The 2016 Responsible Mining Report has been finalized as of 1 May 2017 and contains certain "forward-looking information" and "forward-looking statements" (collectively, "forward-looking matters") within the meaning of applicable securities legislation, including projections of future financial performance, conditions or expectations regarding our plans and anticipated future achievements relating to the audits, and similar expressions or their negative connotations, or that events or conditions "will", "shall", "may", "could", "should" or "might" occur. The words "future" and "expected" and similar expressions are also intended to identify forward-looking matters. Forward-looking matters are based on certain assumptions, expectations and beliefs, including: Fekola Project development, construction, production, permitting and development thereof; continued work of the Company with the DENR audit; as well as other factors identified herein or included in applicable prospectuses, statements, reports and filings of the Company with the SEC (the "SEC") and Canadian securities regulators. The list of such factors, however, is not exhaustive of the factors that may affect the Company's forward-looking statements. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those expressed in, or implied by, these forward-looking statements. Accordingly, no assurance can be given that any events anticipated in the forward-looking statements will occur, or that the Company's actual results and performance will not differ materially from those anticipated in these forward-looking statements. The Company's forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or conclusions change. The Company's forward-looking statements are qualified by the qualifications referenced in the "Risk Factors" section of the Company's Annual Information Form or "AIF" and at www.b2gold.com, under the heading "Non-IFRS Measures" for a more detailed discussion of how B2Gold measures "cash operating costs" and "all-in sustaining costs" (or "AISC"). Such measures are not defined under International Financial Reporting Standards ("IFRS"), and therefore they may not be comparable to similar measures employed by other companies. The data presented do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. This document includes certain terms or performance measures commonly used in the mining industry that are not defined under International Financial Reporting Standards ("IFRS"), including "cash operating costs" and "all-in sustaining costs" (or "AISC"); these IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS and should not be read in conjunction with B2Gold's consolidated financial statements. Readers should refer to B2Gold's management discussion and analysis, available under B2Gold's corporate profile at www.b2gold.com, and at www.sedar.com and on its website at www.b2gold.com, under the heading "Non-IFRS Measures." For a more detailed discussion of how B2Gold calculates such measures and a reconciliation of certain measures to IFRS terms.
MISSION FOR RESPONSIBLE MINING
To produce superior returns as a responsible mining company

We need to believe in — and commit to — continual improvement through our efforts, values and principles.
We need to at all times remember our overriding commitment to health and safety, the environment and sustainable development.

VISION FOR RESPONSIBLE MINING
To be the best example mining operation

We are a highly reputable organization that protects its people, the environment and broader community from harm, enabling them to grow with the success of the Company.

INTEGRITY
Doing what we say we will do and doing it in an honest, ethical, law-abiding, and transparent manner.

HIGH PERFORMANCE
Stepping up to the challenge of improving our business results by extending and being more demanding of our capabilities.

BUILDING MUTUALLY BENEFICIAL PARTNERSHIPS
Seeking relationships that benefit all parties involved — enabling us to grow and synergize efforts.

RESPECT
Respecting one another and acknowledging and valuing our cultural diversity — a strength of ours that grows from a valuable pool of cultures, experiences, and skills.

ACCOUNTABILITY
Placing ownership on our performance and upholding the policies and decisions of the Company.

ADDING VALUE TO THE COMMUNITY & COUNTRY
Acknowledging and respecting the communities where we work, and striving to provide economic opportunities that result in sustainable social, economic and environmental benefits.
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MESSAGE FROM CLIVE JOHNSON
B2GOLD CORP. PRESIDENT & CEO

WITH THIS, OUR FIRST PUBLISHED RESPONSIBLE MINING REPORT FOR 2016, I’VE BEEN COMPELLED TO CONSIDER THE STATUS OF B2GOLD AS A RESPONSIBLE MINER, AND AT THE SAME TIME TO REFLECT HOW FAR B2GOLD HAS COME IN JUST NINE YEARS.

Since we went public in 2007, B2Gold’s strategic focus has been to acquire interests in mineral properties with demonstrated potential for hosting gold deposits, to undertake exploration and drilling campaigns to define and develop resources on these properties, and to finance, develop, construct and operate mines.

While our headquarters are in Vancouver, Canada, our team is spread all over the world. We are a global family and see each of our employees and the communities where we work as crucial to our success as a company. As a result, our business decisions incorporate careful consideration of people’s health and safety, environmental protection, and community well-being.

B2Gold is one of the fastest growing gold producing companies in the world. Starting as an exploration company and community well-being.

While our headquarters are in Vancouver, Canada, our team is spread all over the world. We are a global family and see each of our employees and the communities where we work as crucial to our success as a company. As a result, our business decisions incorporate careful consideration of people’s health and safety, environmental protection, and community well-being.

B2Gold’s project development team is committed to building world-class mining operations on all of our properties. Since we went public, we have completed a number of projects, including the Otjikoto mine in Namibia, which has produced more than 500,000 ounces to date. We have also acquired properties in Nicaragua, the Philippines, and Mali, and are actively developing our Fekola project in Mali, which is expected to produce up to 550,000 ounces per year.

OUR COMMITMENT TO SOCIAL RESPONSIBILITY AND ENVIRONMENTAL SUSTAINABILITY

Our commitment to social responsibility and environmental stewardship is based on a structured analysis of responsible performance within a selected number of GRI Material Aspects and Indicators from the Economic, Environmental, and Social categories. Through the process of compiling and writing the report, we also came to track how we perform against these targets.

The data generated through this reporting initiative and the resulting publication of the key findings and learnings offers us an opportunity to reflect on how we do business – and how we can do it even better. Not just for the shareholders of our company, but for all our stakeholders influenced by our presence.

