SUMMARY AUDIT REPORT

for the May/ July 2007
International Cyanide Management Code Audit

Prepared for:
Rio Paracatu Mineração.
Paracatu, Minas Gerais State, Brazil
[a Kinross Gold Corporation Operation]

Submitted to:
International Cyanide Management Institute
1200 "G" Street NW, Suite 800
Washington, D.C. 20005

21 March 2008

Celso Sandt Pessoa (Lead Auditor)
NOSA Certification Authority
Alameda Joaquim Eugenio de Lima, 696/181.
Sao Paulo, SP, Brazil.

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Name of Mine: Rio Paracatu Mineração S.A.

Name of Mine Owner: Kinross Gold Corporation

Name of Mine Operator: Rio Paracatu Mineração (RPM)

Name of Responsible Manager: Vitor Hugo de Sousa Belo, General Manager

Address: Rio Paracatu Mineracão S.A.
Estrada do Machado S/N, Morro de Ouro
Cx. Postal 168 Paracatu, MG CEP 38600-000 Brazil

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Location detail and description of operation:

The Rio Paracatu Mineracão (RPM) mine is an open-pit gold mine, located approximately 4 kilometers outside of Paracatu, Minas Gerais State, Brazil. The mine currently produces 19 Mta of a low grade ore (0.4 g/t) with production of about 6 tonnes of gold annually. The mine site is located primarily on lands owned by RPM. RPM employs 653 direct workers and 204 and contractors working at the administrative areas, mine and mill, which operate on 3 shifts, 24 hours per day, 365 days per year. And 3,541 contractors working in the Expansion Project, with this project RPM will increase in the throughput from 20 Mta to 61 Mta, with consequent increase in the gold production to 15 t per year.

RPM has mined over 288 million tons of material from the RPM pit, with an average production rate of about 53,000 tons per day. The mine is currently seeking permits for expansion which will allow mining of an additional 1,35 Gt million tons of material, and require eventual construction of a new tailings dam.

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Basic process components include the following:

Crushing

The current plant features four separate crushing lines, three of which are operated at one time while the fourth is on standby. Three crushers provide a crushing rate of 800 tonnes per hour (tph). Each circuit consists of a primary impact crusher followed by a secondary cone crusher. The crushed product feeds to a fine ore bin. Two feeders from the fine ore bin transfer the ore to grinding bins that feed into the grinding circuit.

Grinding Circuit

The existing grinding circuit features four separate process streams consisting of a single stage ball mill which are fed at a rate of 600 tph. The ball mills operate in closed circuit with hydro cyclones. A fifth ball mill is used for regrinding a portion of the circulating load.

Gravity Circuit

The current mill circuit includes sixteen jigs that are set up as part of each grinding line. The jigs are fed with a portion of the circulating load from the grinding circuit.

Flotation

The flotation circuit features two stages, scavenger and cleaner. Product from each grinding line is fed to cyclone batteries. Cyclone overflow goes to scavenger flotation circuit and cyclone underflow back to the mill as a circulating load. Scavenger concentrate feeds a cleaner flotation circuit and scavenger tails goes to tailings dam. Cleaner concentrate feeds the Hydrometallurgy regrinding circuit and cleaner tails back to the scavenger by mill discharge pumps.

Flotation tails are thickened and are sent to the main tailings pond.

Tailings Pond

The scavenger tailings (flotation tailings) are partly divided to two thickeners for process water recovery. The thickener underflow and the remaining tailings stream gravitate towards the main tailings impoundment. The RPM tailings impoundment accepts the bulk of the tailings stream (about 98%) from the flotation plant. It is approximately 4 km in length, 90 m in height, and the total area is approximately 750 ha. This main tailings dam contains only oxidized tailings with the sulphide minerals or particles that were not recovered in the beneficiation plant (less than 0.5% S). To ensure that the main tailings pond does not become acidic, limestone is being added to increase neutralization potential to assure neutralization for residual sulphide minerals and the tailings are disposal under saturated conditions.

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There are no spills and the only effluent from this facility is the water from the toe drains of the dam at a flow rate of 130 m3/h. In order to decrease the consumption of freshwater RPM recycles an average of 85% of all process water and the tailings dam is responsible for almost all this percentage.

The effluents pass through a passive treatment system (wetlands) and the final stream has the water quality comparable as Class II classification with regard to the Minas Gerais State Legislation, with total cyanide below detection limit (<0.01 mg/L).

Hydrometallurgy Plant

Two separate concentrate products are sent to the hydrometallurgical plant, a jig concentrate and a cleaner concentrate.

Concentrates are first reground in two parallel mills. The concentrates are then processed in a Knelson concentrator in line with the regrind mills. The Knelson concentrate is directed to a bank of shaking tables and then on to the smelting furnace.

The reground sulphide concentrate is thickened prior to leaching. The thickened concentrate product is leached in eight, 300-m3 CIP tanks. Oxygen is injected into the first tank to reduce cyanide consumption. Activated carbon is added to the leaching tanks (configuring a CIL circuit) to collect gold from the solution. Loaded carbon is produced from the first CIL tank.

Specific Tanks (Sulphide Tailings Disposal Area)

A smaller fraction of the mill feed (~2%) is recovered as a sulphide concentrate. The tailings (30% solids) from the CIL process, containing about or less than 20% sulfide, deposited under a shallow layer of water in small lined (clay and HDPE) sumps known as Specific Tanks. These are specially designed in order to prevent leakage into groundwater and any contamination of the environment. The decant water from these ponds is returned to the plant for metals and arsenic precipitation. Groundwater in the area of these ponds is monitored. Today four specific ponds are closed down and only one, the specific pond V, is currently receiving tailings. Tanks are constructed with a composite liner system comprising 1.5 mm HDPE liner, 0.3 m compacted clay liner, sand blanket and central collection drain above liner system and protective cover over the liner system on side slopes.

