

UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

\_\_\_\_\_ X  
Brown v. Kinross Gold U.S.A., Inc. :  
\_\_\_\_\_ X CV-S-02-0605-PMP-(RJJ)  
This Document Relates To: :  
All Actions. :  
\_\_\_\_\_ X

**NOTICE OF CLASS ACTION CERTIFICATION, PROPOSED CLASS ACTION SETTLEMENT,  
MOTION FOR ATTORNEYS' FEES AND NONTAXABLE COSTS, AND HEARING THEREON**

**YOU COULD GET MONEY FROM A CLASS ACTION SETTLEMENT IF YOU:**

- (1) TENDERED SHARES OF THE \$3.75 SERIES B CONVERTIBLE PREFERRED STOCK OF KINAM GOLD INC. (FORMERLY KNOWN AS THE \$3.75 SERIES B CONVERTIBLE PREFERRED STOCK OF AMAX GOLD INC.), TO KINROSS GOLD CORPORATION OR KINROSS GOLD U.S.A., INC., PURSUANT TO THE FEBRUARY 20, 2002, OFFER TO PURCHASE ALL PUBLICLY HELD SHARES OF THE \$3.75 SERIES B CONVERTIBLE PREFERRED STOCK OF KINAM GOLD INC. AT \$16.00 PER SHARE (AS AMENDED MARCH 21, 2002) MADE BY KINROSS GOLD CORPORATION AND KINROSS GOLD U.S.A., INC. ("TENDEROR SUBCLASS"); AND/OR**
- (2) DID NOT TENDER SHARES OF THE \$3.75 SERIES B CONVERTIBLE PREFERRED STOCK OF KINAM GOLD INC. (FORMERLY KNOWN AS THE \$3.75 SERIES B CONVERTIBLE PREFERRED STOCK OF AMAX GOLD INC.) TO KINROSS GOLD CORPORATION OR KINROSS GOLD U.S.A., INC., PURSUANT TO THE FEBRUARY 20, 2002, OFFER TO PURCHASE ALL PUBLICLY HELD SHARES OF THE \$3.75 SERIES B CONVERTIBLE PREFERRED STOCK OF KINAM GOLD INC. AT \$16.00 PER SHARE (AS AMENDED MARCH 21, 2002) MADE BY KINROSS GOLD CORPORATION AND KINROSS GOLD U.S.A., INC., BUT HAVE SINCE SOLD SUCH SHARES DIRECTLY TO KINROSS GOLD CORPORATION, KINAM GOLD INC. OR KINROSS GOLD U.S.A., INC. ("LATE-TENDEROR SUBCLASS"); AND/OR**
- (3) CONTINUE TO HOLD SHARES OF THE \$3.75 SERIES B CONVERTIBLE PREFERRED STOCK OF KINAM GOLD INC. ("HOLDER SUBCLASS") (FORMERLY KNOWN AS THE \$3.75 SERIES B CONVERTIBLE PREFERRED STOCK OF AMAX GOLD INC.).**

**SPECIAL NOTICE TO CURRENT HOLDERS OF THE \$3.75 SERIES B  
CONVERTIBLE PREFERRED STOCK OF KINAM GOLD INC.**

**IF YOU CURRENTLY OWN SHARES OF THE PREFERRED, YOU ARE A MEMBER OF THE HOLDER SUBCLASS THAT IS A PART OF THE SETTLEMENT. HOWEVER, AS A MEMBER OF THE HOLDER SUBCLASS, IN ORDER TO PARTICIPATE IN THE SETTLEMENT AND TO SUBMIT A VALID CLAIM FORM, YOU MUST CONTINUE TO OWN YOUR SHARES OF THE PREFERRED AT THE TIME OF THE ENTRY OF THE COURT'S FINAL ORDER APPROVING THE SETTLEMENT. IT IS ANTICIPATED THAT IF THE COURT GRANTS FINAL APPROVAL OF THE SETTLEMENT IT WILL DO SO ON OR AFTER JANUARY 29, 2009. IF YOU SELL OR OTHERWISE TRANSFER OWNERSHIP OF ANY OF YOUR SHARES BEFORE THE COURT ENTERS THE FINAL ORDER FINALLY APPROVING THE SETTLEMENT, YOU WILL NO LONGER BE A MEMBER OF THE HOLDER SUBCLASS AS TO ANY SUCH SHARES, WILL BE EXCLUDED FROM PARTICIPATING IN THE SETTLEMENT AS TO THOSE SHARES, AND WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT AS TO THOSE SHARES.**

*A Federal Court authorized this notice. This is not a solicitation from a lawyer.  
This is not a notice that you have been sued.*

- A settlement has been agreed to by the parties in a lawsuit relating to the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc., formerly known as the \$3.75 Series B Convertible Preferred Stock of Amax Gold Inc. (which is collectively referred to in this Notice as "the Preferred" or the "\$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc."). If you currently own or formerly owned shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc., this Notice may relate to and affect your legal rights and opportunity to receive a portion of the settlement proceeds in the lawsuit.
- The settlement of the lawsuit will provide \$29,250,000 in cash, plus interest ("Gross Settlement Fund"), to pay claims from investors who fall into one or more of the following three subclasses of the certified Class of plaintiffs known as the Tenderor Subclass, Late-Tenderor Subclass and the Holder Subclass. The Class and Subclasses consist of all persons or entities who: (1) tendered shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. to Kinross Gold Corporation or Kinross Gold U.S.A., Inc. (formerly known as the \$3.75 Series B Convertible Preferred Stock of Amax Gold Inc.), pursuant to the February 20, 2002, Offer to Purchase all Publicly Held Shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. at \$16.00 Per Share (as amended March 21, 2002) made by

Kinross Gold Corporation and Kinross Gold U.S.A., Inc. (“Tenderor Subclass”); (2) continue to hold shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. (formerly known as the \$3.75 Series B Convertible Preferred Stock of Amax Gold Inc.), as of the date of the Court’s final approval of the Settlement (“Holder Subclass”); or (3) did not tender shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. (formerly known as the \$3.75 Series B Convertible Preferred Stock of Amax Gold Inc.) to Kinross Gold Corporation or Kinross Gold U.S.A., Inc., pursuant to the February 20, 2002, Offer to Purchase all Publicly Held Shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. at \$16.00 Per Share (as amended March 21, 2002) made by Kinross Gold Corporation and Kinross Gold U.S.A., Inc., but have since sold such shares directly to Kinross Gold Corporation, Kinam Gold Inc. or Kinross Gold U.S.A., Inc. (“Late-Tenderor Subclass”). The terms of the settlement agreed to by the Parties, as preliminarily approved by the Court, as set forth in the Parties’ Stipulation and Agreement of Settlement (“Settlement”), dated November 7, 2008. Any amount you may receive will depend on the number of eligible shares held, tendered and/or sold to Kinross Gold Corporation, Kinross Gold U.S.A., Inc. or Kinam Gold Inc., by members of the Class who are eligible to and do elect to participate in the Settlement, the number of shares of Preferred held or formerly held by you, which of the three Subclasses you are a member of, and the amount of Court-approved fees and expenses approved by the Court and paid from the Gross Settlement Fund as described below. A further description of the Plan of Allocation, a description of which begins in section 26 below.

- The Settlement, subject to court approval, resolves a class action lawsuit in federal court over whether: (1) Defendants Kinross Gold Corporation, Kinross Gold U.S.A., Inc. and/or Kinam Gold Inc., are liable for breach of contract for alleged violations of the express terms of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc., and (2) Defendants Kinross Gold Corporation and/or Kinross Gold U.S.A., Inc., are liable for alleged breaches of their fiduciary duties to the shareholders of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc., in connection with their February 20, 2002, Offer to Purchase all Publicly Held Shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. at \$16.00 Per Share (as amended March 21, 2002) (the “Tender Offer”). The Settlement avoids costs and risks to you and the Class from continuing the lawsuit, it pays money to investors like you, and it releases Kinross Gold Corporation, Kinross Gold U.S.A., Inc., Kinam Gold Inc., and the Individual Defendant (as defined below) from liability.
- If the Settlement, which has been preliminarily approved by the Court, receives final approval from the Court, the Court-appointed lawyers for investors, Berger & Montague, P.C., Reginald H. Howe, and Kummer Kaempfer Bonner Renshaw & Ferrario, will ask the Court for an award of attorneys’ fees of \$8,500,000, which amounts to approximately 30% of the settlement fund less the total expenses of \$940,000 that have been incurred in investigating the facts, litigating the case, and negotiating and implementing the Settlement, as well as the expenses Plaintiffs’ Counsel anticipate will be incurred by them in implementing the Settlement in the future, by Plaintiffs’ Counsel and the Lead Plaintiffs and up to which reimbursement may be sought. The \$940,000.00 figure is comprised of expenses of up to \$900,000 allocable to Plaintiffs’ Counsel and \$40,000 up to which the five Lead Plaintiffs may ask the Court to award them collectively. Service awards of up to a maximum of \$100,000 may be sought on behalf of the Lead Plaintiffs. These payments, if approved, will come out of the \$29,250,000 settlement fund. Pursuant to attorneys’ fee agreements entered into between Plaintiffs’ Counsel and the Lead Plaintiffs at the outset of the Action, in the event that the Class was certified as it was pursuant to the Court’s May 27, 2005 Order, Plaintiffs’ Counsel are authorized to seek an award of attorneys’ fees of up to 33% of any settlement fund (less expenses, here a maximum of \$940,000) which, under this Settlement, would amount to up to a maximum of \$9,342,300. In order to facilitate the settlement of the Action, Plaintiffs’ Counsel are voluntarily seeking a reduced award of attorneys’ fees that is \$842,300 **less than** the maximum award they are permitted to request from the \$29,250,000 fund.
- Lead Plaintiffs and the Defendants do not agree on the average amount of damages, if any, per share that would be recoverable if the Lead Plaintiffs were to have prevailed on each claim alleged. The issues on which the parties disagree include: (1) the fair value of the Preferred at the time of the Tender Offer; (2) whether any person or entity who purchased the Preferred for less than \$16 and subsequently tendered those shares in response to the Tender Offer, was damaged; (3) whether any person or entity that held shares of the Preferred at the time of the Tender Offer, but did not tender those shares, suffered any damages regardless of the price at which those shares were purchased; (4) whether any person or entity that held shares of the Preferred at the time of the Tender Offer, but did not tender those shares, is entitled to recover any alleged damages; (5) whether Kinross Gold Corporation or Kinross U.S.A., Inc. were parties to a contract with shareholders of the Preferred; (6) even if Kinross Gold Corporation and Kinross Gold U.S.A., Inc., were parties to a contract with shareholders of the Preferred, whether Kinross Gold Corporation and Kinross U.S.A., Inc. breached that contract at any time; (7) even if Kinross Gold Corporation and Kinross U.S.A., Inc. were parties to a contract with shareholders of the Preferred, and breached that contract, whether shareholders of the Preferred suffered any damages as a result; (8) whether the claims alleged by Lead Plaintiffs are barred, in whole or in part, by the statutes of limitations; and (9) whether, even if liability could be proven, total damages would be more than \$0.00 per damaged share. The Kinross Defendants and the Individual Defendant deny all liability and believe that the Kinross Defendants would win the case at trial.
- If you are a Settlement Class Member (as the term is defined below), your legal rights are affected by the Settlement, regardless of whether you act or do not act. **Read this Notice carefully.**

