# CIBC World Markets Conference



*Tye W. Burt*
*President and C.E.O.*

*Kinross Gold Corporation*
*Whistler, B.C.*
*February 16, 2006*



# Legal Notice

*Certain statements set forth in this presentation constitute "forward looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. Such statements involve risks, uncertainties and other factors that may cause the actual results, performance or achievements to differ from those expressed or implied by such forward looking statements. Such risks and uncertainties are described in periodic filings made by Kinross Gold Corporation with the U.S. Securities and Exchange Commission and Canadian provincial securities regulatory authorities.*

*All dollar amounts used throughout this presentation are expressed in US dollars, unless otherwise noted.*

*(1) Total cash costs per equivalent ounce of gold is calculated in accordance with The Gold Institute Production Cost Standard (the "Standard"). Adoption of the Standard is voluntary, but is used in order to give the reader comparative data to our peers. Total cash costs per equivalent ounce of gold has no standardized meaning under generally accepted accounting principles and therefore may not be comparable to similar measures presented by other issuers. Total cash costs per equivalent ounce of gold is furnished to provide additional information and is a non-GAAP measure. This measure should not be considered in isolation as a substitute for measures of performance prepared in accordance with generally accepted accounting principles and is not necessarily indicative of operating expenses as determined under generally accepted accounting principles. This measure is intended to provide investors with information about the cash generating capabilities (realized revenue, net of total cash costs per ounce) of the mining operations. The Company uses this information for the same purpose and for assessing the performance of its mining operations. Mining operations are capital intensive. The measure total cash costs excludes capital expenditures but is reconciled below to total operating costs for each mine. Capital expenditures require the use of cash in the current period, and in prior periods and are discussed in the Company's filings.*



# Overview

- Kinross Gold Corporation
- Kinross in Russia
- Why Russia?
- Strategic Considerations