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Cyanide Recovery System

The decant water from these ponds is returned to a special cyanide recovery circuit at the mill. This AVR - Acidification, Volatilisation and Recovery - Plant first recovers an average 60% of the total cyanide and then reduces the level of arsenic by the addition of ferric sulphate. The treated water is send to the main Tailings Dam. With the Expansion Project RPM will replace the AVR circuit by the SO2/Air Process. This will allow destruction of Cyanide before deposition in the Specific tanks.

The flowchart below easily presents the Beneficiation and hydrometallurgy unit operations. The site has no heap leach and the cyanide handling begins in the CIL process.

The location of the RPM Mine is shown in the following Figure:

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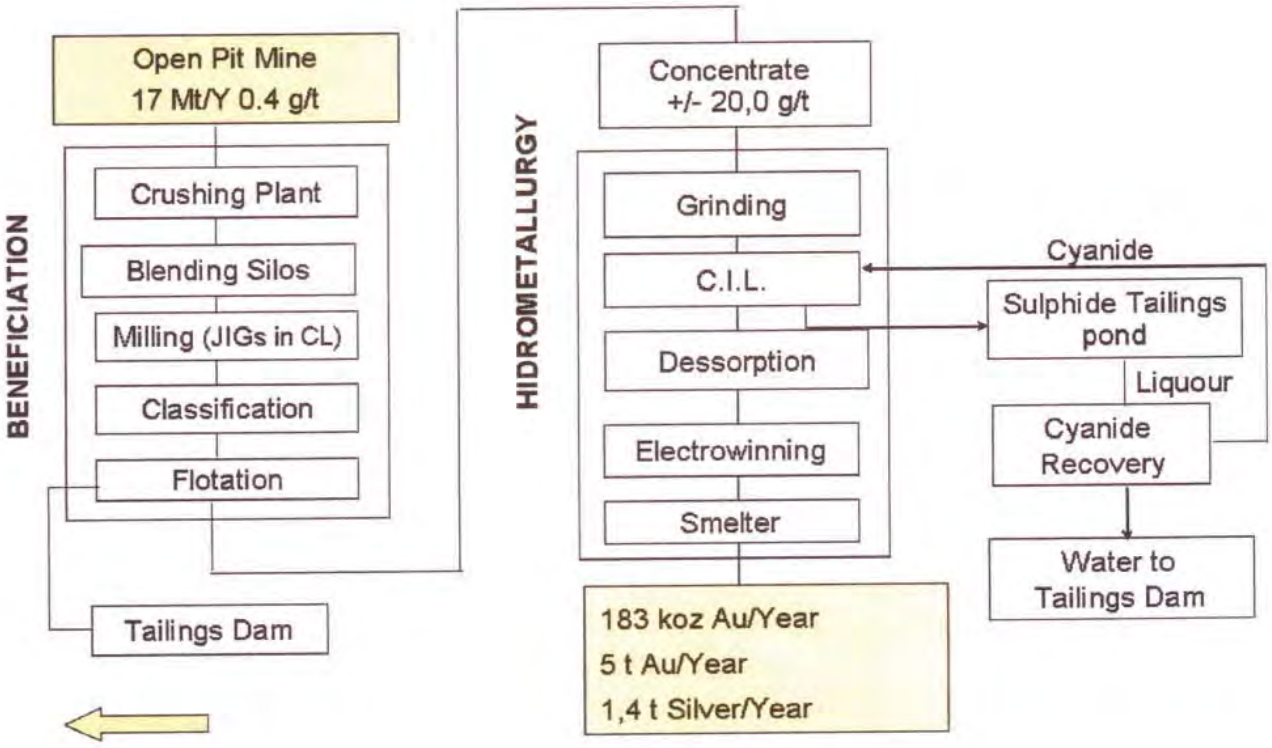
Productive Flowchart – Budget 2007



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Personnel contacted during the audit included:

- Vitor Belo – General Manager
- Rodrigo Dutra Amaral – HSE Manager
- Juliana Esper – Environmental Department Head
- Lindomar Mesquita – Health and Safety Department Head
- José Ivanildo Lima- Hydrometallurgy Department Head
- Ornei Martins - Hydrometallurgy Supervisor
- Denize Morais – Training Analyst
- Dr. Ricardo Guazelli - Doctor
- Adalberto Magalhães – Engineering Department Head
- Francisco Lage – Engineering Department Head
- Daniela Scherer – Environmental Engineer
- João Cândido Meireles – Civil Construction Department Head
- Alessandro Monteiro – Environmental technician
- Osmar A. Ferreira – Environmental Supervisor
- Leonardo Correa G. Bissacot - Environmental Enginner
- Andréia Andrade – Safety Analist
- Laboratory personnel
- Foundry personnel
- Tailing dam personnel
- Maintenance technicians
- Contractors
- Storage & Mixing area personnel

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Auditor's Finding

This operation is:

X in full compliance
☐ in substantial compliance *(see below)
☐ not in compliance

with the International Cyanide Management Code.

Audit Company: NOSA Certification Authority Brasil. (www.ncabrasil.com.br)

Audit Team Leader: Celso Sandt Pessoa

E-mail: celsopessoa@ncabrasil.com.br

Names and signatures of other auditors:

- Julio César Macedo Monteiro (only May 22nd ~ 24th, 2007).

Date(s) of Audit: May 22nd ~ 24th, 2007 and July 17 & 18, 2007.

I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Verification Audit Team Leader, established by the International Cyanide Management Institute and that all members of the audit team meet the applicable criteria established by the International Cyanide Management Institute for Code Verification Auditors.

I attest that this Summary Audit Report accurately describes the findings of the verification audit. I further attest that the verification audit was conducted in a professional manner in accordance with the International Cyanide Management Code Verification Protocol for Gold Mine Operations and using standard and accepted practices for health, safety and environmental audits.