What also stands out from this report, from my perspective as CEO, is the considerable work we’ve already done in terms of implementing processes and systems to support our Health, Safety and Environmental (HSE) and Social Performance Standards. Our corporate standards that we have put in place are being reflected by the great work done by our teams on the ground. As a testament to this – have a look at the featured stories on the Jabali resettlement project, the Otjikoto Nature Reserve, and the DENR Audit at Masbate as just three examples of their hard work coming to fruition.

By the same token, our growth compels us to address some challenges. We need to work on standards for training and employment. We believe that women are a driving force for social upliftment in the communities where we operate. Socio-economic progress would be

B2GOLD and put us in the international spotlight – approaching a million ounces towards the end of 2018.

We are also capitalizing on our strong strategic position and balance sheet by evaluating further exploration and acquisition opportunities that fit within our strategic objective of building an intermediate gold company.
limited without their involvement. We must also be cognizant of low literacy levels and resultant lack of skills in the areas where we operate and the responsibility we have in this respect as a significant employer. How can we provide skills development and be a facilitator for change in this regard? Read our feature on the AFECK project that was launched in Mali last year, which offers one possible solution.

A deep-seated commitment is that our performance must never come at the cost of the health and safety of the people that work for us. They must always return to their families unharmed after each day at work. Towards the end of 2016 we celebrated six million man-hours without a Lost-Time Injury (LTI) at our Masbate operation, and two million LTI-free man-hours at Otjikoto.

At Masbate, that performance continued and the operation completed 2016 without an LTI. This safety performance was achieved despite a year where Masbate had significant construction activity on site, as well as expanding deeper into main mining areas.

As we celebrate these achievements, we must also pause and be brought back to a deep realization of our incredible responsibility when it comes to the safety of our people.

Managing safety is never an easy task, and without 100% commitment it is almost impossible to achieve good results. Let us never forget the potential consequences of workplace accidents and how this must always drive us to consider Safety First, Every Day.

B2Gold is truly committed to responsible mining. Simply put, this means doing the right thing. There is no room for the ignorance that the extractive industry of yesteryear had become too often known for. Our principles are simple and powerful: fairness, respect, and transparency in dealing with all our stakeholders. These principles are genuine and deeply rooted in our corporate culture.

CLIVE JOHNSON
B2Gold Corp. President & CEO
COVERED IN THIS SECTION

General Standard Disclosures

- G4-17
- G4-18
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- G4-21
- G4-22
- G4-23
- G4-25
- G4-26
- G4-29
- G4-30
- G4-32
- G4-33
- G4-35
This first annual B2Gold Corp. Responsible Mining Report covers the reporting period of January to December 2016. Our report adheres to guidelines as set out by the Global Reporting Initiative (GRI). We elected to report in accordance with the Core GRI guidelines, with no external assurance.

Listed entities included in our financial statements are:1

1. The indicator selection triggered the data collection at corporate and country levels, compilation of supporting information on management approaches, and the analysis of results at corporate and regional counterparts, and the collation of final content by the corporate working group.

In future, the scope for our report will be expanded. In this, our first report, we focused on our four operational mines (La Libertad and El Limon in Nicaragua, Masbate in Philippines, and Otjikoto in Namibia) including satellite mines and near-mine (brownfield) exploration activities, and the Fekola Project which is under construction. Where relevant, regional and corporate offices are included. Offices include Vancouver (Canada), Managua (Nicaragua), Makati (Philippines), Windhoek (Namibia), and Bamako (Mali), along with the associated mine, project, and exploration offices. The employment data includes our employees at our Ouagadougou (Burkina Faso) office and associated exploration office.

Regional or greenfield exploration projects are not included, unless they are tied into site statistics. Kiaka, Gramalote and Mocoa projects are not covered in this report. The only exception to the above report parameters is the reporting of employment data – employees from all B2Gold operations across the globe are included.

Given that B2Gold is beginning the process of sustainability reporting, we elected to adopt a phased approach. For 2016, our first report, we have limited the number of GRI sustainability aspects and indicators that are included. We established a corporate-level working group to lead the process with country-level counterpart working groups in Nicaragua, Philippines, Namibia, and Mali.

The process included an assessment of sustainability aspects in terms of their importance or impact on the company and the perceived importance or impact on our stakeholders. The assessments were conducted by each of the five cross-functional teams, the results were aggregated, further analyzed and a limited number of indicators chosen. For 2016, our methodology did not include an external stakeholder consultation.

1. See tables at the back of this report for a full listing of GRI General Standard Disclosures and Specific Standard Disclosures covered in this report. GRI codes also appear at the start of each section as a boxed reference.

**OVERVIEW**

- Record year of production = $683.3 million revenue
- Forecast 2017 production: 545,000 oz to 595,000 oz
- 12% Production increase over 2015
- 2% of costs for Employee Wages & Benefits
- 19% of costs for Community Investment

**HIGHLIGHTS**

- Biodiversity studies completed and endangered species identified adjacent to our sites
- Otjikoto Nature Reserve established, surrounding the mine
- Improvement of some measurement and monitoring methods (e.g., water abstraction) so that improved trend analysis can be performed

**GOING FORWARD**

- Need to understand how it’s making an impact

**OUR ECONOMIC PERFORMANCE**

- 2% of costs for Community Investment

**OUR ENVIRONMENT**

- Environmental Management System and Performance Standards in place
- Not all sites performed comprehensive environmental legal compliance audits – an improvement required for 2017

