

Fort Knox Mine Annual Meeting



Thursday, March 29, 2012

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Fort Knox

2011 by the Numbers

Employees	522
Lost Time Injuries	1
Federally Reportable Spills	1
Notices of Violation	0
Permit Exceedances	0
Tons Mined	34.6 million
Tons Milled	14.9 million
Gold Production	289,794 equivalent ounces



Kinross Corporate Values

Putting people first

Outstanding corporate citizenship

High performance culture

Rigorous financial discipline

- 4 values form the basis of our culture
- Inform how we work
- Guide our behavior



Putting People First

2011 – 522 employees at year end

2012 – 550 employees

Plus 300+ contractors (summer)

- 100% live in Fairbanks North Star Borough
- 67% of employees own their homes
- Average age: 40 years
- Average years of Alaska residency: 13
 - » 40% in Alaska 15 years or more



Employment

5th largest private sector employer in FNSB

10th largest employer overall

Average wage \$90,000+ (in 2010)

47% employed 5+ years at Fort Knox

16% employed 10+ years at Fort Knox

550 indirect jobs created in Alaska



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Management Team

Dan Snodgress	VP and General Manager
Bob Musgrove	Operations Manager
Bob Sweeden	Health & Safety Manager
Delbert Parr	Environmental Manager
Arne Bakke	Exploration Manager
Don Cordsen	Site Controller
Eric Hill	Technical Services Manager
Vince Mordja	CI Manager
Craig Natrop	Mine Ops Superintendent
Clint Nebeker	Mobile Maintenance Superintendent
Chelly Nelson	Human Resource Manager
Lorna Shaw	Gov't & Community Affairs Manager
Charlie Wells	Ore Processing Manager



Public Education

kinross.com

Our People Our Community

Derek had an Alaskan dream.
As a child in Idaho, Derek dreamed about living in Alaska. The way he figures it working at Fort Knox Gold Mine lets him to live that dream, together with his wife and three children.

After five years with Fort Knox, Derek is second in command of the mobile maintenance department with nearly 100 employees. Trained in automotive technology, Derek and his team keep the wheels turning on the mine's complex equipment and vehicles. The challenges of the job are non-stop, but that keeps every day interesting with unique "Alaska" challenges, he says. And in his free time, Derek gets to fulfill that childhood dream—hunting, fishing, enjoying Alaska's outdoors with his family and all the great opportunities right here in our community.



KINROSS Fort Knox

Fort Knox First things first.

At Fort Knox, our priorities are simple.
Our people.
Our community.
Our environment.

We invest in our people, so they are trained to do the best job possible.

We support our community with charitable donations, volunteer hours and local purchases.

We adhere to the toughest standards to protect water and air quality. These are our priorities.

Because at Fort Knox, it's about putting first things first.



KINROSS Fort Knox

Fairbanks Gold Mining Inc.
A Kinross company

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April 8, 2011

Community Outreach



Mine Tours are Back!

At the Kinross Fort Knox Gold Mine

Tour Dates

Saturday, July 30

Friday, August 12

Wednesday, August 24

Tours from 8:30am to 1:30pm
 Transportation to and from mine site included
 Minimum age is 9 years old
 \$5.00 donation to the Fairbanks Community Food Bank required for each seat reserved
 Four seat maximum per reservation
 Contact Fairbanks Community Food Bank for more information
www.fairbanksfoodbank.org or 45-SHARE (457-4273)



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Community Involvement & Support

- Fairbanks Community Food Bank
- Clean Up Day on Steese Highway
- Adopted 6 families at Christmas
- American Heart Association Heart Walk
- AK Resource Education sponsor
- Mining Day at the fairs
- Sponsor of local youth sports
- Golden Days parade sponsor



Tours Provided

- Students: elementary through post grad
- Native corporation representatives
- Representatives from rural communities
- Elected officials
- Agency representatives
- Fairbanks residents

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Local economic benefits

550 high quality jobs

\$295 million total annual spending (operating)

\$118 million capital investment

\$67 million on wages and benefit

\$36 million on electricity

\$36 million on fuel

\$5.2 million on property taxes



FAIRBANKS
Urgent Care Center



ACS
Alaska Communications Systems

PERSONNEL
PLUS
Recruitment Agency Inc.

Alaska
LYNDEN
TRANSPORT

DENALI
INDUSTRIAL SUPPLY, INC.

Santas
Stitches
SEWING CENTER

Arctic Office Products

NC MACHINERY CAT

Construction Machinery Industrial, LLC

PETRO STAR INC.

GVEA

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Safety
is no accident

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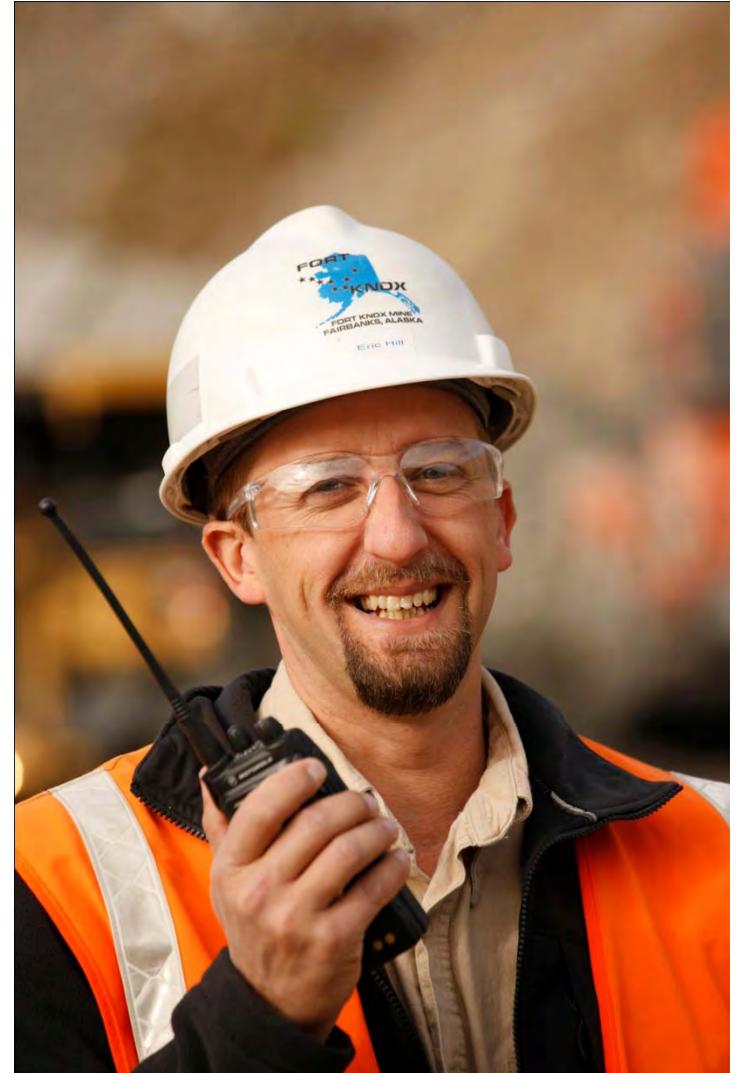
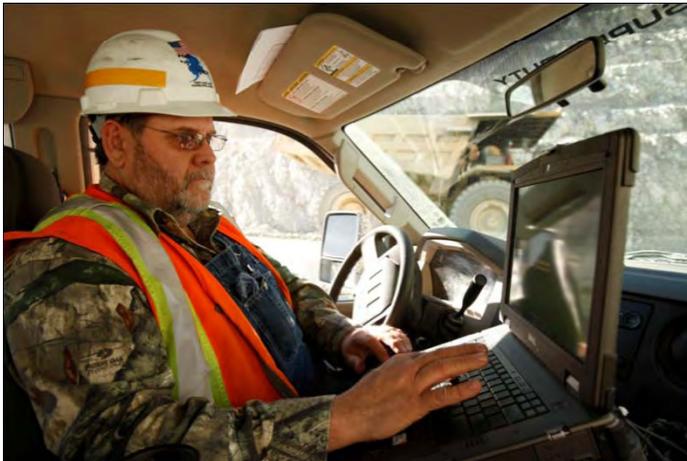
Safety Performance