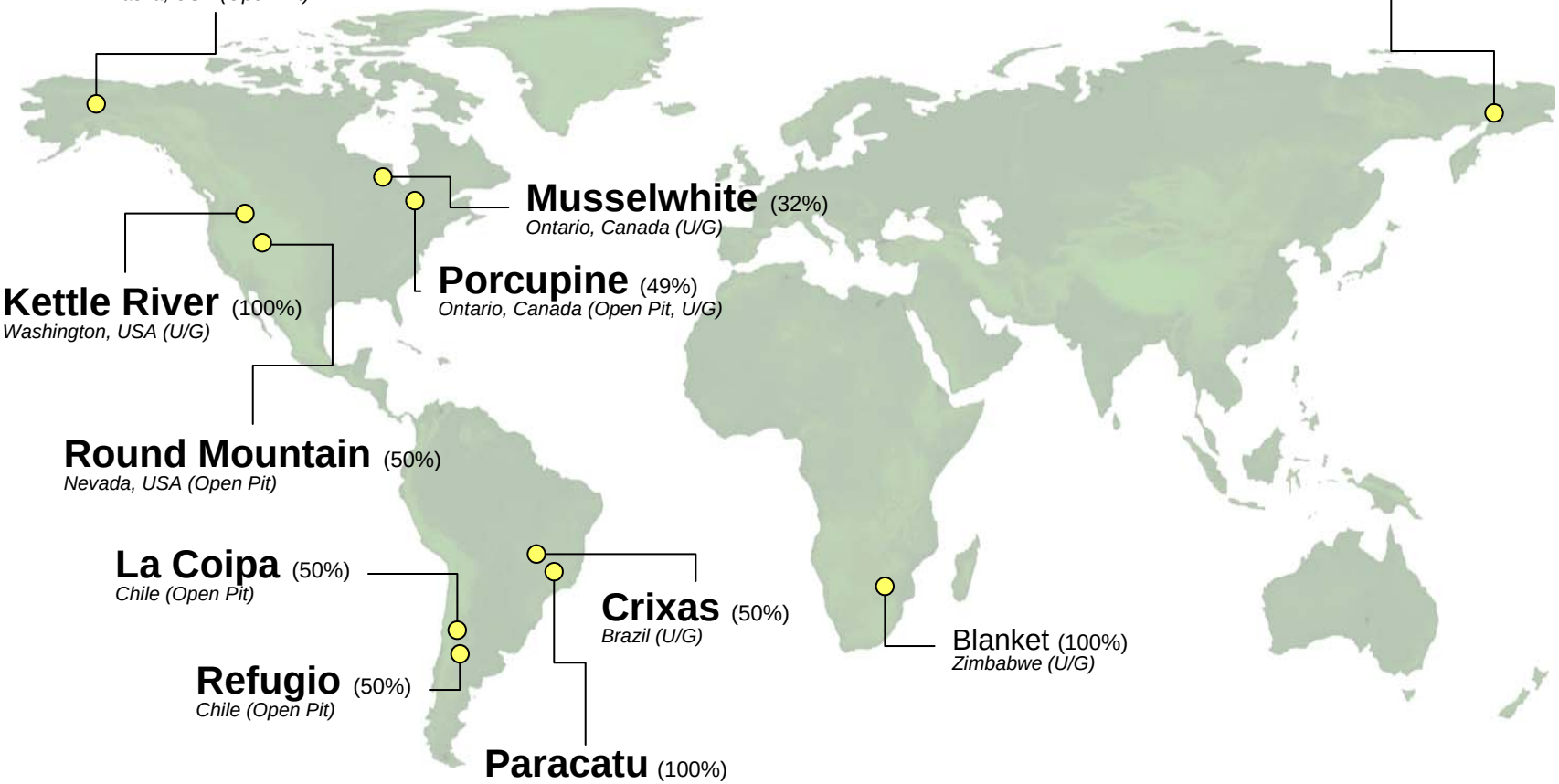


# Kinross: A Major Gold Producer

- **3rd largest North American-based gold producer**
  - $4.5 billion market value – top performer past 6 months relative to peers
  - NYSE and TSE listed – recent volume: 6 million shares per day
- **2005 estimate**
  - Gold production – 1.6 MM ozs
  - Total Cash Costs – est. $275 per ounce
- **A global company**
  - 9 mines located in North America, Brazil, Chile and Russia
  - 4,000 employees
- **Continuing gold reserve growth**
  - 19.4 MM oz at Dec. 31/04 *($350/oz Au)*
  - Additional 4.8 MM oz of reserves at Paracatu *(Oct. 31/05; $400/oz Au)*



# Americas Focus, Global Reach



**Fort Knox** (100%)
*Alaska, USA (Open Pit)*

**Kubaka** (98.1%)
*Magadan, Russia (Open Pit, U/G)*

**Musselwhite** (32%)
*Ontario, Canada (U/G)*

**Porcupine** (49%)
*Ontario, Canada (Open Pit, U/G)*

**Kettle River** (100%)
*Washington, USA (U/G)*

**Round Mountain** (50%)
*Nevada, USA (Open Pit)*

**La Coipa** (50%)
*Chile (Open Pit)*

**Crixas** (50%)
*Brazil (U/G)*

**Refugio** (50%)
*Chile (Open Pit)*

**Blanket** (100%)
*Zimbabwe (U/G)*

**Paracatu** (100%)
*Brazil (Open Pit)*



# 2005 Third Quarter Summary

YTD to September 30

- Production on target: 1.23 mm oz. at $272 per oz [1]
- Revenues up 10%: $535 mm
- Cash flow from operating activities: $107 mm
- Earnings (after Aquarius write down): ($58.3 mm)
- Reserves at Paracatu increase: add 4.8 ozs
- Capital expenditures: $108 mm – on budget

Note [1]: Total cash cost is a non-GAAP measure. Please see legal notice on slide 2 for an explanation of this non-GAAP measure.



