

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

**E. EDDY BAYENS, JOHN SINCLAIR, LUC FORTIN, PIERRE RACICOT and  
STANLEY SHORTT, in their capacity as TRUSTEES OF THE MUSICIANS' PENSION  
FUND OF CANADA**

Plaintiffs

- and -

**KINROSS GOLD CORPORATION, TYE W. BURT, PAUL H. BARRY,  
GLEN J. MASTERMAN and KENNETH G. THOMAS**

Defendants

Proceedings under the *Class Proceedings Act, 1992*

**PLAN OF ALLOCATION**

**DEFINED TERMS**

1. For the purposes of this Plan of Allocation, the definitions set out in the Settlement Agreement apply to and are incorporated into this Plan of Allocation and, in addition, the following definitions apply:
  - (a) “**Acquisition Expense**” means the total monies paid by the Claimant (including brokerage commissions) to acquire an Eligible Share;
  - (b) “**Claimant**” means, subject to sections 6 and 8.3 of the Settlement Agreement, a Class Member who submits a properly completed Claim Form and all required supporting documentation to the Administrator, on or before the Claims Bar Deadline;
  - (c) “**Disposition Proceeds**” means the total proceeds paid to the Claimant (without deducting any commissions paid in respect of the dispositions) in consideration of the sale of all of his/her/its Eligible Shares; provided, however, that with respect to any Eligible Shares that the Claimant continues to hold, they shall be deemed to have been disposed of for an amount equal to the number of Eligible Shares still held, multiplied by \$10.88 [being the 10 trading day volume weighted average trading price of Kinross Gold Corporation common shares on the TSX from January 17, 2012 to January 30, 2012 inclusive];

- (d) **“Eligible Share”** means a common share of Kinross Gold Corporation purchased between November 1, 2010 through and including January 16, 2012;
- (e) **“FIFO”** means the principle of first-in, first-out, wherein Eligible Shares are deemed to be sold in the same order that they were purchased (i.e. the first Eligible Shares purchased are deemed to be the first sold); and which requires, in the case of a Claimant who own Shares at the commencement of the Class Period, that those Shares be deemed to have been sold completely before Eligible Shares are sold or deemed sold;
- (f) **“Net Loss”** means that the Claimant’s Disposition Proceeds are less than the Claimant’s Acquisition Expense;
- (g) **“Net Settlement Amount”** means the Escrow Settlement Amount remaining after payment of Administration Expenses, Notice Expenses, and Class Counsel Fees and the levy payable to Harbour Fund II, L.P.;
- (h) **“Nominal Entitlement”** means a Claimant’s nominal damages as calculated pursuant to the formula set forth herein, and which forms the basis upon which each Claimant’s *pro rata* share of the Net Settlement Amount is determined; and
- (i) **“Share”** means a common share of Kinross Gold Corporation.

#### **CALCULATION OF NET LOSS AND NOMINAL ENTITLEMENT**

2. The Administrator shall first determine whether a Claimant sustained a Net Loss. If the Claimant has sustained a Net Loss, then, subject to sections 6 and 8.3 of the Settlement Agreement, the Claimant is an Authorized Claimant, and the Administrator will go on to calculate his/her/its Nominal Entitlement.
3. A Claimant must have sustained a Net Loss in order to be eligible to receive a payment from the Net Settlement Amount. A Claimant who has not suffered a Net Loss as calculated hereunder shall not be entitled to receive any portion of the Net Settlement Amount.
4. The Administrator will apply FIFO to distinguish the sale of Shares held at the beginning of the Class Period from the sale of Eligible Shares, and will continue to apply FIFO to determine the purchase transactions which correspond to the sale of Eligible Shares. The

Administrator will use this data in the calculation of an Authorized Claimant's Nominal Entitlement according to the formulas listed below.

5. The date of a purchase, sale or deemed disposition shall be the trade date, as opposed to the settlement date, of the transaction.
6. A Claimant's Nominal Entitlement will be calculated as follows;
  - I. **No Nominal Entitlement shall be attributed to any Eligible Shares disposed of prior to the alleged corrective disclosure, that is, prior to or on January 16, 2012.**
  - II. **For Eligible Shares disposed of between the alleged corrective disclosure and the end of the 10 trading day period following the alleged corrective disclosure on January 16, 2012, that is, on or between January 17, 2012 and January 30, 2012, the Nominal Entitlement shall be:**
    - A. an amount equal to the number of Eligible Shares thus disposed of, multiplied by the difference between the volume weighted average price paid for those Eligible Shares (including any commissions paid in respect thereof) and the average price per share received upon the disposition of those Eligible Shares (without deducting any commissions paid in respect of the disposition).
  - II. **For Eligible Shares disposed of after the 10 trading day period following the alleged corrective disclosure, that is, on or after January 30, 2012, the Nominal Entitlement shall be the lesser of:**
    - A. an amount equal to the number of Eligible Shares thus disposed of, multiplied by the difference between the volume weighted average price paid for those Eligible Shares (including any commissions paid in respect thereof) and the price per share received upon the disposition of those Eligible Shares (without deducting any commissions paid in respect of the dispositions); and
    - B. an amount equal to the number of Eligible Shares thus disposed of, multiplied by the difference between the volume weighted average price paid for those Eligible Shares (including an commissions paid in respect thereof) and \$10.88 [being the 10 trading day volume weighted average trading price of Kinross Gold Corporation on the TSX from January 16, 2012 to January 27, 2012 inclusive].

**IV. For Eligible Shares still held at the time the Claim Form is completed, the Nominal Entitlement shall be:**

- A. an amount equal to the number of Eligible Shares still held, multiplied by the difference between the volume weighted average price paid for those Eligible Shares (including any commissions paid in respect thereof) and \$10.88 [being the 10 trading day volume weighted average trading price of Kinross Gold Corporation on the TSX from January 16, 2012 to January 27, 2012 inclusive].

**FINAL DISTRIBUTION**

7. No distribution shall be made except in accordance with the terms of the Settlement Agreement.
8. Each Authorized Claimant's actual compensation shall be the portion of the Net Settlement Amount equivalent to the ratio of his/hers/its Nominal Entitlement to the total Nominal Entitlements of all Authorized Claimants multiplied by the Net Settlement Amount, as calculated by the Administrator.
9. Compensation shall be paid to Authorized Claimants in Canadian currency.
10. The Administrator will not distribute entitlements of less than \$50.00. Such amounts will instead be redistributed *pro rata* to the other Authorized Claimants.
11. After the Plan of Allocation is approved by the Court, the Administrator shall be authorized to distribute the Net Settlement Amount in accordance with the terms of the Settlement Agreement and this Plan of Allocation.
12. If six months from the date on which the Administrator distributes the last contemplated payment to Authorized Claimants from the Net Settlement Amount, the Escrow Account remains in a positive balance (whether due to tax refunds, uncashed cheques or otherwise), the Administrator shall donate the balance to Pro Bono Law Canada.

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