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OFÍCIO DE NOTAS E REGISTRO DE CONTRATOS MARÍTIMOS
Rua do Acre, 28 - Centro - RJ - Tel.: (21) 2253-3459 - Tabelião Aloir Me[illegible]des de S[illegible]
Reconheco por SEMELHANCA a firma de:
[9235qVRI]-CELSO SANDT PESSOA.....
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Rio de Janeiro, 13/05/2008 Serventia : 3,47
30% TJ+ Fundos : 1,03
ELAINE DA SILVEIRA DO NASCIMENTO Total

CORREGEDORIA GERAL DE JUSTIÇA - RJ
SELO DE FISCALIZAÇÃO
RECONHECIMENTO DE FIRMA
ATO TCF
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1. PRODUCTION: ***Encourage responsible cyanide manufacturing by purchasing from manufacturers who operate in a safe and environmentally protective manner.***

Standard of Practice1.1: *Purchase cyanide from manufacturers employing appropriate practices and procedures to limit exposure of their workforce to cyanide, and to prevent releases of cyanide to the environment.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 1.1
☐ not in compliance with

Summarize the basis for this Finding:

Rio Paracatu Mineracão (RPM) contracts exclusively with DuPont's production facility in Memphis, Tennessee (Supply agreement # AF-003519, dated 01/12/2006, between RPM and Dupont de Nemours & Co., 1007 Market Street, PO Box 80023, Wilmington, DE, 19880, USA). DuPont's Memphis production facility is certified to the International Cyanide Management Code (audit report # EO 51676, dated 06/04/2006, issued by Management System Solutions, on behalf of ICMI). The contract includes language to specifically recognize both parties' commitment to achieving and maintaining compliance with the ICMC.

2. TRANSPORTATION: ***Protect communities and the environment during cyanide transport.***

Standard of Practice 2.1: *Establish clear lines of responsibility for safety, security, release prevention, training and emergency response in written agreements with producers, distributors and transporters.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 2.1
☐ not in compliance with

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Summarize the basis for this Finding:

Supply agreement # AF-003519 (dated 01/12/2006) between RPM and Dupont, and transport contract # SUPRI-Niquini (dated 01/12/2006) between RPM and Niquini (cyanide transporters) addresses the responsibilities and requirements related to safety, security, release prevention, training and emergency response.
Niquini's drivers and safety officer were trained by Dupont. The route between Rio de Janeiro port and RPM was established and a risk assessment was done in order to establish the adequate controls during road transportation. An alternate route was identified also, and a risk assessment was done, in order to establish adequate controls during cyanide road transportation in this alternate route. The use of this alternate route is conditional upon prior approval of RPM Safety representatives.

Standard of Practice 2.2: *Require that cyanide transporters implement appropriate emergency response plans and capabilities and employ adequate measures for cyanide management.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 2.2
☐ not in compliance with

Summarize the basis for this Finding:

The contract between RPM and DuPont requires either certification or an independent third party audit of auditors. The transporter (Niquini) used by RPM within Brazil is not certified under the Code. Other parts of the transport chain (ocean and rail shipping) are also not certified under the Code. Audits of the CN transportation chain were conducted within the past three years conducted by auditors meeting ICMI standards, using ICMI protocols. Audits (Due Diligence) for elements of the transportation chain from Memphis to Brazil were conducted by N. Jurczyk, on the ICMI list of qualified auditors. Audits of Niquini Transportes were carried out Mr. Celso Pessoa, on the ICMI list of qualified auditors.
A contract between Niquini Transportes and SOS Cotec (an expert emergency services supplier), # 110MG0598 (dated 12/05/98, and updated on 29/12/2006), was evidenced. Two emergency plans (SOS-01, dated 19/09/06 and Niquini dated 03/07/2007) were established for cyanide road transportation between the port and RPM. A cyanide transport convoy is formed, including a safety escort car equipped with all required resources to respond to any emergency situation. The emergency plans cover all situations identified through the risk assessment done in both transportation routes. Simulation tests were performed in order to verify the effectiveness of the proposed emergency plans. The performed simulation test was carried out involving several stakeholders such as the Brazilian federal road police, the fire department, the local environmental protection agency, representatives from RPM, Niquini and SOS Cotec, among others. The simulation test report, dated 12/07/2007, was reviewed.

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3. HANDLING AND STORAGE: ***Protect workers and the environment during cyanide handling and storage.***

Standard of Practice 3.1: *Design and construct unloading, storage and mixing facilities consistent with sound, accepted engineering practices, quality control/quality assurance procedures, spill prevention and spill containment measures.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 3.1
☐ not in compliance with

Summarize the basis for this Finding:

The NaCN storage area is 100% covered by a roof, and has open walls with fences to provide adequate ventilation. The floor was constructed using concrete and HDPE. Cyanide preparation tanks are located inside contained areas, with containment constructed from concrete and HDPE. The unloading, storage and mixing facilities were constructed according to engineering rules by NATRON (design engineering services supplier). Engineering diagrams of CN facilities were examined including COO.25.FX.01.F.029.DE (rev.A) dated 15/02/2007 (RPM Cyanide General Chain), COO.25.FX.001.F.029.MI (engineering data) and RP 7761.OO.FE.025.31.001 (cyanide tank # 25TQ-252). Cyanide storage area is isolated from people and surface waters. Spill prevention and containment measures were found in place. Only authorized workers are allowed to work and operate in the NaCN warehouse. All gates at warehouse are locked. Signage is available everywhere. NaCN wood boxes are stored alone, separately from all other materials.