# Kinross Strategic Focus

## 1. Growth from Core Operating Assets

- capital projects = organic growth
- enhance margins
- exit non-core assets

## 2. Develop Best People

- top health/safety record
- excellence in environmental compliance
- experienced management
- “pay-for-performance”

## 3. Building Blocks for Future

- increased systems capacity/structure
- continuous cost control

## 4. Drive Growth Opportunities

- drive district/greenfield exploration
- acquisitions to extend growth









# *Kinross in Russia*



# Kinross in Russia

## Omolon Gold[1]

- Kinross **first visited Russia in 1990**
- In mid-1993, Omolon won bid for the **Kubaka**
- Located in the **Magadan Oblast** about 300 km south of the Arctic Circle, 700 km northeast of Magadan



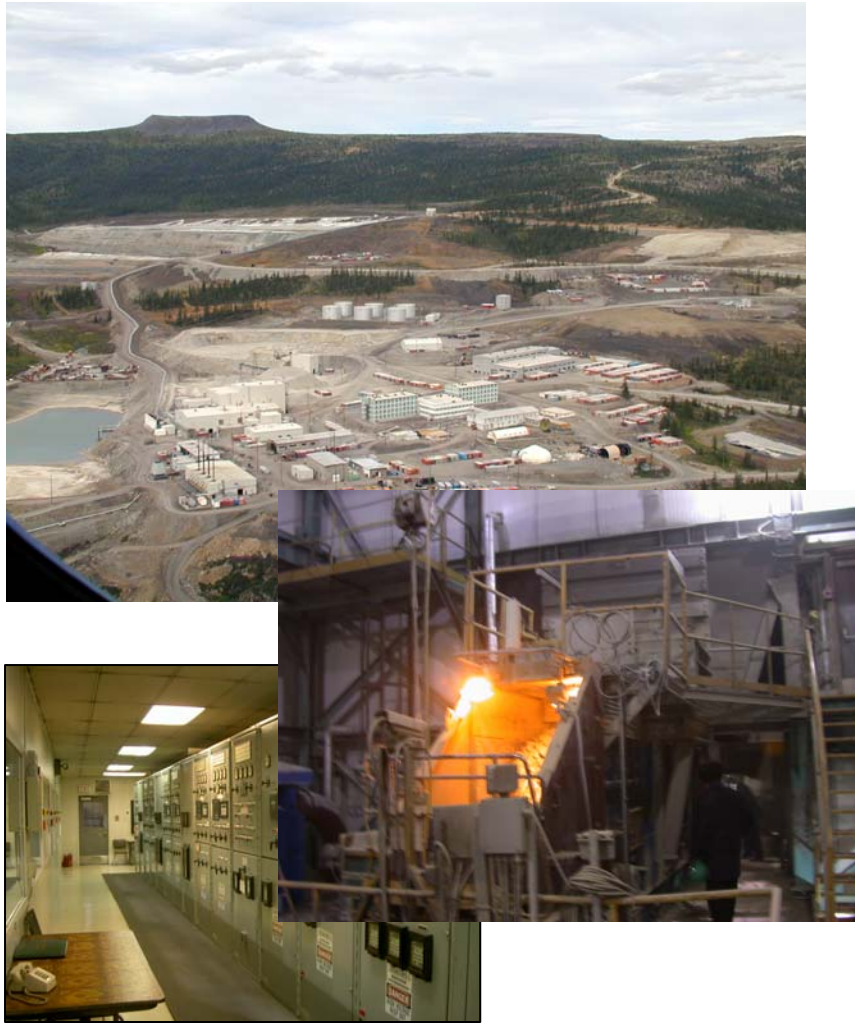

*Notes: (1) 98.1% owned Kinross subsidiary*



# Kinross in Russia

## Kubaka Mine

- Opened **in early 1997**
- Biggest gold mining operation in Russia in the late 1990s
- From 1997 to 2005, Kubaka produced **93 tonnes of gold**
- Mining now completed; currently **processing low grade stockpiles**





# Kinross in Russia

- **A well-regarded corporate citizen**



# Kinross in Russia



## Focus on Exploration

- 416 staff at YE05; **81 in exploration**
- **2006** planned activities:
  - Kubaka reclamation
  - Evaluation of Birkachan low grade heap leach potential
  - Expanded exploration program – **30,500 meters drilling in Magadan Oblast**