2011

- Fatality

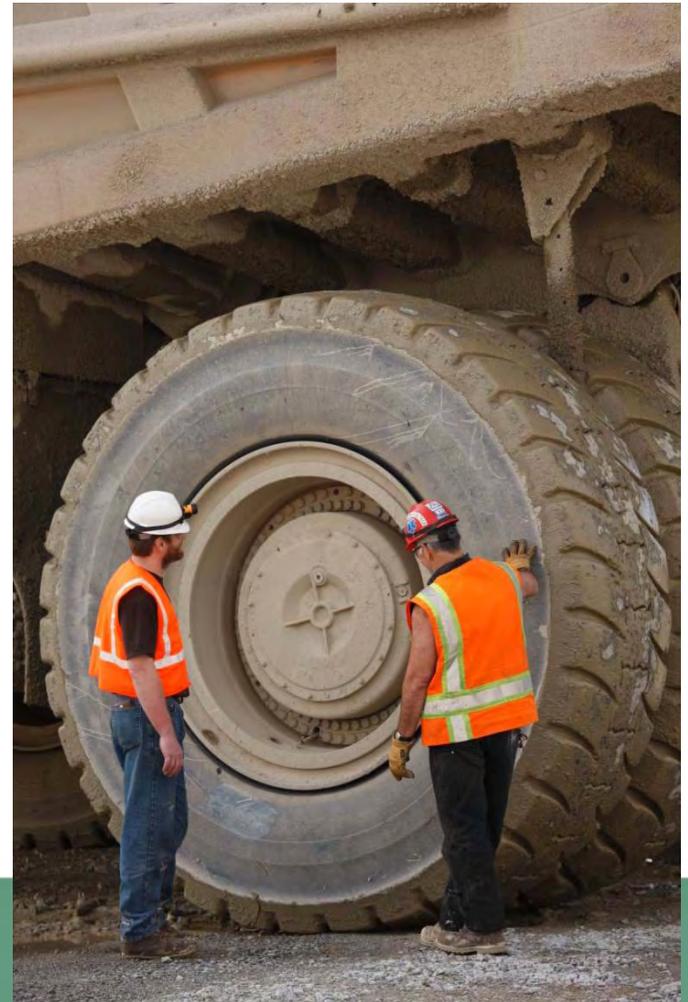
2012

- 1 medical treatment to date
- Plus one contractor MT
- Mine 2.3 M hours no LTI since 2006
- MEM no LTI since 2006 1 M hours
- Admin no LTI since 2005 1 M hours



Safety Analysis

- Contracted to perform sitewide assessment of safety culture
- Next step: how to shape the change to achieve the desired culture
- Identify blind spots and fix them



See it – Own it – Solve it

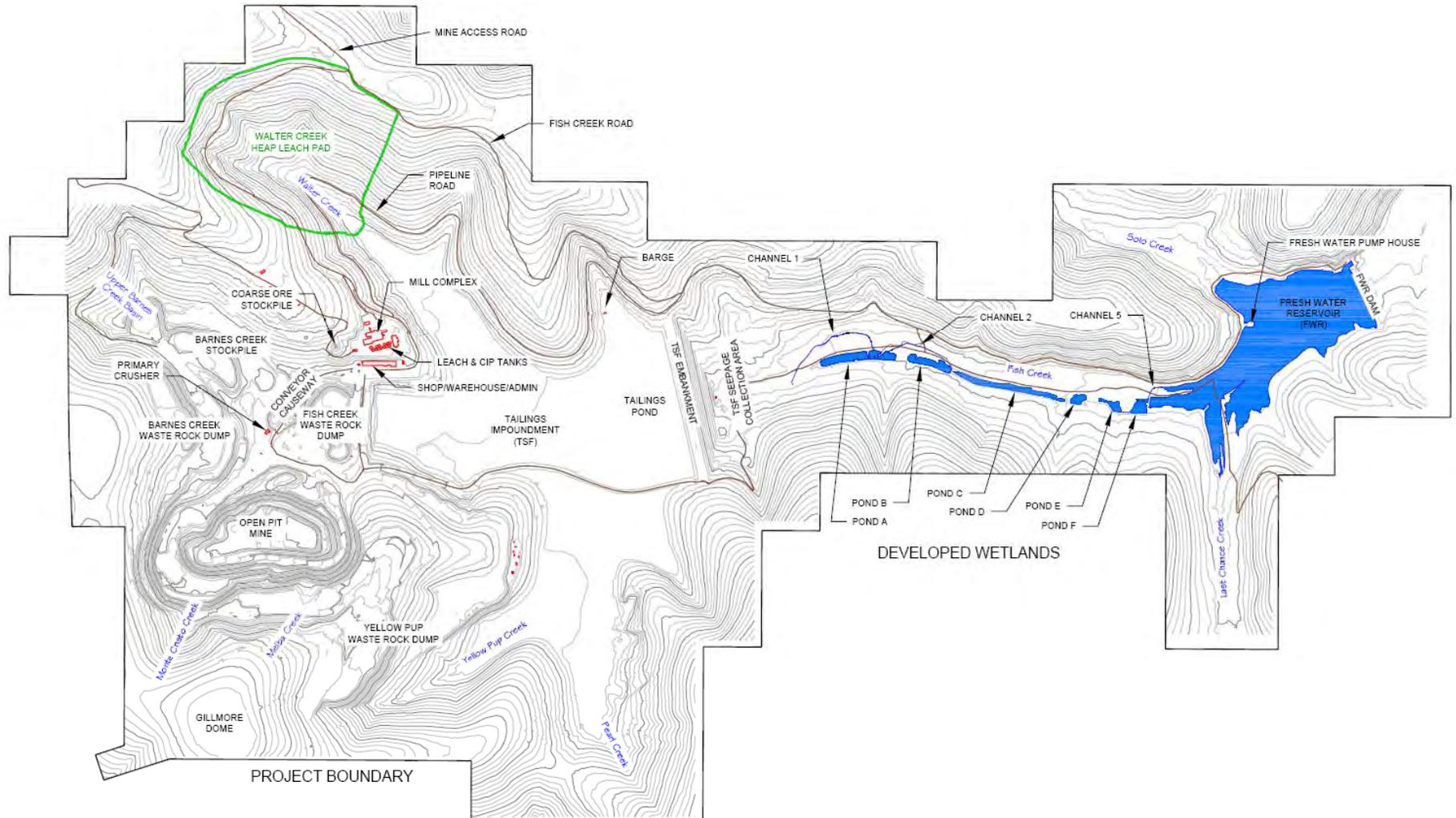
- Voluntary
- Employee driven
- Behavior focused
- Peer-to-peer