The cyanide tanks are located inside contained areas, sealed with appropriate materials, as concrete. Both level indicators and high-level alarms are present at RPM tank installations to prevent overfilling of CN storage tanks. Prior to entering the storage and mixing area, a check procedure is performed by two qualified operators in order to ensure that the area is safe. The following "as built" drawings, related to the cyanide piping line and sensors were also reviewed:
COO-CL-01-P-013-DE (B), COO-25-IS-01-P-067-DE (B), 25-IS-01-P-055-DE (C), RPM-25-AB-01-G-033-DE (A) and RPM-B-01-G-035-DE (A).

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Standard of Practice 3.2: *Operate unloading, storage and mixing facilities using inspections, preventive maintenance and contingency plans to prevent or contain releases and control and respond to worker exposures.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 3.2
☐ not in compliance with

Summarize the basis for this Finding:

The unloading, handling, storage and mixing activities are performed according to documented work instructions (PGPRD-HMD-PO-RPM-327 (12) and PGPRD-HMD-PO-RPM-317 (8)). Maintenance plans (predictive and preventive) and inspection routines have been established and implemented (e.g.: maintenance and inspection records # OS-177983 and OS-177504). Adequate PPEs (O2 masks, gloves, boots, Dupont Overall, HCN detectors, radio) are available for personnel authorized to prepare NaCN solution. The two floor operators are in permanent radio contact with control room operators. They have HCN detectors and the control room operators also monitor HCN through others HCN permanent detectors. Corrective maintenance is also in place, but prior to the activity, a work permit must be issued. A neutralization process is then performed, plus isolation and lock-out measures. A job safety analysis is performed prior to the issuance of a work permit. Spill prevention measures are in place. Contingency plans are in place and simulation tests are performed.

Procedures exist and are implemented art the site to prevent reuse of empty cyanide containers. Cyanide contaminated bags are washed three times and then are rinsed in basic solution for 48h prior to be dried and disposed as hazardous waste. NaCN wooden boxes are also dismantled and treated and disposed as hazardous waste according to Brazilian environmental specification NBR 10004 (thermal destruction). The shipping container used for NaCN transportation is inspected before going back to the transporter premises. Inspection records are kept by RPM. No case of cyanide residue has been reported.

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4. OPERATIONS: *Manage cyanide process solutions and waste streams to protect human health and the environment.*

Standard of Practice 4.1: *Implement management and operating systems designed to protect human health and the environment utilizing contingency planning and inspection and preventive maintenance procedures.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 4.1
☐ not in compliance with

Summarize the basis for this Finding:

Documented procedures are implemented to correctly manage all aspects of the cyanide process, including unloading, handling, storage, mixing, cyanide leach tank operation, cyanide treatment and tailings. Maintenance plans (predictive and preventive) and inspection routines have been established and implemented.

Corrective maintenance is also in place. Prior to an activity, a work permit is issued. Then a neutralization process is performed plus isolation and lock-out measures. A job safety analysis is performed prior to the issuance of a work permit. Prior to entering into the storage and mixing area, a check procedure is performed by two qualified operators in order to ensure that the area is safe.

The operation implements procedures to routinely inspect unloading, storage, mixing and cyanide circuit areas. This includes visual inspections for tank integrity, secondary containments for integrity, volume, and presence of solutions, leak detection and collection systems, and pipelines, pumps, valves for integrity, and impoundments containing CN solution (Tailings storage and Specific Tanks). Procedures and inspections consider the "as built" of the tanks, pipelines, and equipment. Audits are also performed by the managers and supervisors on a monthly basis, and inspections by expert consultants occur with no set frequency. All inspection results are registered in the electronic system MAC that saves the inspector's name, data, taken or required actions. The records are retained for at least two years. But there is backup of continuous information (all data available in backup).

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The operation has a change management procedure that requires that any change to the actual operating circumstances be reviewed and approved by a specific group of functions inside RPM. The operation has contingency plan to address upset scenarios. Details include free board controls for the sealed sump that receives the CIL tailings (called Specific Tanks). Tailing dam management is covered by a procedure used by the Kinross Corporation. For the operational areas all tanks have containments basin with 110% capacity. Deviation from design or standard are also noted in inspections, and controlled in a system with register of all deviations and actions. Procedures have been established for temporary closures including washing with water before maintenance and emergency procedures for the workers safety.

Standby generators systems are in place to provide necessary emergency power resources to operate pumps and other equipment to prevent unintentional releases and exposures in the event its primary source of power is interrupted. Preventive maintenance of stand-by generators, including testing, is established through weekly tests (system function and operation). The generators have 8 hours capacity for energy supply. The emergency system is connected in the lime tanks, for pH control, if necessary.

Spill prevention measures are in place. Contingency plans are in place and simulation tests are performed.

Standard of Practice 4.2: Introduce management and operating systems to minimize cyanide use, thereby limiting concentrations of cyanide in mill tailings.

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 4.2
☐ not in compliance with
☐ not subject to

Summarize the basis for this Finding:

Cyanidation tests are performed in order to identify opportunities to reduce the cyanide consumption. Pre aeration process was implemented in order to reduce the cyanide use and the results were very positive. A cyanide automatic titration device is in place. RPM has an operational system for controls of cyanide addition based on the gold concentrations. This automatic device has a set point control. There is the pH control as well, with maintenance of pH between pH 10.2 to 10.5.

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Standard of Practice 4.3: *Implement a comprehensive water management program to protect against unintentional releases.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 4.3
☐ not in compliance with

Summarize the basis for this Finding:

The Company monitors the precipitation with meteorological station and historic maps. RPM uses GOLDSIM software for the probabilistic water balance, with a base of 46 years. The site has a meteorological Station. The monitoring data from the national and State Agencies is the data used in the design. The internal data is used for calibration purpose.

The water balance considerer the appropriate facilities using the software GOLDSIM, as presented during the Audit (Balanço Hídrico da Mina Morro do Ouro, spreadsheet). The simulations are calibrated with the monitoring data collected in the Meteorological Station and in the reading of the water levels in the Tailings dam and Specific tanks freeboard monitoring data.

