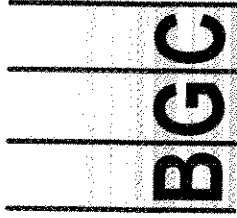


APPENDIX 1 - SITE INSPECTION MEMO



BGC ENGINEERING INC.

AN APPLIED EARTH SCIENCES COMPANY

#1605 - 840 7th Avenue S.W., Calgary, Alberta, Canada. T2P 3G2
Phone (403) 250-5185 Fax (403) 250-5330

PROJECT MEMORANDUM

To: Kinross Gold Corp., Lupin Operation Fax No.: provided at site
Attention: Mr. Mike Tansey, P.Eng. CC: -
From: Mr. Jim Cassie, P.Eng. Date: August 18, 2006
Subject: 2006 Annual Inspection of Perimeter Tailings Dams
Lupin Mine, NU

No. of Pages (including this page): 2 Pages Project No: 0256-012-01

The following memo provides some comments on the current conditions and recommended maintenance following the inspection of the perimeter tailings dams on August 17 and 18, 2006.

Dam 1A

- No concerns noted or maintenance required.

Dam 1B

- No concerns noted or maintenance required.

Dam 1C

- No concerns noted or maintenance required.

Dam 2

- The small seepage discharge was observed again at the toe of the north abutment.
- No other concerns noted or maintenance required.

Dam 3

- Minor toe cracking noted in several locations on the downstream toe.
- No other concerns noted or maintenance required.

Dam 4

- Numerous small to mid-sized erosional gullies located on the downstream side of the crest should be backfilled to prevent additional erosion. One larger sized one is located towards the west abutment where surficial runoff water from the crest is funneled at one point. Some grading required to prevent this from occurring again.
- No other concerns noted or maintenance required.

BGC Inspection Memo

To: Mike Tansey
Subject: 2006 Perimeter Dam Inspection Summary Memo

From: Jim Cassie
Date: August 18, 2006
Proj. No: 0256-012-01

Dam 5

- One erosional gully on the downstream slope needs to be repaired. Grade dam crest to prevent longitudinal drainage of surface water at this single point.
- No other concerns noted or maintenance required.

Dam 6

- Three minor erosional gullies and some minor longitudinal cracking were noted at the toe.
- A small pond has been formed on the upstream side of this dam, at the south abutment, due to proximal cover placement trapping runoff against the natural topography. The placement of additional esker material over an area of 80 to 100 m² would prevent the formation of this pond, reducing the risk of overtopping or seepage.
- No other concerns noted or maintenance required.