Environmental Leadership

Setting the GOLD standard

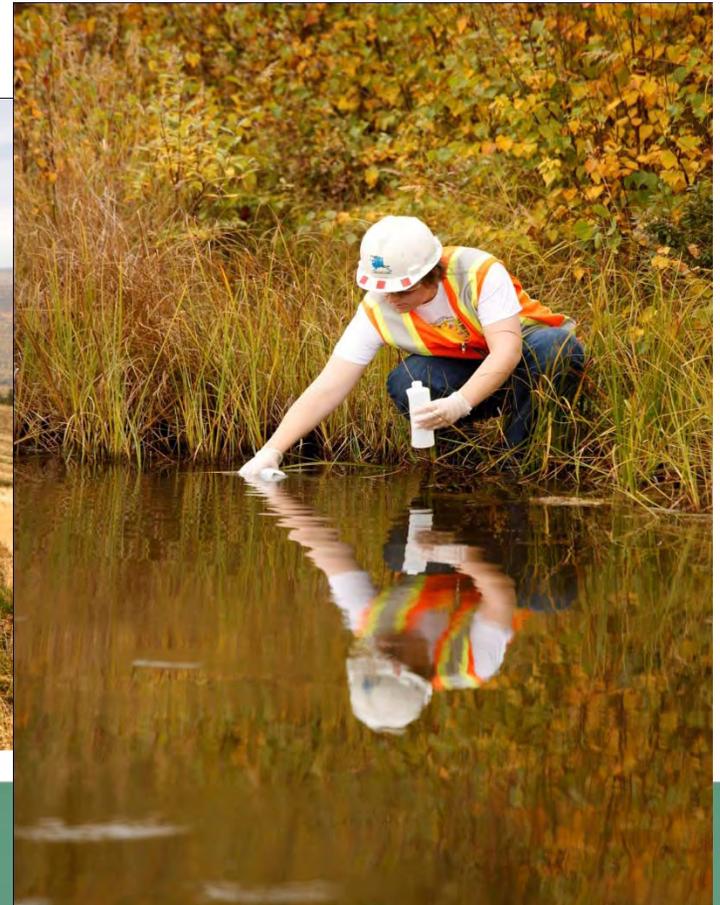
Project Overview



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Third-party Audit – Fort Knox & True North

- Audit conducted in 2011 by SRK Consulting
- State agencies and Fort Knox have reviewed and commented
- Anticipating the final report next week



Federally Reportable Spill

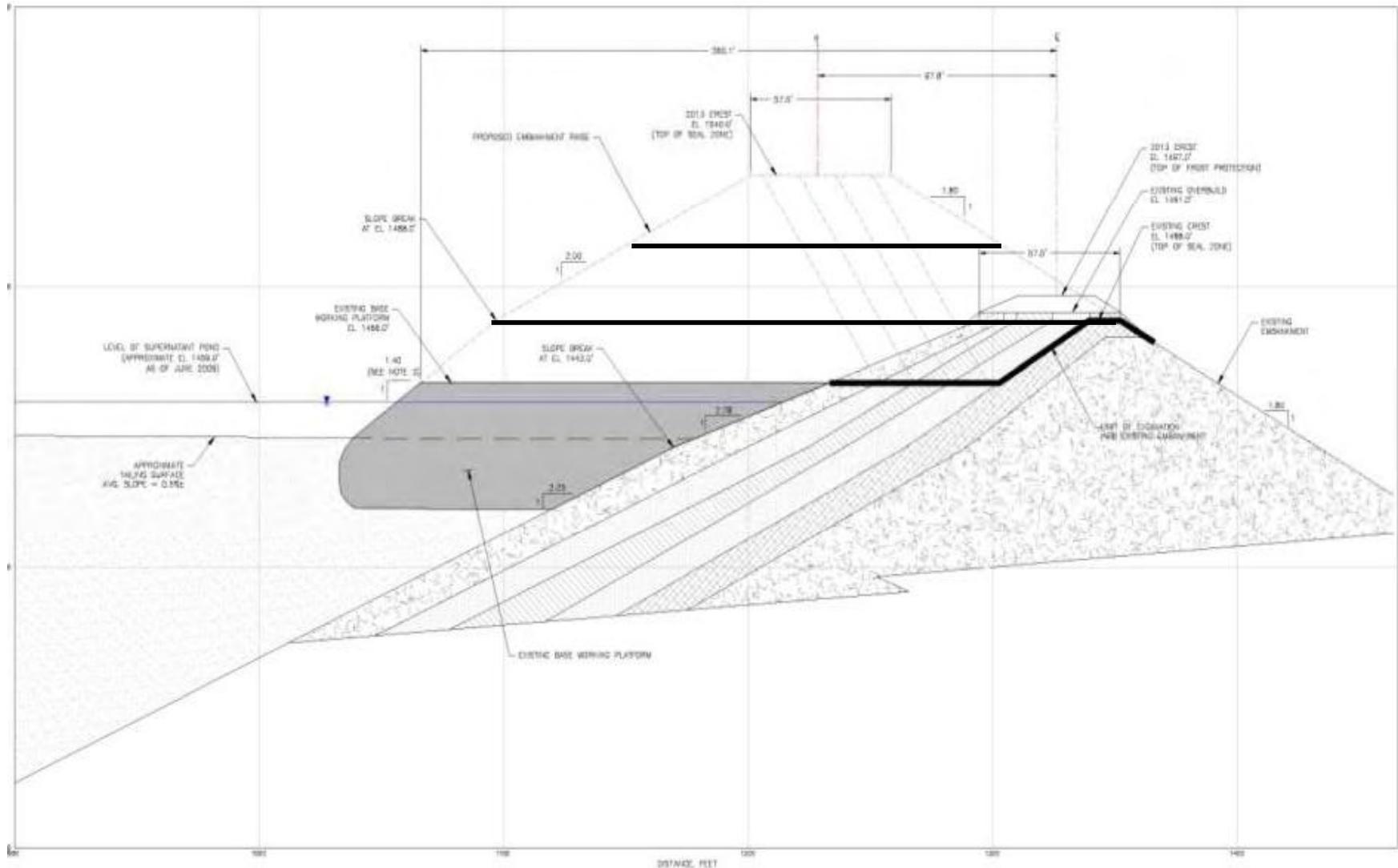


Tailing Dam Raise

- 2010: Prepare for future construction
 - Excavated 22 feet
 - Reversed core
 - Built back to same height
- 2011: 25 foot dam raise
- 2013: 27 foot final raise