The tailings dam freeboard is designed with at least 2.5 m. The spill way is designed for a 1,000 years of return period. With these design criteria there are no spills and the only effluent of from the safety drains (toe drain). This information is available in annual reports. The tailings dam has annual reviews by an independent auditor with record. Hydrological report considers appropriate mass balance and the design of safety structures for the tailings dam are in accordance with ICOLD.

Water Balance – 2006: Recycled Total: 93%, Capitation: 7%
The facility has an operational procedure, PGDS BARG PO RPM 434, addressing the monitoring system.

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Standard of Practice 4.4: *Implement measures to protect birds, other wildlife and livestock from adverse effects of cyanide process solutions.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 4.4
☐ not in compliance with

Summarize the basis for this Finding:

The Company adopts practices for protection of pipes, inspections and verification of dead of animals. Cases of dead animals were not evidenced nor reported. Fences are present at the tailing dam.

Protection to enter in the areas and Preliminary Analysis of Risks are also used.

During the Audit (May & July 2007) all available data presented showed that there are no open waters with concentrations of wad CN greater than 50 mg/l.

Standard of Practice 4.5: *Implement measures to protect fish and wildlife from direct and indirect discharges of cyanide process solutions to surface water.*

The operation is
X in full compliance with
☐ in substantial compliance with Standard of Practice 4.5
☐ not in compliance with

Summarize the basis for this Finding:

No direct discharge occurs from the operation. Permanent monitoring systems and inspections are in place. Potential indirect discharges in cyanide systems are prevented using second containment barriers in all piping going to and coming back from the tailings storage facility. Potential impacts from indirect discharges from the tailings dam are monitored. Review of monthly data shows no total CN concentrations greater than 0.005 mg/L in areas where indirect discharges occur.

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Standard of Practice 4.6: *Implement measures designed to manage seepage from cyanide facilities to protect the beneficial uses of ground water.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 4.6
☐ not in compliance with

Summarize the basis for this Finding:

RPM has several monitoring wells where cyanide analysis are being performed with results below the detection limit. A new well was constructed in 2007 inside the hydrometallurgical area and also presented results below the detection limit (<0.01 mg/L from May until June 2007 and <0.005 mg/L since July 2007). The wells location was defined considering the groundwater preferential pathways/flux identified by a hydrogeological and hydrogeochemical study prepared by Golder Associates Inc. in 2004.

In Brasil there is no standard for groundwater, there is a standard only for drinkable water. The Brazilian standard (Portaria MS 518/04) for drinkable water is equal to 0.07 mg/L. All monitoring results for the wells located downstream the tailings dam PM-B-03-35-30, PM-B-03-37-30, PM-B-07-37-30, and PM-B-03-40-30 presented results in 2006 and 2007 for total cyanide below the detection limit (<0.01 mg/L until June 2007 and <0.005 mg/L since July 2007).

Standard of Practice 4.7: *Provide spill prevention or containment measures for process tanks and pipelines.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 4.7
☐ not in compliance with

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Summarize the basis for this Finding:

All Cyanide tanks are surrounded by a containment wall, constructed according engineering specifications and according to Brazilian safety and environmental laws. Secondary containment areas are 115% greater than the biggest tank volume. Cyanide piping is protected by second barriers against spilling, in order to protect the employees and the environment. Cyanide piping system is fully identified through color codes. All materials used are adequate for cyanide use, according to engineering specifications (ASME code and Metals Handbook). Cyanide solution collected in a secondary containment area is pumped back to the tank. Pumping system is automatic.

Standard of Practice 4.8: *Implement quality control/quality assurance procedures to confirm that cyanide facilities are constructed according to accepted engineering standards and specifications.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 4.8
☐ not in compliance with

Summarize the basis for this Finding:

During the Audit the Engineering Standard for construction of facilities were presented and reviewed (Manual de Engenharia da RPM, revisão 2007). In this document all details for QC/QA, presenting requirements as project design, as built and reviews.

A general review of all engineering drawings, specifications and calculations are in place. "As built" drawings are also in place. A RPM Cyanide General Chain drawing was also established, describing all the installations, equipments and instrumentation related to the cyanide cycle at RPM.

Based on the Brazilian requirement all professionals have to present Notes for technical responsibility. Independent reviews as well as Kinross reviews are well documented and reports were present during the Audit.

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Standard of Practice 4.9: *Implement monitoring programs to evaluate the effects of cyanide use on wildlife, surface and ground water quality.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 4.9
☐ not in compliance with

Summarize the basis for this Finding:

Evidences were which list the monitoring stations, parameters, sampling frequency, sampling and preservation procedures, legal requirements such as conditions, and contain means to implement monitoring programs to evaluate the effects of cyanide use on wildlife, surface and ground water quality. The procedure PSSMA-CN- RPM- 039 Rev 07 of February 05, 2007 is being reviewed periodically by RPM internal personal, with appropriate knowledge and expertise. There are monitoring wells downstream the main facilities.

The monitoring frequencies adopted are in accordance with the environmental permit conditions and risk assessment. All frequencies established by RPM were accepted by the environmental agency. Considering the observed trends of monitoring results the monitoring frequencies showing to be adequate to identify changes in a timely manner.

An inspection program for wildlife mortalities is in place. There is a vigilance program with daily inspections in the area of the cyanide facilities to check the occurrence of wildlife mortality. Wildlife occurencies are reported in a quarterly Kinross internal report. During the site visit the reports from 2006 and the report from the first quarter of 2007 were checked and there were no wildlife mortalities related to contact with and ingestion of cyanide solutions registered.

