

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
 From: Market Watch
 Date: February 22, 2007
 Subject: ****UPDATE** Bema Gold Corporation (BGO) Pending Merger With Kinross Gold Corporation (KGC)**

On Tuesday, January 30, 2007, the shareholders of Bema Gold Corporation (BGO) voted to approve the proposed merger with Kinross Gold Corporation (KGC). Pursuant to the merger terms each BGO share will be converted into the right to receive 0.4447 KGC common shares plus CDN \$0.01. **The merger is anticipated to become effective on February 27, 2007.**

No fractional KGC shares will be issued to BGO shareholders. If a BGO shareholder is entitled to a fractional share of 0.5 or more of a KGC share, the number of shares to be issued will be rounded up to the nearest whole number. If a shareholder is entitled to a fractional share of less than 0.5, the number of shares to be issued will be rounded down to the nearest whole number.

***The foregoing is an unofficial summary of the terms of the Merger, prepared by the PHLX for the convenience of its members. PHLX accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

Pursuant to Options Clearing Corporation (OCC) By-Laws, all outstanding BGO options will be adjusted as follows:

EFFECTIVE DATE: Option changes are expected to become effective on February 28, 2007
SYMBOL(s): BGO becomes BYO
STRIKE PRICE: No Change
POS/EXERCISE LIMIT: 500,000 contracts until January 2009 expiration; where the limits revert to 250,000 contracts
MULTIPLIER: 100*(eg., Premium of 1.00 = \$100)
NEW DELIVERABLE: 1) 44 Kinross Gold Corporation (KGC)
 2) The US Dollar equivalent of \$1.00 CDN

Bema Gold Corporation (BGO) (Before - Date To Be Announced)					Bema Gold Corporation (BYO) (Beginning - Date To Be Announced) (See New Deliverable Above)				
100 shares BGO									
			Calls	Puts				Calls	Puts
BGO	MAR	2 1/2	CZ	OZ	BYO	MAR	2 1/2	CZ	OZ
BGO	MAR	5	CA	OA	BYO	MAR	5	CA	OA
BGO	MAR	7 1/2	CU	OU	BYO	MAR	7 1/2	CU	OU
BGO	MAR	10	CB	OB	BYO	MAR	10	CB	OB
BGO	APR	2 1/2	DZ	PZ	BYO	APR	2 1/2	DZ	PZ
BGO	APR	5	DA	PA	BYO	APR	5	DA	PA
BGO	APR	7 1/2	DU	PU	BYO	APR	7 1/2	DU	PU
BGO	APR	10	DB	PB	BYO	APR	10	DB	PB
BGO	JUN	2 1/2	FZ	RZ	BYO	JUN	2 1/2	FZ	RZ
BGO	JUN	5	FA	RA	BYO	JUN	5	FA	RA
BGO	JUN	7 1/2	FU	RU	BYO	JUN	7 1/2	FU	RU
BGO	JUN	10	FB	RB	BYO	JUN	10	FB	RB
BGO	SEP	2 1/2	IZ	UZ	BYO	SEP	2 1/2	IZ	UZ
BGO	SEP	5	IA	UA	BYO	SEP	5	IA	UA
BGO	SEP	7 1/2	IU	UU	BYO	SEP	7 1/2	IU	UU
BGO	SEP	10	IB	UB	BYO	SEP	10	IB	UB

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-1508.