

White Ice Ventures Limited

- and -

6674321 Canada Inc.

- and -

Kinross Gold Corporation

- and -

B2Gold Corp.

PURCHASE AND SALE AGREEMENT

DATED: December 21, 2006

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PURCHASE AND SALE AGREEMENT

This Agreement dated December 21, 2006 is made

BETWEEN

White Ice Ventures Limited ("White Ice")

- and -

6674321 Canada Inc. ("Vendorco")

- and -

Kinross Gold Corporation ("Kinross")

- and -

B2Gold Corp. (the "Purchaser")

RECITALS

A. Bema Gold Corporation ("**Bema**") and Kinross have entered into an agreement (the "**Arrangement Agreement**") dated as of the date of this Agreement and pursuant to which Bema and Kinross propose to complete a business combination by way of the Arrangement;

B. prior to the effective date of the Arrangement, Vendorco, a wholly-owned subsidiary of Bema, is to, directly or indirectly, transfer or cause to be transferred certain interests in the Colombian Shares, the Colombian Indebtedness, the Puma Indebtedness and certain other assets, contracts and obligations to the Purchaser;

C. White Ice, a wholly owned subsidiary of Bema, indirectly owns an approximate 75% interest in Chukotka Mining and Geological Company ("**CMGC**"), which in turn currently holds the East Kupol Licence and the West Kupol Licence (together, the "**Chukotka Licences**");

D. a wholly-owned subsidiary of White Ice ("**Whitesub**") and a party that is expected to be a 25% shareholder of CMGC (the "**Russian JV Investor**") intend to form a joint venture by acquiring interests in JV Company (which shall initially be owned as to 75% by Whitesub and as to 25% by the Russian JV Investor);

E. White Ice intends to cause CMGC to form OpCo, a new corporation to be formed pursuant to the laws of Russia, and to cause CMGC to cause the Chukotka Licences to be re-issued to OpCo;

F. following the reissuance of the Chukotka Licences to OpCo, CMGC intends to sell all of the shares of OpCo to JV Company;

G. following the acquisition by JV Company of the shares of OpCo, the Purchaser is willing to purchase (directly or indirectly) and Whitesub is willing to sell, one-half of Whitesub's 75% equity interest in the JV Company;

H. Bema owns, directly or indirectly, the Colombian Shares, the Colombian Indebtedness, the Puma Indebtedness and certain other assets described herein and intends to transfer, or cause to be transferred, all of such assets to Vendorco; and

I. the Purchaser is willing to purchase (directly or indirectly), and Vendorco is willing to sell (i) the Colombian Shares, (ii) the Colombian Indebtedness, (iii) the Puma Indebtedness and (iv) certain other assets as described further herein.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each Party, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions. In this Agreement:

“**AARI**” means Andean Avasca Resources Inc., a corporation incorporated under the laws of British Columbia.

“**Affiliate**” means, with respect to any Person, any other Person who at the relevant time directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to “**control**” another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term “**controlled**” shall have a similar meaning.

“**Agreement**” means this purchase and sale agreement and all the Exhibits and Schedules attached hereto.

“**Alternative Sublease**” has the meaning set out in Section 2.15.

“**AngloGold Release**” has the meaning set out in Section 2.16.

“**Arrangement**” means the arrangement under the provisions of Section 192 of the CBCA as contemplated by the Arrangement Agreement.

“**Arrangement Agreement**” has the meaning set forth in the Recitals.

“**Assignment and Assumption of Lease**” means an agreement pursuant to which Vendorco assigns all of its rights and interests pursuant to the Head Office Lease to the Purchaser, and the Purchaser assumes all of the obligations of Vendorco pursuant to the Head Office Lease, in the form of Exhibit D or such form as is required by the landlord under the Head Office Lease and is acceptable to the Parties.

“**Bema**” means Bema Gold Corporation, a corporation existing under the laws of Canada.

“**Bema Logo**” a design depicting two pyramids bearing a world map which does not include the word “Bema”, as depicted on Schedule “A” of Exhibit Q.

“**Bema Logo Assignment**” means an assignment whereby Vendorco assigns to the Purchaser all rights to the Bema Logo, in substantially the form attached as Exhibit Q.

“**Bema’s Indemnified Parties**” means Vendorco and White Ice and their Affiliates (other than Bema) and their respective directors, officers, employees and agents.

“**Business Day**” means any day except Saturday, Sunday or any day on which banks are generally not open for business in Toronto or Vancouver.

“CBCA” means the *Canada Business Corporations Act*.

“Certificate of Arrangement” means the certificate of arrangement giving effect to the Arrangement, issued pursuant to subsection 192(7) of the CBCA.

“Chukotka Licences” has the meaning set forth in the Recitals.

“CMGC” has the meaning set forth in the Recitals.

“Colombian Indebtedness” means, as at the Non-Russian Closing Time, any indebtedness owed by any of the Colombian Subsidiaries to Bema or any Affiliate of Bema, other than the Colombian Subsidiaries, net of set-off against any indebtedness owed by Bema or any Affiliate of Bema, other than the Colombian Subsidiaries, to any of the Colombian Subsidiaries.

“Colombian Note” means a promissory note in the principal amount of \$4,803,333, in the form as attached at Exhibit K.

“Colombian Purchase Price” has the meaning set out in Section 2.3

“Colombian Shares” means all of the issued and outstanding shares in the capital of AARI owned by Bema or any of its Affiliates immediately before the Non-Russian Closing Time.

“Colombian Subsidiaries” means, collectively, AARI, Columbian Ventures Ltd. and Avasca Ventures Ltd.

“Confidential Information” means, in relation to a Party (the “Discloser”):

- (a) all information, in whatever form communicated or maintained, whether orally, in writing, electronically, in computer readable form or otherwise, that the Discloser discloses to, or that is gathered by inspection by a Party (the “Recipient”) or any of the Recipient’s Representatives in the course of the Recipient’s review of the transactions contemplated by this Agreement, whether provided before or after the date of this Agreement, including information that contains or otherwise reflects information concerning the Discloser or its businesses, affairs, financial condition, assets, liabilities, operations, prospects or activities, and specifically includes financial information, budgets, business plans, business results, prospects, forecasts, engineering and geological reports, environmental reports, evaluations, legal opinions, names of venture partners and contractual parties, and any information provided to the Discloser by third parties under circumstances in which the Discloser has an obligation to protect the confidentiality of such information;
- (b) all plans, proposals, reports, analyses, notes, studies, forecasts, compilations or other information, in any form, that are based on, contain or reflect any Confidential Information regardless of the identity of the Person preparing the same;

but does not include any information that:

- (c) is at the time of disclosure to the Recipient or thereafter becomes generally available to the public, other than as a result of a disclosure by the Recipient or any of the Recipient's Representatives in breach of this Agreement;
- (d) is or was received by the Recipient on a non-confidential basis from a source other than the Discloser or its Representatives if the Recipient does not have actual knowledge that such source is prohibited from disclosing the information to the Recipient by a confidentiality agreement with, or other confidentiality obligation to, the Discloser; or
- (e) was known by the Recipient prior to disclosure in connection with the transactions contemplated by this Agreement and was not subject to any confidentiality obligation on the part of the Recipient.

"Damages" means, whether or not involving a Third Party Claim, any loss, cost, liability, claim, interest, fine, penalty, assessment, damages available at law or in equity (including special, aggravated, exemplary or punitive damages but excluding loss of profits or incidental or consequential losses), expense (including reasonable costs, fees and expenses of legal counsel on a full indemnity basis, without reduction for tariff rates or similar reductions and reasonable costs, fees and expenses of investigation) or diminution in value.

"Direct Claim" has the meaning set out in Section 6.4.

"Discloser" has the meaning set out in the definition of Confidential Information.

"East Kupol Licence" means License Series AHД No. 13803 BP for the Right to Subsoil Use, issued to CMGC by the Federal Subsoil Use Agency of the Russian Federation, registered by the Russian Federation Ministry of Natural Resources on October 24, 2006 under No. 4729/AHД13803BP and is valid according to its terms until October 20, 2031.

"Encumbrance" includes any mortgage, pledge, assignment, charge, lien, claim, security interest, adverse interest, other third person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing.

"Governmental Entity" means any applicable (i) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign, (ii) subdivision, agency, commission, board or authority of any of the foregoing, or (iii) quasi-governmental or private body (including any stock exchange or Securities Authority) exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.

“Head Office Lease” means the lease for a portion of the 31st floor and all of the 32nd floor at 595 Burrard Street, Vancouver, Canada entered into between BTC Properties II Ltd. and The Great-West Life Assurance Company, as landlords, and Bema, as tenant, dated November 27, 2002, as amended by that Lease Expansion and Amending Agreement dated for reference November 18, 2004.

“Indemnified Party” means a Person whom Vendorco and White Ice or the Purchaser, as the case may be, is required to indemnify under Article 6.

“Indemnifying Party” means, in relation to an Indemnified Party, the Party to this Agreement that is required to indemnify such Indemnified Party under Article 6.

“JV Agreement” means that joint venture agreement to be entered into between Whitesub, the Purchaser, a Subsidiary of the Purchaser and the Russian JV Investor.

“JV Company” means a special purpose vehicle to be formed by Whitesub and the Russian JV Investor for the purposes and on the terms as are to be further described in the JV Agreement and, immediately after the Russian Closing Time, to be owned by Whitesub, a subsidiary of the Purchaser and the Russian JV Investor.

“JV Shares” means 50% of the shares of JV Company owned by Whitesub immediately before the Russian Closing Time, constituting 37.5% of the issued and outstanding shares in the capital of JV Company immediately before the Russian Closing Time.

“JV Shares Purchase Price” has the meaning set out in Section 2.3.

“JV Shares Purchase Price Additional Amount” means an amount, expressed in United States currency, equal to (i) 50% multiplied by (ii) the fair market value as at the Russian Closing Time, expressed in United States currency, of all assets, other than the Chukotka Licences, transferred to OpCo by CMGC.

“Kinross” means Kinross Gold Corporation, a corporation existing under the laws of Ontario.

“Laws” means all laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, instruments, policies, notices, directions and judgments or other requirements of any Governmental Entity.

“Leasehold Assets” means those leasehold improvements, furniture, equipment, supplies, communications and other systems owned by Bema or an affiliate of Bema immediately prior to the Non-Russian Closing that are listed or described in Schedule “A” of Exhibit G.

“Leasehold Note” means a promissory note in the amount of \$672,467, in the form as attached at Exhibit V.

“Leasehold Purchase Price” has the meaning set out in Section 2.3

“Non-Russian Closing” means the completion of (a) the purchase and sale of (i) the Colombian Shares, (ii) the Colombian Indebtedness, and (iii) the Puma Indebtedness, (b) the assignment and assumption of the Head Office Lease and the transfer of the Leasehold Assets, (c) the grant of the Puma Share Option, and (d) the assignment of the Bema Logo, each in accordance with the provisions of this Agreement.

“Non-Russian Closing Consents” has the meaning set out in Schedule 2.

