Accounting Firm dated March 23, 2007 on management's assessment of the effectiveness internal control over financial reporting as of December 31, 2006 and the effectiveness of internal control over financial reporting as of December 31, 2006;

each of which is contained in this annual report on Form 40-F of the Company for the fiscal year ended December 31, 2006.

We also consent to the incorporation by reference of such reports in the Registration Statement (No. 333-110208, 333-05776, 033-93926, 033-82450, 333-08936, 333-09004, 333-12662, 333-13744 and 333-13742) on Form S-8 of Kinross Gold Corporation.

/s/ KPMG LLP

Chartered Accountants
Toronto, Canada
March 30, 2007

Exhibit 99.8

CONSENT OF DELOITTE & TOUCHE, LLP
INDEPENDENT REGISTERED
CHARTERED ACCOUNTANTS

The Board of Directors
Kinross Gold Corporation

We consent to the inclusion in this Form 40-F of Kinross Gold Corporation (the "Company") of:

- our report dated November 18, 2005, except as to note 22 which is as of February 8, 2006 (which audit report expresses an unqualified opinion and includes explanatory paragraphs relating to restatements of the financial statements, withdrawal of a previous audit report and their consideration of internal control over financial reporting), with respect to the consolidated statements of operations, cash flows and common shareholders' equity for the year ended December 31, 2004; and,

- our report of Independent Registered Chartered Accountants on the reconciliation to United States GAAP dated November 18, 2005, except as to note 22 which is as of February 8, 2006;

each of which is contained in this annual report on Form 40-F of the Company for the year ended December 31, 2006.

We also consent to the incorporation by reference of our above-mentioned report into the Registration Statements on Form S-8 (Registration Statements No. 333-110208, 333-05776, 033-93926, 033-82450, 333-08936, 333-09004, 333-12662, 333-13744 and 333-13742) of Kinross Gold Corporation.

/s/ Deloitte & Touche LLP
Independent Registered Chartered Accountants

Toronto, Canada
March 30, 2007

EXHIBIT 99.9

CONSENT OF ROBERT HENDERSON
TO BEING NAMED AS A QUALIFIED PERSON

March 30, 2007

I hereby consent to being named and identified as a “qualified person” in connection with the mineral reserve and mineral resource estimates in the Annual Information Form for the year ended December 31, 2006 (the “AIF”) and the annual report on Form 40-F of Kinross Gold Corporation.

I also hereby consent to the incorporation by reference of the information contained in the annual report on Form 40-F, and the Registration Statements on Form S-8 (Registration Statement Nos. 333-110208, 333-05776, 033-93926, 033-82450, 333-08936, 333-09004, 333-12662, 333-13744 and 333-13742) of Kinross Gold Corporation.

For the purposes of section 10.4(2) of National Instrument 44-101, I confirm that I have read the AIF and I have no reason to believe that there are any misrepresentations in the information contained therein that are derived from information I have prepared.

Sincerely,

/s/ Robert Henderson

Robert Henderson

EXHIBIT 99.10

CONSENT OF MARYSE BÈLANGER
TO BEING NAMED AS A QUALIFIED PERSON

March 30, 2007

I hereby consent to being named and identified as a “qualified person” in connection with the mineral reserve and mineral resource estimates in the Annual Information Form for the year ended December 31, 2006 (the “AIF”) and the annual report on Form 40-F of Kinross Gold Corporation.

I also hereby consent to the incorporation by reference of the information contained in the annual report on Form 40-F, and the Registration Statements on Form S-8 (Registration Statement Nos. 333-110208, 333-05776, 033-93926, 033-82450, 333-08936, 333-09004, 333-12662, 333-13744 and 333-13742) of Kinross Gold Corporation.

For the purposes of section 10.4(2) of National Instrument 44-101, I confirm that I have read the AIF and I have no reason to believe that there are any misrepresentations in the information contained therein that are derived from information I have prepared.

Sincerely,

/s/ Maryse Bélanger

Maryse Bélanger, P. Geo

EXHIBIT 99.11

CONSENT OF B. SCOTT
TO BEING NAMED AS A QUALIFIED PERSON

March 30, 2007

I hereby consent to being named and identified as a “qualified person” in connection with the mineral resource estimates in the Annual Information Form for the year ended December 31, 2006 (the “AIF”) and the annual report on Form 40-F of Kinross Gold Corporation.

I also hereby consent to the incorporation by reference of the information contained in the annual report on Form 40-F, and the Registration Statements on Form S-8 (Registration Statement Nos. 333-110208, 333-05776, 033-93926, 033-82450, 333-08936, 333-09004, 333-12662, 333-13744 and 333-13742) of Kinross Gold Corporation.

For the purposes of section 10.4(2) of National Instrument 44-101, I confirm that I have read the AIF and I have no reason to believe that there are any misrepresentations in the information contained therein that are derived from information I have prepared.

Sincerely,

/s/ B. Scott

B. Scott, P. Geo

EXHIBIT 99.12

CONSENT OF D. CAMERON
TO BEING NAMED AS A QUALIFIED PERSON

March 30, 2007

I hereby consent to being named and identified as a “qualified person” in connection with the mineral reserve and mineral resource estimates in the Annual Information Form for the year ended December 31, 2006 (the “AIF”) and the annual report on Form 40-F of Kinross Gold Corporation.

I also hereby consent to the incorporation by reference of the information contained in the annual report on Form 40-F, and the Registration Statements on Form S-8 (Registration Statement Nos. 333-110208, 333-05776, 033-93926, 033-82450, 333-08936, 333-09004, 333-12662, 333-13744 and 333-13742) of Kinross Gold Corporation.