## YOUR LEGAL RIGHTS AND OPTIONS

YOU CAN:	THAT MEANS:
<b>SUBMIT A CLAIM FORM</b>	You can show that you are a member of the Class and can get payment from the Settlement. If the proposed settlement is finally approved by the Court, your claim is properly completed and timely received, and you meet the other requirements of the Plan of Allocation, a description of which begins in section 26 below, you will receive a portion of the Settlement Fund. This is the only way to get a payment. You will be bound by the Judgment and release described below if you stay in the Class regardless of whether you submit a claim.
<b>EXCLUDE YOURSELF</b>	<p><u>Tenderor Subclass and Late-Tenderor Subclass</u></p> <p>You can ask to be excluded from the Settlement Class. If excluded, you will get no payment from this Settlement and will not be part of the Settlement Class, and will not be bound by the Judgment. You may pursue any claims you may have against the Defendants by retaining new counsel at your own expense.</p> <p><u>Holder Subclass</u></p> <p>You can ask to be excluded from the Settlement Class. If excluded you will not be part of the Settlement Class, and will not be bound by the Judgment <b>except, that, even if you exclude yourself, pursuant to the Charter authorizing redemption and cancellation of the Preferred for \$50 per share, all outstanding, publicly held shares of the Preferred will be cancelled and will no longer be valid outstanding shares of Kinam Gold, Inc.</b> However, if you are a member of the Holder Subclass, even if you exclude yourself from the Settlement (<i>i.e.</i>, “opt-out”), not less than \$50 per share (less any claim for attorneys’ fees, expenses, and service awards), will be held in escrow on your behalf. This is the only option that allows you to ever be part of any other separate lawsuit, including your own lawsuit, against the Defendants about the legal claims being settled in this case. Any such lawsuit would need to be pursued at your expense.</p>
<b>OBJECT</b>	If you remain part of the Class and you don’t like the Settlement, or any part of it, including the application for attorneys’ fees, costs of litigation, or service awards or reimbursement of expenses to the Lead Plaintiffs, you can write to the Court and counsel to explain why.
<b>GO TO THE FAIRNESS HEARING</b>	If you remain part of the Class, you can write to the Court and ask to speak at the Settlement Fairness Hearing on January 29, 2009, when the Court considers the fairness of the Settlement to the Plaintiff Class, the request for attorneys’ fees and reimbursement of litigation expenses of Plaintiffs’ Counsel, and the request for service awards and reimbursement of expenses to the Lead Plaintiffs.
<b>DO NOTHING</b>	<p><u>Tenderor Subclass and Late-Tenderor Subclass</u></p> <p>If you are a member of the Tenderor Subclass or the Late-Tenderor Subclass and you do nothing, you will get no payment and you give up your rights to sue the Defendants about the claims that are resolved by this Settlement. You will be bound by any Judgment entered by the Court.</p> <p><u>Holder Subclass</u></p> <p>If you do nothing you will give up your rights to sue the Defendants about the claims that are resolved by this Settlement. Even if you do nothing, <b>pursuant to the Charter authorizing redemption and cancellation of the Preferred for \$50 per share, all outstanding, publicly held shares of the Preferred will be cancelled and will no longer be valid outstanding shares of Kinam Gold Inc.</b> However, if you are a member of the Holder Subclass, and you do nothing, not less than \$50 per share (less any claim for attorneys’ fees, expenses, service awards and any additional administrative costs associated with identifying and contacting you, as approved by the Court, if any), will be held in escrow on your behalf.</p>

- These rights and options — **and the deadlines to exercise them** — are explained in this Notice.
- The Court overseeing this case, which has given preliminary approval to the Settlement, still has to decide whether to give final approval of the Settlement (subject to any appeals) as fair, reasonable, and adequate.

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## **BASIC INFORMATION**

### **1. Why did I get this Notice package?**

You or someone in your family:

- (1) tendered shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. pursuant to the February 20, 2002, Offer to Purchase all Publicly Held Shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. at \$16.00 Per Share (as amended March 21, 2002), by Kinross Gold Corporation and Kinross Gold U.S.A., Inc.;
- (2) continue to hold shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc.; or
- (3) did not tender shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. to the February 20, 2002, Offer to Purchase all Publicly Held Shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. at \$16.00 Per Share (as amended March 21, 2002), by Kinross Gold Corporation and Kinross Gold U.S.A., Inc., but have since sold such shares directly to Kinross Gold Corporation, Kinam Gold Inc. or Kinross Gold U.S.A., Inc.

The Court caused this Notice to be sent to you because you have a right to know about a proposed settlement of a class action lawsuit, a hearing to be held by the Court to consider the fairness, reasonableness and adequacy of the settlement, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves it and after any objections or appeals are resolved, a claims administrator appointed by the Court will make the payments that the settlement allows.

This Notice explains this lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. It is not an expression of any opinion by the Court with respect to the truth of the allegations of the litigation or the merits of the claims or defenses asserted.

The Court overseeing the Action is the United States District Court for the District of Nevada, and the case is known as *Brown v. Kinross Gold U.S.A., Inc.*, CV-S-02-0605-PMP-(RJJ) (the "Action"). U.S. District Judge Philip M. Pro is the Judge overseeing this class action. The people who sued are called the "Lead Plaintiffs." The companies being sued are Kinross Gold Corporation ("Kinross"), Kinross Gold U.S.A., Inc. ("Kinross USA"), and Kinam Gold Inc. ("Kinam") (Kinross, Kinross USA and Kinam are collectively referred to as the "Kinross Defendants"), and the person who had been sued, Kinross Gold Corporation's former President and Chief Executive Officer, is Robert M. Buchan ("Individual Defendant"). The Kinross Defendants and the Individual Defendant are collectively called the "Defendants."

### **2. What is this lawsuit about?**

At the time of the settlement, this Action was a certified class action for damages and equitable and declaratory relief, in which the Lead Plaintiffs sought redress for alleged breach of the contractual terms of the Preferred as set forth in Kinam's Articles of Incorporation (the "Charter"), *i.e.*, a breach of contract by the Kinross Defendants, and for alleged breaches of fiduciary duties by Defendants Kinross and Kinross USA to the Class for failing to pay at least fair value for the Preferred in the Tender Offer. More specifically, Count I of the Amended Complaint alleges a breach of contract on the basis that the Kinross Defendants violated the Charter. In Count I, Plaintiffs allege, among other things, that the terms of the Preferred mandate equal or *pro rata* treatment of all holders with respect to payment of dividends, conversion into shares of common stock of Kinross, and redemption, as well as certain other provisions relating to additional board representation for the Preferred in the event of continued non-payment of dividends. Plaintiffs further alleged that by engaging in a June 12, 2001, transaction with Franklin Income Series and Franklin Income Securities in which Kinross USA purchased shares of the Preferred, which included an alleged partial payment of then suspended dividends, without making the same terms available to all holders of the Preferred, constituted a breach of contract if Plaintiffs could prove that Kinross and Kinross USA, were the alter egos of Kinam under Nevada law. Count II alleges that Defendants Kinross and Kinross USA breached the fiduciary duties they owed, as majority shareholders of Kinam, to the Class as minority shareholders (*i.e.*, holders of the Preferred) by making an actionably coercive cash tender offer for the Preferred for \$16 which was an amount less than the fair value of the Preferred at the time of the Tender Offer. Defendants deny Lead Plaintiffs' claims, deny that any harm to shareholders occurred, and assert various defenses.

Beginning on April 26, 2002, two actions were filed in the United States District Court for the District of Nevada, *Brown v. Kinross Gold U.S.A., Inc., et al.*, U.S.D.C. Nev., CV-S-02-0605-KJD-(RJJ), and *Tsurekidis v. Kinross, Gold, U.S.A., Inc., et al.*, U.S.D.C. Nev., CV-S-02-0726-LDG-(LRL) which were consolidated under case number CV-S-02-0605-PMP-(RJJ) for all purposes by an order filed on or about August 7, 2002. In that same Order, the Court appointed Brown, Glenbrook, Kaufman, CN&L, and Drake, as Lead Plaintiffs and approved their choice of the law firms of Berger & Montague, P.C. and Reginald H. Howe as Plaintiffs' Co-Lead Counsel, and Kummer Kaempfer Bonner Renshaw & Ferrario as Plaintiffs' Liaison Counsel in the Action.

The Lead Plaintiffs' April 26, 2002, Complaint instituted this Action as a proposed class action on behalf of all persons who tendered shares of the Preferred (the "Preferred") to Kinross or Kinross USA pursuant to the Tender Offer, and all persons who continued to hold shares of the Preferred, and asserted claims against Defendants for breach of contract (Count I), breach of fiduciary duty (Count II), violation of Section 13(e) of the Exchange Act (15 U.S.C. § 78m(e)) (Count III), violations of Sections 10(b) and 13(e) of the Securities Exchange Act and Rule 10b-5(b) and 13e-4(j) (Count IV), and violations of NRS § 90.570 (Count V).

On October 28, 2002, Defendants filed a Motion for Judgment on the Pleadings seeking to dismiss Count IV of the Complaint and to stay all discovery in the Action. On January 15, 2003, the District Court granted Defendants' motion to stay discovery pending the resolution of Defendants' Motion for Judgment on the Pleadings. On September 30, 2003, the Court granted Defendants' Motion for Judgment on the Pleadings, dismissed Count IV of the Complaint, and granted Lead Plaintiffs leave to file an amended complaint.

On November 21, 2003, Lead Plaintiffs, individually and on behalf of all other persons and entities similarly situated, filed and served a Consolidated Amended Class Action Complaint ("Amended Complaint") against the Defendants. The Amended Complaint asserted claims variously against Defendants for alleged breach of contract (Count I), breach of fiduciary duty (Count II), violation of Section 13(e) of the Exchange Act (15 U.S.C. § 78m(e)) (Count III), violations of NRS § 90.570 (Count IV), violations of Sections 10(b) and 13(e) of the Securities Exchange Act and Rule 10b-5(b) and 13e-4(j) (Count V), violations of Sections 10(b) and 13(e) of the Securities Exchange Act and Rule 10b-5(a) and (c) and 13e-4(j) (1)(i) and (iii) (Count VI), violations of section 20(a) of the Securities Exchange Act (Count VII). On March 5, 2004, Defendants filed a Motion for Judgment on the Pleadings seeking to dismiss Counts V, VI and VII of the Amended Complaint. On November 3, 2004, the Court granted Defendants' Motion for Judgment on the Pleadings and dismissed Counts V, VI and VII, with prejudice.

On January 6, 2005, Plaintiffs filed a Motion for Summary Judgment on Counts III and IV of the Amended Complaint. On February 28, 2005, Defendants filed a Cross-Motion for Summary Judgment to dismiss Counts III and IV of the Amended Complaint. On May 27, 2005, the Court granted Defendants' Cross-Motion for Summary Judgment and dismissed Counts III and IV of the Amended Complaint.

On February 28, 2005, Lead Plaintiffs filed a Motion for Class Certification. On June 14, 2005, the Court granted the Motion for Class Certification and certified a class and three subclasses consisting of all persons and entities who: (1) tendered shares of the Preferred pursuant to the Tender Offer ("Tenderor Subclass"); (2) continue to hold shares Preferred ("Holder Subclass"); or (3) did not tender shares of the Preferred pursuant to the Tender Offer, but have since sold such shares directly to Kinross, Kinam, or Kinross USA ("Late-Tenderor Subclass"). Excluded from the class are Kinross, Kinam and Kinross USA, their officers and directors, affiliates, legal representatives, heirs, predecessors, successors and assigns, and any entity in which any Defendant has a controlling interest or of which any Defendant is a parent or subsidiary.

Following the effective termination of the stay of discovery on November 3, 2004, for the three years following, the Parties vigorously litigated this case engaging in extensive fact discovery in the United States and Canada and expert discovery. The Parties' efforts consisted of, among other things: extensive factual investigation; consultation with experts in valuation, economics, the gold and mining industries, and corporate governance regarding the claims and potential damages in the Action; interviews of persons with knowledge concerning the facts at issue; numerous discovery requests to and documentary productions from third-parties; the request for and issuance of Letters Rogatory to the court in Ontario, Canada for the taking of documentary and testimonial discovery in Canada; discovery proceedings before the court in Ontario, Canada, including extensive briefing of legal memoranda and court hearings; the collection, exchange and analysis of approximately one million pages of documents; the examination by deposition of thirty-four separate persons or entities (including various proposed expert witnesses); and the preparation of voluminous expert reports and extensive expert discovery and analysis.

On August 16, 2006, Lead Plaintiffs and the Defendants held a formal mediation to discuss the possibility of settling the Action. The Parties concluded the mediation without reaching an agreement to settle the Action and continued to vigorously litigate.

On September 7, 2007, Defendants filed separate motions for summary judgment on Counts I and II of the Amended Complaint. On January 23, 2008, the Court denied Defendants' Motion for Summary Judgment on Count I, and denied in part and granted in part Defendants' motion on Count II and dismissed the Individual Defendants Robert M. Buchan from the Action. On February 21, 2008, Defendants filed a Motion for Clarification or Limited Reconsideration of certain aspects of the Court's January 23, 2008 Order denying summary judgment. On May 2, 2008, the Court denied Defendants' Motion for Clarification or Limited Reconsideration.

On June 20, 2008, the Parties filed an extensive proposed Pre-Trial Order which set forth at length, among other things, the Parties' statements of contested and uncontested statements of facts for trial, their statements of contested and uncontested issues of law, identified nearly two thousand potential trial exhibits with the Parties' proposed stipulations and objections to those documents, and the Parties' designations of proposed trial testimony from more than 10,000 pages of deposition testimony with the Parties' proposed stipulations, objections, counter-designations and objections to counter-designations. At that time, the Parties continued to prepare in earnest for the trial of this Action. On June 23, 2008, the Court held a pre-trial conference and ordered all pre-trial motions and motions *in limine* to be filed by September 17, 2008.

