

Walter Creek Heap Leach Project Weekly Review

June 4th, 2008



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HSE Performance

- No injuries this week
- NSC has implemented a dedicated safety manager
- Training for use of nuclear densometer is underway
- No environmental compliance issues this week.

Hours Worked Since April 9

NSC 2,657 hr. this week; 24,159 total

Merit 120 hr. this week; 990 total

KP 60 hr. this week; 480 total

FGMI 200 hr. this week; 1600 total

Project; 3,037 hr. Total 27,529

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Construction

- **Topsoil removal completed**
- **Embankment fill continues – Finishing 3rd lift**
- **Water Control**
 - **All noted seeps have been opened up and backfilled with drain rock**
 - **No further wet spots noted**
- **Transition zone material is being placed on the base platform upstream of the embankment toe**
 - **Material is being taken selectively from West Slope cut**
- **Stage 1 perimeter access road is now rough graded and progressing across North end of valley**

Construction

- **East slope re-grade is 95% complete and compaction is underway**
 - **Compacted areas ready for final 4” lift of prepared sub-base**
- **Pond limit access road layout underway**
 - **Construction will begin later this week**
- **Crusher is set up and operating**
 - **Will begin producing prepared sub-base material by the end of week**
- **CIC building area was tested to confirm lack of underground interference**
 - **All was clear**

3 Week Construction - Schedule

| ID | Activity | M | T | W | T | F | S | S | M | T | W | T | F | S | S | M | T | W | T | F | S | S |
|----|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|
| | | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 1 | Trim to bedrock - East & West Slopes as Fill Height Increases On Going | | | | | | | | | | | | | | | | | | | | | |
| 2 | Bedrock Inspection/Mapping - As Required for Side Slopes On Going | | | | | | | | | | | | | | | | | | | | | |
| 3 | Mine Waste Embankment - Elev. 1540 to 1653 | | | | | | | | | | | | | | | | | | | | | |
| 4 | East Slope: Compaction On Going | | | | | | | | | | | | | | | | | | | | | |
| 5 | West Slope: Remove Topsoil, Regrade, & Compact - On Going - Cut to Fill | | | | | | | | | | | | | | | | | | | | | |
| 6 | Crusher: Prepare Sub-base Material | | | | | | | | | | | | | | | | | | | | | |
| 7 | Mine Waste: Haul Road Fill as Fill Elevation Increases (Schist) - On Going | | | | | | | | | | | | | | | | | | | | | |
| 8 | Excavate LCRS Sump | | | | | | | | | | | | | | | | | | | | | |
| 9 | Base Platform Transition Fill - Select material from west slope cut (-3", <15% fines, 8" lifts, 95% optimum compaction) | | | | | | | | | | | | | | | | | | | | | |
| 10 | Sub Base - Stockpile suitable material - On Going | | | | | | | | | | | | | | | | | | | | | |
| 11 | Excavate Pond Limit Access Road - 20' wide | | | | | | | | | | | | | | | | | | | | | |
| 12 | Construct East Slope perimeter road and ditch | | | | | | | | | | | | | | | | | | | | | |



Construction – Pictures

Crushing/screening plant has started operation



East Slope Compaction



Fill Compaction in Toe of West Slope Re-grade



Cut from top of West Slope re-grade

Mine Rock – Embankment Construction

- **Mine Random Fill Summary as of end of June 2nd, 2008**

| | |
|--|-----------|
| Average Daily Since April 18th (CY/Day): | 17,490 |
| Average Daily Previous Week (CY/Day): | 14,502 |
| Actual Placement Thus Far (CY): | 1,196,970 |
| Budgeted Placement Thus Far (CY): | 1,610,000 |
| Variance from Budget (CY): | -413,030 |
| ↳ % Variance from Budget: | -26% |
| Total Random Fill Volume (CY): | 2,474,142 |
| ↳ % Complete Total Random Fill: | 48% |
| Estimated Completion | 14-Aug-08 |

- **Note: Estimated Completion assumes average daily since April 18th is rate through to completion**

- **Last Week; Mine Random Fill Summary as of end of May 25th, 2008**

| | |
|--|-----------|
| Average Daily Since April 18th (CY/Day): | 17,196 |
| Average Daily Previous Week (CY/Day): | 14,330 |
| Actual Placement Thus Far (CY): | 1,045,887 |
| Budgeted Placement Thus Far (CY): | 1,410,000 |
| Variance from Budget (CY): | -364,113 |
| ↳ % Variance from Budget: | -26% |
| Base Platform Volume (CY): | 1,030,000 |
| ↳ % Complete Base Platform | 100% |
| Total Random Fill Volume (CY): | 2,474,142 |
| ↳ % Complete Total Random Fill: | 42% |



Engineering Status

- **Stage 1 access road plan finalized and 50% constructed**
 - Pond level road plan in process
- **KP material design specifications being reviewed and compared with products available from conveyor**
 - Over-liner production is going to be sampled every 2 days
 - Need to review options for suitable “cushioning” of over-liner on LLDPE material
 - Multiple slippage plains require multiple tests
 - Tests are in process with geo-textile and tailings alternatives– results due Monday June 12th
- **Other KP Engineering activities**
 - South slope re-grade is completed & FGMI design is being implemented
 - PCMS design status needs to be confirmed
 - Pipeline Corridor Alignment is in process – scheduled for completion June 6th
- **Lime silo options need to be reviewed to determine which one best suits FGMI needs**
 - In process – looking at used silos with new controls and conveyors

Engineering Status

- **Concrete plans are being checked to produce IFC drawings**
- **Additional structural steel platforms have been added in the CIC building**
 - **CIC/MTCC building foundations will remain at elevations as shown on M&M drawings due to frost protection requirements**
- **ROM ore loading plan in development**
- **Water truck options are being evaluated**
- **Staged embankment and pond liner plans in development**
- **Field survey for as-builts and staking for grade is ongoing**
 - **2 surveyors available for coverage on an ongoing basis**