5. DECOMMISSIONING: ***Protect communities and the environment from cyanide through development and implementation of decommissioning plans for cyanide facilities***

Standard of Practice 5.1: *Plan and implement procedures for effective decommissioning of cyanide facilities to protect human health, wildlife and livestock.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 5.1
☐ not in compliance with

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Summarize the basis for this Finding:

Written procedures for decommissioning exist in ARO RPM 2006 BR$ Rev. Feb./2007. An implementation schedule for decommissioning activities exists for the operation (Plan of decommissioning 01.1014.06 VP 61 MT – Rev. VP2). This plan is reviewed when it is necessary. At minimum, it is reviewed each four years.

Standard of Practice 5.2: *Establish an assurance mechanism capable of fully funding cyanide related decommissioning activities.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 5.2
☐ not in compliance with

Summarize the basis for this Finding:

Estimates of third-party costs for decommissioning are reviewed and updated yearly. Brazil has no requirements or mechanisms (e.g. bonds or bonding authority) for mine decommissioning. The site has established a self-insurance mechanism based on the requirements set forth in Chapter 40, Section 264 of the U.S. Code of Federal Regulations (40 CFR 264). An audit of non-consolidated financial statements of Rio Paracatu Mineracão was conducted to demonstrate that the RPM operation met the standard for financial strength. The audit was conducted by independent financial auditors from KPMG LLP (licensed Public Accountants), based in Toronto, Canada. The financial statements included total liabilities, net worth, net income, depreciation, depletion, amortization, current assets, current liabilities, net working capital, tangible net worth, Asset Retirement Obligation, and total assets. In their review, the KPMG financial auditors adhered to Section 9100 of the Canadian Institute of Chartered Accountants Handbook entitled "Reports on the results of applying specified procedures to financial information other than financial statements". As noted in the statement from KPMG, all financial amounts were found to be in agreement, and all financial ratios were found to be in agreement, indicating that RPM meets the Kinross internal standard, based on 40 CFR 264, designed to fulfill Standard of Practice 5.2, of establishing an assurance mechanism capable of fully funding cyanide related decommissioning activities.

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Signature of Lead Auditor

Date: March 21st, 2008.

6. WORKER SAFETY: ***Protect workers' health and safety from exposure to cyanide.***

Standard of Practice 6.1: *Identify potential cyanide exposure scenarios and take measures as necessary to eliminate, reduce or control them.*

The operation is
X in full compliance with
☐ in substantial compliance with Standard of Practice 6.1
☐ not in compliance with

Summarize the basis for this Finding:

Pre-work inspections are required before handling cyanide and cyanide solutions. At least, two operators work together in conjunction with a central control room. Radio communication is present all the time. Training records show worker input in developing and evaluating health and safety procedures. The cyanide piping system is protected against potential leakages or spills, critical valves in this system are covered and locked.

Procedures are established for cyanide-related tasks such as unloading, mixing, plant operations, entry into confined spaces, and equipment decontamination. Procedures have sections with requirements to minimize worker exposure, including use of PPEs such as panoramic masks with chemical filters; PVC boots and luvas; macação de trevira (PVC); safety class; HCN portable sensors; safety belt.

The cyanide piping system is protected against potential leakages or spills, critical valves in this system are covered and locked.

Standard of Practice 6.2: *Operate and monitor cyanide facilities to protect worker health and safety and periodically evaluate the effectiveness of health and safety measures.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 6.2
☐ not in compliance with

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SUMMARY AUDIT REPORT

Summarize the basis for this Finding:

A minimum limit of pH 12 during mixing and production activities has been established to limit production of cyanide hydrogen gas (procedure PGR – HMD PO RPM 327). Operators are equipped with portable HCN sensors, which are calibrated accordingly. Constant HCN sensors are also available at the cyanide circuit.

Areas with potential for exposure are identified by Risk Classification Maps. Such areas were clearly identified in the cyanide circuit. Adequate PPEs (O2 masks, gloves, boots, glasses, HCN sensor and Tyvac) are used by operators in those areas.

A Calibration Plan and Maintenance Preventive Plan exist to make sure that monitoring equipment maintained, tested and calibrated as directed by the manufacturer. Records are retained for at least one year. HCN sensors are calibrated twice a year according to the manufacturer method and using traceable standards. Calibration records are kept on file.

Warning signs, placed where cyanide is used, advise workers that cyanide is present, and that smoking, open flames and eating and drinking are not allowed, and that, if necessary, suitable personal protective equipment must be worn. Signage is available everywhere.

There are showers, low-pressure eye wash stations and dry powder or non-acidic sodium bi-carbonate fire extinguishers located at strategic locations throughout the operation. These are maintained, inspected and tested on a regular basis. Fume detectors are also available at NaCN storage area.

Unloading, storage, mixing and process tanks and piping containing cyanide are identified to alert workers of their contents, and the direction of cyanide flow in pipes is identified.

Procedures are in place to investigate and evaluate cyanide exposure incidents, to determine if the operation's programs and procedures to protect worker health and safety, and to respond to cyanide exposures, are adequate.

All material on cyanide safety, such as MSDS's, Classification Maps, first aid kits and instructions is available in Portuguese.

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SUMMARY AUDIT REPORT

Standard of Practice 6.3: *Develop and implement emergency response plans and procedures to respond to worker exposure to cyanide.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 6.3
☐ not in compliance with

Summarize the basis for this Finding:

The General Emergency Plan that describes specifics procedures according to different scenarios is established in PSSMA DOC RPM Rev. 07 May 18 – 2007. Inspections of first aid equipment related to cyanide exposure are carried out to "Check Lists" that inform the conformity or not in the several PPE's and Combat Systems in the several areas of the Company. Materials in "SECURITY KITS" such as cyanide antidotes are stored as directed by their manufacturer and replaced when necessary.