“Non-Russian Closing Date” means the Business Day immediately preceding the date upon which the parties to the Arrangement Agreement are to file the Final Order with the Director (as such terms are defined in the Arrangement Agreement) and obtain the Certificate of Arrangement giving effect to the Arrangement, or such other date agreed to in writing by all of the Parties.

“Non-Russian Closing Time” means the time of the Non-Russian Closing on the Non-Russian Closing Date provided for in Section 4.4.

“Non-Russian Reorganization” has the meaning set out in Section 2.7.

“Non-Russian Security” means security in substantially the form attached as Exhibit P.

“Non-Russian Technical Data” means engineering studies and working papers, consultants reports and working papers, pre-feasibility reports, feasibility reports, mine plans, surface and underground maps, assays, samples, cores, analyses, geologic and geophysical maps, engineering maps, photographs, drill logs, exploration reports, environmental studies, correspondence with governmental officials and entities, reserve studies and reports, metallurgical studies and reports, and all other information and data in printed or electronic form concerning the condition, geology, mineral potential, physical characteristics, minability, or other technical matters related solely to the Colombian Subsidiaries.

“OpCo” means a corporation to be established by CMGC and incorporated under the laws of Russia.

“OpCo Assets” means the assets to be transferred from CMGC to OpCo, in order that the OpCo Transfers comply with or satisfy requirements of applicable Russian Law and, except where the context requires otherwise, includes the Chukotka Licences.

“OpCo Transfers” means (i) the re-issuance of the Chukotka Licences to OpCo, (ii) the transfer of the OpCo Assets by CMGC to OpCo and (iii) the sale of all of the issued and outstanding shares of OpCo by CMGC to JV Company or such other transfers and transactions as may be agreed to by the parties.

“Party” means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **“Parties”** means every Party.

“Person” means and includes any individual, partnership, association, limited or unlimited liability company, joint venture, body corporate, trustee, executor,

administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status.

"Prime Rate" means the prime rate of interest per annum quoted by The Bank of Nova Scotia from time to time as its reference rate of interest for Canadian dollar demand loans made to its commercial customers in Canada and which The Bank of Nova Scotia refers to as its "prime rate", as such rate may be changed from time to time.

"Puma" means Consolidated Puma Minerals Corp., a corporation existing under the laws of British Columbia.

"Puma Indebtedness" means, as at the Non-Russian Closing Time, any indebtedness owed by Puma to Bema or any Affiliate of Bema, other than any of the Puma Subsidiaries, net of set-off against any indebtedness owed by Bema or any Affiliate of Bema, other than any of the Puma Subsidiaries, to any of the Puma Subsidiaries.

"Puma Indebtedness Purchase Price" has the meaning set out in Section 2.3

"Puma Note" means a promissory note in the amount of \$1,729,200, in the form as attached at Exhibit U.

"Puma Share Option" means an option in the form of Exhibit H granted by Vendorco to the Purchaser as provided for in Section 2.11.

"Puma Shares" means all of the issued and outstanding shares in the capital of Puma owned, directly or indirectly, by Bema or any of its Affiliates immediately before the Non-Russian Closing Time.

"Puma Subsidiaries" means, collectively, Puma, Majestic Blue Limited, Majestic Red Limited, Sablecare Limited and Kolskaya Mining and Geological Company.

"Purchaser" means B2Gold Corp., a corporation incorporated under the laws of British Columbia.

"Purchaser Common Shares" means the common shares of the Purchaser.

"Purchaser's Counsel" means Lawson Lundell LLP.

"Purchaser's Indemnified Parties" means the Purchaser, the Purchaser's Affiliates and their respective directors, officers, employees and agents.

"Recipient" has the meaning set out in the definition of Confidential Information.

"Representative" when used with respect to a Party means each director, officer, employee, agent, consultant, adviser and other representative of that Party who is involved in the transactions contemplated by this Agreement.

“Russian Closing” means the completion of the purchase and sale of the JV Shares in accordance with the provisions of this Agreement.

“Russian Closing Consents” has the meaning set out in Schedule 2.

“Russian Closing Date” means such date as may be agreed to in writing by the Parties, which shall be within 30 days after the date by which all of the Russian Closing Consents have been received but shall not be prior to the Non-Russian Closing Date and shall not be more than 15 Business Days following the date of completion of the OpCo Transfers, including the purchase by JV Company of all of the issued and outstanding shares of OpCo.

“Russian Closing Time” means the time of the Russian Closing on the Russian Closing Date provided for in Section 4.1.

“Russian JV Investor” has the meaning set forth in the Recitals.

“Russian Note” means a promissory note in the principal amount of \$7,205,000, in the form as attached at Exhibit J.

“Russian Properties Agreement” means an agreement dated December 21, 2006 by and among 6674348 Canada Inc., the Purchaser and Bema.

“Russian Security” means security in substantially the form attached as Exhibit O.

“Russian Technical Data” means engineering studies and working papers, consultants reports and working papers, pre-feasibility reports, feasibility reports, mine plans, surface and underground maps, assays, samples, cores, analyses, geologic and geophysical maps, engineering maps, photographs, drill logs, exploration reports, environmental studies, correspondence with governmental officials and entities, reserve studies and reports, metallurgical studies and reports, and all other information and data in printed or electronic form owned by Bema concerning the condition, geology, mineral potential, physical characteristics, minability, or other technical matters related solely to the potential opportunities for exploration and development in certain areas of the former Soviet Union outside of the Russian Federation, including Kyrgyzstan, the Republic of Georgia, the Pamir area of Tajikistan, and the Chovdar project in Azerbaijan, and in the Russian Federation but outside of the area within a 100 km radius of the Kupol mill site currently operated by Bema.

“SEC” means the Securities and Exchange Commission of the United States of America.

“Securities Authorities” means the Ontario Securities Commission and the other securities regulatory authorities in the provinces and territories of Canada and the SEC, collectively and **“Securities Authority”** means any one of them.

“Share Option and Pre-Emptive Right Agreement” means an agreement substantially in the form as Exhibit R to be entered into between the Purchaser and Vendorco as of the Non-Russian Closing.

“**Sublease**” has the meaning set out in Section 2.9.

“**Subsidiaries**” means, with respect to a specified body corporate, any body corporate of which the specified body corporate is entitled to elect a majority of the directors thereof and shall include any body corporate, partnership, joint venture or other entity or organization over which such specified body corporate exercises direction or control or which is in a like relation to such a body corporate, excluding any body corporate in respect of which such direction or control is not exercised by the specified body corporate as a result of any existing contract, agreement or commitment.

“**Tax**” and “**Taxes**” means all taxes, assessments, charges, dues, duties, rates, fees imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Entity, including all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings, profits or selected items of income, earnings or profits) and all capital taxes, gross receipts taxes, environmental taxes and charges, sales taxes, use taxes, *ad valorem* taxes, value added taxes, subsoil use or extraction taxes and ownership fees, transfer taxes (including, without limitation, taxes relating to the transfer of interests in real property or entities holding interests therein), franchise taxes, licence taxes, withholding taxes, health taxes, payroll taxes, employment taxes, Canada or Québec Pension Plan premiums, excise, severance, social security, workers’ compensation, employment insurance or compensation taxes, mandatory pension and other social fund taxes or premium, stamp taxes, occupation taxes, premium taxes, property taxes, windfall profits taxes, alternative or add-on minimum taxes, goods and services tax, harmonized sales tax, customs duties or other taxes, fees, imports, assessments or charges or any kind whatsoever, and any instalments in respect thereof, together with any interest and any penalties or additional amounts imposed by any taxing authority (domestic or foreign) on such entity, and any interest, penalties, additional taxes and additions to tax imposed with respect to the foregoing.

“**Third Party**” has the meaning given in Section 6.6(d).

“**Third Party Claim**” has the meaning given in Section 6.4.

“**Transitional Services Agreement**” means an agreement in the form attached as Exhibit T.

“**Vendorco**” means 6674321 Canada Inc., a corporation incorporated under the laws of Canada.

“**West Kupol Licence**” means License Series АНД No. 13804 БР for the Right to Subsoil Use, issued to CMGC by the Federal Subsoil Use Agency of the Russian Federation, registered by the Russian Federation Ministry of Natural Resources on October 24, 2006 under No. 4730/АНД13804БР and is valid according to its terms until October 20, 2031.

“**White Ice**” means White Ice Ventures Limited, a corporation incorporated under the laws of the British Virgin Islands.

“Whitesub” means a wholly-owned subsidiary of White Ice, to be incorporated under the laws of British Virgin Islands.

1.2 Accounting Principles. Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under Canadian GAAP and all determinations of an accounting nature required to be made shall be made in accordance with Canadian GAAP applied on a consistent basis.

1.3 Actions on Non-Business Days. If the date on which any action is required to be taken hereunder by a Party is not a business day in the place in which the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

1.4 Currency and Payment Obligations. Except as otherwise expressly provided in this Agreement:

- (a) all dollar amounts referred to in this Agreement are stated in United States Dollars;
- (b) any payment contemplated by this Agreement shall be made by certified cheque, wire transfer, or any other method that provides immediately available funds; and
- (c) except in the case of any payment due on the Russian Closing Date or the Non-Russian Closing Date, any payment due on a particular day must be received by and be available to the payee not later than 2:00 p.m. on the due date at the payee's address for notice under Section 9.4 or such other place as the payee may have specified in writing to the payor in respect of a particular payment and any payment made after that time shall be deemed to have been made and received on the next Business Day.

1.5 Calculation of Interest. In calculating interest payable under this Agreement for any period of time, the first day of such period shall be included and the last day of such period shall be excluded.

1.6 Calculation of Time. In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Toronto, Canada time on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Toronto, Canada time on the next succeeding Business Day.

1.7 Knowledge. Where any representation, warranty or other statement in this Agreement is expressed to be made by Vendorco and White Ice to their knowledge or is otherwise expressed to be limited in scope to facts or matters known to Vendorco or White Ice or of which Vendorco or White Ice are aware, it shall mean the actual knowledge of any of the officers of Vendorco or White Ice.

1.8 Additional Rules of Interpretation.

(1) *Gender, Number and Inclusive Terms.* In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa, and words importing gender include all genders. References in this Agreement to “include”, “includes”, and “including” mean “including, without limitation”.

(2) *Interpretation Not Affected by Headings.* The division of this Agreement into Articles, Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph or Schedule, respectively, bearing that designation in this Agreement.

(3) *Statute References.* A reference to a statute includes all rules, regulations, policies and blanket orders made pursuant to such statute and, unless otherwise specified the provisions of any statute, regulation, rule, policy or blanket order which amends, supplements and supersedes any such statute, regulation, rule, policy or blanket order.

(4) *Document References.* All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules and exhibits attached thereto.