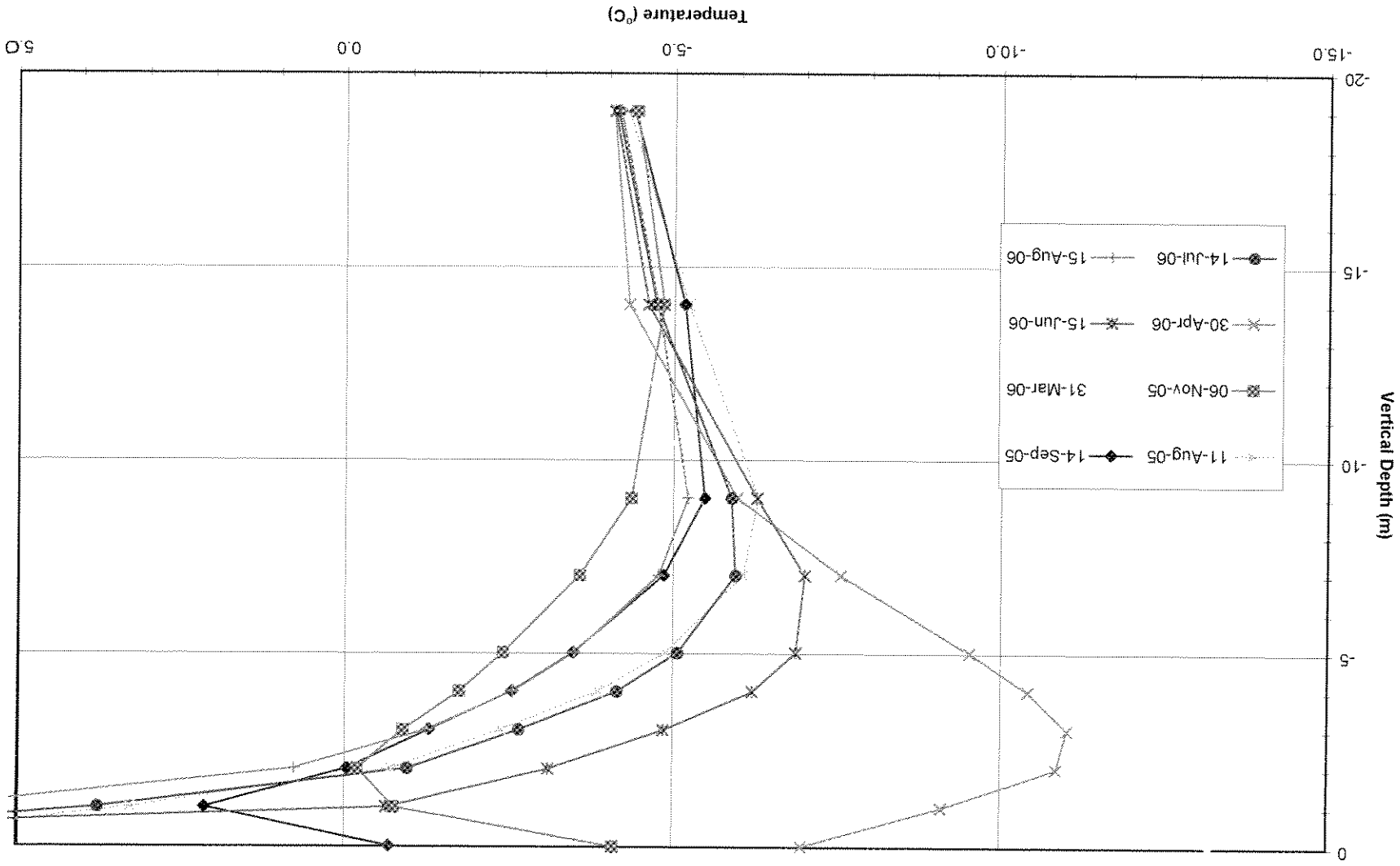
All of the noted work is relatively minor but should be undertaken in the near future to prevent potential further damage from occurring next Spring. Please contact the undersigned should you have any concerns or questions with this inspection report.

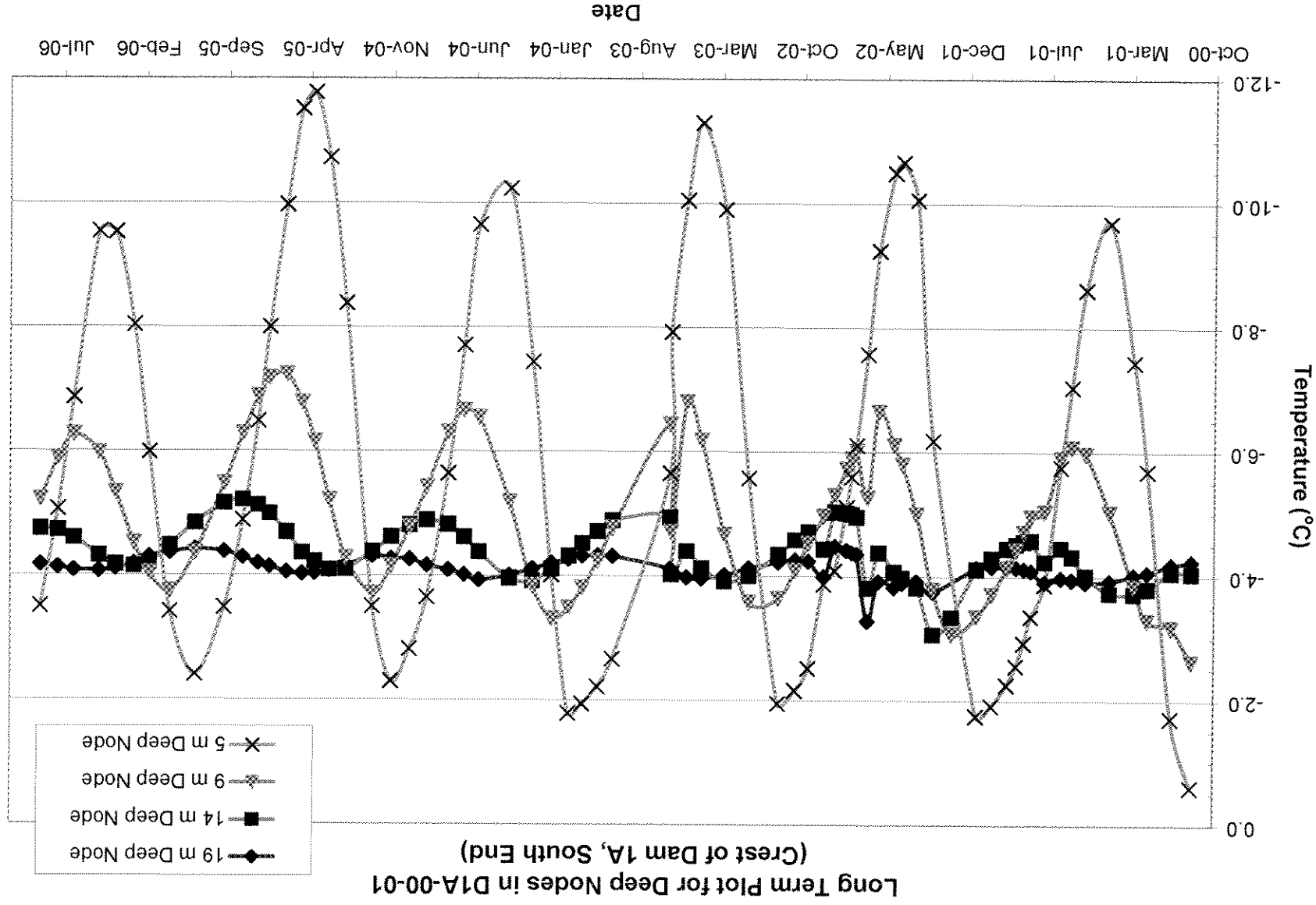
Respectfully submitted,
BGC Engineering Inc.
per:

James W. Cassie, M.Sc., P.Eng.
Specialist Geotechnical Engineer
(jcassie@bgoengineering.ca)

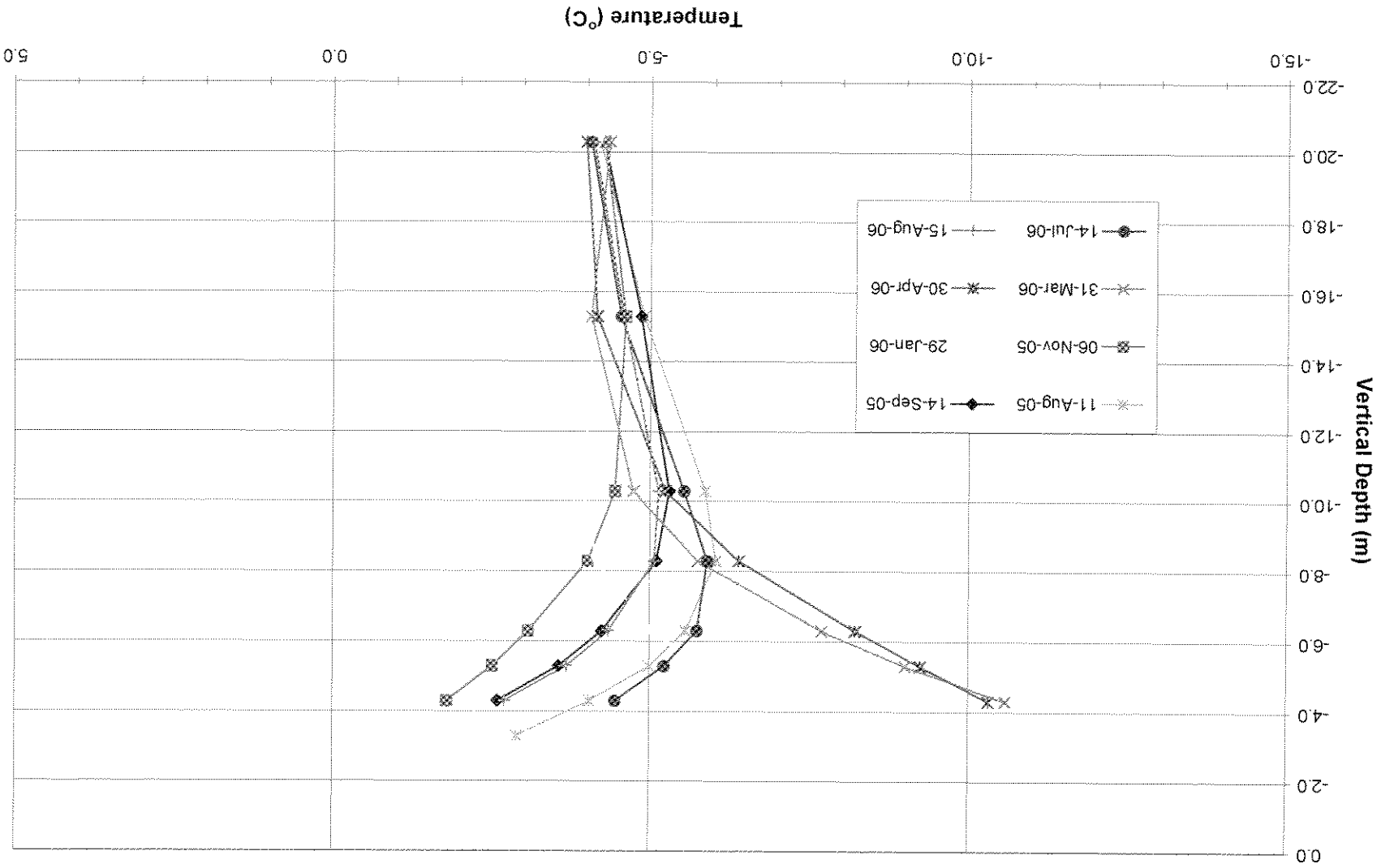
APPENDIX 2 - THERMISTOR PLOTS FOR VARIOUS DAMS