On June 23, 2008, the Court held a pre-trial conference during which counsel for the Defendants proposed that the Parties again pursue mediation. In order to accommodate the proposed mediation, the Court granted the Parties' proposed stipulation to briefly extend the deadline for filing pre-trial motions and motions *in limine* until October 3, 2008.

On July 8, 2008, the Court entered the Parties' proposed Joint Pre-Trial Order and scheduled trial to commence on February 24, 2009. At that time, the Parties accelerated their preparation of pre-trial motions, motions *in limine*, and other preparations for trial. On July 8, 2008, the Court issued an order referring the Action for a settlement conference before the Court's magistrate judge.

On September 17, 2008, the Parties held a formal mediation to again explore the possibility of settling the Action. The mediation was held before a highly skilled and nationally recognized mediator. In anticipation of the mediation, the Parties prepared, submitted and exchanged extensive mediation submissions. On September 17, 2008, the formal mediation concluded without the Parties reaching a settlement. However, intensive negotiations facilitated by the mediator continued. Ultimately, on September 19, 2008, the Lead Plaintiffs and Defendants reached an agreement in principle to settle the Action for \$29,250,000. On October 16, 2008, the Parties executed a Memorandum of Understanding with an effective date of September 19, 2008.

Defendants have denied, and continue to deny, each and every claim and contention alleged by Lead Plaintiffs in the Action. Defendants have expressly denied, and continue to deny, all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Action. Defendants also have denied, and continue to deny, *inter alia*, the allegations that Lead Plaintiffs or the Class have suffered damage or that Plaintiffs or the Class were harmed by the conduct alleged in the Action.

### **3. What is a class action?**

In a class action, the plaintiffs are called Lead Plaintiffs, and they sue on behalf of numerous people who have similar claims. All these people with similar claims are a class, and each one is a class member. One court resolves the claims of all class members, except for those who properly exclude themselves from the class.

### **4. Why is there a Settlement?**

Instead of litigating the Action through trial, Lead Plaintiffs and the Defendants, after negotiating on many different occasions as described above, including two formal mediations, agreed to a compromise of the claims for \$29,250,000. The Court did not decide in favor of Lead Plaintiffs or Defendants. Lead Plaintiffs think they could have obtained money if they won a trial; the Defendants think the Lead Plaintiffs would not have won anything from a trial. But there was no trial. Instead, both sides agreed to a settlement. That way, they avoid the risks and cost of a trial and possible appeals, and the people affected will get compensation. The Lead Plaintiffs and the attorneys think the Settlement is best for all Settlement Class Members.

The Lead Plaintiffs believe that the proposed Settlement is an excellent recovery and is in the best interests of the Settlement Class. At the time this Settlement was reached, Defendants had successfully filed several separate motions which resulted in the dismissal of five of Lead Plaintiffs' seven claims. Because of risks associated with continuing to litigate and proceeding to trial, it was possible that the Settlement Class would not have prevailed on any of its claims, in which case the Settlement Class would receive nothing. The amount of damages recoverable by the Settlement Class was and is challenged by Defendants. Recoverable damages in this case are limited to losses caused by conduct actionable under applicable law and, had the litigation gone to trial, the Kinross Defendants would have asserted that all or most of the losses alleged by or on behalf of the Settlement Class Members did not exist or, if they did exist, were not recoverable as a matter of law. In fact, the Kinross Defendants have argued that the absence of damages on Counts I and II, the two remaining counts for trial, required complete dismissal of the case.

Plaintiffs' Lead Counsel have thoroughly investigated and litigated the case since filing it on April 26, 2002. Based upon their extensive investigation and discovery, including: the analysis of over one million pages of documents; the examination by deposition of thirty-four separate persons or entities; consultation with experts in valuation, economics, the gold market and mining industry, and corporate governance; their evaluation of the claims of the Settlement Class Members against the Defendants and defenses that might be asserted; the inherent risks of pre-trial motions and motions *in limine* to exclude the introduction of Plaintiffs' key fact and expert witnesses, testimony and documents at trial; Plaintiffs' ability to prove damages at trial; and the inherent risk of trial, Plaintiffs' Lead Counsel believe that the settlement is fair, reasonable and adequate and in the best interests of the Settlement Class. The Settlement provides an immediate and certain recovery. By settling, Lead Plaintiffs and Defendants avoid the cost, uncertainty, and delay of continued litigation. The parties engaged in extensive negotiations, facilitated and led by a highly experienced professional mediator, which led to the settlement described in this Notice. Plaintiffs' Lead Counsel believe the Settlement is fair because they were not certain that the Settlement Class would win on any of the claims and even if they did win, they might not get any more money than the \$29,250,000, plus interest, that the Kinross Defendants have agreed to pay to settle the Action, for a number of reasons. The Kinross Defendants' lawyers believe the Settlement is fair because even though Defendants deny Lead Plaintiffs' claims, Defendants avoid the cost of continued litigation and risk of losing at trial.

## **WHO IS INCLUDED IN THE SETTLEMENT**

### **5. How do I know if I am a Settlement Class Member?**

For the purposes of settlement, everyone who fits the following description is a Settlement Class Member, all persons who:

- (1) tendered shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. (formerly the \$3.75 Series B Convertible Preferred Stock of Amax Gold Inc.) to Kinross Gold Corporation or Kinross

Gold U.S.A., Inc., pursuant to the February 20, 2002, Offer to Purchase all Publicly Held Shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. at \$16.00 Per Share (as amended March 21, 2002) made by Kinross Gold Corporation and Kinross Gold U.S.A., Inc.; (2) continue to hold shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. (formerly the \$3.75 Series B Convertible Preferred Stock of Amax Gold Inc.), as of the date of the Court's entry of a final order approving the settlement; or (3) did not tender shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. (formerly the \$3.75 Series B Convertible Preferred Stock of Amax Gold Inc.) to Kinross Gold Corporation or Kinross Gold U.S.A., Inc., pursuant to the February 20, 2002, Offer to Purchase all Publicly Held Shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. at \$16.00 Per Share (as amended March 21, 2002) made by Kinross Gold Corporation and Kinross Gold U.S.A., Inc., but have since sold such shares directly to Kinross Gold Corporation, Kinam Gold Inc. or Kinross Gold U.S.A., Inc. Excluded from the class are Kinross, Kinam and Kinross USA, their officers and directors, affiliates, legal representatives, heirs, predecessors, successors and assigns, and any entity in which any Defendant has a controlling interest or of which any Defendant is a parent or subsidiary. Also excluded from the Settlement Class are persons who request exclusion from the Settlement Class pursuant to the terms of the Stipulation of Settlement or order of the Court.

"Person" means an individual, corporation, limited liability company, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated organization, and any other type of legal entity, and their respective executors, administrators, representatives, agents, attorneys, heirs, successors, and/or assigns.

In other words, you are a Settlement Class Member and part of the Settlement if you own the Preferred, as of the date of the entry of the Court's final order approving the settlement, or owned the Preferred and tendered it in response to the Tender Offer, or owned the Preferred at the time of the Tender Offer and later sold your shares directly to any of the Kinross Defendants, and you are not excluded from the Settlement Class for the reasons set forth in the definition above. See "Are there any exceptions to being included as a Settlement Class Member," below.

#### **6. Are there any exceptions to being included as a Settlement Class Member?**

Yes. As mentioned in the description above, you are **not** a Settlement Class Member if **any** of the following applies to you:

- You exclude yourself from the Settlement Class.
- You are a Defendant.
- You are a current executive officer and/or director, or have served as an executive officer and/or director of Kinross, Kinross USA, or Kinam at any time on or after February 20, 2002.
- You are a member of the immediate family or an heir, successor or assign of the foregoing.
- You are a firm, trust, corporation, or other entity in which any Defendants have a controlling interest.

With the exception of shares of the Preferred sold directly to Kinross, Kinross USA or Kinam after the Tender Offer, ***no other shares of the Preferred that you purchased and sold are part of this Settlement.*** Therefore, if you purchased and sold shares of the Preferred to any person or entity (other than Kinross, Kinross USA or Kinam after the Tender Offer), those shares are not part of this Settlement and you are not a Settlement Class Member as to those shares. However, even if you purchased and sold shares of the Preferred to a person or entity other than Kinross, Kinross USA or Kinam after the Tender Offer, you may still be a Settlement Class Member as to any other shares of the Preferred that you: tendered in response to the Tender Offer; sold directly to Kinross, Kinross USA or Kinam after the Tender Offer; or continue to own at this time.

**IF YOU CURRENTLY OWN SHARES OF THE PREFERRED, YOU ARE A MEMBER OF THE HOLDER SUBCLASS THAT IS A PART OF THE SETTLEMENT. HOWEVER, AS A MEMBER OF THE HOLDER SUBCLASS, IN ORDER TO PARTICIPATE IN THE SETTLEMENT AND TO SUBMIT A VALID CLAIM FORM, YOU MUST CONTINUE TO OWN YOUR SHARES OF THE PREFERRED AT THE TIME OF THE ENTRY OF THE COURT'S FINAL ORDER APPROVING THE SETTLEMENT. IT IS ANTICIPATED THAT IF THE COURT GRANTS FINAL APPROVAL OF THE SETTLEMENT IT WILL DO SO ON OR AFTER JANUARY 29, 2009. IF YOU SELL OR OTHERWISE TRANSFER OWNERSHIP OF ANY OF YOUR SHARES BEFORE THE COURT ENTERS THE FINAL ORDER FINALLY APPROVING THE SETTLEMENT, YOU WILL NO LONGER BE A MEMBER OF THE HOLDER SUBCLASS AS TO ANY SUCH SHARES, WILL BE EXCLUDED FROM PARTICIPATING IN THE SETTLEMENT AS TO THOSE SHARES, AND WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT AS TO THOSE SHARES.**

#### **7. I am still not sure if I am included.**

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator at Claims Administrator, c/o Heffler, Radetich & Saitta LLP, 1515 Market Street, Suite 1700, Philadelphia, PA 19102, or you can fill out the Claim Form described in question 10, to see if you qualify. You can also contact Plaintiffs' Lead Counsel at the addresses listed in section 16.

## **THE SETTLEMENT BENEFITS**

### **8. What does the Settlement provide?**

The Kinross Defendants have paid \$29,250,000 into an escrow account that is earning interest for the benefit of the Settlement Class (the "Settlement Fund"). **As part of the Settlement and pursuant to the Charter authorizing redemption and cancellation of the Preferred, all outstanding, publicly held shares of the Preferred will be redeemed and cancelled and will no longer be valid outstanding shares of Kinam Gold Inc.** The amount you may receive in the Settlement will depend on which subclass you belong to and the number of eligible shares purchased, held or tendered by Settlement Class Members and the members of each subclass who elect to participate in the settlement, the number of shares of Preferred held or formerly held by you that qualify for participation in the Settlement, and the amount of the Court-approved fees and expenses paid from the Settlement Fund. A further description of the Plan of Allocation appears in section 26 below.

A portion of the proceeds will be used for the costs of printing and mailing this Notice, the cost of publishing a newspaper notice, payment of taxes assessed against the Settlement Fund and costs associated with the processing of claims submitted. In addition, as explained in response to question number 17 below, a portion of the Settlement Fund may be awarded by the Court to Lead Plaintiffs and Plaintiffs' Lead Counsel as attorneys' fees, service awards, and for reimbursement of expenses. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed according to the Plan of Allocation, a description of which begins in section 26 below, to Settlement Class Members who submit valid and timely Proof of Claim and Release forms with required supporting material. In exchange for the Kinross Defendants' payment, the claims described in response to question number 12 below, "*What am I giving up to get a payment or stay in the Settlement Class?*" will be released, discharged, and dismissed with prejudice.

The proposed Settlement represents a compromise of disputed claims and does not mean that any of the Defendants have been found liable for any claims asserted by Lead Plaintiffs. The Defendants specifically deny any liability on their part and settled this case to avoid the expense and uncertainty of complex litigation. The Settlement Agreement is subject to approval by the Court following the Settlement Fairness Hearing.

### **9. How much will my payment be?**

As indicated in response to question number 8 above, your share of the Net Settlement Fund will depend on which of the three subclasses and the number of valid and timely Claim Forms that Settlement Class Members send in. However, it is anticipated that if all Settlement Class Members timely submit valid Proof of Claim forms and the Court approves fees, expense and service awards in the amounts sought by Plaintiffs' Counsel and Lead Plaintiffs, members of the Tenderor Class will receive approximately \$16.50 per share of Preferred in addition to the \$16 per share they received in the Tender Offer, members of the Late-Tenderor Class will receive approximately \$14.50 per share of Preferred in addition to the \$18 per share they received on the sale of their shares, and members of the Holder Class will receive approximately \$42 per share of Preferred in addition to the \$31.875 per share in dividends that most will have already received as of November 15, 2008. You should look at the Plan of Allocation section of this Notice, a description of which begins in section 26 below, for a description of the restrictions, limitations and calculations to be made in computing the amounts to be paid to the "Authorized Claimants", that is those Class members who submit valid and timely Proof of Claim forms establishing that they are Settlement Class Members.