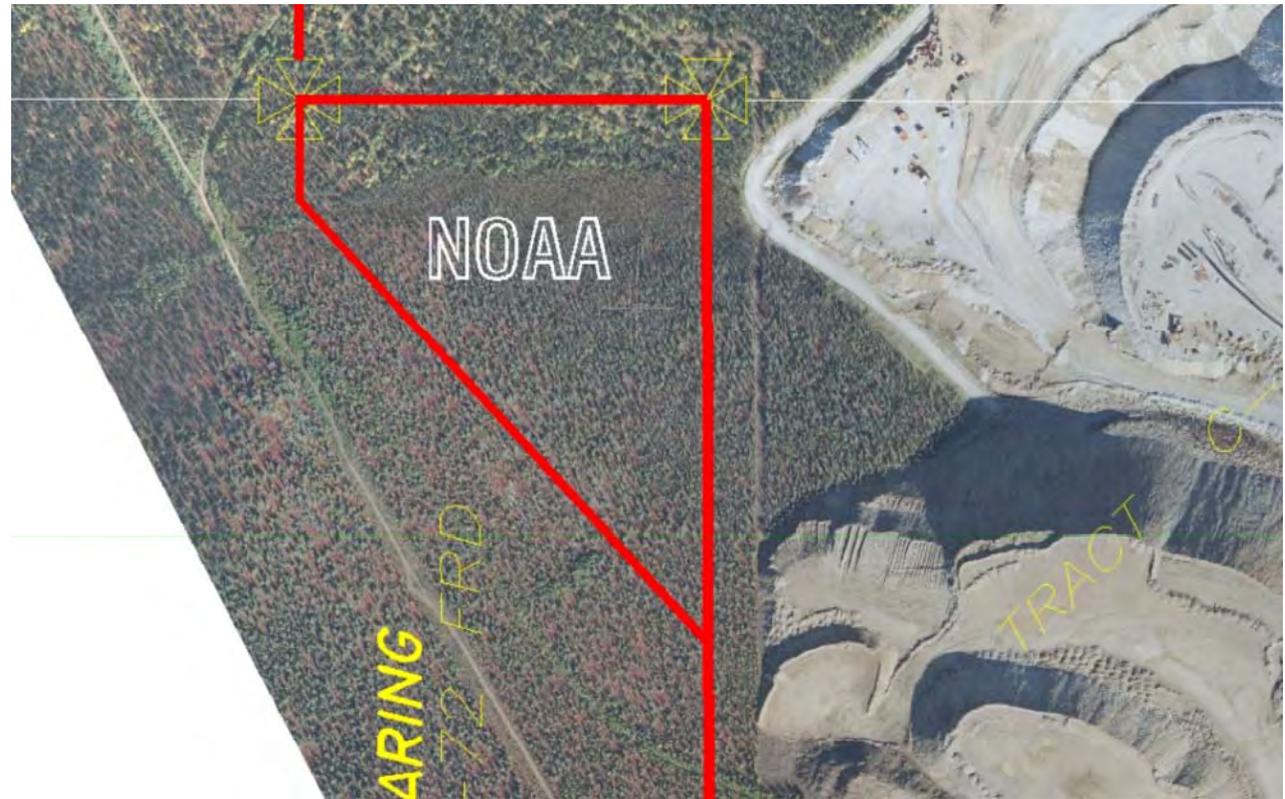
Tailing Dam Design



Land Status

32 acres
relinquished from
the NOAA
withdrawal

Incorporated in
Millsite Lease for
placement of
waste rock



Fort Knox Reclamation and Closure Plan

- Awaiting comments
- Preparing a new plan incorporating planned changes
- Financial Assurance is being calculated using the SRCE model



True North Reclamation

2009

- Decision to abandon further mining and exploration
- Wrote down reserves and resources
- Began final reclamation

2010

- Terminated lease agreements
- 149 acres graded
- 52 acres of growth media placed
- 270 acres scarified, seeded, and fertilized

2011

- Maintenance
- Awaiting ADNR review/approval of final reclamation plans
- Planted 33,000 spruce, alder and birch seedlings

2012

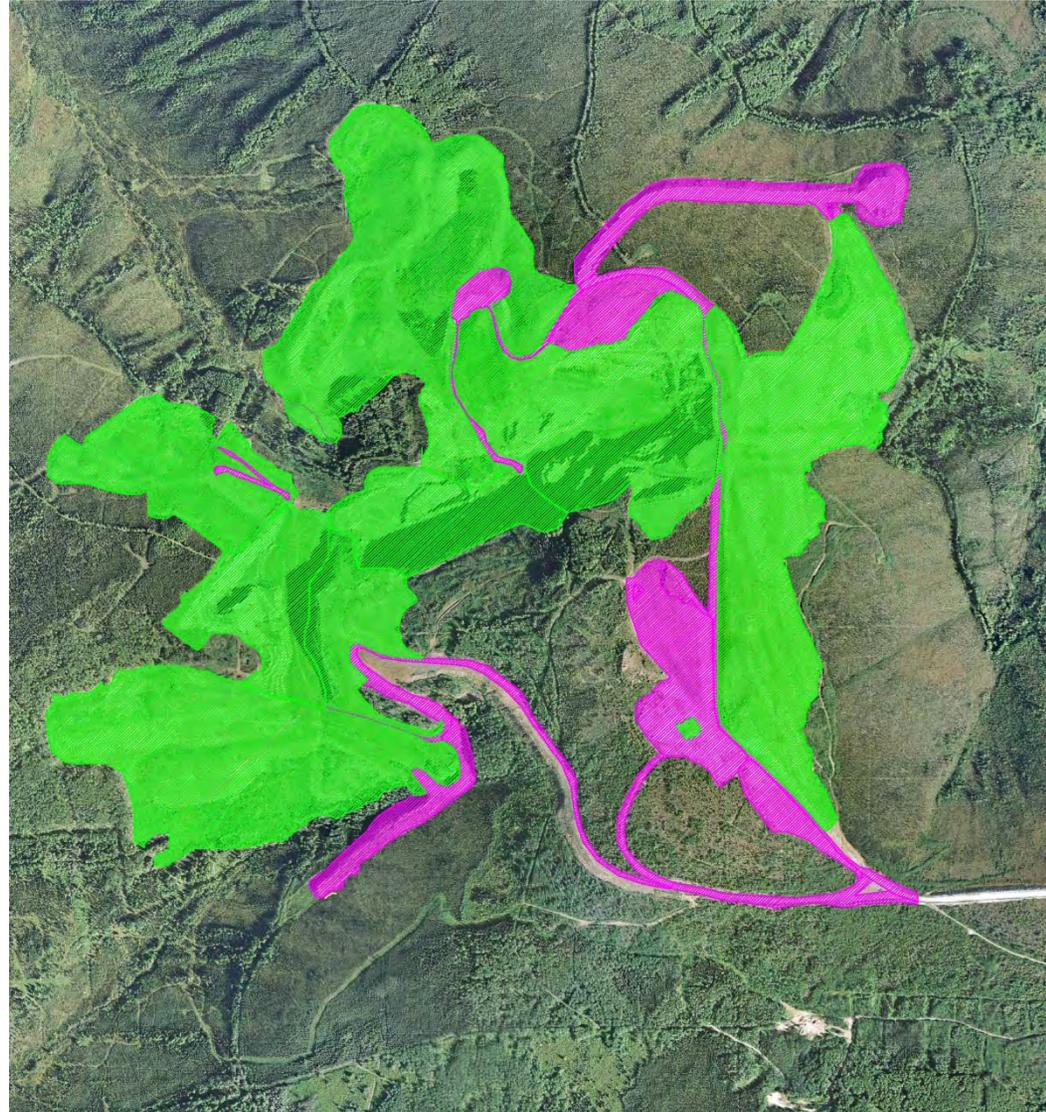
- Obtain approval of Reclamation Plan
- Complete major field reclamation activities



TRUE NORTH RECLAMATION

394 acres reclaimed

184 acres to be reclaimed



Green hatched area indicates reclamation performed to date.
Magenta indicates remaining reclamation to be completed.



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Mine Operations
People. Environment. Production.