1.9 **Exhibits and Schedules.** The following are the Exhibits and Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

EXHIBITS

A	Form of Share Transfer – JV Shares
B	Form of Share Transfer – Colombian Shares
C	Form of Assignment of Indebtedness – Colombian Indebtedness
D	Form of Assignment and Assumption of Head Office Lease
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K	Form of Colombian Note
L	Form of White Ice Bring-Down Certificate
M	Form of Vendorco Bring-Down Certificate
N	Form of Purchaser Bring-Down Certificate – Russian Closing
N.1	Form of Purchaser Bring-Down Certificate – Non-Russian Closing
O	Form of Russian Security
P	Form of Non-Russian Security
Q	Form of Bema Logo Assignment

R	Form of Share Option and Pre-emptive Right Agreement
S	Form of Release and Indemnity – Non-Russian Closing
S.1	Form of Release and Indemnity – Russian Closing
T	Form of Transitional Services Agreement
U	Form of Puma Note
V	Form of Leasehold Note
W	Form of Assignment of Non-Russian Technical Data

SCHEDULES

1. Capitalization of Purchaser
 2. Required Consents
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ARTICLE 2
PURCHASE AND SALE OF SHARES AND OTHER ASSETS

2.1 Russian Purchase and Sale. At the Russian Closing Time, on and subject to the terms and conditions of this Agreement, White Ice shall cause Whitesub to sell to the Purchaser or one of the Purchaser's Subsidiaries designated by the Purchaser, and the Purchaser or one of the Purchaser's Subsidiaries designated by the Purchaser shall purchase from Whitesub, the JV Shares.

2.2 Non-Russian Purchase and Sale. At the Non-Russian Closing Time, on and subject to the terms and conditions of this Agreement, Vendorco shall sell to the Purchaser, and the Purchaser shall purchase from Vendorco, (a) subject to Section 2.16, the Colombian Shares, (b) subject to Section 2.16, the Colombian Indebtedness, (c) the Puma Indebtedness, and (d) the Leasehold Assets, and Vendorco shall grant the Puma Share Option to the Purchaser pursuant to Section 2.10 and shall enter into the Bema Logo Assignment and, subject to Section 2.15, the Assignment and Assumption of Lease.

2.3 Amount of Purchase Price.

(1) The price payable by the Purchaser to Whitesub for the JV Shares is the sum of (a) \$7,500,000 and (b) the JV Shares Purchase Price Additional Amount (the "**JV Shares Purchase Price**").

(2) The aggregate price payable by the Purchaser to Vendorco for the Colombian Shares and the Colombian Indebtedness is \$5,000,000 (the "**Colombian Purchase Price**").

(3) The aggregate price payable by the Purchaser to Vendorco for the Puma Indebtedness is \$1,800,000 (the "**Puma Indebtedness Purchase Price**").

(4) The aggregate price payable by the Purchaser to Vendorco for the Leasehold Assets is \$700,000 (the "**Leasehold Purchase Price**").

2.4 Payment of JV Shares Purchase Price. The Purchaser shall, or shall cause one of the Purchaser's Subsidiaries to, pay the JV Shares Purchase Price to Whitesub at the Russian Closing Time as follows:

- (a) as to \$295,000 by the issuance of 1,782,500 shares of the Purchaser to Whitesub;
- (b) as to an amount equal to the JV Shares Purchase Price Additional Amount, by wire transfer of such amount of immediately available funds to an account specified by White Ice or Whitesub by written notice to the Purchaser at or before the Russian Closing Time or, if agreed to by the Parties in writing prior to the Russian Closing Time, by a bank draft of such amount; and
- (c) as to \$7,205,000, by the issuance of the Russian Note by the Purchaser to Whitesub.

2.5 Payment of the Colombian Purchase Price. Subject to Section 2.16, the Purchaser shall pay the Colombian Purchase Price to Vendorco at the Non-Russian Closing Time as follows:

- (a) as to \$196,667, by the issuance of 1,188,333 shares of the Purchaser to Vendorco; and
- (b) as to \$4,803,333, by the issuance of the Colombian Note by the Purchaser to Vendorco.

2.6 Pre-closing OpCo Transfers. Prior to the Russian Closing Time, and as soon as is commercially reasonably possible, White Ice shall, or shall cause its Affiliates other than Bema to: (a) cause Whitesub to acquire a 75% interest in JV Company by means that include a cash contribution or cash share subscription of not less than two times the JV Shares Purchase Price Additional Amount and (b) complete the OpCo Transfers.

2.7 Pre-closing Non-Russian Reorganization. Immediately prior to the Non-Russian Closing Time, Vendorco shall (a) acquire from Bema or its Affiliates (i) the Colombian Shares (subject to Section 2.16), (ii) the Colombian Indebtedness (subject to Section 2.16), (iii) the Leasehold Assets, (iv) the Puma Shares and (v) the Puma Indebtedness, (b) acquire from Bema Bema's rights and interests in the Head Office Lease and assume all obligations of Bema pursuant to the Head Office Lease, and (c) acquire by assignment all of Bema's rights in the Bemo Logo and (d) acquire by assignment the Non-Russian Technical Data owned by Bema and the Russian Technical Data owned by Bema (the "**Non-Russian Reorganization**") and shall pay and satisfy or cause to be paid and satisfied all indebtedness and claims (other than the Colombian Indebtedness and the Puma Indebtedness) owed by or to any Affiliate of Bema other than the Colombian Subsidiaries or the Puma Subsidiaries to or by any of the Colombian Subsidiaries or the Puma Subsidiaries.

2.8 Assignment of Head Office Lease and Transfer of Leasehold Assets. Subject to Section 2.15, at the Non-Russian Closing Time (a) Vendorco shall assign all of its rights and interests pursuant to the Head Office Lease to the Purchaser, and the Purchaser shall assume all of Vendorco's obligations under the Head Office Lease, by entering into the Assignment and Assumption of Lease in the form of Exhibit D, or such similar form as required by the landlords to the Head Office Lease and is acceptable to the Parties, and (b) Vendorco shall assign to the Purchaser the Leasehold Assets, and the Purchaser shall pay the Leasehold Purchase Price as follows:

- (i) as to \$27,533, by the issuance of 166,367 shares of the Purchaser to Vendorco; and
- (ii) as to \$672,467, by the issuance of the Leasehold Note by the Purchaser to Vendorco.

2.9 Sublease to Kinross. Subject to Section 2.15, at the Non-Russian Closing Time, the Purchaser, as tenant, shall enter into a sublease with an Affiliate of Kinross as Kinross may designate in its sole discretion, as subtenant, by entering into a sublease (the "**Sublease**") in the form of Exhibit E.

2.10 Puma Share Option. At the Non-Russian Closing Time, Vendorco shall grant to the Purchaser the Puma Share Option, in the form of Exhibit H.

2.11 Assignment of Puma Debt and Puma Management Services. The Purchaser agrees to enter into a written agreement with Puma to provide management services to Puma, subject to the prior written approval of Vendorco (which shall not be unreasonably withheld), for a period commencing on the Non-Russian Closing Date and ending on or after the first anniversary of the Non-Russian Closing Date, substantially similar to the management services provided by Bema and/or its Affiliates to Puma in the one year period immediately prior the Non-Russian Closing Date. At the Non-Russian Closing Time, Vendorco shall assign the Puma Indebtedness to the Purchaser and the Purchaser shall pay the Puma Indebtedness Purchase Price as follows:

- (a) as to \$70,800, by the issuance of 427,800 shares of the Purchaser to Vendorco; and
- (b) as to \$1,729,200, by the issuance of the Puma Note by the Purchaser to Vendorco.

2.12 Security. At (a) the Russian Closing Time, the Purchaser shall provide security to Whitesub in the form of Exhibit O (the "**Russian Security**") with respect to the indebtedness owing pursuant to the Russian Note; (b) the Non-Russian Closing Time, the Purchaser shall provide security to Vendorco in the form of Exhibit P (the "**Non-Russian Security**") with respect to the indebtedness owing pursuant to the Colombian Note, the Leasehold Note and the Puma Note.

2.13 Non Solicitation of Russian Employees. Neither the Purchaser nor any Affiliate of the Purchaser shall, until the date that is two years following the Non-Russian Closing Date, directly or indirectly solicit for employment (other than general solicitations of a public nature not specifically directed at employees or contractors of White Ice or any of its Affiliates), employ, or engage as a consultant any person (other than shareholders of the Purchaser as at the Non-Russian Closing Time) who, as of the date of this Agreement, is employed or engaged in Russia as a consultant by White Ice or any Affiliate of White Ice, or otherwise performs similar functions in Russia on behalf of White Ice or any Affiliate of White Ice provided that this section 2.13 shall not prevent the Purchaser or any Affiliate of the Purchaser from employing or engaging as a consultant any person whose employment has previously been terminated by White Ice or any of its Affiliates or whose consulting contract or consulting arrangement has previously been terminated by White Ice or any of its Affiliates or expired.

2.14 Allocation of Purchase Prices. The JV Shares Purchase Price shall be allocated to the JV Shares. The Colombian Purchase Price shall be allocated first to the Colombian Indebtedness, up to the aggregate book value of the Colombian Indebtedness as recorded in the records of Vendorco and thereafter to the Colombian Shares. Notwithstanding the forgoing in no case shall the purchase price allocated to the Colombian Shares be less than \$1.00. The Puma Indebtedness Purchase Price shall be allocated to the Puma Indebtedness. The Leasehold Purchase Price shall be allocated to the Leasehold Assets.

2.15 Failure to Assign Head Office Lease. If the Assignment and Assumption of Lease in the form of Exhibit D is not acceptable to the landlords to the Head Office Lease, and such form as is required by the landlords to the Head Office Lease is not acceptable to all of the Parties hereto, then (a) Section 2.8(a) and Section 2.9 shall be void and of no force and effect whatsoever, and the closing deliveries contemplated in Section 4.5(d) and (e), and Section 4.6(d) and (e), shall not be required to be delivered to the Purchaser or Vendorco, as the case may be, at the Non-Russian Closing and (b) Vendorco, as sublandlord, and the Purchaser, as subtenant, shall enter into a sublease (the "**Alternative Sublease**") in the form of Exhibit F, and the closing deliveries contemplated in Section 4.5(l) and (m) and Section 4.6(i) shall be delivered or caused to be delivered at the Non-Russian Closing by Vendorco or by the Purchaser, as the case may be.

2.16 AngloGold Release. The Purchaser is required to undertake all reasonable commercial efforts to obtain and deliver at the Non-Russian Closing an unconditional consent and full and complete release of all of Bema's obligations pursuant to the Relationship, Farm-Out and Joint Venture Agreement among Bema, AngloGold Ashanti Limited, Sociedad Kedahda S.A. and AARI, by all of the parties to such agreement other than Bema, being AngloGold Ashanti Limited, Sociedad Kedahda S.A. and AARI (the "**AngloGold Release**"). If the Purchaser does not deliver the AngloGold Release at the Non-Russian Closing, then Sections 2.2(a) and (b), 2.3(2), 2.5 and 2.7(a)(i) and (ii) Section 2.18 shall be void and of no force and effect whatsoever, and the closing deliveries contemplated in Section 4.5(a), (b) and (c), and Section 4.6(a), (b), (j) and (o) shall not be required to be delivered to the Purchaser or Vendorco, as the case may be, at the Non-Russian Closing.