**OUR PEOPLE**

- 75% of employees permanently employed at our operating mines
- 13% female employees
- 21% females in senior positions
- 7% expatriate employees; high level of local employment
- 46% unskilled/semi-skilled workers; favors local employment

**OVERVIEW**

- Social Performance Management System and Standards in place

**OUR COMMUNITIES**

**Social Performance Management System and Standards in place**

**Need to harmonize HSE policies and practices across sites**

**HUMAN Rights Management Strategy to be implemented in 2017**

**SociaL CLOSURE Performance Standard to be completed in 2017**

**Skills for Employment Project (AFECK) signed with Government of Canada for Fekola communities**

**Jabal Antena Resettlement - a model for resettlement in Nicaragua**

**46% UNSKILLED / SEMI-SKILLED WORKERS; FAVORS LOCAL EMPLOYMENT**

**NO FATALITIES**

- LTI-Free man-hours at Masbate exceeded and zero LTIs in 2016
- LTI-Free man-hours at Otjikoto

**HIGHLIGHTS**

- Masbate: No fatalities, zero LTIs in 2016
- Otjikoto: No fatalities, zero LTIs in 2016
- Masbate: LTI-Free man-hours exceeded 2016
- Otjikoto: LTI-Free man-hours increased by 18%

**RECLAMATION PLANS IN PLACE AT ALL SITES**

- HSE Management System and OHS Standards in place
- LTI Frequency Rate at La Libertad increased by 31%
- Frequency Rate at El Limon increased by 29%

**OF EMPLOYEES PERMANENTLY EMPLOYED AT OUR OPERATING MINES**

- 7% expatriate employees; high level of local employment
- 46% unskilled/semi-skilled workers; favors local employment

**Analysis of Economic Value Distributed**

- Record year of production = $683.3 million revenue
- Forecast 2017 production: 545,000 oz to 595,000 oz
- 12% Production increase over 2015
- 2% of costs for Employee Wages & Benefits
- 19% of costs for Community Investment

**ANALYZE ECONOMIC VALUE DISTRIBUTED**

- Need to understand how it’s making an impact
ABOUT US

COVERED IN THIS SECTION

General Standard Disclosures
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- G4-4
- G4-5
- G4-6
- G4-7
- G4-8
- G4-12
- G4-13
- G4-15
- G4-19
- G4-34
- G4-56
HEADQUARTERED IN VANCOUVER, CANADA, B2GOLD CORP. IS ONE OF THE FASTEST-GROWING INTERMEDIATE GOLD PRODUCERS IN THE WORLD. Founded in 2007, B2Gold has evolved into an international gold mining company, with four operating mines, one mine under construction, and numerous exploration projects across four continents in various countries, including Nicaragua, the Philippines, Namibia, Mali and Burkina Faso. Construction of B2Gold’s Fekola Mine in southwest Mali is on schedule and on budget, and is projected to commence production in 2017. As a result, B2Gold is well positioned to maintain its low-cost structure and growth profile.

B2Gold achieved another record year of consolidated gold production in 2016 (for the eighth straight year) producing 550,423 ounces of gold, near the mid-point of our revised production guidance range (of 535,000 to 575,000 ounces) and surpassing our initial guidance range (of 510,000 to 550,000 ounces). Gold production for the year also increased by 12% (or 57,158 ounces) over 2015. The record performance in 2016 reflects the record performances from our Masbate and Otjikoto mines. Our La Libertad Mine also met its production guidance, with 2016 production near the high end of its production guidance range.

OUTLOOK

Our core activities remain our current mining operations and the construction of the Fekola Project. Based on Fekola’s current construction progress, the project was approximately three months ahead of schedule at time of publication, with a planned 1 October 2017 production start. Fekola is expected to be another low-cost mine and should help us to significantly increase our production base while at the same time reducing our longer term forecast consolidated cash operating costs (see “Non-IFRS Measures”) as well as all-in sustaining costs (AISC; see “Non-IFRS Measures”) per gold ounce.

The 2017 outlook provides for forecast annual consolidated gold production of between 545,000 and 595,000 ounces (versus 2016 record annual consolidated gold production of 550,423), forecast cash operating costs of between $610 and $650 per ounce and forecast AISC of between $940 and $970 per ounce (including expected Fekola pre-commercial production of between 45,000 and 55,000 ounces).

The 2018 outlook provides for very strong production growth. With the planned first full-year of production from the Fekola Project, consolidated annual gold production is expected to increase significantly and be between 900,000 and 950,000 ounces with cash operating costs and AISC expected to approximate our 2016 revised cost guidance ranges (of $500 to $535 per ounce for cash operating costs and $780 to $810 per ounce for AISC).

We continue to pursue our organic growth strategy. Sustainable growth also requires continued focus on exploration, permitting and flexibility programs at our existing projects. Exploration will focus on drilling additional greenfield•

NOTES

(*) ESTIMATED Pre-commercial production at the Fekola Mine
(A) ACTUAL
(B) ESTIMATED Based on current assumptions, including commencement of production at the Fekola Mine on 1 October 2017

<table>
<thead>
<tr>
<th>Year</th>
<th>Production in Ounces</th>
<th>Masbate Philippines</th>
<th>La Libertad Nicaragua</th>
<th>El Limon Nicaragua</th>
<th>Otjikoto Namibia</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>108,935</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>157,885</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>48,950</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>493,265</td>
<td>366,313</td>
<td></td>
<td>145,953</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>550,423</td>
<td>284,003</td>
<td>175,700</td>
<td>18,619</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>595,000 – 645,000</td>
<td>315,000 – 365,000</td>
<td>157,885 – 165,000</td>
<td>149,763 – 157,000</td>
<td>186,000 – 195,000</td>
</tr>
<tr>
<td>2018</td>
<td>950,000 – 1,000,000</td>
<td>600,000 – 650,000</td>
<td>305,000 – 315,000</td>
<td>169,396 – 175,000</td>
<td>185,000 – 195,000</td>
</tr>
</tbody>
</table>

GRAPH 3

Production In Ounces
opportunities – the most significant areas of exploration focus are in West Africa. Our objective is to continue growing as a profitable and responsible gold producer through a combination of exploration projects and accretive acquisitions, irrespective of gold price.