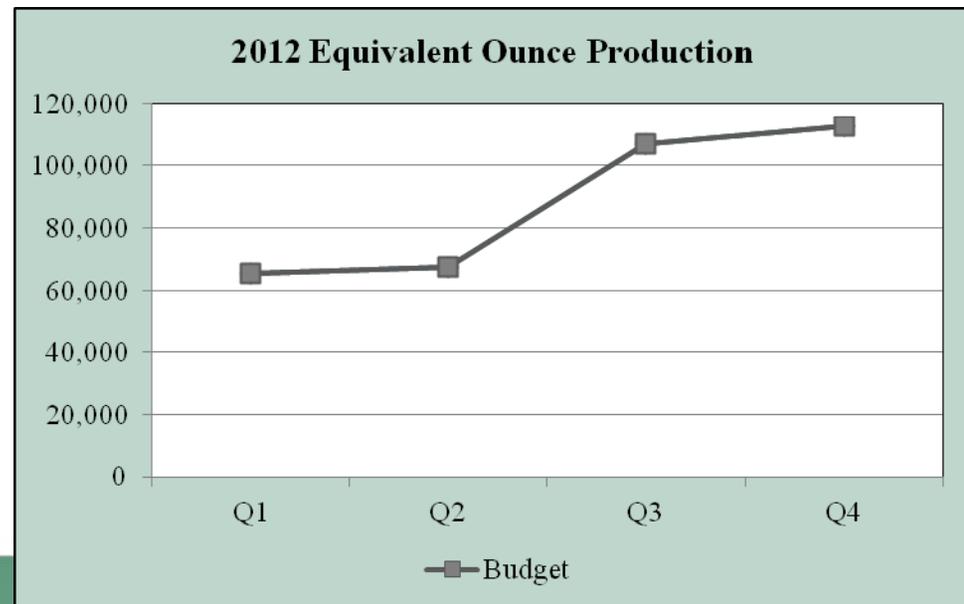
2011 Production & Highlights



- 289,794 gold ounces produced
- 67.4 Million tons moved
 - 19 M tons stacked on Heap Leach
 - 15 M tons milled
- Phase 6 completion
- Phase 8 reserve addition 1.286 M tons
- Accelerated Heap Leach stacking

2012 Budget Production

- 352,878 gold ounce production
- 97.8 M tons moved
 - 30.7 M tons stacked on Heap Leach
 - 14 M tons moved by contractor
 - 15 M tons milled



Equipment

- 10 CAT 785 Haul Trucks
- 9 CAT 789 Haul Trucks
- 10 CAT 793 Haul Trucks
- 2 Hitachi EX3600 Shovels
- 1 Hitachi EX5500 Shove
 - +1 new EX5600 (July 2012)
- 3 CAT 994 Loaders
- 1 CAT 992 Loader
- 5 CAT D10/D11 Dozers
- 3 CAT Wheel Dozers
- 6 Ingersoll Rand Drills
- 4 CAT 16H/M Graders



2011 Projects

- Walter Creek Heap Leach Stage 3: 1.9 M square feet liner placed
- Multiplate tunnel over access road to shorten haulage cycle
- Tailing Storage Facility: 25 foot dam raise

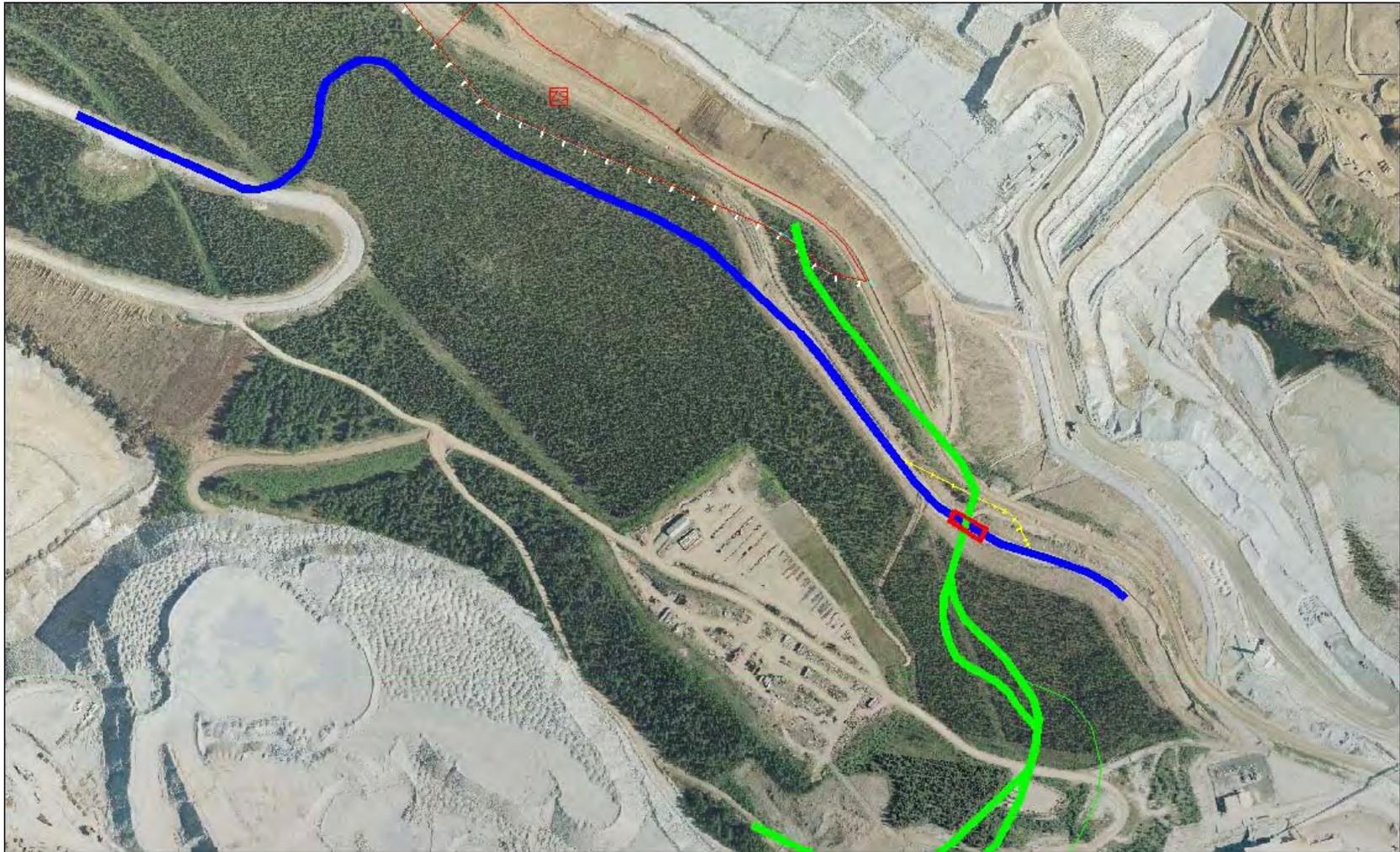


Multiplate Tunnel

- Tunnel Length: 264 ft
- Tunnel Height: 21 ft
- Embankment: 475,000 cy



Multiplate Tunnel





2012 Projects

- Walter Creek Heap Leach Stages 3 & 4
- Contractor haulage to Walter Creek Heap Leach
- Pregnant solution pumping scenario
- Second CIC facility



Walter Creek Heap Leach Stages 3 & 4

Scope

- Continue with construction as per original design for Stages 1-5

Status & Schedule

- Stage 3 completion early summer 2012
- Initial Stage 4 summer 2012, completion 2013