RPM has 02 doctors and 05 nurses that are trained and available 24 hours a day to work in possible emergencies. In the industrial area there is a medical center and an ambulance. There is an emergency kit in different parts of the company to be used rapidly in case of accident with cyanide. The company is located 10km from the town. 03 doctors of the town were trained and are prepared to work in case of emergency with cyanide. There are 02 hospitals in Paracatu which have specific kit to work in an emergency. The kits are distributed by RPM and the professionals of Occupational Work from RPM inspect them periodically. A simulation is done annually involving the community, and the Health Professionals of Paracatu participate in the performance of the emergency.

RPM has developed procedures to transport workers exposed to cyanide to locally available qualified off site medical facilities (the company has two ambulances nowadays besides the Emergency Brigade that is also trained to work in case of this kind of accident). The company has established arrangements with local hospitals and clinics, at Paracatú City for treatment of workers affected by cyanide. Simulation tests are performed according to an annual plan, describing several cyanide scenarios (PSSMA DOC RPM Rev. 07 May 18 – 2007) establishes the General Emergency Plan that refers to specific procedures according the scenarios.

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7. EMERGENCY RESPONSE ***Protect communities and the environment through the development of emergency response strategies and capabilities.***

Standard of Practice 7.1: Prepare detailed emergency response plans for potential cyanide releases.

The operation is
X in full compliance with
☐ in substantial compliance with Standard of Practice 7.1
☐ not in compliance with

Summarize the basis for this Finding:

The Company has an Emergency Plan that includes responses to accidents and leaks of cyanide products. Has a Coordinator and Lead Team indicated to the specific situations. An Annual Training and Simulation Plan involves: Communities, Official Departments, Hospitals and another stakeholders. Emergency plans related to the road transportation of cyanide were also established and tested. A revision in the procedure PGPRD HDM PO RPM 322 Rev. 12 was made in May 23- 2007, to include the step in the case of temporary lack of energy or fail in the bombs. Evidences of carried out simulated situations according the Plan of Training. The scenarios are leak in the preparation of cyanide solution, stock and in the event of intoxication.

Standard of Practice 7.2: Involve site personnel and stakeholders in the planning process.

The operation is
X in full compliance with
☐ in substantial compliance with Standard of Practice 7.2
☐ not in compliance with

Summarize the basis for this Finding:

The RPM emergency preparedness and response plan involves stakeholders, such as the Brazilian federal road police, county hospitals, environmental protection agency, community representatives among others. These stakeholders are invited to participate in the emergency simulation tests involving cyanide and also in the planning of emergency response plans.

RPM's "Open Doors" program includes visits to the Company by the Communities, where are demonstrated the risks of cyanide.

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For the workforce (including contractors), RPM has training programs, drills and communication in the internal newspaper (Teor Semanal) there is a summary with all activities developed. It was available registers for training and a movie with internal and externals drills for cyanide emergencies as workforce intoxication and a external leak incident. Comments from training, drills, and communication is considered in revisions to the emergency preparedness and response plan.

Standard of Practice 7.3: *Designate appropriate personnel and commit necessary equipment and resources for emergency response.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 7.3
☐ not in compliance with

Summarize the basis for this Finding:

The Company has an appointed Emergency Coordinator and an Emergency Brigade with trained and qualified personnel. A training plan exists and training and qualification records. A Coordinator and Lead Team are indicated to specific situations. RPM has specific toll free phone numbers and emergency telephones available 24h for the Emergency Coordinator and the Emergency Brigade. Emergency response equipment, including personal protection gear, is available along transportation routes and/or on-site.
PPE's and emergency response equipments are inspected on a regular basis according established procedures. The external authorities involved are trained and included in the Training Plan (Military Police, Road Patrol, Environmental Secretary and Health Secretary). Outside entities included in the Emergency Response Plan are aware of their involvement and are included as necessary in mock drills or implementation exercises.

Standard of Practice 7.4: *Develop procedures for internal and external emergency notification and reporting.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 7.4
☐ not in compliance with

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Summarize the basis for this Finding:

The Emergency Plan and the instruction PSSMA CN RPM 086 "Recording and Reporting of Incidents", defines all procedures of communication (internal and external) Sirens systems are available in specific points. Radio devices are provided for the employees and specific telephone numbers are also established.

Standard of Practice 7.5: *Incorporate into response plans and remediation measures monitoring elements that account for the additional hazards of using cyanide treatment chemicals.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 7.5
☐ not in compliance with

Summarize the basis for this Finding:

Response plans address the specific chemicals to be used in the event of emergencies involving cyanide (land and water). The remediation of the affected areas is done under the supervision of the environmental area. There are specific remediation procedures for each potential scenario. Disposal of contaminated waste is also addressed at the emergency response plan.

The Emergency Plan and the instruction PSSMA CN RPM 086 " Recording and Reporting of Incidents", informs all procedures of communication, contain the forbidden of use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat cyanide that has been released into surface water.

The Plan addresses the potential need for environmental monitoring to identify the extent and effects of a cyanide release, and include sampling methodologies, parameters and, where practical, possible sampling locations.

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Standard of Practice 7.6: *Periodically evaluate response procedures and capabilities and revise them as needed.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 7.6
☐ not in compliance with

Summarize the basis for this Finding:

The Emergency Plan is reviewed periodically, during management review meetings, and mainly after simulation tests. All simulation tests performed are reviewed by the participants in order to verify the effectiveness of the emergency plan and also to identify opportunities of improvement. Simulation tests reports dated 12/07/2007, 11/04/2007, 04/04/2007 and 01/12/2006 were reviewed. When necessary, simulation test results are reviewed during the Management Review Meeting, carried out in the system, periodically.

8. TRAINING: Train workers and emergency response personnel to manage cyanide in a safe and environmentally protective manner.

