

TASIAST

فَاعِل مَنجَمِي مَسْؤُول فِي مَوْرِيْتَانِيَا

OPÉRATEUR MINIER RESPONSABLE EN MAURITANIE
A RESPONSIBLE MINING OPERATOR IN MAURITANIA



KINROSS

Tasiast



A COMMITTED AND LONG-TERM INDUSTRIAL PARTNER FOR MAURITANIA

The Tasiast mine is one of the largest gold mines in Africa. It is located in the north-western region of Inchiri in Mauritania. Kinross acquired the mine in 2010 and operates it through its subsidiary Tasiast Mauritania Limited S.A. (TMLSA or Tasiast).

Kinross has made significant investments in major infrastructure to turn Tasiast into it a world-class mine. Tasiast is today an important contributor to the economic and social development of Mauritania.

TASIAST EXPANSION PROJECT

The Tasiast expansion project is key to the mine's long-term growth and future.

Construction of the Phase One expansion project started in the 2nd quarter of 2016 and was fully completed during the 3rd quarter of 2018. New equipment include a primary crusher, conveyors, one of the largest SAG mills in the world and additional treatment capacities added to the CIL plant. Phase One has increased the mills throughput capacity from 8,000 tonnes per day (t/d) to 12,000 t/d.

With an investment of approximately 300 million USD (more than 10 billion MRU), Phase One is expected to reduce operating costs and increase production.

*Mineral reserves and mineral resources are estimates. For more information regarding Kinross' 2017 mineral reserve and mineral resource estimates, please refer to our Annual Mineral Reserve and Mineral Resource Statement as at December 31, 2017 contained in our news release dated February 14, 2018, which is available on our website at www.kinross.com.

TASIAST KEY FACTS

- Open pit mine.
- **7.861 million** gold ounces of estimated proven and probable gold reserves (about 220 metric tons)*.
- Mine life is expected to be until **2029**.
- In 2017, Kinross produced **243,240 ounces** (nearly 6.9 metric tons).
- The mine employs around **3.800 workers** through TMLSA and its contractors (October 2018), 90% of whom are Mauritanians.



HOW GOLD IS PRODUCED AT THE TASTIEST MINE

Modern industrial gold production is a long and complex process. It requires significant investments in infrastructure and a well-trained labour force with specialized skills.

There are two major steps to produce gold at Tasiast:



1 Mining the ore out of the pit.



2 Processing the ore to extract the gold.

1 The first step is to drill holes at the bottom of the pit. These holes are then carefully loaded with explosives that have energy capacity to break the rock.

2 Charges then break the rock containing the ore. This operation is performed daily at Tasiast. Soil stability is constantly monitored by geologists to avoid any risk.

3 The blasted ore is then loaded on trucks by excavators. The largest trucks carry an average of 200 tonnes of ore per load.

4 Trucks take their loads to different locations depending on the grade of the ore:

- High-grade gold ore is delivered to the CIL plant;
- Low-grade gold ore is stacked on the dump leach pads;
- Sterile rocks, which do not contain gold, are deposited separately.
- Portions of ore containing gold may also be stockpiled to be later processed.

5.a Higher grade ore is first crushed and then grinded in huge mills to reduce the ore to fine particles. Water is added to the mills which produces a slurry pulp with the fine particles.

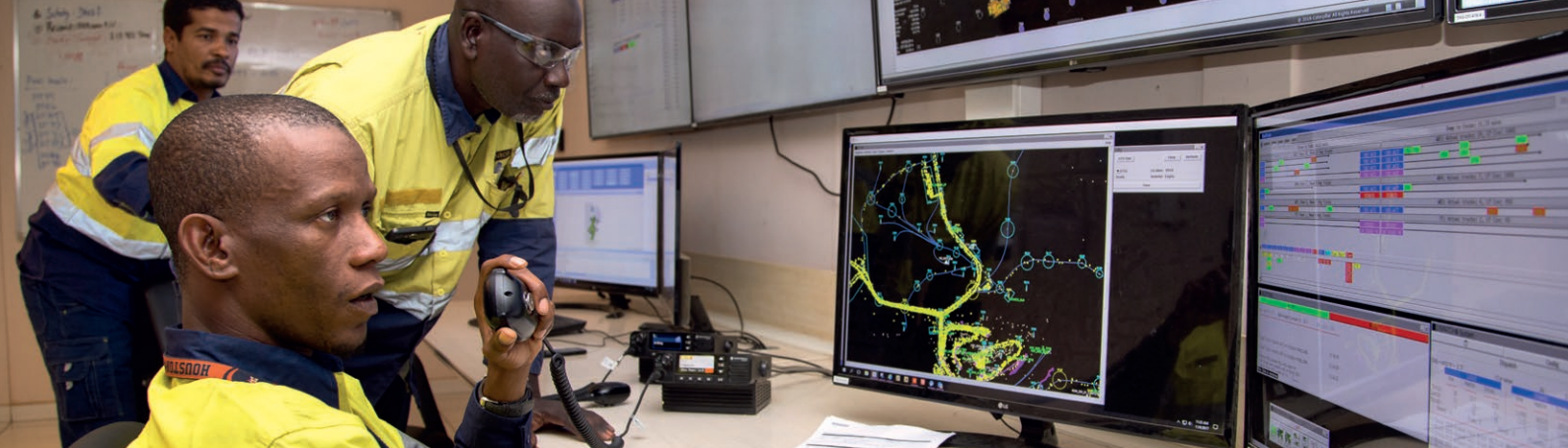
5.b and 6.b The low-grade ore is stacked on a leach pad and irrigated with solution to dissolve gold from the ore. It produces a "pregnant solution" containing gold which is collected in a pond.