2.17 Transitional License of Bema Logo. Effective from the time of the Non-Russian Closing, the Purchaser hereby grants to Vendorco and its Affiliates a non-exclusive license to use the Bema Logo for six months from the date of the Non-Russian Closing, provided that Vendorco and its Affiliates shall make reasonable efforts to discontinue such use as soon as reasonably practicable following the Non-Russian Closing.

2.18 Assignment of Non-Russian Technical Data. Subject to Section 2.16, effective from the Non-Russian Closing Time, Vendorco shall, pursuant to an assignment agreement in substantially the form of the assignment agreement attached hereto as Exhibit W, transfer and assign all of its right, title and interests in and to the Non-Russian Technical Data to the Purchaser. Notwithstanding the transfer and assignment of the Non-Russian Technical Data contemplated in this section, Vendorco may retain separate copies of some or all of the Non-Russian Technical Data for audit, compliance and/or other purposes.

2.19 License of Russian Technical Data. Effective from the Non-Russian Closing Time, Vendorco hereby grants to the Purchaser a non-exclusive irrevocable license to use the Russian Technical Data owned by Vendorco in accordance with the terms of the JV Agreement and the Russian Properties Agreement. At the Non-Russian Closing, Vendorco will provide to Purchaser a copy of all Russian Technical Data, whether in hard copy documentary form or electronic format (including all computer files). Vendorco and Purchaser acknowledge and agree that, except as either Party may be restricted by the JV Agreement or the Russian Properties Agreement with respect to certain areas of the Russian Federation, they, and their respective successors and assigns, shall each be entitled to use, commercialize, disclose to third parties, publish, transfer the rights to, license or otherwise deal with, the Russian Technical Data as an

owner of such data would be fully entitled to do. Nothing in this Agreement will require a Party to disclose to any other Party any modifications, supplements, derivative works or any know-how or confidential information that is developed independently by or for a Party following the Russian Closing Date.

2.20 Share Adjustment. The parties agree that, notwithstanding the numbers of shares specified in sections 2.4(a), 2.5(a), 2.8(b)(i) and 2.11(a), such numbers of shares may be varied by the Purchaser so long as the total number of shares required to be issued to Vendorco and White Ice pursuant to such sections is not less than 9.9% of the total number of shares issued by the Purchaser up to the date of the Non-Russian Closing, after giving effect to such issuance, and the number of shares issued pursuant to each such section is in the same ratio as the numbers of shares now specified in such sections and the number of shares to be issued at the Russian Closing is equal to the total number of shares to be issued at the Non-Russian Closing. If the total value of the shares to be issued for the assets to be acquired pursuant to each such section, based on the weighted-average issue price of all shares issued prior to the Non-Russian Closing Date, is greater or less than the value specified in each such subsection (a), a corresponding adjustment shall be made to the principal amount of the promissory note provided for in the relevant section, so that the total amount of the consideration payable by way of such shares and note is equal to the consideration provided for in each such section.

**ARTICLE 3
REPRESENTATIONS AND WARRANTIES**

3.1 Representations and Warranties of the Purchaser. The Purchaser represents and warrants to Vendorco and White Ice as follows:

(1) *Incorporation and Corporate Power.* The Purchaser is a corporation incorporated, organized and subsisting under the laws of the jurisdiction of its incorporation. The Purchaser has the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its obligations under this Agreement and under all such other agreements and instruments.

(2) *Authorization by Purchaser.* The execution and delivery of this Agreement and all other agreements and instruments to be executed by the Purchaser as contemplated herein and the completion of the transactions contemplated by this Agreement and all such other agreements and instruments have been duly authorized by all necessary corporate action on the part of the Purchaser and do not and will not result in a violation, contravention or breach of, require any consent to be obtained under or give rise to any termination rights under any provision of,

- (a) the articles or by-laws (or their equivalent) of the Purchaser,
- (b) any Laws, or
- (c) any contract, agreement, licence or permit to which the Purchaser is bound or is subject or of which the Purchaser is the beneficiary.

(3) *Enforceability.* This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms and each other agreement to be executed by the Purchaser as contemplated herein will, upon execution of such agreement by the parties thereto, constitute a binding obligation of the Purchaser in accordance with its terms.

(4) *Capitalization.* The Purchaser has a single class or series of authorized shares. The Purchaser's authorized capital consists of an unlimited number of Purchaser Common Shares and an unlimited number of preferred shares. All of the outstanding Purchaser Common Shares are duly authorized, validly issued, fully paid and non-assessable (and, where required, properly registered). The Purchaser Common Shares outstanding and the registered owners thereof as of the date hereof are set forth in Schedule 1. There are no preferred shares of the Purchaser issued and outstanding as of the date hereof, and there shall be no such preferred shares issued and outstanding as at the Non-Russian Closing Time. There are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating the Purchaser to issue or sell any shares of the Purchaser or any securities or obligations of any kind convertible into or exchangeable for any shares of the Purchaser except such as would, if exercised, not cause the Purchaser Common Shares issued or to be issued pursuant to Sections 2.4(a), 2.5(a), 2.8(b)(i) and 2.11(a) to together constitute less than 9.9% of the outstanding Purchaser Common Shares or where such have been created in compliance with the Share Option and Pre-emptive Rights Agreement. There are no

outstanding bonds, debentures or other evidences of indebtedness of the Purchaser having the right to vote with the holders of Purchaser Common Shares on any matter. There are no outstanding contractual obligations of the Purchaser to repurchase, redeem or otherwise acquire any outstanding Purchaser Common Shares or with respect to the voting or disposition of any outstanding Purchaser Common Shares.

(5) *No Consent or Approval Required.* Other than the Russian Closing Consents and the Non-Russian Closing Consents, no consent, approval, order or authorization of, or declaration or filing with, or waiver of any right of, any Governmental Entity or other person is required (A) to be obtained or made by the Purchaser in connection with the execution and delivery of this Agreement or the consummation by the Purchaser of the transactions contemplated hereby, or (B) to be obtained in connection with the acquisition (directly or indirectly) by the Purchaser of the properties, property rights and interests (including all exploration, retention, reconnaissance, development or mining rights, licences or permits) and mining operations owned directly or indirectly by AARI, JV Company and OpCo in connection with the transactions contemplated herein.

(6) *No Subsidiaries or Other Assets.* Other than as contemplated herein, the Purchaser does not have any material assets, other than cash, and for greater certainty, the Purchaser does not own any shares or similar equity interests.

(7) *No Liabilities.* The Purchaser has no indebtedness or outstanding liabilities or obligations of any other type whatsoever, whether accrued, absolute, contingent or otherwise ("**Liabilities**") including, without limitation, any Liabilities as a result of any actual or potential litigation and any tax liability accrued or payable in respect of any taxation year of the Purchaser ending on or prior to the Non-Russian Closing Date (whether or not known at that time), other than liabilities in an aggregate amount of less than \$100,000, or liabilities as are contemplated herein.

(8) *Absence of Changes.* Since the Purchaser's incorporation on November 30, 2006:

- (a) the Purchaser has not acquired any material property or assets thereof other than as contemplated herein;
- (b) there has not been any incurrence, assumption or guarantee by the Purchaser of any debt for borrowed money, any creation or assumption by the Purchaser of any Encumbrance, any making by the Purchaser of any loan, advance or capital contribution to or investment in any other person or any entering into, amendment of, relinquishment, termination or non-renewal by the Purchaser of any contract, agreement, licence, lease transaction, commitment or other right or obligation other than as contemplated herein;
- (c) the Purchaser has not declared or paid any dividends or made any other distribution on any of the Purchaser Common Shares;
- (d) the Purchaser has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding Purchaser Common Shares;

- (e) the Purchaser has not issued, nor agreed to issue, conditionally or unconditionally, any preferred shares in the capital stock of the Purchaser.

(9) *Shares Issued.* All of the Purchaser Common Shares to be issued pursuant to Section 2.4(a), Section 2.5(a), Section 2.8(b)(i) and Section 2.11(a) will be, upon issuance as provided herein, duly authorized, validly issued, fully paid and non-assessable (and where required, properly registered). As at the time that such shares are issued, the Purchaser Common Shares to be issued pursuant to Section 2.4(a), Section 2.5(a), Section 2.8(b)(i) and Section 2.11(a) shall in aggregate constitute not less than 9.9% of the issued and outstanding Purchaser Common Shares at such time except to the extent to which Vendorco, having received notice from the Purchaser in accordance with the terms of the Share Option and Pre-Emptive Rights Agreement, has not elected to exercise its rights of pre-emption under such agreement.

(10) *Residency.* The Purchaser is a corporation resident in Canada for the purposes of the *Income Tax Act* (Canada).

(11) *Compliance with Laws.* The Purchaser has complied with and is not in violation or default under any applicable Laws, its constating documents or any resolutions of its directors or shareholders, and no such violation will result from the execution of the Agreement by the parties hereto or the performance of their obligations hereunder.

(12) *No Business.* The only business activity of the Purchaser since its incorporation has been to hold shares and since that time it has not carried on any business or activity other than in respect of the organization and financing of its business or as contemplated herein. Other than in respect of the organization and financing of its business or as is contemplated herein, the Purchaser does not own, hold or have rights to any assets, rights or other entitlements of any kind whatsoever and is not a party to or bound by any contract.

(13) *Agreements.* The Purchaser is not a party to or bound by any agreement of guarantee, support, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person, firm or corporation, other than its Subsidiaries, other than as contemplated herein.

(14) *Litigation.* There is no suit, action, litigation, investigation, claim, complaint, grievance or proceeding, including without limitation any appeal and application for review, in progress, pending or threatened against or relating to the Purchaser or affecting its assets, at law or in equity, before any court, governmental department, commission, board, bureau, agency or arbitrator or instrumentality, domestic or foreign that would reasonably be expected to be material to the Purchaser and its subsidiaries taken as a whole.

(15) *Articles and By-laws.* The Purchaser has made available a true and complete copy of the articles and by-laws of the Purchaser, including any and all amendments thereto, and such articles and by-laws are in full force and effect.

3.2 Representations and Warranties of Vendorco and White Ice. Vendorco and White Ice jointly and severally represent and warrant to the Purchaser as follows:

(1) *Incorporation and Corporate Power.* Vendorco and White Ice are corporations incorporated, organized and subsisting under the laws of the jurisdictions of their respective incorporation. Vendorco and White Ice have the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by each of them as contemplated herein and to perform their obligations under this Agreement and under all such other agreements and instruments.

(2) *Authorization by Vendorco and White Ice.* The execution and delivery of this Agreement and all other agreements and instruments to be executed by Vendorco and White Ice as contemplated herein and the completion of the transactions contemplated by this Agreement and all such other agreements and instruments have been duly authorized by all necessary corporate action on the part of each of them and do not and will not result in a violation, contravention or breach of, require any consent to be obtained under or give rise to any termination rights under any provision of,

- (a) the articles or by-laws (or their equivalent) of Vendorco or White Ice,
- (b) any Laws, or
- (c) any contract, agreement, licence or permit to which either Vendorco or White Ice is bound or is subject or of which any of either Vendorco or White Ice is the beneficiary;

(3) *Enforceability.* This Agreement constitutes a valid and binding obligation of each of Vendorco and White Ice enforceable against them in accordance with its terms and each other agreement to be executed by Vendorco or White Ice as contemplated herein will, upon execution of such agreement by the parties thereto, constitute a binding obligation of that Party in accordance with its terms.