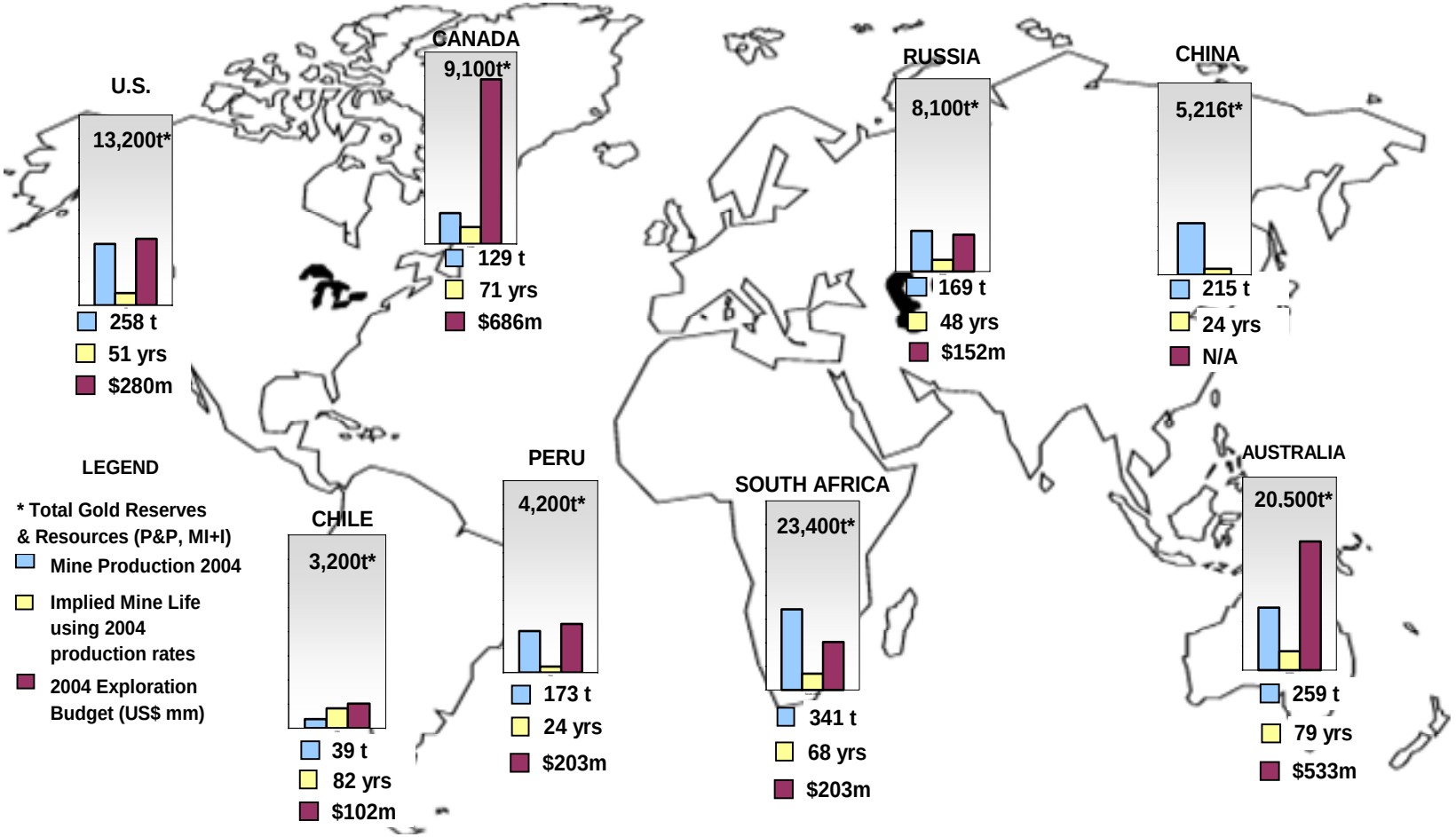


# *Why Russia?*



# Why do we like Russia?

- **Home to 5th largest gold resource in the world**



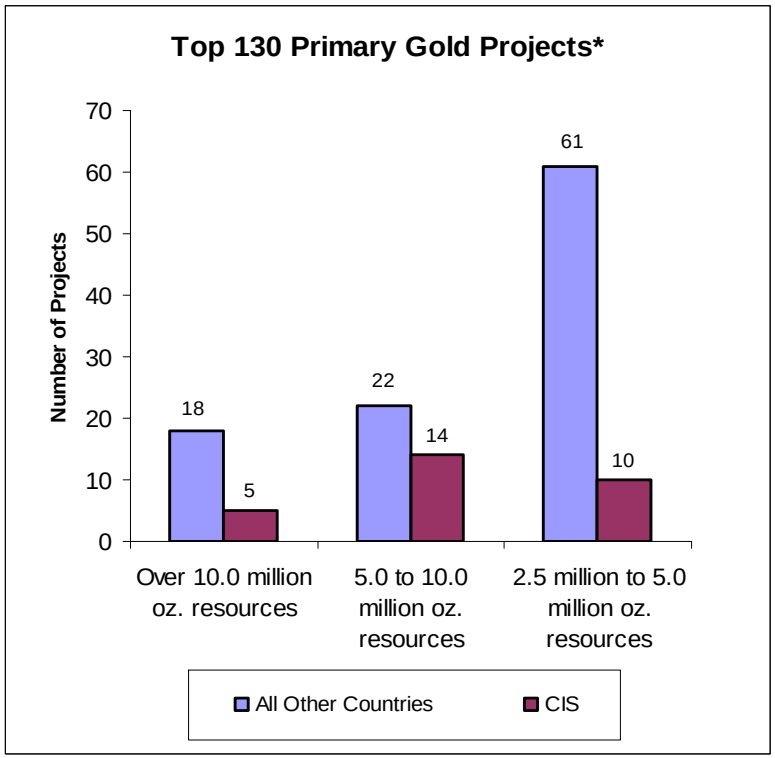