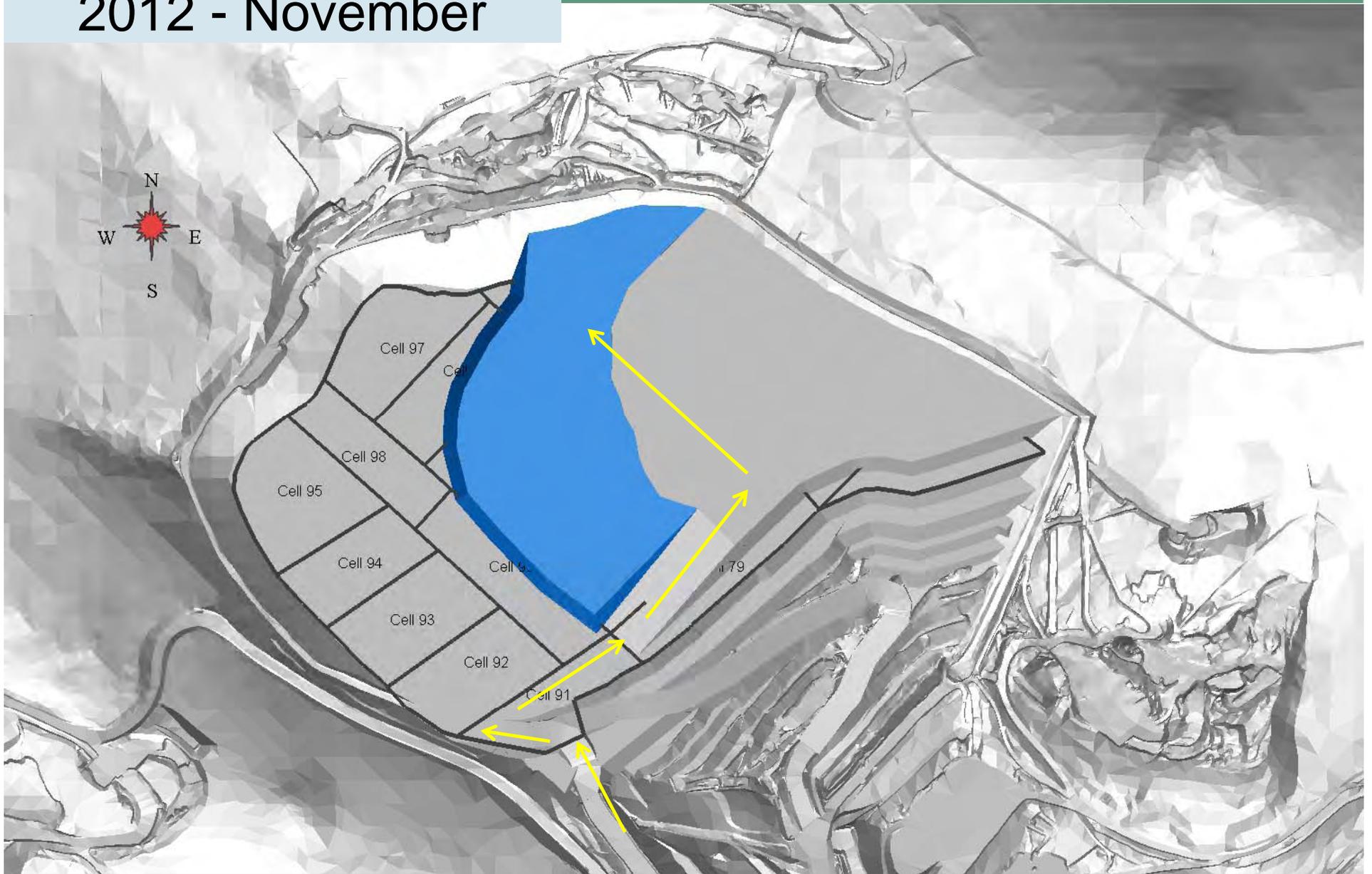


2012 - March



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2012 - November



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Contractor Haulage to Heap Leach

Scope

- Add contractor to accelerate HL stacking plan by hauling 14 M tons (April – November 2012)

