

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

Brown v. Kinross Gold U.S.A., Inc.	CV-S-02-0605-PMP-(RJJ)
This Document Relates To: All Actions.	SUPPLEMENTAL NOTICE OF EXTENDED DEADLINE FOR FILING PROOF OF CLAIM FORMS AND MOTION FOR SUPPLEMENTAL AWARD OF ATTORNEYS' FEES AND NONTAXABLE COSTS

YOU COULD RECEIVE FUNDS FROM A CLASS ACTION SETTLEMENT IF YOU HAVE NOT YET FILED A VALID PROOF OF CLAIM FORM AND 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.),

ALTHOUGH THE INITIAL DEADLINE FOR FILING PROOFS OF CLAIM EXPIRED ON MARCH 31, 2009, THE DEADLINE HAS BEEN EXTENDED AND ADDITIONAL PROOF OF CLAIM FORMS MAY BE FILED NO LATER THAN JULY 30, 2010.

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the District of Nevada (the "Court"), dated January 29, 2009, that the Court: (1) approved the settlement of the claims in the above-referenced litigation (the "Action") for the principal amount of \$29,250,000, plus accrued interest and certain returned dividends, as fair, reasonable and adequate; (2) entered a Judgment as provided in the Stipulation and Agreement of Settlement; (3) entered a Final Judgment and Order of Dismissal with Prejudice dismissing the Action with prejudice; (4) approved the Plan of Allocation as fair, reasonable and adequate; (5) approved the application of Plaintiffs' Lead Counsel for the payment of attorneys' fees and reimbursement of expenses; (6) approved the requested reimbursement of the Lead Plaintiffs' expenses incurred in connection with the Action and the payment of service awards to them; (7) established March 31, 2009, as the initial deadline for filing Proof of Claim forms on behalf of members of the Settlement Class who wish to participate in the Settlement; and (8) authorized the Claims Administrator, through and including March 31, 2010, to continue to identify members of the Settlement Class who did not file a Proof of Claim and to accept as timely submitted claims filed by such Settlement Class members through and including April 30, 2010.

On October 19, 2009, the Court entered an Order that, among other things: (1) approved the interim administrative determinations of the Claims Administrator accepting and rejecting the Proof of Claim forms; and (2) directed the Claims Administrator to distribute funds from the Net Settlement Fund to eligible claimants in accordance with the Claims Administrator's administrative determinations.

The Interim Distribution of the Net Settlement Fund and the Anticipated Supplemental Distribution of the Net Settlement Fund

On October 26, 2009, the Claims Administrator mailed Interim Distribution checks totaling \$12,108,084.06 to all claimants who had submitted approved Proof of Claim forms as of that date. Based on the approved claims set forth in the Claims Administrator's Interim Report, the percentage of shares believed to be eligible to receive funds from the settlement and for which the Claims Administrator proposed for approval as of October 16, 2009, was as

follows: (i) 100% of the Late-Tenderor Preferred Shares, (ii) 30.3% of the Tenderor Preferred Shares, and (iii) 99% of the Holder Subclass Preferred Shares. Pursuant to the Plan of Allocation, these Interim Distribution payments were made on a per share basis, less all fees, expenses and awards approved by the Court as of that date, as follows: \$14.50 per Late-Tenderor Preferred Share, (ii) \$16.50 per Tenderor Preferred Share, and (iii) \$42.00 of the Holder Subclass Preferred Share.

As a result of the Interim Distribution, approximately \$7,582,231.48 of the Net Settlement Fund remains to be distributed first to those claimants who submit an approved Proof of Claim Form not later than July 30, 2010 and with the remainder of any portion of the Net Settlement Fund that remains to be distributed in the form of a Supplemental Distribution to all claimants who have filed valid claims through and including July 30, 2010, and pay any fees and/or expenses incurred and approved by the Court.

As set forth in the Notice and Plan of Allocation, any additional funds that remain in the Net Settlement Fund, less any fees or expenses approved by the Court, will be allocated to those Settlement Class members who submitted approved Proof of Claim Forms. For example, subject to the amount of any additional valid claims submitted not later than July 30, 2010 that were not paid as part of the Interim Distribution, it is anticipated, but not guaranteed, that members of the Holder Subclass will receive a Supplemental Distribution up to \$8.10 per share of the Preferred *in addition* to the \$42.00 per share received in the Initial Distribution which the amount is expected to equal or exceed a total of \$50.00 per share of the Preferred *after* all Court approved fees, expenses and awards have been paid to Lead Counsel and the Representative Plaintiffs. It is further anticipated that members of the Tenderor and Late-Tenderor Subclasses will also receive a Supplemental Distribution from the remainder of the Net Settlement Fund, the exact amount of which will be determined after all approved claims received as of the July 30, 2010 extended claim deadline and any supplemental fees and expenses approved by the Court have been accounted for by the Claims Administrator.