### **10. How can I get a payment?**

To qualify for payment, you must timely send in a Proof of Claim and Release form that is received by the Claims Administrator. A Proof of Claim and Release form is attached to this Notice. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail it postmarked no later than Tuesday, March 31, 2009. Unless the Court orders otherwise and as set forth in the Plan of Allocation that appears in section 26 below, if you do not timely submit a Proof of Claim, you will be barred from receiving any payments from the Net Settlement Fund, but will in all other respects be bound by the Final Judgment in the case.

### **11. When would I get my payment?**

The settlement is conditioned on two main events: (1) the entry of the Final Judgment by the Court, as provided for in the Stipulation of Settlement, after the Court holds a hearing to decide whether to grant final approval of the Settlement; and (2) the expiration of the applicable period to file all appeals from the judgment. If the Settlement is approved, it is possible there may be an appeal by someone. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. Also, if certain conditions of the Settlement described in the Stipulation of Settlement are not met, the Settlement will be terminated and become null and void. In addition, the Claims Administrator will need time to process all of the timely claims before any distribution can be made. Please be patient.

### **12. What am I giving up to get a payment or stay in the Settlement Class?**

Unless you exclude yourself, you are staying in the Settlement Class. That means that you will give up any claims relating to, and cannot sue any of the Defendants for, any of the claims brought by Lead Plaintiffs in this matter, as described more fully below. It also means that all of the Court's orders will apply to you and legally bind you. If you sign

the Proof of Claim and Release form, you will agree to a “Release of Claims,” attached to the Proof of Claim form, which describes exactly the legal claims that you give up if you stay in the Settlement Class. You will not give up, however, any claims you have against the Defendants based on other claims that do not relate to Lead Plaintiffs’ claims here. **As part of the Settlement and pursuant to the Charter authorizing redemption and cancellation of the Preferred, all outstanding, publicly held shares of the Preferred will be cancelled and will no longer be valid outstanding shares of Kinam Gold, Inc.**

If the proposed Settlement is approved, the Court will enter a Final Judgment and Order of Dismissal with Prejudice (“Judgment”). The Judgment will dismiss the Released Claims (as defined below) with prejudice as to all Released Persons (as defined below). The Judgment will provide that all Settlement Class Members shall be deemed to have released and forever discharged all Released Claims against all Released Persons and that the Released Persons shall be deemed to have released and discharged all Settlement Class Members and counsel to the Lead Plaintiffs from all claims arising out of the prosecution and settlement of the Lawsuit or the Released Claims.

“Released Claims” means any and all claims, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, fees, expenses, costs, matters and issues of any kind or nature whatsoever, whether known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, hidden or concealed, matured or unmatured, that have been, could have been, or in the future can or might be asserted in the Lawsuit or in any court, tribunal or proceeding (including, but not limited to, any claims arising under federal or state statutory or common law relating to alleged breach of contract, breach of fiduciary duty, breach of any other duty, fraud, negligence, violations of the federal securities laws or otherwise) by or on behalf of Lead Plaintiffs or any Member of the Settlement Class, against the “Released Persons,” whether or not any such Released Persons were named, served with process or appeared in the Lawsuit, arising out of, or relating in any manner to the allegations, facts, events, acquisitions, matters, acts, occurrences, statements, representations, misrepresentations, omissions, or any other matter, thing or cause whatsoever, or any series thereof, through and including the Effective Date of this Settlement, which have been or could have been alleged in the Lawsuit or which are embraced, involved, set forth in, referred to, or otherwise related in any way to: (i) the Lawsuit and any of the Complaints therein, or any amendment thereto; (ii) the fiduciary obligations of any of the Defendants or Released Persons to Lead Plaintiffs or the Settlement Class; (iii) the contractual obligations, if any, of any of the Defendants or Released Persons to Lead Plaintiffs or the Settlement Class; (iv) the negotiations in connection with the Lawsuit, or any amendment thereto; or (v) the disclosures or disclosure obligations of Defendants or Released Persons in connection with the Lawsuit. The Released Claims include “Unknown Claims” as defined below.

“Released Persons” means each and all of the Defendants and each of their Related Parties. “Related Parties” means each of a Defendant’s past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants or auditors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of any Individual Defendant’s immediate family, or any trust of which any Individual Defendant is the settlor or which is for the benefit of any Individual Defendant’s family.

“Unknown Claims” means any Released Claims which any Lead Plaintiff or Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons, or might have affected his, her or its decision not to object to this settlement or to request exclusion from the settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, the Lead Plaintiffs shall expressly and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights and benefits of California Civil Code §1542, which provides:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

The Lead Plaintiffs shall expressly and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542. The Lead Plaintiffs and Settlement Class Members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but each Lead Plaintiff shall expressly and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Lead Plaintiffs acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the settlement of which this release is a part.

## EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want to be bound by the Judgment or have the opportunity for payment from this Settlement except as explained in the Plan of Allocation contained in section 26 below, and instead want to keep your claims and the right to sue the Defendants on your own about the legal issues in this case, then you must take steps to opt out. This is called excluding yourself from — or opting out of — the Settlement Class.

### **13. How do I get out of the Settlement?**

If you do not wish to be included in the Settlement Class and you do not wish to participate in the proposed settlement described in this Notice, you may request to be excluded. **As part of the settlement and pursuant to the Charter authorizing redemption and cancellation of the Preferred, all outstanding publicly held shares of the Preferred will be cancelled and will no longer be valid outstanding shares of Kinam Gold Inc.**

If you wish to exclude yourself from the Settlement you must submit a written request for exclusion that must be **received** on or before January 15, 2009, and **must** include: (a) the name, address, and telephone number of the person(s) requesting exclusion; (b) identification of each of the person's purchase(s), sale(s) and/or tender(s) of the Preferred, including the dates of purchase and sale and/or tender; (c) provide proper evidence of the person's purchase(s), sale(s), and/or tender of the Preferred; and (d) state that the person wishes to be excluded from the Settlement Class. No request will be considered valid unless all of the information described above is included in the request. The request must be addressed as follows:

*Brown v. Kinross Gold U.S.A., Inc.*  
Claims Administrator  
c/o Heffler, Radetich & Saitta LLP  
1515 Market Street, Suite 1700  
Philadelphia, PA 19102

You cannot exclude yourself by phone or by e-mail.

**If you ask to be excluded from the Settlement Class, you will not get any settlement payment except as explained in the Plan of Allocation contained in section 26 below, and you cannot object to the Settlement. If you exclude yourself, you will not be legally bound by anything that happens in this Action *except* that if you currently own shares of the Preferred, *i.e.*, you are a member of the Holder Subclass, your shares, as with all outstanding, publicly held shares of the Preferred, will be cancelled and will no longer be valid outstanding shares of Kinam Gold Inc. Therefore, if you are a member of the Holder Subclass, even if you exclude yourself from the Settlement, your shares will nevertheless be cancelled.** However, if you are a current holder of the Preferred, even if you exclude yourself from the Settlement Class, not less than \$50 per share (less any claim for Court-awarded attorneys' fees and expenses) will be held in escrow on your behalf. You may be able to sue (or continue to sue) the Defendants in the future about the claims in this Lawsuit not satisfied by the Escrow Account and dividends you received, but you will need to retain separate counsel, at your own expense, to prosecute that lawsuit.

### **14. If I don't exclude myself, can I sue Defendants for the same things later?**

No. Unless you exclude yourself, you give up any right to sue any of the Defendants about the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from the Settlement Class to continue any lawsuit alleging the same claims as are alleged herein. Remember, the exclusion deadline is January 15, 2009. *See also Question No. 12:* "What am I giving up to get a payment or stay in the Settlement Class?"

### **15. If I exclude myself, can I get money from this settlement?**

No. If you exclude yourself, do not send in a Proof of Claim and Release form to ask for any money. **As part of the settlement and pursuant to the Charter authorizing redemption and cancellation of the Preferred, all outstanding, publicly held shares of the Preferred will be cancelled and will no longer be valid outstanding shares of Kinam Gold Inc. Therefore, if you are a member of the Holder Subclass, even if you exclude yourself from the Settlement, your shares will nevertheless be cancelled. See Explanation above in Question 13.**

## THE LAWYERS REPRESENTING YOU

### **16. Do I have a lawyer in this case?**

The law firms that brought the Lawsuit have been representing you and the other Settlement Class Members. These lawyers are called Plaintiffs' Lead Counsel. The Court has designated the following Lead and Liaison Counsel for the Class:

Merrill G. Davidoff  
Michael Dell'Angelo  
BERGER & MONTAGUE, P.C.  
1622 Locust Street  
Philadelphia, PA 19103

REGINALD H. HOWE  
49 Tyler Road  
Belmont, MA 02478

-OR-

Thomas F. Kummer  
L. Joe Coppedge  
KUMMER KAEMPFER BONNER  
RENSHAW & FERRARIO  
3800 Howard Hughes Parkway, 7th Floor  
Las Vegas, NV 89109

*Co-Lead Counsel for Lead Plaintiffs and the Class*

*Liaison Counsel for the Lead Plaintiffs and the Class*

You can send any questions to them at *Brown v. Kinross Gold U.S.A., Inc.*, Claims Administrator, c/o Heffler, Radetich & Saitta LLP, 1515 Market Street, Suite 1700, Philadelphia, PA 19102. You also have the right to get your own lawyer, at your own expense.

### 17. How will the lawyers be paid?

At the Settlement Fairness Hearing, Plaintiffs' Lead Counsel will ask the Court to approve payment of up to \$8,500,000, which amounts to approximately 29% of the Gross Settlement Fund (excluding interest), to them for attorneys' fees and a payment of up to \$900,000 to them for reimbursement of expenses. These fees and expenses, plus a proportionate share of the interest earned by the Settlement Fund, would pay Plaintiffs' Lead Counsel for investigating the facts, litigating the case, preparing for trial and negotiating the settlement. The Court may award less than these amounts. In addition, the Lead Plaintiffs will also ask the Court to award them collectively up to \$40,000 in payment of their expenses in serving as Lead Plaintiffs and up to \$100,000 in service awards. These payments will come out of the \$29,250,000, plus interest, in the Settlement Fund. The Court may award less than the amounts requested.

## OBJECTING TO THE SETTLEMENT

If you object to the Settlement, the Plan of Allocation, application for attorneys' fees and expenses, application for service awards and repayment of expenses to the Lead Plaintiffs, administrative costs, or any other aspect of the settlement, you can tell the Court.

### 18. How do I tell the Court that I do not like the Settlement?

If you are a Class member and do not opt out, you have the right to object. Any member of the Class who objects to the: (i) settlement; (ii) class action determination; (iii) adequacy of representation by Lead Plaintiffs and their Counsel; (iv) dismissal of the Class Action, (v) judgment to be entered with respect to the Class Action; (vi) the request for fees and reimbursement of costs and expenses in the Action by Plaintiffs' Counsel; and/or (vii) the request for service awards and reimbursement of costs and expenses in the Action on behalf of the Lead Plaintiffs, may appear in person or through counsel at the Settlement Fairness Hearing by submitting an objection as described below.

Your objection must include: (a) your full name, address, and phone number; (b) a list of your transactions in the Preferred, including brokerage confirmation receipts or other documentary evidence of such transactions; (c) a written statement of what you object to and why; (d) copies of any papers, briefs, or other documents upon which the objection is based; (e) a list of all persons who will be called to testify in support of the objection; (f) a statement of whether you intend to appear at the Settlement Fairness Hearing; (g) a list of other cases in which you or your counsel have appeared either as settlement objectors or as counsel for objectors in the preceding five years; and (h) your signature, even if you are represented by counsel, as well as the signature of counsel, if any, who represents you.

If you intend to appear at the Settlement Fairness Hearing through counsel, your objection must also state the identity of all attorneys who will appear on your behalf at the Settlement Fairness Hearing. If you do not make your objection in the manner provided, you shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the proposed Settlement as set forth in the Stipulation, to the Plan of Allocation, to the application for an award of attorneys' fees and reimbursement of expenses to Plaintiffs' Counsel, or to reimbursement of expenses or payment of service awards to the Lead Plaintiffs, unless otherwise ordered by the Court. If you properly object, the Court will consider your views. To object, you must send a letter including the information above, saying that you object to the settlement in *Brown v. Kinross Gold U.S.A., Inc.*, U.S.D.C Nev., CV-S-02-0605-PMP-(RJJ). Your written objection must also include evidence that you: (1) tendered shares of the Preferred to Kinross or Kinross USA pursuant to the Tender Offer; (2) continue to hold shares of the Preferred; or (3) did not tender shares of the Preferred to Kinross or Kinross USA pursuant to the Tender Offer, but have since sold such shares directly to Kinross, Kinam or Kinross USA. The filing of a Proof of Claim by a Settlement Class Member does not preclude a Settlement Class Member from objecting to the Settlement. However, if the Settlement receives final approval, you will be bound by the Settlement and the Judgment just as if you had not objected. An objection does not exclude you from the Settlement.