Status & Schedule

- Contract awarded December 2011
- Mobilization underway



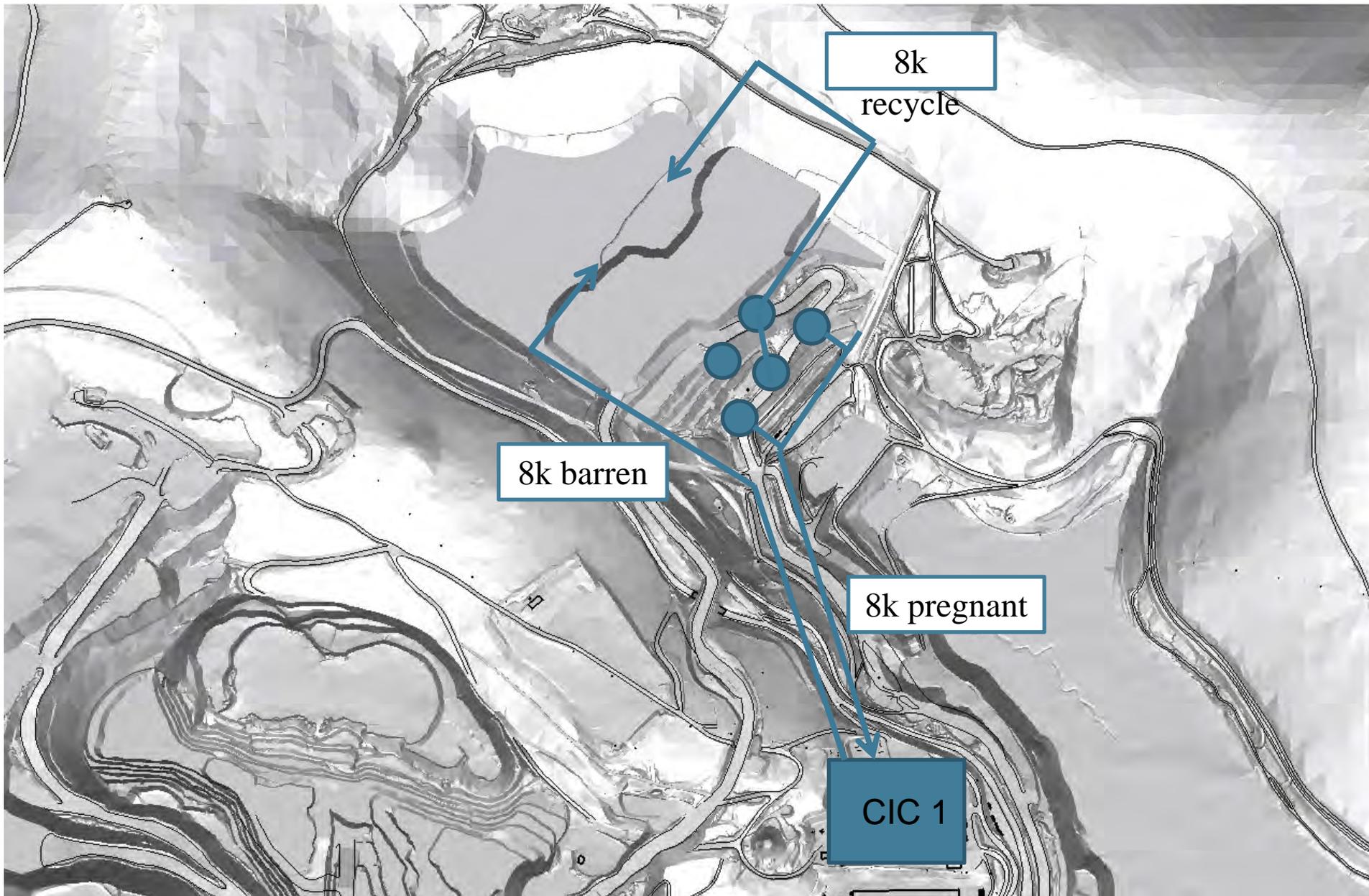
Pregnant Solution Pumping Scenario

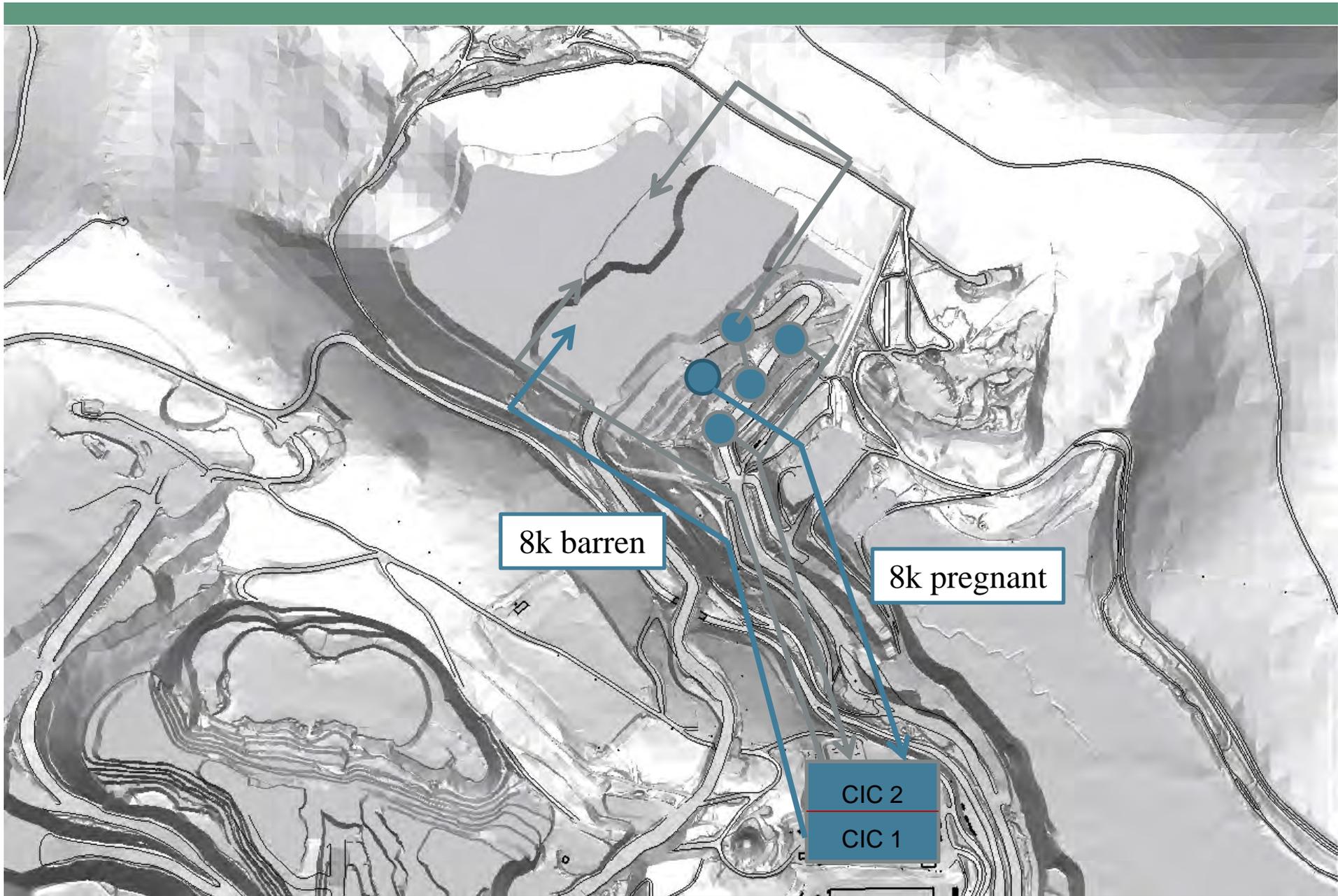
Scope

- Increase solution flow from 8,000 gpm to 16,000 gm, raising grade of pregnant solution to CIC plant
- Additional flow required to leach 14 million additional tons placed on WCHL with contractor in 2012