CORPORATE GOVERNANCE

The members of the B2Gold Corp. Executive team and Board agree that one of the most rewarding aspects of the mining industry is the positive socio-economic impact that developing new mines can have on the local populations in what are often remote and/or impoverished areas of the world.

B2Gold recognizes that environmental stewardship and social responsibility are integral components of business in today’s world. We integrate environmental and social factors in our decision-making. As we continue to develop and build on our existing exploration assets and pursue additional opportunities around the world, we will remain committed to maintaining the high standards that we have established.

B2Gold’s Health, Safety, Environment, Social and Security (HSESS) Board Committee governs our performance in these areas. The Committee assists the Board and Executive Management to understand our progress and challenges regarding HSESS aspects.

Currently B2Gold is not a member of any specific Responsible Mining associations or organizations. However, our policies and standards align with the principles of the International Council on Mining and Metals (ICMM) and the International Finance Corporation (IFC).

Our Corporate Governance and Nominating Board Committee (Governance Committee) is responsible for setting the standards of business conduct. These standards are contained in our Business Conduct and Ethics Code (Code).

The purpose of the Code is to define the standards and values which we expect personnel to follow in all their dealings with stakeholders. While our Board of Directors (Board) oversees and monitors compliance with the Code, it is the individual’s responsibility to comply with the Code as it applies to all B2Gold personnel, including every director, officer and employee of the Company and its subsidiaries. Currently, all B2Gold employees based in Vancouver and key management personnel at our various sites are required to read, acknowledge, and sign off on the Code upon commencement of employment.

THE CODE’S GUIDING PRINCIPLES

All directors, officers and employees of B2Gold must:

- act honestly and in good faith with a view to the best interests of the company;
- exercise due care, diligence and skill in fulfilling the functions of their position;
- avoid conflicts of interest between work and personal affairs;
- exercise the powers attached to their employment and use the assets of the company for the purposes for which they were intended;
- demonstrate honesty, truthfulness, respectfulness and integrity in all business dealings and interactions with our shareholders, customers, suppliers, competitors and other employees; and
- act in accordance with all applicable laws and regulations, adhere to the ethical standards set out in the Code, and follow our policies and procedures.

The most recent version of The Code can be found on www.b2gold.com.
The presidential elections in the Philippines in May 2016 changed the political landscape for the extractive sector operating in the region. The freshly appointed cabinet and heads of ministries resulted in some new initiatives. The Department of Environment and Natural Resources (DENR) began the roll-out of a nationwide audit of most mines with the expectation of suspension and closures—rather than fines—for non-successful results. The approach entailed a comprehensive look at all aspects of governing a mine, well beyond an environmental compliance audit.

MASbate AND THE DENR

In 2016, the DENR conducted two mine audits at the Masbate Gold Project: the first in August and the second in September. The findings were then provided on 11 October 2016 for comment to the two companies that operate Masbate. Responses from Filminera Resources Corporation and Philippines Gold Processing & Refining Corp. were independently submitted to the government on 21 October 2016 for review.

Since the initial release of the audit findings in September 2016, Masbate has worked closely with the DENR to resolve issues raised in the audit. Beyond the audit findings, Masbate and the DENR both recognize that community relationships and community development continue to be priorities. Masbate will maintain its leadership role to improve ongoing programs by working with local communities.

Masbate operations are ISO 14001 compliant which demonstrates that our environmental systems meet Philippine requirements. Masbate remains committed to industry best practice and to ensure that the companies continue to comply with the terms of the Environmental Compliance Certificate (ECC) and other mine and environmental regulations, and fulfill their obligations to the DENR. Masbate will promote continued community development and sound environmental stewardship while providing a modern and safe work environment for its workforce.
Masbate has an outstanding safety record (see Our People section for more detail) and is the largest producing gold mine in the Philippines. The operation is the largest private employer on the island of Masbate, employing more than 1,900 Filipino workers and contractors.

THE AUDIT AND KEY LEARNINGS

Out of 40 mines that were audited, 12 passed the audit, 21 were recommended for closure, and six were suspended. The audit was a combination of legal adherence, environmental checks, and ensuring community concerns were addressed.

On 2 February 2017, B2Gold officially publicized the results of the Masbate mine audit as reported by the DENR.

Our approach was to closely engage with the DENR on all levels of governance. Internally, all Masbate departments (including executive management, public relations, community relations, environmental, production, and legal) recognized that this audit was a major challenge to the mine’s license to operate. An Audit Response Team was formed to address emerging and urgent issues and to ensure that internal and external stakeholders were fully aware that management was addressing the situation.

Masbate worked closely with the DENR to maintain compliance with regulations and to demonstrate our commitment to promote improved quality of life in the communities where we operate. Mining and milling operations continued normally throughout the audit process.

As a result of discussions with DENR personnel, a Memorandum of Agreement was forged between the Masbate companies, the DENR and the Local Government Unit to work on an Integrated Area Development Plan (IADP) which seeks to harmonize development projects in the municipality of Aroroy which includes the Social Development Management Programs of Masbate – in order to optimize the benefits that communities derive from the operation of the mine.