*Source: Metals Economics Group, USGS, Kinross estimates*

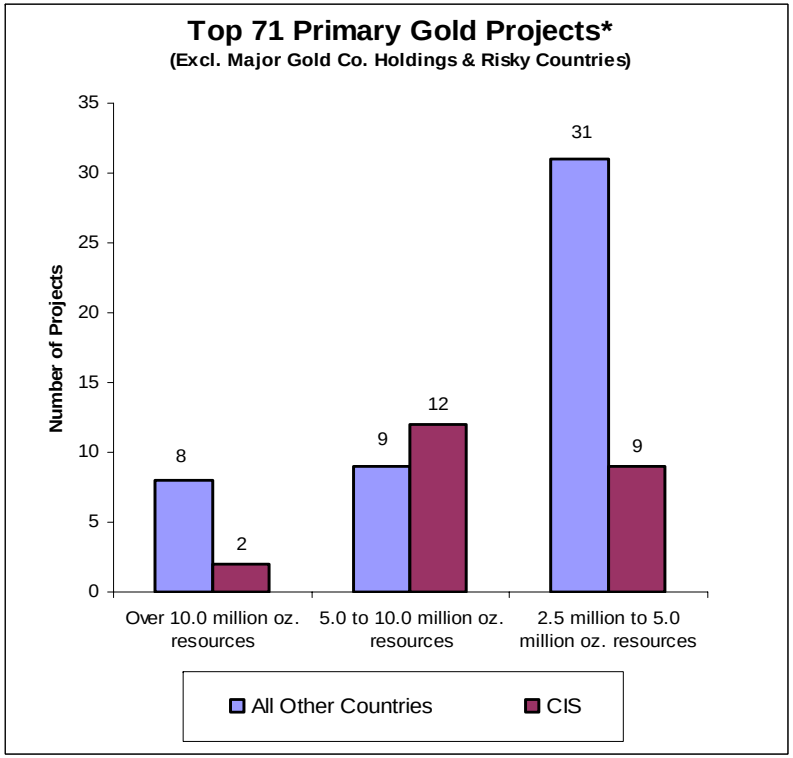


# Top Undeveloped Gold Projects

- 130 undeveloped primary gold projects over 2.5 MM oz Au, **22%** located in CIS

