

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Listings/Market Watch

Date: January 24, 2007

**Subject: Bema Gold Corporation (BGO) Pending Merger With Kinross Gold Corporation (KGC)**

On Tuesday, January 30, 2007, the shareholders of Bema Gold Corporation (BGO) will vote 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. Cash will be paid in lieu of fractional shares.

**The merger is anticipated to become effective in early February 2007.**

*\*\*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 a date to be announced  
**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  
 3) Cash in lieu of 0.47 fractional KGC Common Shares

Bema Gold Corporation (BGO) (Before - Date To Be Announced) 100 shares BGO					Bema Gold Corporation (BYO) (Beginning - Date To Be Announced) (See New Deliverable Above)				
			Calls	Puts				Calls	Puts
BGO	FEB	2 1/2	BZ	NZ	BYO	FEB	2 1/2	BZ	NZ
BGO	FEB	5	BA	NA	BYO	FEB	5	BA	NA
BGO	FEB	7 1/2	BU	NU	BYO	FEB	7 1/2	BU	NU
BGO	FEB	10	BB	NB	BYO	FEB	10	BB	NB
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	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 Listings/Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-1508.