At the time of publication of this report, Masbate management had met with the former DENR Secretary who confirmed verbally that Masbate had completed the audit successfully; however, no public announcement was made. Masbate management is currently working to obtain written confirmation of the result.

However, an element of political risk continues to assist in the Philippines within the mining industry and other sectors. The DENR Secretary was rejected by the Confirmation Assembly in early May 2017, and a replacement assigned on 8 May 2017.

There are several governance lessons from our experience over the last nine months:

□ Review audit findings very carefully. The government-appointed Audit Committee can make mistakes. Documentation and organization are important. Timely regulatory compliance sampling and assurance that all internal stakeholders were informed.

□ Compliance with legal and environmental aspects are key factors, but not the only factors. In general, we anticipate that our immediate rectification was sufficient to address those findings.

□ Social or community aspects can be significant considerations depending on who is conducting the audit. The audit considered local communities’ concerns.

□ A direct approach in building relationships with government officials can ease misunderstandings and distrust, and facilitate resolution.

In many countries, and especially in the Philippines, operating mines are being pushed to assume leadership roles in community planning and management. While this can be seen as positive as it complements our planning policy for mine closure, it can result in mining staff assuming roles which, perhaps, fall outside their expertise, but which fall within the area of government responsibility. In the case of the Philippines, we are signatories of an agreement to develop an IADP; however, it is unclear how this will be implemented or funded.

Masbate has an outstanding safety record (see Our People section for more detail) and is the largest producing gold mine in the Philippines. The operation is the largest private employer on the island of Masbate, employing more than 1,900 Filipino workers and contractors.

Our governance approach at Masbate is driven by industry best practice and compliance with environmental and other regulations. Community relationships and community development continue to be priorities.
OUR ECONOMIC PERFORMANCE

COVERED IN THIS SECTION:

- General Standard Disclosures
  - DMA
- Specific Standard Disclosures
  - EC1
WE VIEW OUR ECONOMIC PERFORMANCE AS A DRIVER FOR RESPONSIBLE MINING. TO ENABLE US TO OPERATE RESPONSIBLY AND TO CONTRIBUTE TO LONG-TERM POSITIVE IMPACTS IN THE COMMUNITIES WHERE WE OPERATE, WE NEED SUSTAINABLE ECONOMIC PERFORMANCE. Many business decisions lead to creating economic value. Understanding how that economic value is distributed among employees, within the countries where we operate, and specifically the investments within our host communities, are key tenets of B2Gold’s economic responsibility.

Gold revenue for the year ended 31 December was an annual record of $683.3 million on record sales of 548,281 ounces at an average price of $1,246 per ounce. For the year ended 31 December 2016, the Otjikoto Mine accounted for $207.7 million of gold revenue, the Masbate Mine accounted for $255.6 million of gold revenue, the La Libertad Mine accounted for $163.7 million of gold revenue, while $56.4 million was contributed by the El Limon Mine.

Revenues are defined as “gold revenue”, as proceeds from silver sales are considered to be a by-product and credited against production costs for accounting purposes. Proceeds from interest income or sale of assets are not considered material.

B2Gold defines AISC as the sum of cash operating costs, royalty and production taxes, capital expenditures and exploration costs that are sustaining in nature, corporate general and administrative costs, share-based payment expenses related to restricted stock units (RSUs), community investment expenditures, and reclamation liability accretion.

We celebrate our successful business results in 2016 with our shareholders. B2Gold also celebrates this success with the many stakeholders in the countries, regions and communities where we operate. Our economic performance is also measured by the economic value that we generate for others including payments to governments through taxes and royalties, local hiring and procurement, and investing in communities.

### TABLE 1

<table>
<thead>
<tr>
<th>Mine</th>
<th>2016 Gold Revenue ($ ’000)</th>
<th>2016 Gold Sold (oz)</th>
</tr>
</thead>
<tbody>
<tr>
<td>La Libertad</td>
<td>163,660</td>
<td>131,457</td>
</tr>
<tr>
<td>El Limon</td>
<td>56,379</td>
<td>49,038</td>
</tr>
<tr>
<td>Masbate</td>
<td>255,580</td>
<td>204,000</td>
</tr>
<tr>
<td>Fekola(1)</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Consolidated</td>
<td>683,293</td>
<td>548,281</td>
</tr>
</tbody>
</table>

NOTES
(1) n/a = not applicable; Fekola mine under construction in 2016.

### TABLE 2

<table>
<thead>
<tr>
<th>Mine</th>
<th>Adjusted AISC ($ ’000)</th>
<th>Employee Wages and Benefits ($ ’000)</th>
<th>Payments to Government ($ ’000)</th>
<th>Payments to Capital Providers ($ ’000)</th>
<th>Community Investments ($ ’000)</th>
<th>Economic Value Retained ($ ’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>La Libertad</td>
<td>163,660</td>
<td>98,185</td>
<td>18,134</td>
<td>144</td>
<td>8,751</td>
<td>35,051</td>
</tr>
<tr>
<td>El Limon</td>
<td>56,379</td>
<td>38,722</td>
<td>14,348</td>
<td>26</td>
<td>4,771</td>
<td>(2,502)</td>
</tr>
<tr>
<td>Masbate</td>
<td>255,580</td>
<td>156,264(4)</td>
<td>15,211</td>
<td>–</td>
<td>6,150</td>
<td>114,719</td>
</tr>
<tr>
<td>Otjikoto</td>
<td>207,674</td>
<td>72,731(4)</td>
<td>26,268</td>
<td>1,568</td>
<td>2,865</td>
<td>102,769</td>
</tr>
<tr>
<td>Other (Head Office)</td>
<td>–</td>
<td>12,230</td>
<td>15,675</td>
<td>24</td>
<td>1,25</td>
<td>(45,098)</td>
</tr>
<tr>
<td>B2Gold Consolidated (excl. Fekola)</td>
<td>683,293</td>
<td>338,092</td>
<td>89,736</td>
<td>17,982</td>
<td>22,561</td>
<td>204,009</td>
</tr>
<tr>
<td>B2Gold Consolidated (incl. Fekola)</td>
<td>683,293</td>
<td>338,092</td>
<td>136,311</td>
<td>17,982</td>
<td>25,064</td>
<td>154,010</td>
</tr>
</tbody>
</table>