(4) *Residency.* White Ice is a corporation resident in the British Virgin Islands. Vendorco is a corporation resident in Canada for purposes of the *Income Tax Act* (Canada). Whitesub shall be a corporation resident in British Virgin Islands at the Russian Closing Time.

3.3 Additional Representations and Warranties of White Ice. White Ice represents and warrants with respect to each of OpCo and JV Company, as at the Russian Closing Time, as follows:

(1) *Incorporation and Corporate Power.* Each of OpCo and JV Company is a corporation incorporated, organized and subsisting under the laws of the jurisdiction of its incorporation. Each of OpCo and JV Company has the corporate power, authority and capacity to execute and deliver the agreements and instruments relating to the OpCo Transfers and to perform its obligations in relating to such agreements and instruments.

(2) *Authorization.* The execution and delivery of the agreements and instruments to be executed by each of OpCo and JV Company in connection with the OpCo Transfers and the completion of the transactions contemplated by the OpCo Transfers have been duly authorized by all necessary corporate action on the part of each of OpCo and JV Company and do not and

will not result in a violation, contravention or breach of, require any consent to be obtained under or give rise to any termination rights under any provision of,

- (a) the articles or by-laws (or their equivalent) of each of OpCo and JV Company,
- (b) any Laws, or
- (c) any contract, agreement licence or permit to which each of OpCo and JV Company is bound or is subject or of which each of OpCo and JV Company is the beneficiary.

(3) *Capitalization.* All of the issued and outstanding shares of OpCo are owned by JV Company and upon completion of the Russian Closing 37.5% of the issued and outstanding shares of JV Company will be owned by the Purchaser or one of its Affiliates and 37.5% of the issued and outstanding shares of JV Company will be owned by Whitesub. All of the shares of OpCo and JV Company are duly authorized, validly issued, fully paid and non-assessable (and, where required, properly registered). There are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating each of OpCo and JV Company to issue or sell any shares of each of OpCo and JV Company or any securities or obligations of any kind convertible into or exchangeable for any shares of each of OpCo and JV Company. There are no outstanding bonds, debentures or other evidences of indebtedness of each of OpCo and JV Company having the right to vote with the holders of shares of each of OpCo and JV Company on any matter. There are no outstanding contractual obligations of each of OpCo and JV Company to repurchase, redeem or otherwise acquire any shares or with respect to the voting or disposition of any outstanding shares.

(4) *No Subsidiaries or Other Assets.* Other than as contemplated herein, each of OpCo and JV Company does not have any material assets, other than cash, or, in the case of OpCo, the OpCo Assets, and, for greater certainty, OpCo does not own any shares or similar equity interests and JV Company does not own any shares or similar equity interests except for shares of OpCo.

(5) *No Liabilities.* OpCo and JV Company have no indebtedness or outstanding liabilities or obligations of any other type whatsoever, whether accrued, absolute, contingent or otherwise ("**Liabilities**") including, without limitation, any Liabilities as a result of any actual or potential litigation and any tax liability accrued or payable in respect of any taxation year of each of OpCo and JV Company ending on or prior to the Russian Closing Date (whether or not known at that time), other than liabilities in an aggregate amount of less than \$100,000, or liabilities as are contemplated herein or as contemplated in the JV Agreement.

(6) *Absence of Changes.* Since each of OpCo and JV Company's incorporation, except pursuant to the OpCo Transfers, as otherwise contemplated herein, or as contemplated in the JV Agreement:

- (a) each of OpCo and JV Company has not acquired any material property or assets;
- (b) there has not been any incurrence, assumption or guarantee by OpCo or JV Company of any debt for borrowed money, any creation or assumption by OpCo

or JV Company of any Encumbrance, any making by OpCo or JV Company of any loan, advance or capital contribution to or investment in any other person or any entering into, amendment of, relinquishment, termination or non-renewal by OpCo or JV Company of any contract, agreement, licence, lease transaction, commitment or other right or obligation;

- (c) each of OpCo and JV Company has not declared or paid any dividends or made any other distribution;
- (d) each of OpCo and JV Company has not effected or passed any resolution to approve a split, consolidation or reclassification of any of its outstanding shares; and
- (e) each of OpCo and JV Company has not issued, or agreed to issue, conditionally or unconditionally, any shares in its capital stock.

(7) *Compliance with Laws.* Each of OpCo and JV Company has complied with and is not in violation or default under any applicable Laws, its constating documents or any resolutions of its directors or shareholders.

(8) *No Business.* Other than as contemplated herein, or as contemplated in the JV Agreement, the only business activity of OpCo since its incorporation has been to hold the Chukotka Licenses and the OpCo Assets and the only business activity of JV Company since its incorporation has been to hold the shares of OpCo and since that time neither OpCo nor JV Company has carried on any business or activity other than in respect of the organization and financing of its business or as contemplated by the OpCo Transfers or the JV Agreement. Other than in respect of the organization and financing of its business or as is contemplated herein or in the JV Agreement, each of OpCo and JV Company does not own, hold or have rights to any assets, rights or other entitlements of any kind whatsoever (other than the OpCo Assets) and is not a party to or bound by any contract.

(9) *Agreements.* Each of OpCo and JV Company is not a party to or bound by any agreement of guarantee, support, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person, firm or corporation, other than as contemplated herein or inter-company indebtedness between OpCo and JV Company.

(10) *Litigation.* There is no suit, action, litigation, investigation, claim, complaint, grievance or proceeding, including without limitation any appeal and application for review, in progress, pending or threatened against or relating to OpCo or JV Company or affecting the assets of OpCo or JV Company, at law or in equity, before any court, governmental department, commission, board, bureau, agency or arbitrator or instrumentality, domestic or foreign that would reasonably be expected to be material to JV Company taken as a whole.

(11) *Articles and By-laws.* The Purchaser has made available a true and complete copy of the articles and by-laws of each of OpCo and JV Company, including any and all amendments thereto, and such articles and by-laws are in full force and effect.

Notwithstanding the foregoing, any representation or warranty in Section 3.3 that would otherwise be inaccurate or untrue shall be deemed to not be inaccurate or untrue if such inaccuracy or untruth is as a result of or related to any action, omission, or state of affairs which occurred, failed to occur or existed, as the case may be, (i) prior to the Effective Time (as defined in the Arrangement Agreement) or (ii) due to the transactions contemplated in the Arrangement Agreement, this Agreement, or the Joint Venture Agreement.

3.4 Commissions. Each Party represents and warrants to the other Parties that such other Parties will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, that Party.

3.5 Survival of Representations and Warranties.

(1) *Purchaser's Representations.* The representations and warranties of the Purchaser contained in Section 3.1 or any other agreement, certificate or instrument delivered pursuant to this Agreement by or on behalf of the Purchaser shall survive the Russian Closing and the Non-Russian Closing for a period of two years from the Non-Russian Closing Date, and notwithstanding the Russian Closing and the Non-Russian Closing, shall continue in full force and effect for the benefit of Vendorco and White Ice, after which time the Purchaser shall be released from all obligations in respect of such representations and warranties except with respect to any claim in respect of any Damages of which Vendorco or White Ice gives notice in writing to the Purchaser (setting out in reasonable detail the nature of such claim and the appropriate amount of the Damages arising as a result thereof) before the expiration of such period. Notwithstanding the foregoing sentence, there shall be no time limit on the representations and warranties of the Purchaser set out in Section 3.1 which relate to the incorporation of the Purchaser, the due authorization of this Agreement by the Purchaser and the enforceability of the Purchaser's obligations under this Agreement.

(2) *Vendorco's and White Ice's Representations.* The representations and warranties of Vendorco and White Ice contained in Section 3.2, 3.3 or any other agreement, certificate or instrument delivered pursuant to this Agreement by or on behalf of Vendorco or White Ice shall survive the Russian Closing and the Non-Russian Closing for a period of two years from the Non-Russian Closing Date, and notwithstanding the Russian Closing and the Non-Russian Closing, shall continue in full force and effect for the benefit of the Purchaser, after which time Vendorco and White Ice shall be released from all obligations in respect of such representations and warranties except with respect to any claim in respect of any Damages of which the Purchaser gives notice in writing to Vendorco and White Ice (setting out in reasonable detail the nature of such claim and the appropriate amount of the Damages arising as a result thereof) before the expiration of such period. Notwithstanding the foregoing sentence, there shall be no time limit on the representations and warranties of Vendorco and White Ice set out in Section 3.2 or the representations and warranties of White Ice set out in Section 3.3 which relate to the incorporation of Vendorco, White Ice, OpCo or JV Company, the due authorization of this Agreement by Vendorco and White Ice, the due authorization by OpCo and JV Company of the agreements and instruments executed by OpCo and/or JV Company, respectively, in connection with the OpCo Transfers, and the enforceability of Vendorco's and White Ice's obligations under this Agreement.

ARTICLE 4
CLOSING ARRANGEMENTS

4.1 Russian Closing. The Russian Closing shall take place at 4:00 p.m. (local time) on the Russian Closing Date at the offices of Chadbourne & Parke LLP in Moscow, Russia, or at such other time on the Russian Closing Date or such other place as may be agreed orally or in writing by White Ice and the Purchaser.

4.2 White Ice's Russian Closing Deliveries. At the Russian Closing, White Ice shall deliver or cause to be delivered to the Purchaser the following documents:

- (a) the certificate or certificates representing the JV Shares;
- (b) a transfer of the JV Shares in the form of Exhibit A, duly executed by Whitesub;
- (c) the certificate contemplated in Section 5.1(1)
- (d) a copy of the Russian Technical Data licensed to the Purchaser pursuant to Section 2.19; and
- (e) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Purchaser to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Purchaser, acting reasonably.

4.3 Purchaser's Russian Closing Deliveries. At the Russian Closing, the Purchaser shall deliver or cause to be delivered to Whitesub the following documents and payments:

- (a) the certificate or certificates representing the shares of the Purchaser described in Section 2.4(a);
- (b) the payment referred to in Section 2.4(b);
- (c) the Russian Note in the form of Exhibit J, duly executed by the Purchaser;
- (d) the Russian Security, in the form of Exhibit O, duly executed by the Purchaser;
- (e) a release and indemnity in respect of the JV Shares in the form of Exhibit S.1, duly executed by the Purchaser;
- (f) the certificate contemplated in Section 5.3(1); and
- (g) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by White Ice (including for greater certainty any applicable consents, permits or approvals required from any relevant Governmental Entity) to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to White Ice, acting reasonably.

4.4 Non-Russian Closing. The Non-Russian Closing shall take place at 5:00 p.m. on the Non-Russian Closing Date at the offices of Blake, Cassels & Graydon LLP in Toronto, Ontario, or at such other time on the Non-Russian Closing Date or such other place as may be agreed orally or in writing by Vendorco and the Purchaser.