Status & Schedule

- Well drilling underway
- Final completion in June 2012





New CIC Facility

Scope

- Construct new CIC to process increase flow from HL with new pumping system

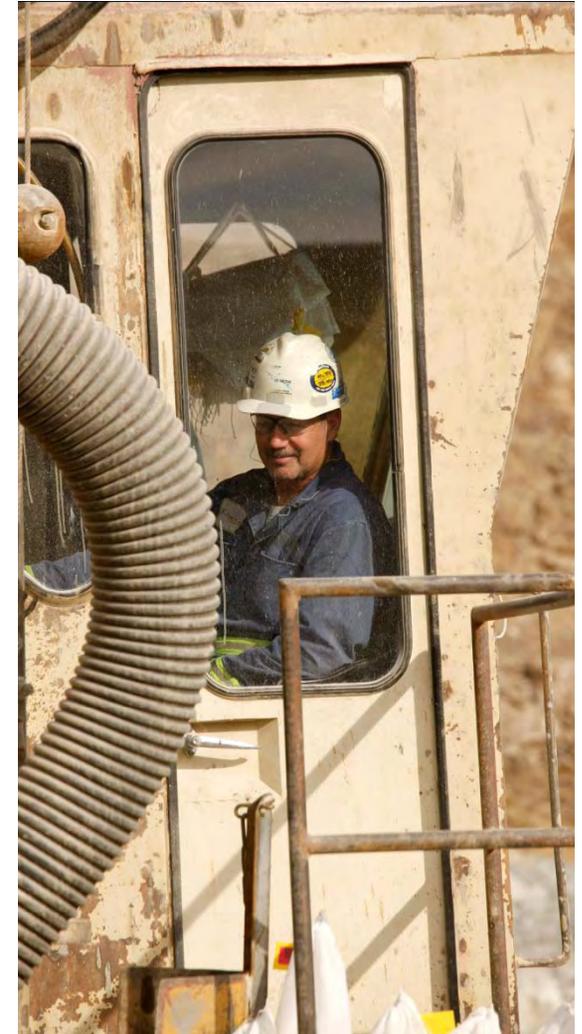
Status & Schedule

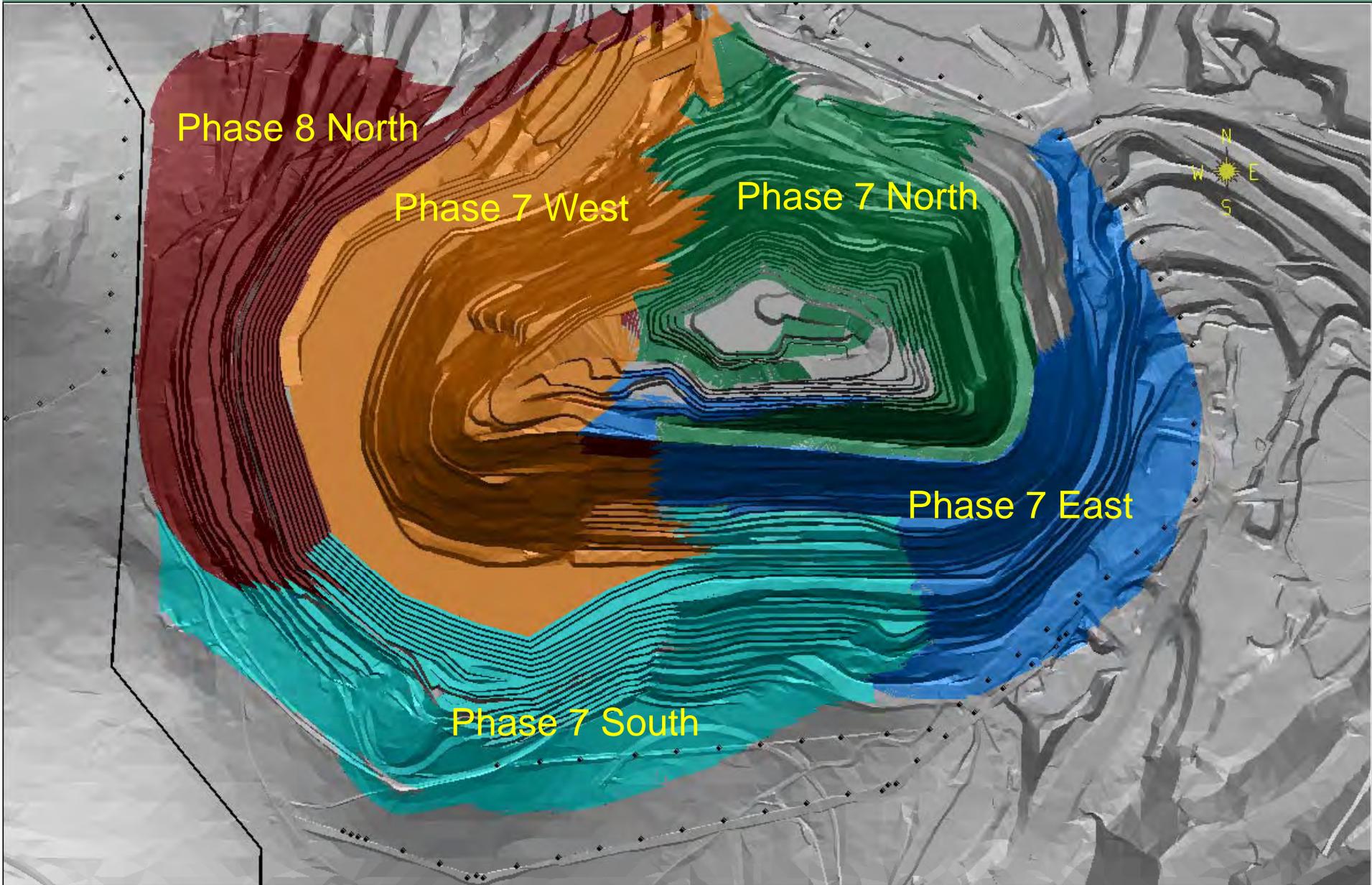
- Engineered design underway
- Construction begins mid-year
- Complete in September 2013

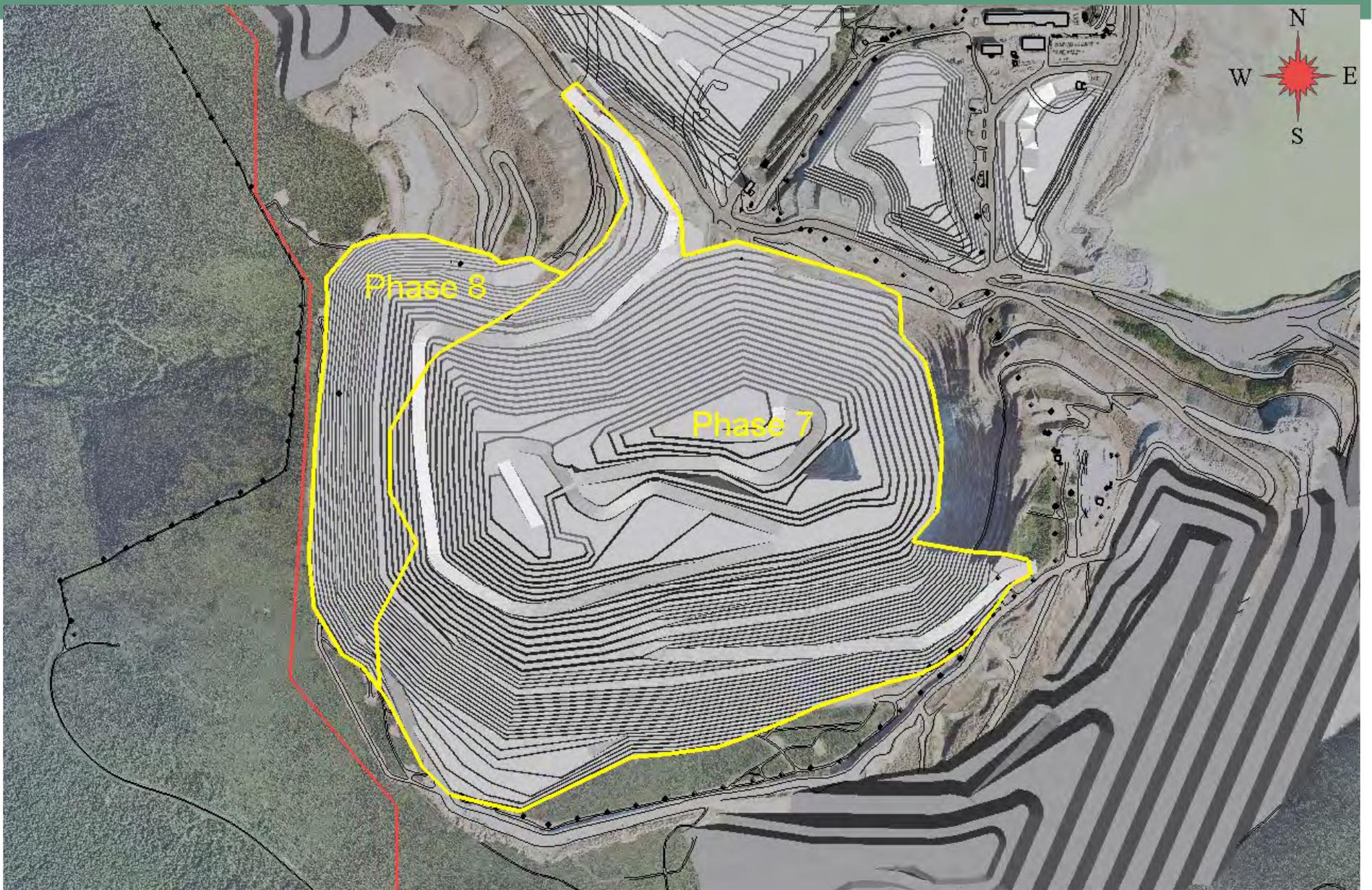


Phase 8 Expansion

- Phase 8 added to reserve
- 1.3 M ounces added in 2011
- Mine sequencing upon completion of Phase 7







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Future Projects

- Expand heap leach facility 161 M tons to 308 M tons
- Expand waste rock dumps
- Expand Millsite Lease



Reserve Comparison

1996 Reserve

- 4.1M gold ounces
- 161M tons
- 0.025 opt
- Cut-off Grade 0.013 opt
- Waste to Ore Ratio 1.05:1
- Mine Life 12.4 years

Annual Production

- 300 to 350k gold ounces
- 13M Ore Tons

2011 Reserve

- 4.3M gold ounces
- 315M tons
- 0.013 opt
- Cut-off Grade 0.004 opt
- Waste to Ore Ratio 1.45:1
- Mine Life 9 years

Annual Production

- 300 to 420k gold ounces
- 16 to 46M Ore Tons

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