In order for your objection to be considered by the Court, it must be **received** by the Court, Plaintiffs' Lead Counsel, and counsel for Defendants at the addresses set forth below by no later than January 15, 2009. Mail the objection **to all three of these different places**:

UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA  
Clerk's Office  
Lloyd D. George Courthouse  
333 Las Vegas Boulevard  
Las Vegas, NV 89101

*Co-Lead Counsel for Lead  
Plaintiffs and the Class:*  
Merrill G. Davidoff, Esquire  
Berger & Montague, P.C.  
1622 Locust Street  
Philadelphia, PA 19103

*Counsel for the Defendants:*  
Robert S. Clark, Esquire  
Parr Brown Loveless & Gee, P.C.  
185 South State Street, Suite 800  
Salt Lake City, UT 84111

The notice of objection must demonstrate the objecting Person's membership in the Settlement Class, including the number of the Preferred shares currently owned, tendered in response to the Tender Offer, or sold directly to any of the Kinross Defendants after the Tender Offer, and a statement of the reasons for objection. Only Settlement Class Members who have submitted written notices of objection in this manner will be entitled to be heard at the Settlement Fairness Hearing, unless the Court orders otherwise.

## 19. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the settlement or request for fees, expenses or service awards. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you don't want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

## THE COURT'S SETTLEMENT FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You do not need to attend that hearing, but are welcome to attend if you so desire.

## 20. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Settlement Fairness Hearing at 11:00 a.m., on January 29, 2009, before the Honorable Philip M. Pro, United States District Judge, at the United States District Court for the District of Nevada, United States Court House, 333 Las Vegas Boulevard, Courtroom 7C, Las Vegas, Nevada 89101. At this hearing the Court will consider whether the settlement is fair, reasonable, and adequate; whether the proposed plan to distribute the settlement proceeds (the "Plan of Allocation, a description of which begins in section 26 below,) is reasonable; and whether the application by Plaintiffs' Lead Counsel for attorneys' fees and expenses, and reimbursements and awards to the Lead Plaintiffs should be approved. If there are objections, the Court will consider them. The Court will listen to people who have made a written request to speak at the hearing. After the hearing, the Court will decide whether to approve the settlement and the attorneys' fees and reimbursement of expenses request. We do not know how long these decisions will take.

The hearing may be continued (postponed), so if you wish to attend you must file an "appearance" so you can be notified of any delay.

Any member of the Settlement Class who did not request to be excluded from the Class by January 15, 2009, is entitled to appear and be heard at the Settlement Fairness Hearing, in person or through a duly authorized attorney, and to show cause why the Settlement should not be approved as fair, reasonable and adequate. However, you may not be heard at the Settlement Fairness Hearing unless, on or before January 15, 2009, you file a notice of intention to appear and a statement of the position that you will assert and the grounds for the position, together with copies of any supporting papers or brief with the Clerk, United States District Court for the District of Nevada, United States Courthouse, 333 Las Vegas Boulevard, Las Vegas, Nevada 89101, with proof of service upon (and another copy mailed to):

*Co-Lead Counsel for Lead Plaintiffs and the Class:*

Merrill G. Davidoff, Esquire  
Berger & Montague, P.C.  
1622 Locust Street  
Philadelphia, PA 19103

*Counsel for the Defendants:*

Robert S. Clark, Esquire  
Parr Brown Loveless & Gee, P.C.  
185 South State Street, Suite 800  
Salt Lake City, UT 84111

The notice of intention to appear must demonstrate your membership in the Settlement Class, including the number of the Preferred shares currently owned, tendered in response to the Tender Offer, or sold directly to any of the Kinross Defendants after the Tender Offer, and contain a statement of the reasons for objection. Only Members of the Settlement Class who have submitted written notices in this manner will be entitled to be heard at the Settlement Fairness Hearing, unless the Court orders otherwise.

## 21. Do I have to come to the Settlement Fairness Hearing?

No. Plaintiffs' Lead Counsel and/or Lead Plaintiffs will answer questions the Judge may have. But, you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

## 22. May I speak at the Settlement Fairness Hearing?

You may ask the Court for permission to speak at the Settlement Fairness Hearing if you do not exclude yourself from the Settlement. To ask the Court for permission to speak at the Settlement Fairness Hearing you must send a letter saying that it is your "Notice of Intention to Appear in *Brown v. Kinross Gold U.S.A., Inc.* U.S.D.C Nev., CV-S-02-0605-KJD-(RJJ)." Be sure to include your name, address, telephone number, and your signature, your evidence of membership in the Settlement Class, including the number of the Preferred shares currently owned, tendered in response to the Tender Offer, or sold directly to any of the Kinross Defendants after the Tender Offer, and contain a statement of the reasons for objection. Your Notice of Intention to Appear must be sent to the Clerk of the Court, Plaintiffs' Lead Counsel, and the Kinross Defendants' Counsel, at the three addresses shown above in Section 20. In order for you to speak at the hearing, your Notice of Intention to Appear must be **received** no later than January 15, 2009.

You cannot speak at the Settlement Fairness Hearing if you exclude yourself from the Settlement Class.

## **IF YOU DO NOTHING**

### **23. What happens if I do nothing at all?**

If you do nothing, depending upon which subclass your shares fall into, you may get no money from this Settlement. **As part of the settlement and pursuant to the Charter authorizing redemption and cancellation of the Preferred, all outstanding, publicly held shares of the Preferred will be cancelled and will no longer be valid outstanding shares of Kinam Gold Inc. Therefore, if you are a member of the Holder Subclass, even if you exclude yourself from the settlement, your shares will be cancelled.**

#### **A. Tenderor and Late-Tenderor Subclass Members**

If you are a member of the Tenderor Subclass or Late-Tenderor Subclass, you must file a Proof of Claim and Release form to be eligible to receive anything from the Settlement. But, unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants about the legal issues in this case, ever again.

If you do nothing, you will get no payment and will give up your rights to sue the Defendants about the claims that are resolved by this Settlement if you: (1) tendered shares of the Preferred pursuant to the Tender Offer; or (2) did not tender shares of the Preferred to the Tender Offer, but have since sold such shares directly to Kinross, Kinam or Kinross USA. You will be bound by any Judgment entered by the Court. If excluded, you will get no payment from this Settlement and will not be part of the Settlement Class, and will not be bound by the entire Judgment.

#### **B. Holder Subclass Members**

If you are a member of the Holder Subclass and do nothing you will give up your rights to sue the Defendants about the claims that are resolved by this Settlement. Even if you do nothing, **as part of the settlement and pursuant to the Charter authorizing redemption and cancellation of the Preferred, all outstanding, publicly held shares of the Preferred will be cancelled and will no longer be valid outstanding shares of Kinam Gold Inc. Therefore, if you are a member of the Holder Subclass, even if you do nothing, your shares will be cancelled.** However, if you are a member of the Holder Subclass, and you do nothing, not less than \$50 per share (less any claim for attorneys' fees, expenses, service awards and additional administrative costs associated with identifying you), will be held in escrow on your behalf. Pursuant to the Plan of Allocation, and subject to the Court's approval, Plaintiffs' Counsel will direct the Claims Administrator to undertake efforts for up to twelve months after the March 31, 2009, deadline for filing Proofs of Claims and Releases, to identify members of the Holder Subclass who do nothing and to pay to them \$50 per Preferred share, less any claim for attorneys' fees, expenses, service awards and additional administrative costs associated with identifying the Holder Subclass members which net amount is anticipated to be \$42 or less.

## **GETTING MORE INFORMATION**

### **24. Are there more details about the Settlement?**

Yes. This Notice summarizes the most important aspects of the proposed Settlement. You can review a copy of the entire Stipulation of Settlement Agreement and other documents filed in the Lawsuit during normal business hours at the office of the Clerk of the Court, United States Courthouse, District of Nevada, 333 Las Vegas Boulevard, Las Vegas, Nevada 89101 (refer to case No. CV-S-02-0605-PMP-(RJJ)), or by writing to Claims Administrator, c/o Heffler, Radetich & Saitta LLP, 1515 Market Street, Suite 1700, Philadelphia, PA 19102.

You also can call the Claims Administrator at 1-800-528-7199 to find answers to common questions about the settlement and obtain information about the status of the settlement approval process.

**PLEASE DO NOT CALL THE COURT OR THE CLERK'S OFFICE ABOUT THIS SETTLEMENT.**

## **SPECIAL NOTICE TO NOMINEES**

### **25. Special Notice to Banks, Trustees, Brokerage Firms or Other Nominees**

If you hold any shares of the Preferred for a beneficial owner, then, within five (5) days after you receive this Notice, you must either: (1) send a copy of this Notice and the Proof of Claim by first class mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

*Brown v. Kinross Gold U.S.A., Inc.*  
Claims Administrator  
c/o Heffler, Radetich & Saitta LLP  
1515 Market Street, Suite 1700  
Philadelphia, PA 19102

If you choose to mail the Notice and Proof of Claim and Release form yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mail-

ing. Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for, or advancement of, reasonable costs actually incurred or expected to be incurred in connection with forwarding the Notice and Proof of Claim and which would not have been incurred but for the obligation to forward the Notice and Proof of Claim, upon submission of appropriate documentation to the Claims Administrator.

## **UNDERSTANDING YOUR PAYMENT — THE PLAN OF ALLOCATION**

### **26. The Plan of Allocation**

Please note that the Court's approval of the Settlement is separate from and not conditioned on the Court's approval of the Plan of Allocation.

You do not need to make any of these calculations yourself. The Claims Administrator will make all of these calculations for you.

#### **A. Introduction to the Plan of Allocation:**

1. If you qualify to claim any portion of the Net Settlement Fund, you must complete the accompanying Proof of Claim Form and Release, and mail it no later than Tuesday, March 31, 2009 to:

*Brown v. Kinross Gold U.S.A., Inc.*  
c/o Heffler, Radetich & Saitta LLP  
Claims Administrator  
1515 Market Street, Suite 1700  
Philadelphia, PA 19102

2. The Plan of Allocation is based upon Plaintiffs' Lead Counsel's assessment of the merits and the relative strengths and weaknesses, including the estimated maximum recoverable damages, of the claims of each of the three Subclasses comprising the members of the Settlement Class. In developing this Plan of Allocation, Plaintiffs' Lead Counsel conferred with their economic consultants and the Representative Plaintiffs of each of the Subclasses as well as additional members of the Holder Subclass. The proposed settlement amounts reflect the differences in the respective positions of the three Subclasses, the different amounts of estimated maximum recoverable damages for each Subclass, the amounts already paid to members of the Tenderor Subclass in the Tender Offer, the amounts paid to the Late-Tenderor Subclass in the sale of the Preferred to Kinross USA, the amounts paid to members of the Holder Subclass in the form of dividends after the filing of the Action, and through and including the present time, the amounts of future dividends that may be paid to members of the Holder Subclass, the share volume of and reported market prices for transactions in the Preferred from April 5, 2002 to November 7, 2008, the price per Preferred share at which Kinross could, at its own election, redeem the Preferred shares owned by the Holder Subclass, the prices at which members of the Holder Subclass could have converted their shares of the Preferred into Kinross common stock from April 5, 2002, to November 7, 2008, and the price per Preferred share at which the Preferred shares could be redeemed, purchased, cancelled or terminated in the event that some or all of the Kinross Defendants attempted to redeem, purchase, cancel or terminate the remaining outstanding Preferred shares in a redemption, recapitalization of Kinam, a short-form merger or a long-form merger. Defendants dispute that the Settlement Class is entitled to any damages and particularly anything near the amounts to be recognized in the Plan of Allocation below.