NOTES
(1) Adjusted AISC (see “Non-IFRS Measures”) = AISC less employee wages and benefits (column C) and less community investments (column F).
(2) Payments to Government consist of income and withholding taxes (includes production taxes, property taxes and business licences as these are already included in AISC).
(3) Masbate’s Social Development Tax of $3,206,000 is presented as Community Investment in this table.
(4) Includes $47,500 for Fadougou Village relocation costs.
(5) n/a = not applicable; Fekola mine under construction in 2016.
OUR ENVIRONMENT

COVERED IN THIS SECTION

General Standard Disclosures
- DMA

Specific Standard Disclosures
- EN8
- EN11
- EN14
- EN22
- EN23
- EN24
- EN29
- MM1
- MM3
We are committed to minimizing the impact on and conserving the quality of the natural environments in areas where we operate. As part of our corporate environmental commitment, B2Gold will provide sufficient resources to ensure environmental risks are adequately addressed during all phases (exploration, design, construction, and closure) of our operations. We aim to avoid or, where this is not possible, minimize our impacts, while contributing to lasting environmental benefits across the regions where we operate. As part of our corporate environmental strategy are dependent on obtaining and maintaining access to environmental resources such as land, biodiversity, water and air. Competition for land and water resources is growing in many industries.

We are focused on keeping clean water clean through a strategy that avoids affecting water quality whenever possible. We do not water manage in a way that could result in the contamination of surface and groundwater resources. B2Gold has had historic TSFs that do not have HSPR lines (one in the Philippines and three in Nicaragua). These facilities were in place prior to their acquisition by B2Gold. They are managed and monitored similar to B2Gold’s TSFs to ensure that they do not adversely impact the surrounding receiving environment. All operations implement process to minimize the use of fresh water to the greatest extent practicable.

Each of our operations uses operational facility water balances, which are central components of our water management strategy. These water balances provide an understanding of water inputs, of consumption, and of reuse/recycle and discharge volumes at each operation. Water balances are used as a decision-making tool to access water for each of our operations. Each water balance is an important component of our water management strategy, providing us with water data for our company-wide reporting.

Water is treated, if necessary, to meet the applicable water quality standards and regulatory requirements before being safely discharged back into the environment. To ensure compliance with applicable standards, regulations and permits, we monitor the quality of water that is discharged from our operations and returned to the environment. We also monitor several surface water and groundwater parameters in the receiving environment surrounding our operations to ensure that we are not adversely affecting water resources.

Water abstraction

Across our various sites, water is drawn from surface and groundwater sources as well as run-off collections. As our operations are located across the world, each management site has different challenges in measuring water abstraction and the associated impacts on the supply and demand of the site. Not all sites had flow monitoring equipment in place for the full reporting period, requiring some quantities to be estimated. Therefore, the water abstraction data for 2016 is considered highly variable.

Sites are working to improve water quantity measurements in 2017, starting with establishing the ability to collect more accurate water abstraction and discharge data. Future initiatives include improving measurement and monitoring methods so that trends can be established which will enable, ultimately, the setting of targets to reduce water abstraction where possible.

### Table 3: Water Abstraction

<table>
<thead>
<tr>
<th>Site</th>
<th>Surface Water (m³)</th>
<th>Groundwater (m³)</th>
<th>Municipal Supply (m³)</th>
<th>Bottled Water Supply (m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>La Libertad</td>
<td>2,200</td>
<td>70,000</td>
<td>2,000</td>
<td>324</td>
</tr>
<tr>
<td>Masbate</td>
<td>1,427,000</td>
<td>203,000</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Otjikoto (2)</td>
<td>1,776,000</td>
<td>9,800</td>
<td>1,600</td>
<td>324</td>
</tr>
<tr>
<td>La Libertad (3)</td>
<td>32,000</td>
<td>275,000</td>
<td>2,900</td>
<td>324</td>
</tr>
<tr>
<td>Masbate (3)</td>
<td>1,843,000</td>
<td>203,000</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Otto (3)</td>
<td>6,500</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

**Notes:**

(1) Water data is collected in 2016.
(2) Water data is collected in 2016.
(3) Water data is collected in 2015.

Because our total water consumption can vary due to factors such as new mines and processing changes, we plan to report water intensity in 2017 in addition to water abstraction. Water intensity is the amount of water consumed per amount of rock mined (kiloliters per tonne) and is a more meaningful metric to track how we manage this resource.


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**Figure:**

"Fish and other living species survey in the area of Falémé river at Fekola."
Biodiversity

Mining activities have the potential to impact biodiversity and to alter ecosystems in a significant and highly visible way. Direct impacts can result from any mining activity that involves land disturbance or discharges to water bodies or the air. Indirect impacts can result from social or environmental changes that are induced by mining operations, particularly when mining opens up an area for other economic activities and increased habitation. In cases where mines are developed in landscapes where other pressures on biodiversity are present, the potential for cumulative impacts must also be considered.