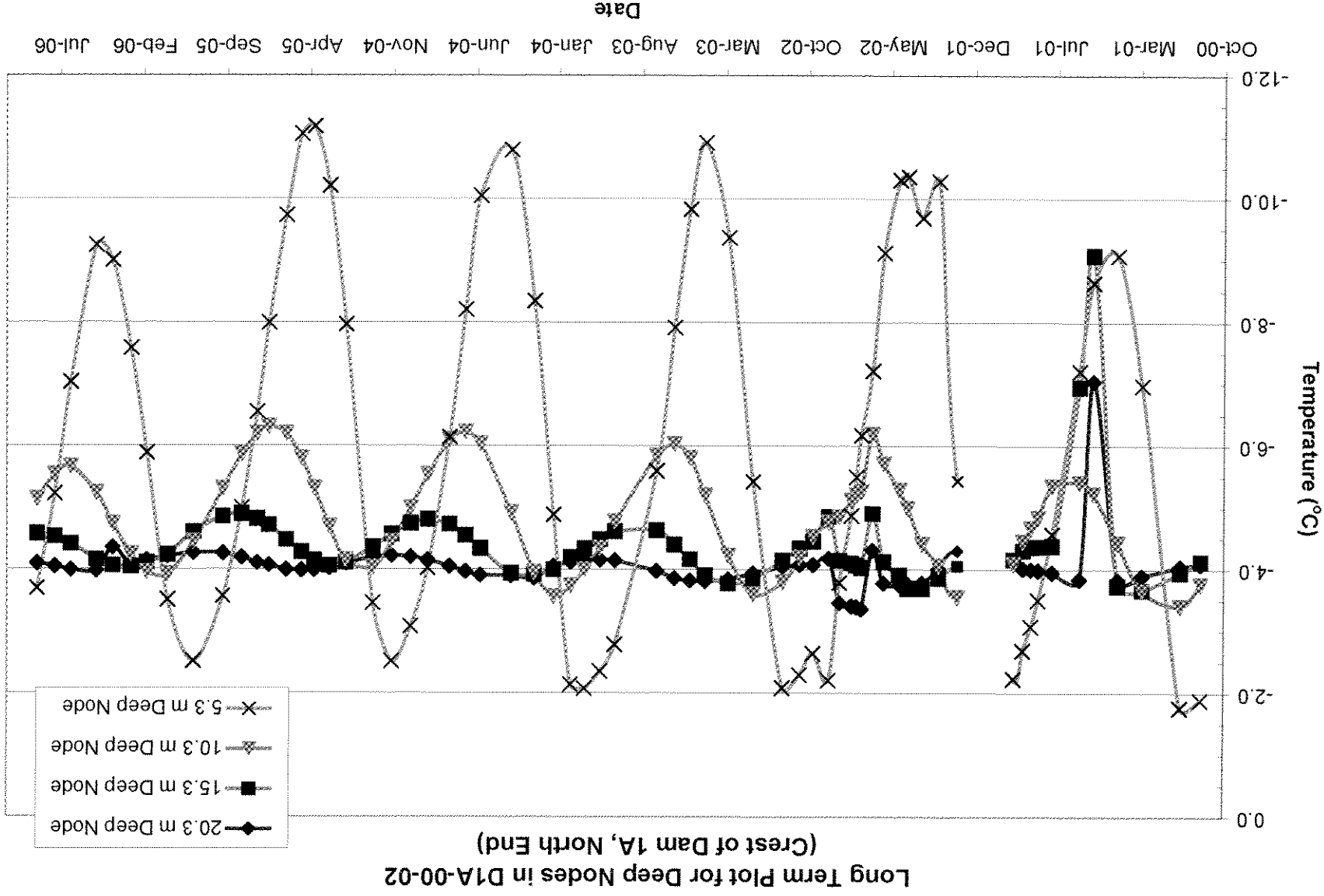
Thermistor D1A-00-01 - Installed November 9, 2000
(Vertical Thermistor installed on the crest of Dam 1A, south of Syphons)