3. In formulating this Plan of Allocation, Plaintiffs' Lead Counsel considered, among other things, the following:
- (a) that, as a consequence of their participation in the Tender Offer, members of the Tenderor Subclass received \$16 in cash, in or about April 2002, for each Preferred share tendered and have since had the benefit of those funds;
  - (b) that, as a consequence of their participation in the Tender Offer, members of the Tenderor Subclass tendered their shares of the Preferred and, therefore, were not entitled to any accrued and unpaid or future dividends on the Preferred, if declared by the Board of Directors of Kinam, or the benefit of future earnings or growth of Kinam that may have otherwise affected the value of those shares;
  - (c) that, as a consequence of their participation in the Tender Offer, members of the Tenderor Subclass tendered their shares of the Preferred and, therefore, were not exposed to the risk of future losses, including bankruptcy or liquidation, of Kinam that may have negatively affected the value of those shares;
  - (d) that, as a consequence of the sale of their Preferred shares directly to Kinross USA after the Tender Offer, members of the Late-Tenderor Subclass received \$18 in cash for each Preferred share tendered and has since had the benefit of those funds;
  - (e) that, as a consequence of the sale of their Preferred shares directly to Kinross USA after the Tender Offer, a member of the Late-Tenderor Subclass were not entitled to any accrued and unpaid or future dividends on the Preferred, if declared by the Board of Directors of Kinam, or the benefit of future earnings or growth of Kinam that may have otherwise affected the value of those shares;

- (f) that, as a consequence of the sale of their Preferred shares directly to Kinross USA after the Tender Offer, members of the Late-Tenderor Subclass were not exposed to the risk of future losses, including bankruptcy or liquidation, of Kinam that may have negatively affected the value of those shares;
- (g) that the disclosure provided to the shareholders of Kinam in connection with the Tender Offer stated the intent of Kinross and Kinross USA to proceed with a cash-out merger subsequent to the Tender Offer in which holders of the Preferred who did not tender their shares would receive \$16, or less, per share in cash;
- (h) As a result of the commencement of this Action, Kinross and Kinross USA did not proceed with such merger and that throughout the prosecution of the Action, Defendants represented to the Court that had the Lead Plaintiffs not filed the Action, Kinross (not Kinam) would have proceeded to cash out the shares of the Preferred that remained after the Tender Offer;
- (i) Plaintiffs' Counsels' belief that had the Action not been filed, current members of the Holder Subclass would have received \$16, or less, in cash for their shares of the Preferred shortly after completion of the Tender Offer and would not have been entitled to, nor received, the payment of accrued dividends of \$27.1875 per Preferred share on August 25, 2007, or been entitled to, or received, the quarterly dividends of \$0.9375 per Preferred share declared by the Kinam Board for each quarter thereafter for a total of \$31.875 per Preferred share;
- (j) that the number of outstanding shares of the Preferred is only 204,576;
- (k) that after the close of the Tender Offer beginning on April 5, 2002, former members of the Holder Subclass have voluntarily elected to convert 4,602 shares of the Preferred into Kinross common shares at values per Preferred share substantially below the \$40 to \$50 that current members of the Holder Subclass may receive (net of attorneys' fees and expenses) in the Settlement;
- (l) that based on the daily closing price of the Kinross common stock after the close of the Tender Offer beginning on April 5, 2002 to November 7, 2008, the outstanding publicly held shares of Preferred could have only been convertible into Kinross common stock at a value at or above \$42 on ten (10) trading days and that as of November 7, 2008, the value of those shares, as converted, was \$20.34;
- (m) that the highest reported price ever paid for the outstanding publicly traded shares of the Preferred after the close of the Tender Offer beginning on April 5, 2002, was \$47 per share, for 100 shares, on January 22, 2008;
- (n) that as of November 7, 2008, the average price for the outstanding publicly traded shares on the over-the-counter market had been declining and was reported as \$34.96 over a trailing 50-day period and \$40.06 over a trailing 200-day period;
- (o) that the Preferred was traded on only seven of the last 50 trading days and on only 21 of the last 200 trading days;
- (p) that prior to November 7, 2008 the last reported price at which the Preferred shares traded on the over-the-counter market was \$27 per share for 400 shares on October 29, 2008;
- (q) that as of November 7, 2008, the average volume of the outstanding publicly traded shares on the over-the-counter market had been reported as 89 shares per day over a trailing 50-day period and 42 shares per day over a trailing 200-day period;
- (r) that there is no national securities exchange listing for the Preferred and that any transaction in the Preferred must take place in the "over-the-counter grey" market or in privately negotiated transactions;
- (s) that in the absence of a national securities exchange for the Preferred, there is no publicly quoted bid or ask price for the Preferred;
- (t) that in the absence of a national securities exchange quoted bid and ask price for the Preferred and the extremely limited trading volume in the shares, any transaction in the Preferred is highly speculative since the trading price may not reflect the value of those shares in a manner similar to the trading price of a security traded in an efficient market and a holder may not be able to sell more than a limited number of shares without directly affecting the trading price;
- (u) that Kinam has no obligation or future plans to list the outstanding Preferred shares on a national securities exchange;
- (v) that current members of the Holder Subclass, beginning as of August 25, 2007, have received \$27.1875 per Preferred share in accrued dividends, all subsequent quarterly dividends thereafter and, as part of the Settlement, are entitled to receive certain future dividends as described in paragraph 4.1 of the Stipulation, for total value of dividends paid during 2007 and 2008 of \$6,528,371;
- (w) that beginning with the August 15, 2007 regular dividend, holders of the Preferred shares have received quarterly dividends of \$0.9375 per share;

- (x) that Plaintiffs' Counsel have agreed to waive their proportionate share of any claim for attorneys fees, amounting to a maximum of \$2,154,362, as to any dividends paid on the Preferred on or after August 25, 2007, as to any shares of the Preferred held by Members of the Settlement Class who voluntarily participate in the Settlement without objection;
- (y) that there is no obligation of the Board of Directors of Kinam to declare dividends on the outstanding shares of the Preferred in the future; and
- (z) the uncertainty of the future price of gold which may impact the prices at which the outstanding shares of the Preferred and the common stock of Kinross may trade in the future.

**B. Calculating Payable Claims:**

The Net Settlement Fund will be allocated among the "Authorized Claimants" in accordance with the Plan of Allocation as described below. The amount so allocated to each Authorized Claimant is referred to as the Authorized Claimant's "Payable Claim." Pursuant to the terms of the Settlement between the Parties, not less than \$10,250,000 of the Gross Settlement Fund, inclusive of attorneys' fees and costs to be borne by members of the Holder Subclass and as approved by the Court, of the funds deposited into the Escrow Account by the Kinross Defendants have been designated to pay Authorized Claimants of the Holder Subclass. As a result, not more than \$19,000,000 of the Gross Settlement Fund, inclusive of attorneys' fees and costs to be borne by members of the Tenderor Subclass and the Late-Tenderor Subclass and as approved by the Court, of the funds deposited into the Escrow Account by the Kinross Defendants are designated to pay Authorized Claimants of the Tenderor and Late-Tenderor Subclasses.

The Payable Claim for the Holder Subclass, subject to Court approval, will be approximately \$42 per share of the Preferred. The Payable Claim for the Tenderor and Late-Tenderor Subclasses will be calculated so that each Authorized Claimant shall receive, on a proportionate basis, that share of the Net Settlement Fund that the Authorized Claimant's Payable Claim (as defined below) bears to the total Payable Claims of all Authorized Claimants of the Tenderor and Late-Tenderor Subclass. All of these amounts are subject to the further provisions of this Plan of Allocation set forth below.

An Authorized Claimant's Payable Claim ("Payable Claim") varies according to each subclass and has been determined by consideration of the following factors:

(a) Tenderor Subclass:

For shares of the \$3.75 Series B Convertible Preferred Stock that were tendered in response to the Tender Offer, the Payable Claim will be calculated on the basis of the total number of shares represented by the valid and timely Proof of Claims filed, divided into the portion the Net Settlement Fund allocated to the Tenderor Subclass and the Late-Tenderor Subclass, which is \$19,000,000, plus accrued interest and less Court approved expenses, fees and awards. If all members of the Tenderor Subclass and Late-Tenderor Subclass submit timely and valid Proof of Claim forms and the amount of fees, expenses and awards sought by Plaintiffs' Counsel and Lead Plaintiffs is approved by the Court, the payment to the Tenderor Subclass will be approximately \$16.50 per share of Preferred in addition to the \$16 per share they previously received in connection with the Tender Offer. If less than all Tenderor Subclass and the Late-Tenderor Subclass members submit timely and valid Proof of Claim forms, the payment per share of Preferred may be higher.

(b) Late-Tenderor Subclass:

For shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. that were not tendered in response to the February 20, 2002, Offer to Purchase all Publicly Held Shares of the Preferred at \$16.00 Per Share (as amended March 21, 2002), but that have since sold such shares directly to Kinross Gold Corporation, Kinam Gold Inc. or Kinross Gold U.S.A., Inc., the Payable Claim will be calculated on the basis of the total number of shares represented by the valid and timely Proof of Claims filed, divided into the portion the Net Settlement Fund allocated to the Tenderor Subclass and the Late-Tenderor Subclass, which is \$19,000,000, plus accrued interest and less Court approved expenses, fees and awards. If all members of the Tenderor Subclass and the Late-Tenderor Subclass submit timely and valid Proof of Claim forms and the amount of fees, expenses and awards sought by Plaintiffs' Counsel and Lead Plaintiffs is approved by the Court, the payment to the Late-Tenderor Subclass will be approximately \$14.50 per share of Preferred in addition to the amount per share they previously received in connection with the sale to the Kinross Defendants. If less than all Tenderor Subclass and the Late-Tenderor Subclass members submit timely and valid Proof of Claim forms, the payment per share of Preferred may be higher.

(c) Holder Subclass:

**IF YOU CURRENTLY OWN SHARES OF THE PREFERRED, YOU ARE A MEMBER OF THE HOLDER SUBCLASS THAT IS A PART OF THE SETTLEMENT. HOWEVER, AS A MEMBER OF THE HOLDER SUBCLASS, IN ORDER TO PARTICIPATE IN THE SETTLEMENT AND TO SUBMIT A VALID CLAIM FORM, YOU MUST CONTINUE TO OWN YOUR SHARES OF THE PREFERRED AT THE TIME OF THE ENTRY OF THE COURT'S FINAL ORDER APPROVING THE SETTLEMENT. IT IS ANTICIPATED THAT IF THE COURT GRANTS FINAL APPROVAL OF THE SETTLEMENT IT WILL DO SO ON**

**OR AFTER JANUARY 29, 2009. IF YOU SELL OR OTHERWISE TRANSFER OWNERSHIP OF ANY OF YOUR SHARES BEFORE THE COURT ENTERS THE FINAL ORDER FINALLY APPROVING THE SETTLEMENT, YOU WILL NO LONGER BE A MEMBER OF THE HOLDER SUBCLASS AS TO ANY SUCH SHARES, WILL BE EXCLUDED FROM PARTICIPATING IN THE SETTLEMENT AS TO THOSE SHARES, AND WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT AS TO THOSE SHARES.**

For shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc., that are currently owned or held and remain so as of the date on which the Court grants final approval of the Settlement and were not tendered in response to February 20, 2002, Offer to Purchase all Publicly Held Shares of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc. at \$16 Per Share (as amended March 21, 2002) made by Kinross Gold Corporation and Kinross Gold U.S.A., Inc., or sold after the Tender Offer directly to Kinross Gold Corporation, Kinam Gold Inc. or Kinross Gold U.S.A., Inc., the Payable Claim is expected to be in the range of \$40 to \$50 per share (net of attorneys' fees, expenses and service awards awarded by the Court, if any). However, if the Court approves the Plan of Allocation as proposed and awards the maximum amount of attorneys' fees, expenses and services awards that may be requested as set forth in this Notice, Plaintiffs' Counsel anticipate that the Holder Subclass' Payable Claim will be \$42 per Preferred share.

In addition to the expected Payable Claim of \$40 to \$50 per share (net of attorneys' fees, expenses and service awards awarded by the Court, if any), per Preferred share described above, as part of their Payable Claim, members of the Holder Subclass shall be entitled to receive and retain any and all regularly declared cumulative dividends of \$0.9375 per share on the Preferred until such time as the Court enters an order approving the Lead Plaintiffs' Motion for Final Approval of Settlement and Motion for Final Approval of the Plan of Allocation pursuant to Fed.R.Civ.P. 23(e).

As a condition of the Settlement, to the extent permitted by the corporate law applicable to Kinam, the Board of Directors of Kinam will regularly declare the cumulative dividends of \$0.9375 per share on the Preferred and pay all such dividends, beginning with the November 15, 2008 dividend, until such time as the Court enters an order approving the Lead Plaintiffs' Motion for Final Approval of Settlement and Motion for Final Approval of the Plan of Allocation pursuant to Fed.R.Civ.P. 23(e). However, in the event that Lead Plaintiffs' Motion for Final Approval of Settlement and Motion for Final Approval of the Plan of Allocation has been filed, fully briefed and the Court has held a final approval hearing on Plaintiffs' motions on or before February 15, 2009, and the only objection(s), if any, to the Settlement are made by or on behalf of the Holder Subclass, subject to the corporate law applicable to Kinam, the Board of Directors of Kinam are not required under the terms of the Settlement to regularly declare the cumulative dividends on the Preferred, pending the entry of an order by the Court finally approving the Settlement. The additional value of the Settlement, in addition to the Gross Settlement Fund and interest thereon, to the Holder Subclass attributable to the November 15, 2008, dividend, when and as if paid, is \$191,790, based on an estimated 204,576 Preferred shares held by members of the Holder Subclass as of November 7, 2008.