- Excluding those controlled by major gold companies or in higher risk countries, **32%** located in CIS




*Source: Metals Economics Group, Kinross estimates, *Pre-production and earlier stage projects, primary metal Au*



# State of Development

## Russia

- **Strong and stable federal government**
- **Growing economy**; relatively **high inflation;** stable exchange rate
- **Powerful domestic competitors** – Norilsk/Polyus, PolyMetal, etc.
- Maturing **legal framework**, not consistently applied outside Moscow
- **Competitive environment for specialists** and other qualified personnel
- **State involvement** in M&A; uncertain **definition of strategic deposits**
- **Cost of doing business** for a North American company in Russia
- **Equity capital markets** still **developing**

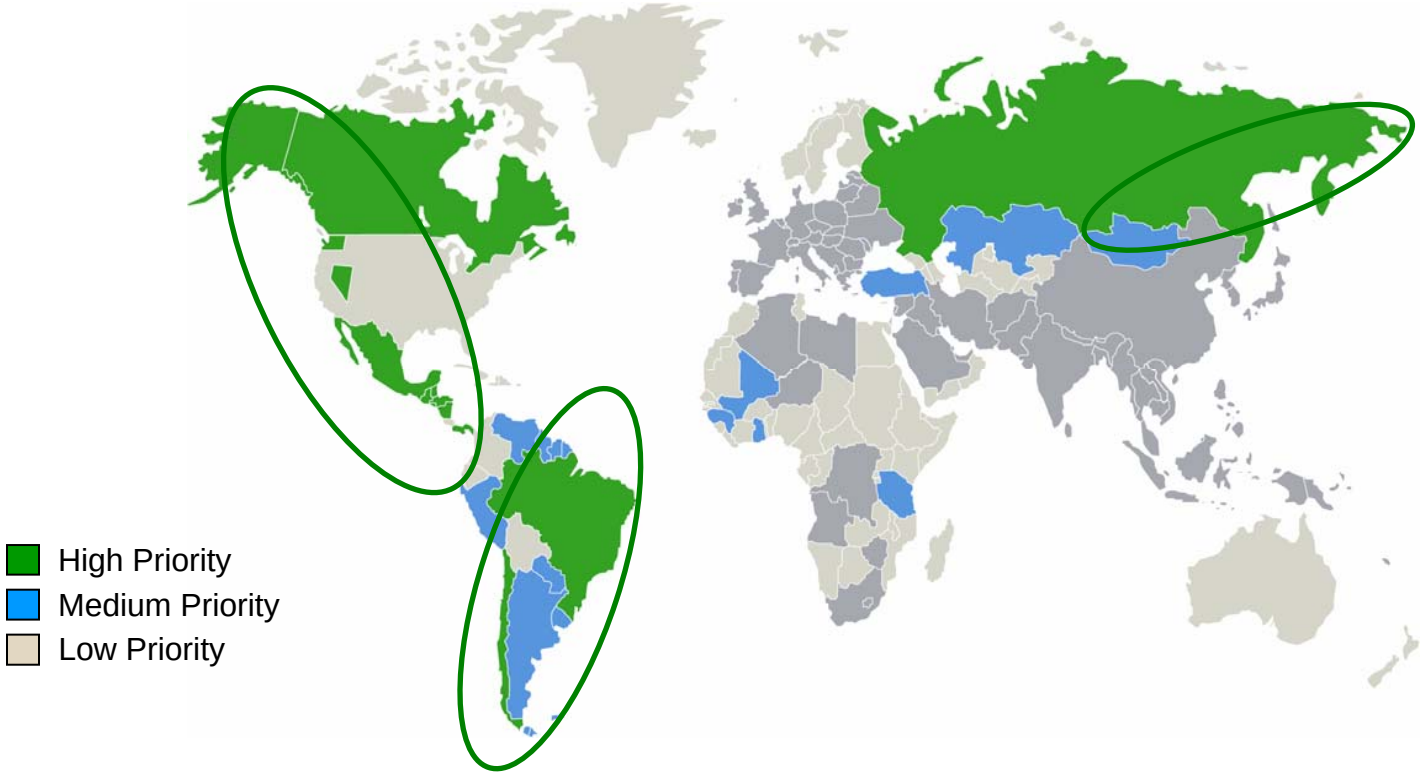


# *Strategic Considerations*



# Corporate Geographic Priorities

- **Geographic focus** on the Americas and selected other regions





# Pursuing Opportunities in Russia

- Kinross **reinitiated corporate development** activities in Russia in 2005
- Proceeding **carefully**
- Key **issues**:
  - Competition vs. partnership
  - Transparency of process
  - Ability to complete ‘western style’ due diligence