The Claims Administrator and Class Counsel undertook efforts to continue to identify members of the Settlement Class who did not file a Proof of Claim. As of the conclusion of the April 30, 2010 deadline, it was determined that additional Settlement Class members had not been identified or required additional time to submit Proof of Claim forms. On June 25, 2010, the Court issued an Order granting the request of Class Counsel to extend the deadline for submitting Proof of Claim forms until July 30, 2010. **If you are a Settlement Class Member and you have not yet filed a valid Proof of Claim Form, in order to share in the distribution of the Net Settlement Fund, you must submit a Proof of Claim and Release postmarked no later than July 30, 2010.**

On November 14, 2008, a detailed Notice of Class Action Certification, Proposed Class Action Settlement, Motion for Attorneys' Fees and Nontaxable Costs, and Hearing Thereon ("Notice") and Proof of Claim and Release ("Claim Form") was mailed to all persons and entities believed to be Settlement Class Members. Additionally, at all times since, the Notice and Claim Form has been posted on the Internet and available for download at: <http://www.berger-montague.com/case-summary.cfm?id=28>; <http://www.goldensexant.com/>; and <http://www.hrsclaimsadministration.com/cases/bro/>. You may also obtain copies by writing to *Brown v. Kinross Gold U.S.A., Inc.*, Claims Administrator, c/o Heffler, Radetich & Saitta LLP, 1515 Market St., Ste. 1700, Philadelphia, PA 19102 or by calling 1-800-528-7199.

The deadline for excluding yourself from the Settlement Class expired on January 15, 2009. All Members of the Settlement Class who did not timely and validly request exclusion from the Settlement Class are bound by the Judgment entered in the Action pursuant to the Stipulation of Settlement. Therefore, if you are a member of the Settlement Class and you have NOT submitted a completed Proof of Claim Form, you should do so immediately, but not later than July 30, 2010, if you wish to participate in the Settlement. **The failure to submit a completed Proof of Claim Form postmarked no later than July 30, 2010 may preclude you from ever receiving any portion of the Settlement Funds.**

Supplemental Request For Attorneys' Fees and Non-Taxable Costs

On January 29, 2009, the Court also granted an award of attorneys' fees of \$8,500,000, which amounted to approximately 30% of the settlement fund less the total expenses that had been incurred in investigating the facts, litigating the case, and negotiating and implementing the Settlement, as well as the expenses Plaintiffs' Counsel anticipated would be incurred by them in implementing the Settlement in the future. 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 were 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 a maximum of \$9,342,300. In connection with the final approval of the Settlement, Plaintiffs' Counsel sought and were granted an award of attorneys' fees of \$8,500,000 which was \$842,300 **less than** the maximum award they are permitted to request from the \$29,250,000 fund. If sufficient funds

remain after a provision has been made for all Authorized Claimants' Payable Claims and all other approved fees and expenses, for their work in the litigation of the case and obtaining the Settlement and for the significant time spent since the approval of the Settlement in implementing, administering and overseeing the Settlement, not later than August 15, 2010, Plaintiffs' Counsel will file a motion with the Court to request a supplemental award of attorneys' fees not to exceed the remaining \$842,300 that they are authorized to be paid and the reimbursement of any non-taxable costs incurred.

Special Notice to Members of the Holder Subclass

Pursuant to the Court's January 29, 2009 Order granting final approval of the 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 were cancelled and are no longer valid outstanding shares of Kinam Gold Inc. Therefore, if you are a member of the Holder Subclass, even if you do nothing, your shares have been cancelled. However, if you are a member of the Holder Subclass, and you do nothing, not less than \$50 per share (less any attorneys' fees, expenses, service awards and additional administrative costs associated with identifying you), has been held in escrow on your behalf. If you are a Settlement Class Member and you have not yet filed a valid Proof of Claim form, in order to share in the distribution of the Net Class Settlement Fund, you must submit a Proof of Claim and Release postmarked no later than July 30, 2010.

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE. If you have any questions about the Settlement, you may contact either the Claims Administrator at the address or telephone number listed above or Co-Lead Counsel for Plaintiffs and the Class:

Merrill G. Davidoff, Esquire
Michael Dell'Angelo, Esquire
Berger & Montague, P.C.
1622 Locust Street
Philadelphia, PA 19103
(215-875-3000)

Dated: June 25, 2010

THE HONORABLE PHILIP M. PRO
UNITED STATES DISTRICT JUDGE
DISTRICT OF NEVADA

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

PLEASE FORWARD

FIRST CLASS MAIL

PLEASE FORWARD—IMPORTANT LEGAL NOTICE