We recognize that our activities have the potential to impact biodiversity and to alter ecosystems in a significant way in the regions where we operate, which can affect both individual species and the provision of critical ecosystem services that communities of all species rely on. It is therefore important for us to operate in a manner that minimizes and mitigates our impacts on biodiversity.

Protected and High Biodiversity Areas

Protected areas include those protected by national or regional law or designated by international organizations, including United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage Sites and International Union for Conservation of Nature (IUCN) categories I, II, III or IV protected areas. High biodiversity value areas have features that provide essential ecosystem services relied on by humans and animals, an abundance of rare, vulnerable, or endemic species, and/or large areas of relatively intact natural habitat.

None of our operations are in (or adjacent to) protected areas as identified by international organizations or national legislation. There is a marine protected area, protected by local ordinance, approximately 3.8 kilometers from the causeway at Masbate. Each of our operations has occurrences of species at risk within and/or adjacent to the operation. Most of these species are of lower conservation threat classification – i.e. IUCN Vulnerable (VU). However, some species identified adjacent to our operations are categorized as IUCN Endangered (EN) or Critically Endangered (CR) as presented in the accompanying table. The presence of these threatened species adjacent to our Fekola and Masbate sites indicates that there are areas of high biodiversity value. This then directs the development of our biodiversity management for each operation.

Masbate continues to support the host municipality of Acors through partnerships in environmental stewardship. This is done through assistance with the management of multiple Marine Protected Areas, expansion of mangrove reforestation projects, commencing coral reef rehabilitation, and, in coordination with the community, an ongoing capacity building of local fishermen. External experts provide ongoing review and guidance regarding biodiversity management measures as needed. Masbate is working with the surrounding communities to develop and implement a Coastal Management Plan which will strengthen conservation measures and lead to improved ecosystem function of the marine and estuarine environments in the areas surrounding the mine.

The species identified in areas adjacent to Fekola include one of the most iconic species for global conservation efforts – the West African chimpanzee. We recognize the importance of conserving this species and we view the presence of chimpanzees as an opportunity to create significant positive impacts on biodiversity in the area. We have engaged external experts to conduct extensive survey work and have implemented a monitoring program to identify the extent (number and range) of the species. In 2017, we will implement (with the support of expert consultants) a Chimpanzee and Priority Species Conservation Strategy.

Establishment of Conservation Areas

In addition to our direct biodiversity management actions relating to threatened species and high biodiversity value features, as part of our commitment to conserving the quality of the natural environments in areas where we operate, we pursue conservation opportunities that will deliver lasting environmental benefits.

We established the Peñas Blancas Wildlife Refuge near the community of Santo Domingo at our La Libertad Mine in 2013. The refuge provides protected habitat for the relocation of flora and fauna from the Santo Domingo project area. We have collaborated with a local contractor to manage the refuge, training members of the local community and establishing a “brigade” to rescue flora and fauna. A management plan has been developed and implemented in alignment with the guidelines of the Ministry of Environment and Natural Resources, and the refuge is helping to ensure the long-term viability of biodiversity in the area. This refuge and its flora and fauna rescue program is the first of its kind in Nicaragua.

Diploto provides a unique opportunity for significant conservation efforts. Namibia has some of the largest populations of cheetahs, rhinos and other iconic species of global conservation status. We have established the Diploto Nature Reserve near our mine operation – a sizable area of 15,000 hectares. The reserve’s management...
Reclamation
Responsible closing our sites and managing our legacy properties is an important part of our commitment to provide for long-term environmental conservation of the areas where we operate. Proper mine closure can significantly mitigate risks and liabilities, reduce the need to manage the property in perpetuity, and successfully transition the land from a mine site to a stable land resource that will provide sustainable community benefits for generations to come.

Guiding our approach to responsibly reclaim our sites is our Reclamation and Closure Planning Framework, which sets the minimum requirements to projectively plan, manage and monitor the long-term liabilities associated with our sites. While we are still operating at a site, we progressively reclaim portions of the mine site that are no longer required for mining purposes. As an operation matures we update our Reclamation and Closure Plan to reflect significant changes in the project, to incorporate results from reclamation activities and monitoring, or based on outcomes of engagement with stakeholders.

In 2016, site-wide Mine Reclamation and Closure Plans were in place at our La Libertad, El Limon and Masbate mines. Fekola has not initiated significant reclamation activities, but it does have in place a conceptual plan that has guided design and construction of the site and its team also supports conservation and other biodiversity research and protection projects at the mine site.

SITE LAND AFFECTED OR REHABILITATED

<table>
<thead>
<tr>
<th>Site</th>
<th>Disturbed Pre-2016 (A)</th>
<th>Disturbed in 2016 (B)</th>
<th>Rehabilitated in 2016 (C)</th>
<th>Net Disturbed 2016 (B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>La Libertad</td>
<td>318</td>
<td>0</td>
<td>98</td>
<td>220</td>
</tr>
<tr>
<td>El Limon</td>
<td>306.4</td>
<td>0.5</td>
<td>7</td>
<td>298.9</td>
</tr>
<tr>
<td>Masbate</td>
<td>547</td>
<td>28.5</td>
<td>32.1</td>
<td>543</td>
</tr>
<tr>
<td>Fekola</td>
<td>434</td>
<td>260</td>
<td>71</td>
<td>663</td>
</tr>
<tr>
<td>Otjikoto</td>
<td>552.7</td>
<td>275.5</td>
<td>0</td>
<td>832.8</td>
</tr>
</tbody>
</table>

NOTES
(1) Sites may not have defined success criteria for rehabilitation.