6.a The very fine particles of gold are extracted from the pulp by using chemicals through the leach and the elution circuits in the CIL plant. After several treatments, gold particles are contained in an enriched solution.

7.b and 8.b The "pregnant solution" is then pumped to the ADR plant where it goes through adsorption columns and an elution circuit to produce an enriched solution containing gold particles.

8.a and 9.b The enriched solution is pumped to the electrowinning cell where the electric current causes plating of gold to the cathode which is then removed in the form of a slurry. The recovered slurry is filtered and dried to be smelted to bullion.

9.a and 10.b Fluxes are mixed with the dried sludge before charging into the melting furnace, the temperature is raised to nearly 1200 degrees. The charge is melted to produce ingots of gold.



A KEY CONTRIBUTOR TO THE MAURITANIAN ECONOMY

Wherever it operates, Kinross strives to be a reliable development partner to the host country and local communities, through a partnership mutually beneficial for all and which leads to sustainable outcomes.

TMLSA is a major mining operator, investor and job provider in Mauritania, billion USD spent in Mauritania from 2011 to 2017.

ONE OF THE MAIN JOB PROVIDERS IN MAURITANIA

Tasiast is one of the main private employer in Mauritania, with nearly 3,400 Mauritians (October 2018) working for the company and its contractors. For Mauritians, the development of Tasiast's mine represents future employments, but also training and career development opportunities.

94% of TMLSA employees are Mauritians, holding positions at all levels, including senior managerial positions. Since 2010, the Company has invested nearly 30 million USD (around 1 billion MRU) in technical and professional trainings to support the development of its employees' skills.

Tasiast has implemented a "mauritanization plan" to replace numerous expatriates by nationals who are trained to acquire the appropriate knowledge and expertise. In 2017 and 2018, TMLSA employees have benefited from nearly 145.000 hours of training on site and abroad.



KEY FIGURES ON KINROSS SOCIO-ECONOMIC CONTRIBUTION TO MAURITANIA IN 2017:

→ **3,400 Mauritians** employed by TMLSA and contractors (October 2018)

→ **\$50 million USD** (1.7 billion MRU) paid to Government in direct or indirect contributions in 2017 (taxes, royalties, other duties)

→ **\$207 million USD** (7.4 billion MRU) paid to Mauritanian contractors and suppliers in 2017. Contracts are awarded through a transparent bidding process aligned with best international practices. Nearly 300 local companies collaborate on a daily basis with the mine.

→ **144,900 beneficiaries** from community programs in 2017

HEALTH & SAFETY: TASIAST'S NUMBER ONE PRIORITY

Employees' Health and Safety is Tasiast's number one priority and the mine has one of the best safety records among Kinross operations. The company ensures a safe working environment through comprehensive training, appropriate protective equipment, regular inspections and implementation of corrective actions when necessary.

As a result, **Tasiast's Health and Safety performance meet the best international standards**, with more than 16 million working hours combined (as of October 31st, 2018), over a period of more than a year, without an injury resulting in a work stoppage.

TMLSA also has a health clinic and an emergency response team to effectively manage potential accidents and help ensure the well-being of its employees.

SUPPORTING SOCIO-ECONOMIC DEVELOPMENT IN MAURITANIA

In close collaboration with the Government of Mauritania and local stakeholders, TMLSA's goal is to ensure its operations generates real and long-term benefits for the country and its people.

Since 2011, TMLSA has invested 11 million USD (393 million MRU) in development programs, community projects or sponsorships of cultural events.

As shown by the last independent study on Tasiast's socio-economic impact on local communities neighbouring the mine, people living under the poverty line significantly dropped by 16% between 2013 and 2017.



Community Development Programs:

- **Benichab** (2012-2016): micro-credits allocated to nearly 50 micro-businesses and cooperatives and numerous trainings to support economic growth. A second phase is underway for the financing of 7 new micro projects.
- **Chami** (Development Plan 2017-2019): support construction of infrastructures (a public square, an ice factory and fish market), as well as other contributions to stimulate economic growth and improve health services.
- **Boulenoir**: support for community infrastructures (meat market, kindergarten) and for sanitation materials. New programs will be implemented to help local business initiatives in Boulenoir, Inal and Tmeimichat.

Education/Training:

- 3.4 million USD (120 million MRU) donated for the creation of a Mauritanian National Mining School, which is part of the ESP (Ecole Supérieure Polytechnique).
- Technical training for local communities (welding, electrical, driving, sewing).