In order to facilitate the settlement of the Action, Plaintiffs' Counsel have waived their proportionate share of any claim for attorneys' fees as to any dividends paid on the Preferred after the filing of the Action on April 26, 2002, as to any shares of the Preferred owned by the Holder Subclass that are not excluded (*i.e.*, opted-out) from the Settlement and participate without objection. However, as to any shares of the Preferred that are validly excluded from the Settlement, Plaintiffs' Counsel do not waive their claim to legal fees in the amount of up to 33% of any and all dividends received on or after August 25, 2007 on each share of the Preferred excluded.

Current members of the Holder Subclass will have received \$6,528,371 in dividends as a result of the Action. Therefore, the gross value returned to the Class as a result of the Action is \$35,778,371. Based on the Plaintiffs' Counsels' request for an award of attorneys' fees of \$8,500,000, which amounts to approximately 30% of the \$29,250,000 Gross Settlement Fund (excluding any interest) less expenses of up to \$940,000, the value of the proportionate share of attorneys' fees as to any dividends paid on the Preferred after the filing of this Action on April 26, 2002, which Plaintiffs' Counsel have voluntarily agreed to forego is approximately \$1,893,227, as of the payment of the November 15, 2008, dividend. If the Board of Directors of Kinam declares and pays any additional dividends on the Preferred on or after November 15, 2008, pending final approval of the Settlement by the Court, the total amount of dividends returned to the Holder Subclass as a result of the Action will be higher. Thus, Plaintiffs' Counsel's request for attorney's fees of \$8,500,000 is 23.75% of the gross \$35,778,371 value returned to the Class as a result of the Action. Pursuant to attorneys' fee agreements entered into between Plaintiffs' Counsel and the Lead Plaintiffs at the outset of the Action, in the event that the Class was certified, as it was pursuant to the Court's June 14, 2005, Order, Plaintiffs' Counsel were authorized to seek an award of attorneys' fees of up to 33% of any net settlement fund which amounts to \$9,342,300 if this Settlement is approved. The same 33% of the gross value returned to the Class as a result of the Action (less expenses) is \$11,496,662. In order to facilitate the settlement of the Action, Plaintiffs' Counsel are seeking an award of attorneys' fees that is \$842,300 **less** than the maximum award of 33% of the Gross Settlement Fund (less expenses) that they are permitted to request and \$2,996,662 **less** than the maximum award of the gross value, less expenses, returned to the current members of the Class. **However, as to any shares of the Preferred that are validly excluded from the settlement, Plaintiffs' Counsel do not waive any portion of their claim to legal fees in the amount of up to 33% of any and all monies, in addition**

to the dividends as described above, set aside for each share of the Preferred that is validly excluded. Plaintiffs' Counsel will request the Court to award such fees as to any shares which were cancelled and owned by members of the Holder Subclass who submitted a valid and timely Request for Exclusion from the Settlement.

If you are a member of the Holder Subclass and you validly exclude yourself from the Settlement ("Excluded Holder") or do nothing, as part of the Settlement and pursuant to the Charter authorizing redemption and cancellation of the Preferred, your shares of the Preferred, as with all shares owned by the Holder Subclass, will be cancelled and will no longer be valid publicly outstanding shares of Kinam Gold Inc. However, even if you exclude yourself from the Settlement or do nothing, because your shares of the Preferred will be cancelled, the Court would approve the Parties' agreement to hold not less than \$50 per Preferred share (less any claim for attorneys' fees and expenses) in escrow on your behalf ("Excluded Holder Fund").

Within thirty days of the March 31, 2009, deadline for the submission of Proofs of Claim and Releases, Plaintiffs' Counsel will file an application with the Court to request an award of legal fees to Plaintiffs' Counsel of at least 33% or more, subject to the maximum legally permissible amount and the Court's discretion, related to the prosecution of the Action and a proportionate share of expenses and service awards, and as to any funds remaining in the Excluded Holder Fund and request that the Court order the payment of any funds remaining in the Excluded Holder Fund, on a per share basis, to Holder Subclass members who submitted timely and valid requests for exclusion from the Settlement.

Plaintiffs' Counsel further intend to request that the Court make an award to Plaintiffs' Counsel from the Excluded Holder Fund for a proportionate share of any service award made to the Lead Plaintiffs, all expenses awarded by the Court, and an award of legal fees to Plaintiffs' Counsel of at least 33% subject to the maximum legally permissible amount, for a proportionate share of any dividends paid on the Preferred after the filing of the Action on April 26, 2002 to Holder Subclass members who submitted timely and valid requests for exclusion from the Settlement. It is the contention of Plaintiffs' Counsel that but for the Action, Kinam would not have paid dividends on the Preferred to members of the Holder Subclass and that any such dividends paid to the Holder Subclass were a direct benefit of the efforts of Plaintiffs' Counsel and a certified class action of which the later excluded Holder Subclass members were class members who were previously afforded an opportunity to request exclusion from the Action. Therefore, as to any share of the Preferred that is subject to a valid exclusion, if the Court grants Plaintiffs' Counsels' application for expenses and an award of attorneys fees of at least 33% of the Excluded Holder Fund, in addition to any dividends paid on the Preferred on or after August 25, 2007, paid to Excluded Holders, ***Excluded Holders may receive substantially less than the anticipated Payable Claim of \$42 or the range of \$40 to \$50 per share (net of attorneys' fees, expenses, and service awards awarded by the Court, if any).*** If the Court denies Plaintiffs' Counsels' application for the payment of a portion of attorneys' fee, expenses, and service awards from the ***Excluded Holder Fund, Excluded Holders may receive the upper end of the proposed Payable Claim range of \$40 to \$50 per share (net of attorneys' fees, expenses and service awards awarded by the Court, if any).*** In either event, Excluded Holders will not have released any legal claims they may have against the Defendants, which they can prosecute at their own expense.

Subject to the Court's approval, Plaintiffs' Counsel will also direct the Claims Administrator to undertake efforts for up to twelve months after the March 31, 2009, deadline for filing Proofs of Claims and Releases, to identify any members of the Holder Subclass who did not submit a valid and timely Claim Form and Release, submit a valid and timely request for exclusion, or do nothing, and who have not been previously identified and supplied with a copy of the Notice and Claim Form and Release, and to pay to them \$50 per Preferred share, less any claim for attorneys' fees, expenses, service awards and additional administrative costs associated with identifying those Holder Subclass members, which amount is anticipated to be \$42 or less.

### **C. Cancellation of the \$3.75 Series B Convertible Preferred Stock of Kinam Gold Inc.**

**As part of the Settlement and pursuant to the Charter authorizing redemption and cancellation of the Preferred at \$50 per share, all outstanding, publicly held shares of the Preferred will be cancelled and will no longer be valid outstanding shares of Kinam Gold Inc.**

The disclosure provided to the shareholders of Kinam in connection with the Tender Offer stated the intent of Kinross and Kinross USA to proceed with a cash-out merger subsequent to the Tender Offer in which holders of the Preferred who did not tender their shares would receive \$16, or less, per share in cash. As a result of the commencement of this Action, Kinross and Kinross USA did not proceed with such merger. Throughout the prosecution of the Action, Defendants represented to the Court that had the Lead Plaintiffs not filed the Action, Kinross (not Kinam) would have proceeded to cash out the shares of the Preferred that remained after the Tender Offer. Consequently, Plaintiffs' Counsel believe that had the Action not been filed, current members of the Holder Subclass would have received \$16, or less, in cash for their shares of the Preferred shortly after completion of the Tender Offer and would not have been entitled to, nor received, the payment of accrued dividends of \$27.1875 per Preferred share on August 25, 2007, or been entitled to, or received, the quarterly dividends of \$0.9375 per Preferred share declared by the Kinam Board for each quarter thereafter for a total of \$31.875 per Preferred share.

If the Kinross Defendants had prevailed at trial and all subsequent appeals, it is possible that they could have effected a transaction to purchase, force-out, terminate or otherwise cancel any and all publicly held outstanding shares of the Preferred now owned by the Holder Subclass for far less than the contractual redemption price.

**D. General Provisions Applicable to the Plan of Allocation:**

The price per share, paid or received, is exclusive of all commissions, taxes and fees.

The restrictions on computing Payable Claims set in this paragraph apply to all claims. As a practical matter, however, they apply primarily to certain transactions engaged in by sophisticated traders or certain corporate or institutional Claimants: (1) "Short" sales will not be recognized for any amount of loss on the cover or purchase transaction, and no Payable Claim will be computed for any such covering purchase transaction; and (2) No Payable Claim will be computed for any transactions in the Preferred engaged in by market makers, except, potentially, shares tendered in the Offer by market makers.

If you inherited or received a gift of the Preferred, and you can establish your ownership as of the Effective Date, you are the member of the Holder Subclass. The original purchaser may not file a claim with regard to the same shares of the Preferred. If both you and the donor (or you and your ancestor's estate) make such a claim, only the claim filed by the recipient (or heir) will be honored.

For a period of up to twelve (12) months after the March 31, 2009, deadline for filing Proof of Claims and Releases, the Claims Administrator shall undertake reasonable efforts to identify Class Members, if any, who were not identified or reached at the time of the mailing of the Notice. In the event that any such Class Member is identified, the Claims Administrator shall promptly mail the Notice to the Class Member and advise the Class Member that he, she or it may submit a Proof of Claim and Release within thirty (30) days of the mailing of the Notice to said Class Member. However, the provisions of this paragraph shall not extend the January 15, 2009 deadline until which Class Members may request exclusion from the Settlement, regardless of when any such Class Member receives the Notice. After valid claims have been paid to all Authorized Claimants, the Claims Administrator shall pay any residual funds remaining in the Net Settlement Fund to all Authorized Claimants including members of the Holder Subclass on a *pro rata* basis provided the net distribution to each Authorized Claimant exceeds \$25.00 after the payment of estimated fees and expenses associated with the administration and mailing of said payments, after at least one year and reasonable effort has been devoted to locating missing Class Members.

Nothing in this Plan of Allocation represents an admission by any of the Defendants that there is liability or damage of any kind as a result of the allegations in the Complaint or that the dollar amounts set forth in this Plan of Allocation reflect actual or potential damages to the Settlement Class.

Payment in the manner set forth above will be deemed conclusive compliance with the Stipulation as to all Authorized Claimants. All Settlement Class Members who fail to submit valid and timely Proofs of Claim and Release forms that the Claims Administrator receives will be barred from participating in the distribution of the Net Settlement Fund but otherwise will be bound by all of the terms of the Stipulation, including the terms of any final orders or judgments entered and the releases given to Defendants and others. If you want confirmation that the Claims Administrator received your Proof of Claim and Release form, you should mail it in a way that allows the United States Postal Service or a private courier to provide you with delivery confirmation.

Entry of the Final Judgment bars all further claims of Settlement Class Members against the Defendants with respect to this Action and the Settlement. No Authorized Claimant will have any claim against Lead Plaintiffs, Plaintiffs' Lead Counsel or the Claims Administrator, or any other agent designated by Plaintiffs' Lead Counsel based on the distributions made substantially in accordance with the Stipulation, the Plan of Allocation or further orders of the Court. In addition, in the interest of achieving substantial justice, Plaintiffs' Lead Counsel will have the right, but not the obligation, to waive what they deem to be formal or technical defects in any Proofs of Claim filed.

Date: November 15, 2008

THE HONORABLE PHILIP M. PRO  
Judge, United States District Court for  
The District of Nevada



#### **IV. CLAIM FORM**

1. Use Part II of this form entitled "Schedule of Transactions in the Preferred" to supply all required details of your transaction(s) in the Preferred. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

2. On the schedules, provide all of the requested information with respect to **all** of the shares of Preferred you tendered into the Tendor Offer, **all** of your sales directly to one or more of the Kinross Defendants, and **all** of the shares of the Preferred that you currently own. Failure to report all such transactions may result in the rejection of your claim. If you currently own shares of Preferred and have not received all of the dividends beginning in August 2007, and quarterly thereafter, please indicate which dividends you have not received on a separate piece of paper with your claim form.