Standard of Practice 8.1: *Train workers to understand the hazards associated with cyanide use.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 8.1
☐ not in compliance with

Summarize the basis for this Finding:

Training is required through procedure PDRH – CN – RPM 061 Rev. 08 of May 16 – 2007 and the Training Plan for personnel that have contact with cyanide use to understand the associated hazards. There is a process for training identification that the personnel should be trained in the specifics activities. Personnel qualification to the handling of the cyanide is identified by an ID Card. Refresher trainings given (e.g. Recycle Emergency Brigade Training – April 11 – 2007 Instructors Sarg. Marcelino and Joaquim Rodrigues of The Fire Brigade - Minas Gerais State). The company retained cyanide training records according procedure. Evidence was available that the training effectiveness, through simulation tests, is verified by RPM. Planned job observations are also used to verify the effectiveness of the provided training.

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Standard of Practice 8.2: *Train appropriate personnel to operate the facility according to systems and procedures that protect human health, the community and the environment.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 8.2
☐ not in compliance with

Summarize the basis for this Finding:

The company trains appropriate personnel to operate the facility according to systems and procedures that protect human health, the community and the environment through systematic training procedures. Plant operators are qualified based on education, training, experience and personal skills.

Training procedures and plans are included in the procedure PDRH – CN – RPM 061 Rev. 08 of May 16 – 2007 and the Training Plan, for the personnel that have contact with cyanide use to understand the associated hazards. Employees are trained prior to working with cyanide according to the Procedure PDRH – CN – RPM 061 Rev. 08 of May 16 – 2007.

Annual refreshing training is also provided to all employees working with cyanide. Also, some training material is provided by DuPont and clearly addresses the aspects related to cyanide handling and also first aid measures. Specific training material was established for specific functions, such as operators, laboratory technicians, warehouse keepers, emergency brigade members. A general introduction training, related to risks associated to cyanide is also provided.

All training sessions are leaded by qualified personnel (internal instructors are senior operators and/ or safety engineers (or technicians). External training was provided by DuPont personnel (e.g: "transport of solid cyanide by road" provided by Mr. Vito Larusso (DuPont Technician) at 11/12/2006.)

Simulation tests and planned job observations are used to verify the effectiveness of the training sessions, according to Procedure PDRH – CN – RPM 061 Rev. 08 of May 16 – 2007.

The cyanide related training records clearly addresses the date, the subject, the instructor name, the personnel being trained and the instructor perception about the trainee performance. Training records are kept while the employee is working and plus five years after the employee lefts the company, according Brazilian labor laws.

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Standard of Practice 8.3: *Train appropriate workers and personnel to respond to worker exposures and environmental releases of cyanide.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 8.3
☐ not in compliance with

Summarize the basis for this Finding:

Training for response to cyanide exposures and releases is conducted on schedule. Evidences were available that the safety personnel are training appropriate workers and personnel, including unloading, mixing, production and maintenance workers, to respond to worker exposures and environmental releases of cyanide. The Instructors are from RPM, PROQUIGEL and DUPONT. The doctors of Hospital S. Lucas and Municipal Hospital participated in this training. Training records are retained according to Procedure PDRH – CN – RPM 061 Rev. 08 of May 16 – 2007. The cyanide related training record addresses the date, the subject, the instructor name, the personnel being trained and the instructor perception about the trainee performance. Training records are kept while the employee is working and plus five years after the employee lefts the company, according Brazilian labor laws.

All the members of the Emergency Brigade participate in refreshment trainings with the Fire Department annually. The training is done based on RPM procedures including practical training. The improvement opportunities identified are used to revise the specific procedures.

Simulation tests of cyanide releases for both worker exposure and environmental releases are conducted (12/07/2007, 11/04/2007, 04/04/2007 and 01/12/2006). A meeting of critical analysis of the simulation is held right after it is over aiming to discuss the positive and negative points of the event. All the failures and improvement opportunities are registered in a form. The identified problems are fed in data base that allow that the solutions are followed.

9. DIALOGUE: Engage in public consultation and disclosure.

Standard of Practice 9.1: *Provide stakeholders the opportunity to communicate issues of concern.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 9.1
☐ not in compliance with

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Summarize the basis for this Finding:

The company has established multiple forms of media to provide stakeholders the opportunity to communicate issues of concern. These include (Internal and External):

- *RPM website;*
- *Fale Conosco (speak with us);*
- *Open Door Program with the Communities;*
- *Cadinho Paper;*
- *Teor;*
- *Security Boletim Infoirmation;*
- *Local Radio and TV;*
- *DVD's;*
- *Press;*
- *Café com Prosa;*

Standard of Practice 9.2: *Initiate dialogue describing cyanide management procedures and responsively address identified concerns.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 9.2
☐ not in compliance with

Summarize the basis for this Finding:

The program "OPEN DOORS" allows the Communities to visit the Plant and be aware of the risks of cyanide. Evidences were available that the claims of the stakeholders are reviewed and treated by the Communication Area of RPM. Feedback is given to the stakeholders.

Standard of Practice 9.3: *Make appropriate operational and environmental information regarding cyanide available to stakeholders.*

The operation is:
X in full compliance with
☐ in substantial compliance with Standard of Practice 9.3
☐ not in compliance with

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Summarize the basis for this Finding:

RPM has emergency and crisis plans in case of incidents with cyanide release or exposure, that states the communication criteria. They involve communication first with the employee's families, them with community (radio, television, and newspaper presses) and authorities (Environmental Agency, Fire Agency, Environmental Police and the City Hall) by formal documentation or reports. This reports and contacts with Environmental Agencies is in charge of the Environmental Department.

Telephone contacts of the local and national press are available. All key employees are trained for the communication in an emergency and crisis situation. This communication process is leaded by the Community Affairs Department involving other key areas as HSE, Supplier Department, Mill and the Senior Staff. In this case the communication

The program "OPEN DOORS" allows communities to visit the Plant and be aware about the risks of cyanide. RPM Communication area is responsible to manage all communication related to incidents with cyanide, involving the local EPA, policy dept., fire dept., hospitals and public authorities. No incidents involving cyanide was reported in the last years.

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