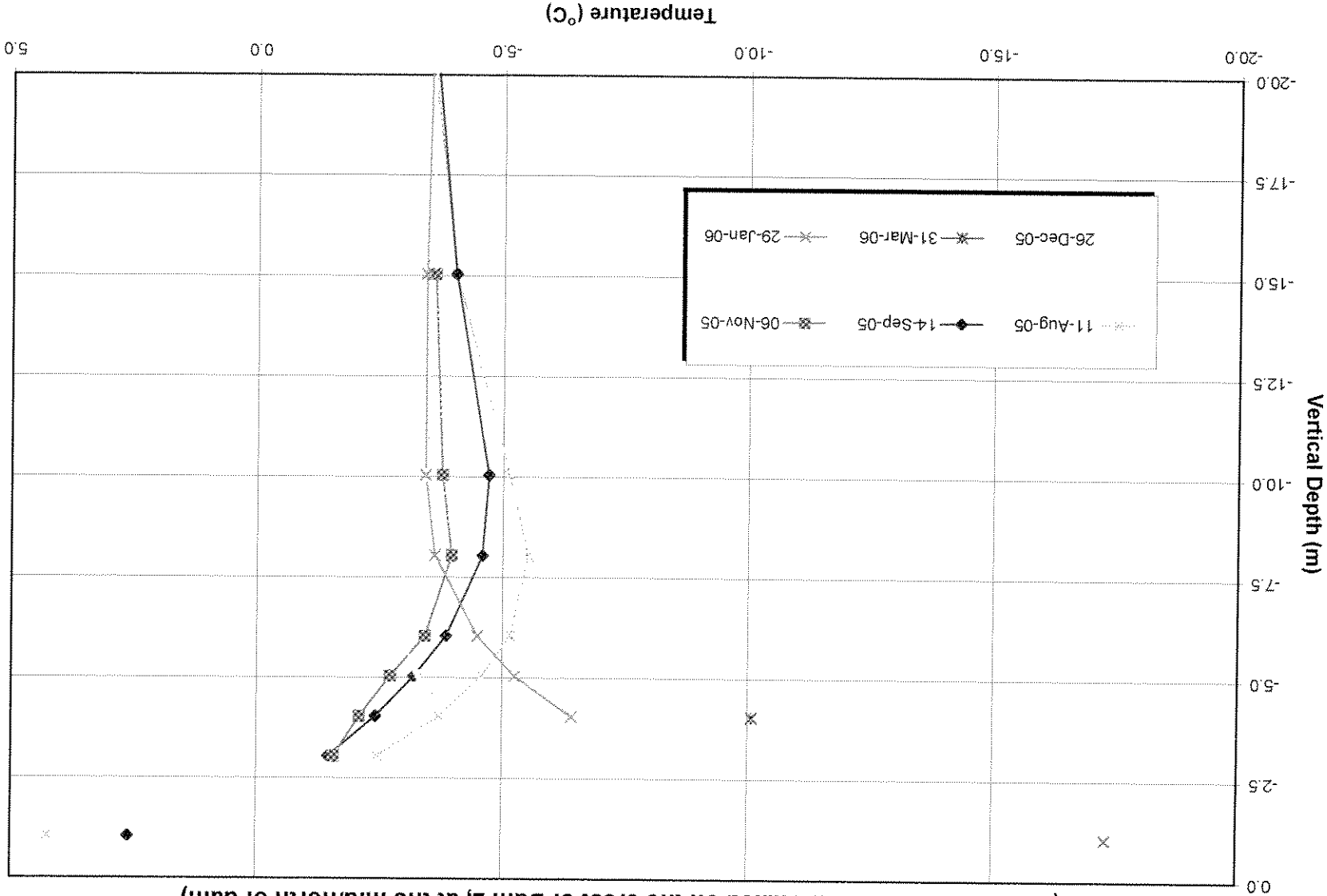


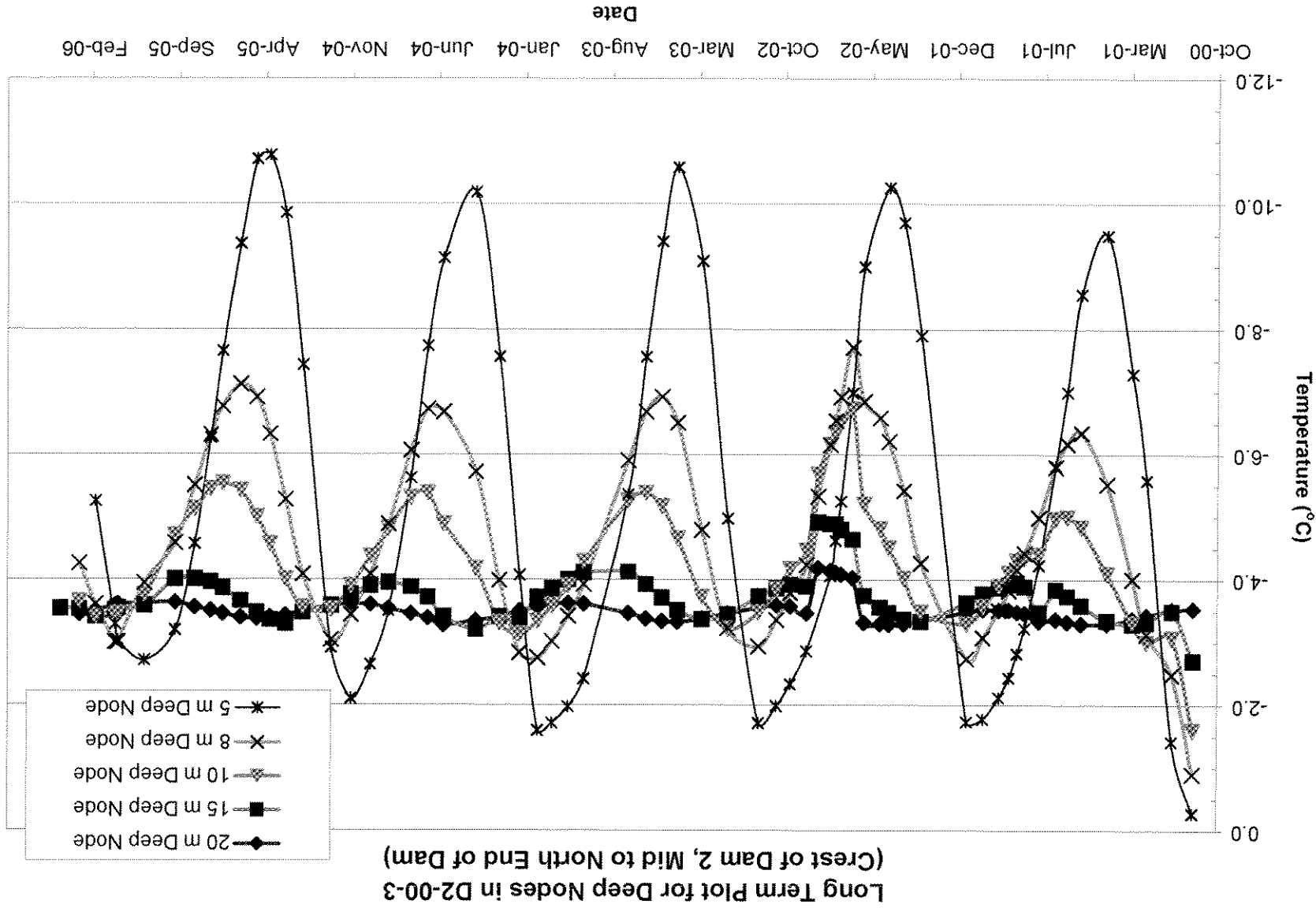
Thermistor D1A-00-2 - Installed November 9, 2000
(Vertical thermistor installed on crest of Dam 1A, north of syphons)





Thermistor D2-00-3 - Installed November 8, 2000
(Vertical Thermistor installed on the crest of Dam 2, at the mid/north of dam)





**Thermistor D2-00-2 - Installed November 8, 2000
(Vertical Thermistor installed on the crest of Dam 2, at the north end)**