3. List each transaction separately and in chronological order, beginning with the earliest. You must accurately provide the month, day and year of each transaction you list.

4. A copy of your transmittal letter for the shares tendered, the sales contract with one of the Kinross Defendants, and/or a copy of the stock certificate representing the shares of Preferred you currently own or a current brokerage firm statement showing the number of shares you currently own if the shares are not registered in your name, must be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.



**B. Sales of the Preferred:**

**B-1. Sales of the Preferred to any person or entity other than Kinross Gold Corporation, Kinam Gold Inc., or Kinross Gold U.S.A., Inc., including all market transactions:**

Trade Date: (List Chronologically) (Month / Day / Year)	Number of Preferred Shares Sold	Price Per Share Sold	Total Sales
/  /		\$  .	\$  .
/  /		\$  .	\$  .
/  /		\$  .	\$  .
/  /		\$  .	\$  .
/  /		\$  .	\$  .

Total Shares Not Sold directly to Kinross Gold Corporation, Kinam Gold Inc., or Kinross Gold U.S.A., Inc.: \_\_\_\_\_

**B-2. Sales of the Preferred sold directly to Kinross Gold Corporation, Kinam Gold Inc., or Kinross Gold U.S.A., Inc.:**

Trade Date: (List Chronologically) (Month / Day / Year)	Number of Preferred Shares Sold	Price Per Share Sold	Total Sales
/  /		\$  .	\$  .
/  /		\$  .	\$  .
/  /		\$  .	\$  .
/  /		\$  .	\$  .
/  /		\$  .	\$  .

Total Shares Sold directly to Kinross Gold Corporation, Kinam Gold Inc., or Kinross Gold U.S.A., Inc.: \_\_\_\_\_

**C. Tender of the Preferred into the Tender Offer:**

Tender Date: (List Chronologically) (Month / Day / Year)	Number of Preferred Shares Tendered	Tendered Price Per Share	Total Tendered
/  /		\$  .	\$  .
/  /		\$  .	\$  .
/  /		\$  .	\$  .
/  /		\$  .	\$  .
/  /		\$  .	\$  .

Total Shares Tendered into the Tender Offer: \_\_\_\_\_

**D. Number of Shares Held as of January 29, 2009 (A-B1-B2-C=D):**

Total Shares held as of January 29, 2009 \_\_\_\_\_

**If you currently own shares of the Preferred, you are a member of the Holder Subclass THAT IS A PART OF THE SETTLEMENT. HOWEVER, AS A MEMBER OF THE HOLDER SUBCLASS, in order to participate in the Settlement AND TO SUBMIT A VALID CLAIM FORM, you must continue to own your shares of the Preferred at the time of the entry of the Court’s final order approving the Settlement. It is anticipated that if the court grants final approval of the Settlement it will do so on or after January 29, 2009. If you sell OR OTHERWISE TRANSFER OWNERSHIP OF ANY OF your shares before the Court enters the final order finally approving the Settlement, you will no longer be a member of the Holder Subclass AS TO ANY SUCH SHARES, will be excluded from participating in the Settlement as to those shares, AND WILL NOT receive ANY MONEY from the Settlement AS TO THOSE SHARES.**

**E. Dividends Received After April 26, 2002:**

Did you receive one or more dividend payments on any share(s) of the Preferred that you owned or held on or after the filing of this Action on April 26, 2002, through and including the present time?

No: \_\_\_\_\_.

Yes: \_\_\_\_\_.

If you answered "Yes", complete the following box(es), if you answered "No", do not complete the following box(es).

Date Dividends Received (List Chronologically) (Month / Day / Year)	Number of Shares Owned	Total Amount of Dividends Received
□□ / □□ / □□	□□□□□□□□	\$ □□□□□□□□.□□
□□ / □□ / □□	□□□□□□□□	\$ □□□□□□□□.□□
□□ / □□ / □□	□□□□□□□□	\$ □□□□□□□□.□□
□□ / □□ / □□	□□□□□□□□	\$ □□□□□□□□.□□
□□ / □□ / □□	□□□□□□□□	\$ □□□□□□□□.□□
□□ / □□ / □□	□□□□□□□□	\$ □□□□□□□□.□□
□□ / □□ / □□	□□□□□□□□	\$ □□□□□□□□.□□

**YOU MUST READ THE RELEASE BEGINNING ON PAGE 25 AND SIGN ON PAGE 26.**

**V. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS**

I submit this Proof of Claim and Release under the terms of the Stipulation of Settlement described in the Notice. I also submit to the jurisdiction of the United States District Court for the District of Nevada (the "Court"), with respect to my claim as a Settlement Class Member, for purposes of enforcing the Release set forth herein, implementation and enforcement of the terms of the Settlement (including any disposition or proceeds thereof and any claims or disputes related thereto), any and all issues relating to the termination, cancellation or redemption of the Preferred made in connection with the Settlement, any claims that were or could have been brought in the Action, and any and all future claims relating to or arising from those Claims regardless of whether or not they relate directly or indirectly to the Settlement. I agree that any disagreement over the interpretation or meaning of the terms of this Stipulation shall be resolved by the Court. I further acknowledge that I am bound by and subject to the terms of any Judgment that may be entered in the Action. I agree to furnish additional information regarding my transactions in (or relating to) the Preferred to the Claims Administrator to support this claim if requested to do so. I have not submitted any other claim covering the same shares, sales, or tender of the Preferred and know of no other Person having done so on my behalf.

**VI. RELEASE**

1. I hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, release and discharge from the Released Claims each and all of the Released Persons and each and all of their "Related Parties," defined as each of a Defendant's past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants or auditors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of the Individual Defendant's immediate family, or any trust of which any Individual Defendant is the settlor or which is for the benefit of any Individual Defendant's family.

2. I hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, release and discharge from liability the Lead Plaintiffs, Plaintiffs' Counsel, and the Claims Administrator for any and all claims, demands, rights, causes of action or liabilities, of every nature and description whatsoever, whether based in law or equity, on federal, state, local, statutory or common law, or any other law, rule or regulation, including both known claims and Unknown Claims that have been or could have been asserted in any forum by me or on my behalf, by any Class member, or by any Settlement Class Member, or the successors or assigns of any of them, whether directly, indirectly, derivatively, representatively or in any other capacity, against any of the Lead Plaintiffs, Plaintiffs' Counsel, or the Claims Administrator, which arise out of, or relate in any way, directly or indirectly, to the Action, and further release each and all of their related parties defined as each or their past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants or auditors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, related or affiliated entities, any entity in which any Lead Plaintiff, Plaintiffs' Counsel, or the Claims Administrator, has a controlling interest, any member of their immediate family, or any trust of which any Lead Plaintiff, Plaintiffs' Counsel, of the Claims Administrator is the settler, or which is for the benefit of any member of their respective families.

3. "Settled Class Claims" or "Released Claims" means any and all claims, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, fees, expenses, costs, matters and issues of any kind or nature whatsoever, whether known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, hidden or concealed, matured or unmatured, that have been, could have been, or in the future can or

might be asserted in the Action or in any court, tribunal or proceeding (including, but not limited to, any claims arising under federal or state statutory or common law relating to alleged fraud, breach of any duty, negligence, violations of the federal securities laws or otherwise) by or on behalf of Lead Plaintiffs or any member of the Settlement Class, against the "Released Persons", whether or not any such Released Persons were named, served with process or appeared in the Action, arising out of, or relating in any manner to the allegations, facts, events, acquisitions, matters, acts, occurrences, statements, representations, misrepresentations, omissions, or any other matter, thing or cause whatsoever, or any series thereof, through and including the Effective Date of this Settlement, which have been or could have been alleged in the Action or which are embraced, involved, set forth in, referred to, or otherwise related in any way to: (i) the Action and any of the Complaints therein, or any amendment thereto; (ii) the fiduciary obligations of any of the Defendants or Released Persons to Lead Plaintiffs or the Settlement Class; (iii) the contractual obligations, if any, of any of the Defendants or Released Persons to Lead Plaintiffs or the Settlement Class; (iv) the obligations of any of the Lead Plaintiffs or Plaintiffs' Counsel to any member of the Settlement Class; or (v) the negotiations in connection with the Action, or any amendment thereto. The Released Claims include "Unknown Claims" as defined in paragraph 3 below.

4. "Unknown Claims" means any Released Claims which any Lead Plaintiff or Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons, or might have affected his, her or its decision not to object to this settlement or not to seek exclusion from this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, the Lead Plaintiffs shall expressly and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights and benefits of California Civil Code §1542, which provides:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

The Lead Plaintiffs shall expressly and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542. The Lead Plaintiffs and Settlement Class Members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but each Lead Plaintiff shall expressly and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Lead Plaintiffs acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the settlement of which this Release is a part.

5. This Release, once executed by me or on my behalf to the extent permitted by law, shall only be in force when the Court approves the Stipulation of Settlement and the Stipulation becomes effective on the Effective Date (as defined in the Stipulation).

6. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

7. I (We) hereby warrant and represent that I (we) have not sold, assigned or transferred any shares of the Preferred for which I am (we are) submitting a claim pursuant to Part II, Section D of the Claim Form.

8. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any right that I (we) may have to receive pursuant to the Settlement, including as claimed on by me (us) and on Part II of the Claim Form.

9. I (We) hereby warrant and represent that I (we) have included information about all of my (our) transactions in the Preferred, the number of shares of the Preferred held by me (us) as of January 29, 2009, and all dividends that I (we) received on the Preferred after April 26, 2002.

---

(Sign your name here)

---

(Type or print your name here)

---

Signature of Joint Claimant, if any

---

Type or print Joint Claimant

---

(Capacity of person(s) signing, e.g., Beneficial Holder, Executor or Administrator

**SUBSTITUTE FORM W-9**

Request for Taxpayer Identification Number ("TIN") and Certification

**PART I**

NAME: \_\_\_\_\_

Check appropriate box:  Individual/Sole Proprietor  Corporation  Partnership  Trust  
 IRA  Pension Plan  Other \_\_\_\_\_

Enter TIN on appropriate line.

For individuals, this is your Social Security Number ("SSN").

For sole proprietors, you must enter your individual name, but you may also enter your business or "doing business as" name. You may enter either your SSN or your Employer Identification Number ("EIN").

For other entities, it is your EIN.

\_\_\_\_-\_\_\_\_-\_\_\_\_ or \_\_\_\_-\_\_\_\_-\_\_\_\_  
Social Security Number Employer Identification Number

**PART II**

For Payees Exempt from Backup Withholding

If you are exempt from backup withholding, enter your correct TIN in Part I and write "exempt" on the following line: \_\_\_\_\_.

**PART III**

Certification

UNDER THE PENALTY OF PERJURY, I (WE) CERTIFY THAT:

- 1. The number shown on this form is (our) my correct TIN; and
- 2. I (We) certify that I am (we are) NOT subject to backup withholding under the provisions of Section 3406 (a)(1) (C) of the Internal Revenue Code because: (a) I am (we are) exempt from backup withholding; or (b) I (we) have not been notified by the Internal Revenue Service that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the Internal Revenue Service has notified me (us) that I am (we are) no longer subject to backup withholding.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, you must cross out the word "NOT" in Item 2 above.

The Internal Revenue Service does not require your consent to any provision of this document other than the certification required to avoid backup withholding.

I declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned is true and correct.

Executed this \_\_\_\_\_ day of \_\_\_\_\_ (Month/Year),

in \_\_\_\_\_, \_\_\_\_\_  
(City) (State/Country)

\_\_\_\_\_  
Sign your name here

\_\_\_\_\_  
Type or print your name here

\_\_\_\_\_  
Signature of Joint Claimant, if any

\_\_\_\_\_  
Type or print Joint Claimant

\_\_\_\_\_  
Capacity of person(s) signing, e.g., Beneficial Holder, Executor or Administrator

*Brown v. Kinross Gold U.S.A., Inc.*  
Claims Administrator  
c/o Heffler, Radetich & Saitta LLP  
1515 Market Street, Suite 1700  
Philadelphia, PA 19102

## **FIRST CLASS MAIL**

**PLEASE FORWARD — IMPORTANT LEGAL NOTICE**

**ACCURATE CLAIMS PROCESSING TAKES A  
SIGNIFICANT AMOUNT OF TIME.  
THANK YOU FOR YOUR PATIENCE.**

**Reminder Checklist:**

1. Please sign the above Release on page 26 and Certification on page 27.
2. Remember to attach copies of supporting documentation.
3. Send only copies, as applicable, of original stock certificates, do not send original stock certificates.
4. Keep a copy of your claim form for your records.
5. If you desire an acknowledgment of receipt of your claim form, please mail it in a way that allows the United States Postal Service or a private courier to provide you with delivery confirmation.
6. If you move, please send us your new address.