  - Need for balance in the asset portfolio
  - Price expectations

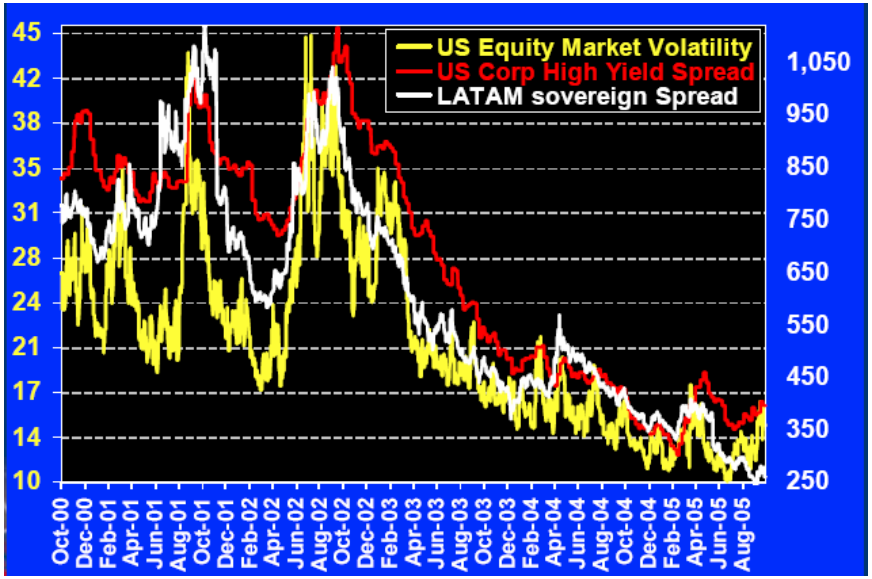


# Market Commentary

## Russian Discount

- **One year forward P/E's[1]:**
  - Russian Index – 8.7x
  - Brazil Index – 11.6x
  - N.A. Indices – 17.4x
- **Gold Sector P/NAVs[2]**
  - Companies with CIS exposure – 1.8x NAV
  - N.A. Golds – 2.4x NAV

## Market's Tolerance for Risk




*Source: Scotia Capital Emerging Market Research*

*Notes: (1) Datastream and Bloomberg (January 27, 2006), (2) Street Research Averages by Merrill Lynch*



# Closing Comments on Russia

- Kinross has **experience** in a country where experience matters
- Size of **gold potential**: very large
- Need **discipline** to match opportunity with value/cost, **risk mitigation**
- Evolving **partnership** opportunities

**Shares outstanding**: 345.3 million
**Market cap**.: US$4.5 billion *(at Feb. 1, 2006)*

**KGC: NYSE** *(Common shares)*
**K: TSX** *(Common shares)*
**K.U: TSX** *(US dollar trading symbol)*
**K.WT: TSX** *(Warrants expiring 05/12/07)*




Kinross Gold Corporation
40 King Street West, 52nd Floor
Scotia Plaza
Toronto, ON  M5H 3Y2

416-365-5123
416-363-6622
866-561-3636
info@kinross.com