4.5 Vendorco's Non-Russian Closing Deliveries. At the Non-Russian Closing, Vendorco shall deliver or cause to be delivered to the Purchaser the following documents:

- (a) subject to Section 2.16, the certificates representing the Colombian Shares;
- (b) subject to Section 2.16, a transfer of the Colombian Shares in the form of Exhibit B, duly executed by Vendorco;
- (c) subject to Section 2.16, an assignment to the Purchaser of the Colombian Indebtedness, in the form of Exhibit C, duly executed by Vendorco;
- (d) subject to Section 2.15, the Assignment and Assumption of Lease in the form of Exhibit D, or such similar form as may be required by the landlords under the Head Office Lease and is acceptable to the Parties, duly executed by Vendorco;
- (e) subject to Section 2.15, the Sublease in the form of Exhibit E, duly executed by the subtenant thereunder;
- (f) an assignment of the Leasehold Assets, in the form of Exhibit G, duly executed by Vendorco;
- (g) the Puma Share Option in the Form of Exhibit H, duly executed by Vendorco;
- (h) the assignment of the Puma Indebtedness in the form of Exhibit I, duly executed by Vendorco and Puma;
- (i) the Bema Logo Assignment in the form of Exhibit Q, duly executed by Vendorco;
- (j) the Share Option and Pre-emptive Right Agreement in the form of Exhibit R, duly executed by Vendorco;
- (k) the certificate contemplated in Section 5.1(2);
- (l) if required by Section 2.15, the Alternative Sublease in the form of Exhibit F, duly executed by Vendorco;
- (m) if required by Section 2.15, any landlord consents required with respect to the Alternative Sublease under the terms of the Head Office Lease;
- (n) the Transitional Services Agreement in the form of Exhibit T, duly executed by Vendorco;
- (o) subject to Section 2.16, the assignment of the Non-Russian Technical Data owned by Vendorco in the form of Exhibit W, duly executed by Vendorco;

- (p) the confirmation in writing by the parties to the Arrangement Agreement contemplated in Section 5.1(2); and
- (q) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Purchaser to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Purchaser, acting reasonably.

4.6 Purchaser's Non-Russian Closing Deliveries. At the Non-Russian Closing, the Purchaser shall deliver or cause to be delivered to Vendorco the following documents and payments:

- (a) subject to Section 2.16, the certificate or certificates representing the shares of the Purchaser described in Section 2.5(a);
- (b) subject to Section 2.16, the Colombian Note in the form of Exhibit K, duly executed by the Purchaser;
- (c) the Non-Russian Security in the form of Exhibit P, duly executed by the Purchaser;
- (d) subject to Section 2.15, the Assignment and Assumption of Lease in the form of Exhibit D, or such similar form as may be required by the landlords to the Head Office Lease and is acceptable to the Parties, duly executed by the Purchaser;
- (e) subject to Section 2.15, the Sublease in the form of Exhibit E, duly executed by the Purchaser;
- (f) the Share Option and Pre-emptive Right Agreement in the form of Exhibit R, duly executed by the Purchaser;
- (g) a release and indemnity in respect of the Colombian Shares, the Colombia Indebtedness, the Leasehold Assets, the Lease Agreement, the Puma Shares and the Puma Indebtedness, in the form of Exhibit S, duly executed by the Purchaser;
- (h) the certificate contemplated in Section 5.3(2);
- (i) if required by Section 2.15, the Alternative Sublease in the form of Exhibit F, duly executed by the Purchaser;
- (j) subject to Section 2.16, the AngloGold Release, duly executed by AngloGold Ashanti Limited, Sociedad Kedahda S.A. and AARI;
- (k) the Transitional Services Agreement in the form of Exhibit T, duly executed by the Purchaser;
- (l) the Puma Note in the form of Exhibit U, duly executed by the Purchaser;

- (m) the Leasehold Note in the form of Exhibit T, duly executed by the Purchaser;
 - (n) the certificates representing the shares of the Purchaser described in Section 2.8(b)(i) and Section 2.11(a);
 - (o) the confirmation in writing by the parties to the Arrangement Agreement contemplated in Section 5.3(2); and
 - (p) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by Vendorco to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to Vendorco, acting reasonably.
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ARTICLE 5 CONDITIONS OF CLOSING

5.1 Purchaser's Conditions.

(1) The Purchaser shall not be obligated to complete the purchase of the JV Shares pursuant to Section 2.1 of this Agreement unless (i) each of the conditions in Article VI of the Arrangement Agreement has either been satisfied or waived, (ii) the representations and warranties of White Ice in Section 3.2 and Section 3.3 shall be accurate in all material respects at the Russian Closing Time, (iii) all of the Russian Closing Consents have been obtained, (iv) the Joint Venture Agreement (as defined by the Arrangement Agreement) shall have been entered into and shall remain in force and unamended, other than amendments agreed to by the parties thereto, and with no breach thereunder that shall not have been cured as at the Russian Closing Time, and (v) at or before the Russian Closing Time, White Ice shall have performed and complied in all material respects with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Russian Closing Time (including completion of the transactions contemplated by Section 2.6, including the OpCo Transfers) and shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Russian Closing a certificate of two senior officers of White Ice certifying such accuracy, performance and compliance and all of the other documents contemplated in Section 4.2, it being understood that such conditions are included for the exclusive benefit of the Purchaser. White Ice shall take all such actions, steps and proceedings as are reasonably within its control as may be necessary to ensure that the conditions listed in this Section 5.1(1) are fulfilled at or before the Russian Closing Time.

(2) The Purchaser shall not be obligated to complete the transactions contemplated by Sections 2.2, 2.8, 2.9, 2.10, 2.11 or 2.15 of this Agreement unless (i) the parties to the Arrangement Agreement have confirmed to the Purchaser in writing that each of the conditions (other than those conditions relating to such transactions) in Article VI of the Arrangement Agreement has either been satisfied or waived, (ii) the representations and warranties of Vendorco in Section 3.2 shall be accurate in all material respects at the Non-Russian Closing Time, (iii) all of the Non-Russian Closing Consents have been obtained, and (iv) at or before the Non-Russian Closing Time, Vendorco shall have performed and complied in all material respects with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Non-Russian Closing Time and shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Non-Russian Closing a certificate of two senior officers of Vendorco certifying such accuracy, performance and compliance and all of the other documents contemplated in Section 4.5, it being understood that such conditions are included for the exclusive benefit of the Purchaser. Vendorco shall take all such actions, steps and proceedings as are reasonably within its control as may be necessary to ensure that the conditions listed in this Section 5.1(2) are fulfilled at or before the Non-Russian Closing Time.

(3) The Purchaser shall not be obliged to complete any of the transactions contemplated by Sections 2.2, 2.8, 2.9, 2.10, 2.11 or 2.15 unless all of the transactions contemplated by Sections 2.2, 2.10, 2.11 and either 2.8 and 2.9 or 2.15 are completed at the same time.

5.2 Condition not Fulfilled.

(1) If any condition in Section 5.1(1) has not been fulfilled at or before the Russian Closing Time in all material respects or if any such condition is or becomes impossible to satisfy in all material respects, other than as a result of the failure of the Purchaser to comply with its obligations under this Agreement, then the Purchaser in its sole discretion may, without limiting any rights or remedies available to the Purchaser at law or in equity, either:

- (a) terminate this Agreement by notice to Vendorco and White Ice, as provided in Section 8.1 (unless the Non-Russian Closing has occurred, in which case the Purchaser may terminate its obligations under Sections 2.1, 2.4, 2.12(a), 2.13 and 4.3, and if it does so, White Ice's obligations under Sections 2.1, 2.6 and 4.2 shall also be terminated); or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfilment of any other condition.

(2) If any condition in Section 5.1(2) has not been fulfilled at or before the Non-Russian Closing Time or if any such condition is or becomes impossible to satisfy, other than as a result of the failure of the Purchaser to comply with its obligations under this Agreement, then the Purchaser in its sole discretion may, without limiting any rights or remedies available to the Purchaser at law or in equity, either:

- (a) terminate this Agreement by notice to Vendorco and White Ice, as provided in Section 8.1; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfilment of any other condition.

5.3 White Ice's and Vendorco's Conditions.

(1) White Ice shall not be obligated to complete the sale of the JV Shares pursuant to Section 2.1 of this Agreement unless (i) each of the conditions in Article VI of the Arrangement Agreement has either been satisfied or waived, (ii) the representations and warranties of the Purchaser in Section 3.1 shall be accurate in all material respects at the Non-Russian Closing Time, (iii) all of the Russian Closing Consents have been obtained, and (iv) the Purchaser shall have performed and complied in all material respects with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Russian Closing Time and shall have executed and delivered or caused to have been executed and delivered to White Ice at the Russian Closing a certificate of two senior officers of the Purchaser certifying such accuracy, performance and compliance and all of the other documents contemplated in Section 4.3, it being understood that the said conditions are included for the exclusive benefit of Vendorco and White Ice. The Purchaser shall take all such actions, steps and proceedings as are reasonably within the Purchaser's control as may be necessary to ensure that the conditions listed in this Section 5.3(1) are fulfilled at or before the Russian Closing Time.

(2) Vendorco shall not be obligated to complete the transactions contemplated by Sections 2.2, 2.8, 2.9, 2.10, 2.11 or 2.15 of this Agreement unless, (i) the parties to the

Arrangement Agreement have confirmed to Vendorco in writing that each of the conditions (other than those conditions relating to such transactions) in Article VI of the Arrangement Agreement has either been satisfied or waived, (ii) the representations and warranties of the Purchaser in Section 3.1 shall be accurate in all material respects at the Non-Russian Closing Time, (iii) all of the Non-Russian Closing Consents have been obtained, and (iv) the Purchaser shall have performed and complied in all material respects with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Non-Russian Closing Time and shall have executed and delivered or caused to have been executed and delivered to Vendorco at the Non-Russian Closing a certificate of two senior officers of the Purchaser certifying such accuracy, performance and compliance and all of the other documents contemplated in Section 4.6, it being understood that the said conditions are included for the exclusive benefit of Vendorco. The Purchaser shall take all such actions, steps and proceedings as are reasonably within the Purchaser's control as may be necessary to ensure that the conditions listed in this Section 5.3(2) are fulfilled at or before the Non-Russian Closing Time.

5.4 Condition not Fulfilled.

(1) Subject to the provisions of Section 5.5, if any condition in Section 5.3(1) shall not have been fulfilled at or before the Russian Closing Time in all material respects or if any such condition is or becomes impossible to satisfy in all material respects, other than as a result of the failure of Vendorco or White Ice to comply with its obligations under this Agreement, then White Ice in its sole discretion may, without limiting any rights or remedies available to White Ice at law or in equity, either:

- (a) terminate its obligations under Sections 2.1, 2.6 and 4.2, and if it does so, the Purchaser's obligations under Sections 2.1, 2.4, 2.12(a), 2.13 and 4.3 shall also be terminated; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfilment of any other condition.