BEST 50
CORPORATE CITIZENS

Health Programs:

- **Hospital center**: Tasiast funded a 1.9 million USD (67 million MRU) construction project for the Center for Traumatology, Orthopedics and Burn victims in Nouakchott.
- **Medical Equipment Donations and Trainings**: with the American NGO Project C.U.R.E, Tasiast distributed medical equipment and supplies to 38 hospitals and health centers all over the country. As part of this program, 75 midwives and nurses were trained on basic life support techniques for newborns.
- **Mobile Clinic**: Tasiast funds NGOs providing free medical consultations and medicines to local communities and in several remote regions in the country. Since 2011, more than 14,000 consultations have been offered.



Herding and veterinary programs:

Since livestock is central to local communities, Tasiast also supports veterinary programs, with nearly 7000 heads of livestock treated each year in the Tasiast area. Since early 2018, support for pastoralism has been extended to Benichab and Tmeimichat with the supply of animal feed in periods of drought.

Donations and Sponsorships:

These activities include the sponsoring of cultural/sports events across the county and in-kind donations to communities living around the mine such as water supplies with 20 water points served, food distribution, free access to the mine clinic and transportation services.

Kinross is recognized at the international level for its high standards in social responsibility. In June 2017, for the eighth consecutive year, Kinross Gold was named one of Canada's Best 50 Corporate Citizens, and placed first among gold mining companies for the third year in a row. In 2017, TMLSA also received the ISOS award from International SOS with an honorable mention for its remote programs.



MANAGING OUR ENVIRONMENTAL FOOTPRINT

Environmental protection is a priority for TMLSA. The Company operates in compliance with national and international standards in order to minimize its environmental footprint.

Its environmental management plan strictly complies with the International Environment Standard ISO 140001. Air quality, chemicals and waste are managed under strict procedures by specially trained personnel. An extensive monitoring program collects data which are regularly provided to the Mauritanian Ministries of Environment and Mines.

WASTE MANAGEMENT

Since 2010, Kinross has invested in modern infrastructure for water treatment and solid waste management at the Tasiast mine. TMLSA reduces waste through the **4R system**:



TRANSPARENCY

Kinross is committed to the highest standards of corporate governance and ethical conduct and actively monitors developments in best practices and applicable laws. All TMLSA employees and contractors are required to fully comply with the Kinross Code of Conduct.

In 2010, Kinross became a participant to the United Nations Global Compact – the world's largest corporate responsibility initiative with over 6,500 business and non-business participants across 135 countries.

Kinross endorses the Principles and Criteria of the Extractive Industries Transparency Initiative (EITI). Our operations in Ghana and Mauritania report into those countries' EITI reporting systems.

CHEMICALS MANAGEMENT

Kinross is an original signatory to the International Cyanide Management Code for the Manufacture, Transport, and Use of Cyanide in the Production of Gold (ICMI). In January 2017, Tasiast has been certified in full compliance under the ICMI. This certification recognizes that Tasiast uses cyanide for the extraction of gold in a safe manner to protect its employees, the local communities and the environment.



KINROSS GOLD

Founded in 1993, Kinross Gold is a senior gold mining company with a diverse portfolio of 9 mines located in 3 core regions: Africa, Americas and Russia. In 2017, Kinross was the fifth largest gold mining company in the world, with nearly 75 tonnes of gold produced.

KINROSS

25 سنة
YEARS
ANS



Headquartered in Toronto, Canada, Kinross employs approximately 9,000 people worldwide. The Company is focused on delivering value through operational excellence, balance sheet strength, disciplined growth and responsible mining.

Kinross' way of operating is rooted in four core values which inform us on how to work and guide us in managing the responsibilities that come with being a global mining company:

- Putting People First
- Outstanding Corporate Citizenship
- High Performance Culture
- Rigorous Financial Discipline



Kinross is listed on the Toronto Stock Exchange (symbol: K) and the New York Stock Exchange (symbol: KGC).

Cautionary Statement on forward-looking information:

All statements, other than statements of historical fact, contained or incorporated by reference in this news release including, but not limited to, any information as to the future financial or operating performance of Kinross, constitute "forward

looking information" or "forward-looking statements" within the meaning of certain securities laws, including the provisions of the Securities Act (Ontario) and the provisions for "safe harbor" under the United States Private Securities Litigation Reform Act of 1995 and are based on expectations, estimates and projections as of the date of this news release. The words "deliver", "develop", "expect", "explore", "potential" or "upside", or variations of or similar such words and phrases or statements that certain actions, events or results may, could, should or will be achieved, received or taken, or will occur or result and similar such expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Kinross as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

These uncertainties and contingencies can affect, and could cause, Kinross' actual results to differ materially from those expressed or implied in any forward looking statements made by, or on behalf of, Kinross. There can be no assurance that forward looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward looking statements made in this news release are qualified by these cautionary statements and those made in our filings with the securities regulators of Canada and the U.S., including but not limited to those cautionary statements made in the "Risk Factors" section of our most recently filed Annual Information Form. These factors are not intended to represent a complete list of the factors that could affect Kinross. Kinross disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

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