For the purposes of section 10.4(2) of National Instrument 44-101, I confirm that I have read the AIF and I have no reason to believe that there are any misrepresentations in the information contained therein that are derived from information I have prepared.

Sincerely,

/s/ D. Cameron

D. Cameron, P. Geo

EXHIBIT 99.13

CONSENT OF T. GARAGAN
TO BEING NAMED AS A QUALIFIED PERSON

March 27, 2007

I hereby consent to being named and identified as a “qualified person” in connection with the mineral reserve and mineral resource estimates in the Annual Information Form for the year ended December 31, 2006 (the “AIF”) and the annual report on Form 40-F of Kinross Gold Corporation.

I also hereby consent to the incorporation by reference of the information contained in the annual report on Form 40-F, and the Registration Statements on Form S-8 (Registration Statement Nos. 333-110208, 333-05776, 033-93926, 033-82450, 333-08936, 333-09004, 333-12662, 333-13744 and 333-13742) of Kinross Gold Corporation.

For the purposes of section 10.4(2) of National Instrument 44-101, I confirm that I have read the AIF and I have no reason to believe that there are any misrepresentations in the information contained therein that are derived from information I have prepared.

Sincerely,

/s/ T. Garagan

T. Garagan, P. Geo

EXHIBIT 99.14

CONSENT OF LARRY SMITH
TO BEING NAMED AS A QUALIFIED PERSON

March 30, 2007

I hereby consent to being named and identified as a “qualified person” in the annual report on Form 40-F of Kinross Gold Corporation through the incorporation into the 40-F of Kinross’ Annual Information Form for the year ended December 31, 2006 (the “AIF”) and to the inclusion of my consent to be named in the AIF as an exhibit to the Form 40-F.

I also hereby consent to the incorporation by reference of the information contained in the annual report on Form 40-F, including the AIF, into the Registration Statements on Form S-8 (Registration Statement Nos. 333-110208, 333-05776, 033-93926, 033-82450, 333-08936, 333-09004, 333-12662, 333-13744 and 333-13742) of Kinross Gold Corporation.

Sincerely,

/s/ Larry Smith

Larry Smith, R. Geo

EXHIBIT 99.15

CONSENT OF WILLIAM TILLEY
TO BEING NAMED AS A QUALIFIED PERSON

March 30, 2007

I hereby consent to being named and identified as a “qualified person” in the annual report on Form 40-F of Kinross Gold Corporation through the incorporation into the 40-F of Kinross’ Annual Information Form for the year ended December 31, 2006 (the “AIF”) and to the inclusion of my consent to be named in the AIF as an exhibit to the Form 40-F.

I also hereby consent to the incorporation by reference of the information contained in the annual report on Form 40-F, including the AIF, into the Registration Statements on Form S-8 (Registration Statement Nos. 333-110208, 333-05776, 033-93926, 033-82450, 333-08936, 333-09004, 333-12662, 333-13744 and 333-13742) of Kinross Gold Corporation.

Sincerely,

/s/ William Tilley

William Tilley, PE

EXHIBIT 99.16

CONSENT OF AMEC E&C SERVICES INC.
TO BEING NAMED AS A QUALIFIED PERSON

March 30, 2007

I hereby consent to being named and identified as a “qualified person” in the annual report on Form 40-F of Kinross Gold Corporation through the incorporation into the 40-F of Kinross’ Annual Information Form for the year ended December 31, 2006 (the “AIF”) and to the inclusion of my consent to be named in the AIF as an exhibit to the Form 40-F.

I also hereby consent to the incorporation by reference of the information contained in the annual report on Form 40-F, including the AIF, into the Registration Statements on Form S-8 (Registration Statement Nos. 333-110208, 333-05776, 033-93926, 033-82450, 333-08936, 333-09004, 333-12662, 333-13744 and 333-13742) of Kinross Gold Corporation.

AMEC E&C Services, Inc.

By: /s/ Philip Messer

Philip Messer, Operations Manager

Exhibit 99.17

CERTIFICATION PURSUANT TO RULE 13A-14
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES - OXLEY ACT OF 2002

I, Tye W. Burt certify that:

1. I have reviewed this annual report on Form 40-F of Kinross Gold Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred curing the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

March 30, 2007
(Date)

/s/ Tye W. Burt

Tye W. Burt (principal executive officer)

Exhibit 99.18

CERTIFICATION PURSUANT TO RULE 13A-14
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES - OXLEY ACT OF 2002

I, Thomas M. Boehlert, certify that:

1. I have reviewed this annual report on Form 40-F of Kinross Gold Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as to the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred curing the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

March 30, 2007
(Date)

/s/ Thomas M. Boehlert

Thomas M. Boehlert
Chief Financial Officer
(principal financial and accounting officer)

EXHIBIT 99.19

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES - OXLEY ACT OF 2002

In connection with the annual report of Kinross Gold Corporation (the "Company") on Form 40-F for the year ended December 31, 2006, Tye W. Burt hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

1. The annual report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

2. The information contained in the annual report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 30, 2007
(Date)

/s/ Tye W. Burt

Tye W. Burt (principal executive officer)

EXHIBIT 99.20

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES - OXLEY ACT OF 2002

In connection with the annual report of Kinross Gold Corporation (the "Company") on Form 40-F for the year ended December 31, 2006, Thomas M. Boehlert hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

1. The annual report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

2. The information contained in the annual report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 30, 2007
(Date)

/s/ Thomas M. Boehlert

Thomas M. Boehlert, Chief Financial Officer
(principal financial and accounting officer)