(2) If any condition in Section 5.3(2) shall not have been fulfilled at or before the Non-Russian Closing Time in all material respects or if any such condition is or becomes impossible to satisfy in all material respects, other than as a result of the failure of Vendorco, White Ice or Kinross to comply with its obligations under this Agreement, then either Vendorco, White Ice or Kinross in its sole discretion may, without limiting any rights or remedies available to Vendorco or White Ice at law or in equity, either:

- (a) terminate this Agreement by notice to the Purchaser as provided in Section 8.1; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfilment of any other condition.

5.5 Further Assurances Covenant. If one or more of the Russian Closing Consents has not been obtained or the OpCo Transfers have not been completed as at December 31, 2007, as contemplated by this Agreement, but all conditions set forth in Section 5.3(1) (other than the condition set forth in Section 5.3(1)(iii)) have been satisfied or waived, then White Ice shall cease to have any obligations under Sections 2.1, 2.6 and 4.2 and the Purchaser shall cease to

have any obligations under Sections 2.1, 2.4, 2.12(a), 2.13 and 4.3, and White Ice shall, upon written notice from the Purchaser received by White Ice no later than January 31, 2008, use reasonable commercial efforts to structure, together with the Purchaser, an alternative transaction that will provide, to the extent reasonably possible, the Purchaser with the equivalent of an indirect 37.5% interest in the Chukotka Licenses in consideration for the payment by the Purchaser of the JV Shares Purchase Price, as adjusted as is reasonable in the circumstances to reflect any increased costs or expenses, including Taxes, as would be incurred as a result of entering into such alternative transaction as compared to the transactions contemplated in Sections 2.1 and 2.6. In the event that such alternative transaction has not been completed within 180 days of such written notice from the Purchaser, then either the Purchaser or White Ice may, without limiting any rights or remedies available to such Party at law or in equity, terminate any obligations arising as a result of this Section 5.5.

ARTICLE 6 INDEMNIFICATION

6.1 Indemnity by Vendorco and White Ice. Vendorco and White Ice shall each jointly and severally indemnify the Purchaser's Indemnified Parties and save them fully harmless against any Damages which may be imposed upon or asserted against or suffered or incurred by the Purchaser's Indemnified Parties as a direct or indirect result of, or arising out of or in connection with or related in any manner whatever to:

- (a) any incorrectness in or breach of any representation or warranty of Vendorco or White Ice, respectively, contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement, and
- (b) any breach or any non-fulfilment of any covenant or agreement on the part of Vendorco or White Ice, respectively, contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement.

6.2 Indemnity by the Purchaser. The Purchaser shall indemnify Bema's Indemnified Parties and save them fully harmless against any Damages which may be imposed upon or asserted against or suffered or incurred by Bema's Indemnified Parties as a direct or indirect result of, or arising out of or in connection with or related in any manner whatever to:

- (a) any incorrectness in or breach of any representation or warranty of the Purchaser contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement; and
- (b) any breach or non-fulfilment of any covenant or agreement on the part of the Purchaser contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement.

6.3 Agency for Non-Parties. Each Party hereby accepts each indemnity in favour of each of its Indemnified Parties who are not Parties as agent and trustee of that Indemnified Party. Each Party may enforce an indemnity in favour of any of that Party's Indemnified Parties on behalf of each such Indemnified Party.

6.4 Notice of Claim. If an Indemnified Party becomes aware of any act, omission or state of facts that may give rise to Damages in respect of which a right of indemnification is provided for under this Article, the Indemnified Party shall promptly give written notice thereof to the Indemnifying Party. Such notice shall specify whether the potential Damages arise as a result of a claim by a Person against the Indemnified Party (a "**Third Party Claim**") or whether the potential Damages do not so arise (a "**Direct Claim**"), and shall also specify with reasonable particularity (to the extent that the information is available):

- (a) the factual basis for the Direct Claim or Third Party Claim, as the case may be; and
- (b) the amount of the potential Damages arising therefrom, if known

If, through the fault of the Indemnified Party, the Indemnifying Party does not receive notice of a particular claim in time effectively to contest the determination of any liability susceptible of being contested or to assert a right to recover an amount under applicable insurance coverage, then the liability of the Indemnifying Party to the Indemnified Party under this Article shall be reduced to the extent that Damages are incurred by the Indemnifying Party resulting from the Indemnified Party's failure to give such notice on a timely basis.

6.5 Direct Claims. In the case of a Direct Claim, the Indemnifying Party shall have 60 days from receipt of notice thereof within which to make such investigation as the Indemnifying Party considers necessary or desirable. For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate its right to be indemnified under this Article 6, together with all such other information as the Indemnifying Party may reasonably request. If the Parties fail to agree at or before the expiration of such 60-day period (or any mutually agreed upon extension thereof), the Indemnified Party shall be free to pursue such remedies as may be available to it.

6.6 Third Party Claims. In the case of a Third Party Claim, the provisions in the following paragraphs of this Section 6.6 apply.

- (a) The Indemnifying Party shall have the right, at its expense, to participate in and control the negotiation, settlement or defence of the Third Party Claim, which control shall rest at all times with the Indemnifying Party, except as provided in Section 6.6(c):
- (b) If the Indemnifying Party elects to participate in and assume control as contemplated in Section 6.6(a), the Indemnifying Party shall reimburse the Indemnified Party for all of the Indemnified Party's out-of-pocket expenses incurred as a result of such participation in and assumption. The Indemnified Party shall have the right to participate in but not control the negotiation, settlement or defence of such Third Party Claim and to retain counsel to act on its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party unless the Indemnifying Party consents to the retention of such counsel at its expense or unless the named parties to any action or proceeding include both the Indemnifying Party and the Indemnified Party and a representation of both the Indemnifying Party and the Indemnified Party by the same counsel would be inappropriate due to the actual or potential differing interests between them (such as the availability of different defences), in which case the fees and disbursements of such counsel shall be paid by the Indemnifying Party. The Indemnified Party shall cooperate with the Indemnifying Party so as to permit the Indemnifying Party to conduct such negotiation, settlement and defence and for this purpose shall preserve all relevant documents in relation to the Third Party Claim, allow the Indemnifying Party access on reasonable notice to inspect and take copies of all such documents and require its personnel to provide such statements as the Indemnifying Party may reasonably require and to attend and give evidence at any trial or hearing in respect of the Third Party Claim.

- (c) If, having elected to assume control of the negotiation, settlement or defence of the Third Party Claim, the Indemnifying Party thereafter fails to conduct such negotiation, settlement or defence with reasonable diligence, then the Indemnified Party shall be entitled to assume such control and the Indemnifying Party shall be bound by the results obtained by the Indemnified Party with respect to such Third Party Claim.
- (d) If any Third Party Claim is of a nature such that (i) the Indemnified Party is required by applicable Law or any order, or (ii) it is necessary in the reasonable view of the Indemnified Party acting in good faith and in a manner consistent with reasonable commercial practices, to make a payment to any Person (a “**Third Party**”) with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, as the case may be, then the Indemnified Party may, after having given to the Indemnifying Party such notice as it reasonable in the circumstances, make such payment and the Indemnifying Party shall, promptly after demand by the Indemnified Party, reimburse the Indemnified Party for such payment. If the amount of any liability of the Indemnified Party under the Third Party Claim in respect of which such a payment was made, as finally determined, is less than the amount which was paid by the Indemnifying Party to the Indemnified Party, the Indemnified Party shall, promptly after receipt of the difference from the Third Party, pay the amount of such difference to the Indemnifying Party.
- (e) If the Indemnifying Party fails to assume control of the defence of any Third Party Claim, the Indemnified Party shall have the exclusive right to contest, settle or pay the amount claimed and the Indemnifying Party shall be bound by the results obtained by the Indemnified Party with respect to such Third Party Claim. Whether or not the Indemnifying Party assumes control of the negotiation, settlement or defence of any Third Party Claim, the Indemnifying Party shall not settle any Third Party Claim without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed.

6.7 Interest on Damages. The amount of any Damages which is subject to indemnification hereunder shall bear interest from and including the date the Indemnified Party was notified of the claim for Damages at the Prime Rate calculated from and including such date to but excluding the date reimbursement of such Damages by the Indemnifying Party is made, compounded monthly, and the amount of such interest shall be deemed to be part of such Damages.

ARTICLE 7 COVENANTS

7.1 Confidentiality.

(1) *Information To Be Confidential.* Each Party shall hold and shall cause each of its Representatives to hold in strictest confidence and not use in any manner, other than as expressly contemplated by Section 9.3 or any other provision of this Agreement, any Confidential Information of the other Parties.

(2) *Required Disclosure.* Section 7.1(1) shall not apply to the disclosure of any Confidential Information if such disclosure is required by applicable Law. In that case, the Party required to disclose (or whose Representative is required to disclose) shall, as soon as possible in the circumstances, notify the other Parties of the requirement. Upon receiving such notification, each other Party may take any reasonable action to challenge the requirement, and the affected Party shall (or shall cause its Representative to), at the expense of the other Party, assist the other Party in taking such reasonable action.

(3) *Return or Destruction.* Following the termination of this Agreement in accordance with the provisions of this Agreement, each Party shall (and shall cause each of its Representatives to) promptly, upon a request from another Party, return to the requesting Party all copies of any tangible items (other than this Agreement), if any, which are or which contain Confidential Information of the requesting Party; provided that if the Party so obligated to return Confidential Information or its Representatives has prepared summaries or analyses containing or concerning any Confidential Information, then such Party may, instead of returning the summaries or analyses, destroy them and provide a certificate to that effect to the requesting Party.

7.2 Conduct of Business After Completion of Arrangement. White Ice hereby covenants and agrees with the Purchaser that during the period commencing as of the Effective Time (as defined by the Arrangement Agreement) of the Arrangement and ending as of the Russian Closing Time, White Ice shall ensure that it does not, without the prior written consent of the Purchaser, which consent shall not be unreasonably withheld or delayed, directly or indirectly do or permit to occur any action that would (i) delay or impede the completion of the OpCo Transfers, (ii) have a material adverse effect on the value of the Chukotka Licences, the shares of OpCo or the JV Shares, or (iii) create or grant any Encumbrance (other than Encumbrances relating to any debt outstanding as of the Effective Time (as defined by the Arrangement Agreement)) or other claim against, or any right, title or interest in or to the JV Shares, or breach any warranty in Sections 3.2 and 3.3. Notwithstanding the forgoing, nothing in this provision will prevent any action (i) in connection with completing the transactions contemplated in the Arrangement Agreement, this Agreement or the Joint Venture Agreement, (ii) pursuant to obligations existing prior to completion of the Arrangement, or (iii) pursuant to obligations as disclosed in the Bema Disclosure Letter.

7.3 Further Assurances. Vendorco or White Ice shall from time to time and at all times hereafter, upon every reasonable request of the Purchaser, promptly execute and deliver or cause to be executed and delivered all such further documents, deeds, assurances and instruments and

shall do or cause to be done all such further acts and things as may be reasonably required by the Purchaser to give effect to this Agreement. The Purchaser shall from time to time and at all times hereafter, upon every reasonable request of Vendorco or White Ice, promptly execute and deliver or cause to be executed and delivered all such further documents, deeds, assurances and instruments and shall do or cause to be done all such further acts and things as may be reasonably required by Vendorco or White Ice, as the case may be, to give effect to this Agreement.

7.4 Obligation of Kinross. Kinross shall cause White Ice and Vendorco to comply at all times following the effective date of the Arrangement with their respective obligations under Sections 2.1, 2.6, 4.2 and 5.5. Notwithstanding any other provision of this Agreement but subject to the following sentence: (i) the maximum aggregate liability of Kinross under this Agreement shall be \$16,000,000; and (ii) the Purchaser's obligations to indemnify the Bema Indemnified Parties pursuant to this Agreement and the obligations of the "Indemnitor" (as defined in Exhibits S and S.1) to indemnify the "Indemnitees" (as defined in such exhibits) shall in no way be limited by this Section 7.4, and Kinross shall be entitled to set off and apply any and all indebtedness owing to it under this Agreement or under Exhibits S and S.1 against any indebtedness owing by Kinross to the Purchaser under this Agreement. Notwithstanding any other provisions of this Agreement, the satisfaction of any right or claim whatsoever against Kinross pursuant to, or as a result of any breach of, this Agreement shall be without any recourse whatsoever whether directly or indirectly against or in respect of any property, assets, rights or value of Kinross acquired pursuant to the Arrangement Agreement and the completion of the Arrangement or to any property, assets, rights or value of Kinross substituted therefore. For greater certainty, there shall be no recourse directly or indirectly against Kinross in respect of any property that is "distributed property" or property acquired in substitution for distributed property or deemed by paragraph 88(1)(c.3) of the *Income Tax Act* (Canada) to be property acquired in substitution for distributed property. For this purpose, "distributed property" is any property owned by Bema immediately before the amalgamation of Bema and Kinross Sub (as defined in the Arrangement Agreement) pursuant to the Arrangement. Kinross shall have no obligations under this Agreement prior to the completion of the Arrangement.

**ARTICLE 8
TERMINATION**

8.1 Grounds for Termination. This Agreement may be terminated:

- (a) on or prior to the Non-Russian Closing Date by the mutual written agreement of the Parties;
- (b) on or before the Non-Russian Closing Time, by written notice from the Purchaser to Vendorco and White Ice as permitted in Sections 5.2(1)(a) or 5.2(2)(a);
- (c) on or before the Non-Russian Closing Time, by written notice from White Ice or Kinross to the Purchaser as, and to the extent, permitted in Sections 5.4(1)(a) or 5.4(2)(a),
- (d) and will terminate immediately and without further act or notice on the part of any Party hereto if the Arrangement Agreement is terminated prior to the Non-Russian Closing Time by either Bema or Kinross in accordance with the terms for termination thereof.

8.2 Effect of Termination.

(1) If this Agreement is terminated by Vendorco, White Ice or Kinross or by the Purchaser under Section 8.1, subject to Section 8.2(2), or as a result of a termination of the Arrangement Agreement all further obligations of the Parties under this Agreement shall terminate, except for the obligations under Sections 7.1, 9.1 and 9.3, which shall survive such termination.

(2) If this Agreement is terminated by a Party under Section 8.1(b) or 8.1(c) and the right to terminate arose because of a breach of this Agreement by another Party (including a breach by another Party resulting in a condition in favour of the terminating Party failing to be satisfied), the other Party shall remain fully liable for any and all Damages sustained or incurred by the terminating Party directly or indirectly as a result thereof.

**ARTICLE 9
GENERAL**

9.1 Expenses. Except as otherwise expressly provided herein, each Party shall pay its own costs and expenses (including all legal, accounting and financial advisory fees and expenses) in connection with the transactions contemplated herein including expenses related to the preparation, execution and delivery of this Agreement and the documents required hereunder, provided that Vendorco shall be responsible for that amount of the Purchaser's costs and expenses as is equal to the lesser of (i) \$200,000 and (ii) the Purchaser's costs and expenses incurred in connection with the transactions contemplated herein that are incurred prior to the Non-Russian Closing.

9.2 Payment of Taxes. Except as otherwise provided in this Agreement, the Purchaser shall pay all Taxes applicable to, or resulting from the transactions contemplated by, this Agreement (other than Taxes payable by Vendorco or White Ice or Whitesub under applicable Law) and any filing, recording or transfer fees payable in connection with the instruments of transfer provided for in this Agreement.

9.3 Communications. The Parties agree to make a joint press release with respect to the Agreement as soon as practicable after the execution by them of this Agreement and to otherwise coordinate the public disclosure and presentations made by them with respect to the Agreement. The Parties further agree that there will be no public announcement or other disclosure of the Agreement or of the matters dealt with herein unless they have mutually agreed thereto or unless otherwise required by applicable Laws or by regulatory instrument, rule or policy based on the advice of counsel. If any Party is required by applicable Laws or regulatory instrument, rule or policy to make a public announcement with respect to the transactions contemplated herein, such Party hereto will provide as much notice to the other of them as reasonably possible, including the proposed text of the announcement.

9.4 Notices. Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party hereto shall be in writing and shall be delivered by hand to the Party hereto to which the notice is to be given at the following address or sent by facsimile to the following numbers or to such other address or facsimile number as shall be specified by a Party hereto by like notice. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day or, if not, then the next succeeding Business Day) and if sent by facsimile be deemed to have been given and received at the time of receipt (if a Business Day or, if not, then the next succeeding Business Day) unless actually received after 5:00 p.m. (Toronto time) at the point of delivery in which case it shall be deemed to have been given and received on the next Business Day.

The address for service of each of the Parties hereto shall be as follows:

- (a) if to the Purchaser:

B2Gold Corp.
Suite 3100, Three Bentall Centre
595 Burrard Street
P.O. Box 49143
Vancouver, BC V7X 1J1

Attention: General Counsel
Facsimile: (604) 681-6209

- (b) if to White Ice:

White Ice Ventures Limited
c/o Kinross Gold Corporation
52nd Floor, Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3Y2

Attention: Chief Legal Officer and Corporate Secretary
Facsimile: (416) 363-6622

- (c) if to Vendorco:

6674321 Canada Inc.
c/o Kinross Gold Corporation
52nd Floor, Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3Y2

Attention: Chief Legal Officer and Corporate Secretary
Facsimile: (416) 363-6622

- (d) if to Kinross:

Kinross Gold Corporation
52nd Floor, Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3Y2

Attention: Chief Legal Officer and Corporate Secretary
Facsimile: (416) 363-6622

9.5 Time of Essence. Time shall be of the essence of this Agreement.

9.6 Non-Merger. All provisions of this Agreement, other than (a) the conditions in Article 5 and (b) the representations and warranties contained in Article 3 and (c) the indemnities in Sections 6.1 and 6.2 hereof (which shall be subject to the special arrangements provided in such Articles or Sections) shall forever survive the execution, delivery and performance of this Agreement, Closing and the execution, delivery and performance of any and all documents delivered in connection with this Agreement.

9.7 Entire Agreement. This Agreement contains the entire agreement between the Parties hereto with respect to the subject matter hereof and thereof and supersedes all prior agreements and understandings with respect thereto including the binding letter agreement between Kinross and Bema dated November 6, 2006. There are no representations, warranties, covenants or conditions with respect to the subject matter hereof except as contained herein.

9.8 Amendment. This Agreement may, at any time and from time to time be amended by written agreement of the Parties hereto.

9.9 Waiver. Any waiver or release of any of the provisions of this Agreement, to be effective, must be in writing and executed by the Party hereto granting such waiver or right.

9.10 Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

9.11 Remedies. The Parties hereto acknowledge and agree that an award of money damages may be inadequate for any breach of this Agreement by any Party hereto or its representatives and advisors and that such breach may cause the non-breaching Party hereto irreparable harm. Accordingly, the Parties hereto agree that, in the event of any such breach or threatened breach of this Agreement by one of the Parties hereto, White Ice and Vendorco (if the Purchaser is the breaching Party) or the Purchaser (if White Ice or Vendorco is the breaching Party) will be entitled, without the requirement of posting a bond or other security, to seek equitable relief, including injunctive relief and specific performance. Subject to any other provision hereof, such remedies will not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available hereunder or at law or in equity to each of the Parties hereto.

9.12 Law. This Agreement shall be governed by and be construed in accordance with the laws of the Province of Ontario and the Parties irrevocably attorn to the non-exclusive jurisdiction of the courts of such province.

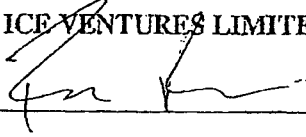
9.13 Binding Effect. This Agreement shall be binding upon and shall enure to the benefit of the Parties hereto and their respective successors and permitted assigns.

9.14 Execution in Counterparts. This Agreement may be executed in one or more counterparts, each of which shall conclusively be deemed to be an original and all such counterparts collectively shall be conclusively deemed to be one and the same.

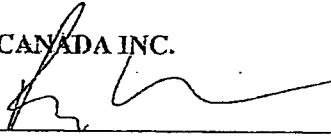
[INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.


WHITE ICE VENTURES LIMITED

By: 
Name:
Title:

6674321 CANADA INC.

By: 
Name:
Title:

B2GOLD CORP.

By: 
Name:
Title:

KINROSS GOLD CORPORATION

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

WHITE ICE VENTURES LIMITED

By: _____
Name:
Title:

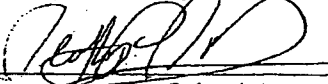
6674321 CANADA INC.

By: _____
Name:
Title:

B2GOLD CORP.

By: _____
Name:
Title:

KINROSS GOLD CORPORATION

By:  _____
Name: Geoffrey P. Gold
Title: SVP and Chief Legal Officer

By: _____
Name:
Title:

SCHEDULE 1

CAPITALIZATION OF THE PURCHASER

1 Common share issued for a subscription price of \$1.00

120479353

22270.96846.CZH.2835761.1

SCHEDULE 2

REQUIRED CONSENTS

A. Russian Closing Consents

“Russian Closing Consents” means all consents, permits and approvals (whether corporate, contractual, governmental, regulatory or otherwise) which are required to complete the OpCo Transfers in a manner consistent with prudent commercial practice, including but not limited to:

1. Consent of CMGC and its shareholders to: (i) the establishment of OpCo, (ii) the re-issuance of the Chukotka Licences to Opco, (iii) the transfer of the OpCo Assets from CMGC to Opco, (iv) the sale of the OpCo Shares by CMGC to JV Company, or (v) any related transaction;
2. any required consent by any lender to CMGC or any Affiliate of CMGC with respect to the actions described above;
3. Consent of Russian antimonopoly authorities, or any other relevant Russian agency, if required, related to the actions described above.; and
4. Any consents of the Chukotka Government that may be required for implementation of the above actions, including specific approval of the re-issuance of the Chukotka Licences to Opco and execution of a license agreement for OpCo..

B. Non-Russian Closing Consents

“Non-Russian Closing Consents” means all consents, permits and approvals (whether corporate, contractual, governmental, regulatory or otherwise) which are required to complete the Non-Russian Closing.