Reclamation
Our sites rehabilitated approximately 148 hectares in 2016. The La Libertad, El Limon and Masbate mines reclaimed more land than they disturbed in 2016 as part of their progressive reclamation efforts. Our Otjikoto and Fekola sites disturbed more land than they reclaimed in 2016 by over 500 hectares due to pit expansion at Otjikoto and general mine construction progress at Fekola.

Non-process materials waste management
Mining activities generate considerable amounts of waste. This waste, as well as the process for storing and transporting waste, can pose environmental and public health risks. Effectively managing waste and ensuring its safe storage and transportation is critical to protecting people and the environment.

Our Non-Process Waste Management Program standardizes our sites in the management of generated non-hazardous waste, hazardous waste, and waste water to ensure that human health and the environment are protected. In addition, approximately 19.5 tonnes of materials were burned at landfill site.

In 2016, we recycled or disposed of 65 tonnes of paper and plastics, 760 tonnes of metal, 21 tonnes of non-hazardous waste, 652 tonnes of hazardous waste, and 21 tonnes of waste water.

Waste Generated

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>La Libertad</td>
<td>140.9</td>
<td>183.2</td>
<td>4.1</td>
<td>9.5</td>
<td>16.8</td>
<td>153</td>
<td>n/r</td>
<td>8.0</td>
<td>240.6</td>
</tr>
<tr>
<td>El Limon</td>
<td>131.6</td>
<td>7.3</td>
<td>6.7</td>
<td>10.3</td>
<td>330.0</td>
<td>0.24</td>
<td>12.3</td>
<td>47.6</td>
<td></td>
</tr>
<tr>
<td>Masbate</td>
<td>207.3</td>
<td>23.5</td>
<td>9.6</td>
<td>10.8</td>
<td>363.5</td>
<td>7.6</td>
<td>61.8</td>
<td>47.6</td>
<td></td>
</tr>
<tr>
<td>Otjikoto</td>
<td>322.5</td>
<td>35.9</td>
<td>18.8</td>
<td>8.0</td>
<td>414.5</td>
<td>57</td>
<td>52.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fekola</td>
<td>41.1</td>
<td>113</td>
<td>n/r</td>
<td>0.37</td>
<td>95.4</td>
<td>0.23</td>
<td>101.6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTES
(1) Includes all recycled materials (i.e., paper, plastic and metals).
(2) Includes all recycled materials (i.e., paper, plastic and metals).
(3) Includes all recycled materials (i.e., paper, plastic and metals).
(4) Comprised of 147,526 litres of waste oil and 13,768 litres of waste water from HML disposal.
(5) Includes all recycled materials (i.e., paper, plastic and metals).
(6) Materials temporarily stored on-site for future recycling.
(7) Materials temporarily stored on-site for future disposal.
(8) In addition, approximately 1.8 tonnes of materials were burned at landfill site.
A diversion channel diverts the flow of a stream Reserve in Santo Domingo, where some 83,000 plants and 290 animal species are protected.

A potable water point, sponsored by B2Gold, around operational areas in Santo Domingo (Nicaragua), safely discharging the water downstream to follow its natural course.

Not all our sites have performed comprehensive evaluations and audits, and environmental monitoring. We track our compliance through legal and permit registers, local/municipal laws, regulations, rules and other HSE requirements and our approach to managing legal requirements.

Environmental Incidents

An incident is an unexpected event that, in the vast majority of cases, is immediately managed and has no regulatory consequences. All incidents have control measures in place to minimize the likelihood of environmental incidents and to mitigate potential effects on the environment for those incidents that do occur. Control measures include facility design considerations, spill containment measures, alarms, Standard Operating Procedures, training, reporting, and the identification of potential issues through internal risk assessments. Significant environmental incidents are investigated to identify the root causes, and we implement remedial measures and corrective actions. In 2016, we did not experience any significant environmental incidents at any of our operations.

In support of the Ministry of Environment and Tourism and the Chamber of Mines, B2Gold has provided a practical guide for the mining industry.

Well before starting construction of our Otjikoto Mine in Namibia, B2Gold committed to the goal of leaving Namibia better off as a result of a mining operation. We aligned with the government development objectives for environmental management and social upliftment.

Namibia is the second least densely populated country in the world, with extensive and diverse wilderness areas, a growing eco-tourism industry, and a strong culture of environmental stewardship. Namibia has a rapidly growing population, many of whom live in poverty and an economy driven by mining.

Environmentally speaking, issues are almost never isolated and are influenced by the societal context. For example, the loss of natural environment is often linked to urbanisation and population growth; accessibility of affordable housing is often linked to sanitation concerns which have impacts on the environment; furthermore, many Namibians depend on the environment for their livelihoods.

In Namibia, we have taken a holistic view in terms of contributing to the society and environment within which we work. We are demonstrating that a successfully run mining operation can be a net benefit for a country. The Otjikoto Mine is situated in a sparsely populated area a few hours north of the capital Windhoek, with the nearest towns 40 and 70 kilometer away. Adjacent to our mining operation we have established the 1,500 hectare Otjikoto Nature Reserve. The reserve, which was previously heavily overgrazed by domestic livestock, is being systematically rehabilitated to its natural state. The reserve also includes an extensive Education Center where approximately a thousand school learners and several researchers, scientists, and practitioners who are the best in the country and from whom the mining industry can draw practical best practice guidance. The intention is to streamline mine site practices (rehabilitation for example), improving results, and reducing costs.

The NCE now has a membership comprised of nearly every in-country environmental NGO. This allows for a pool of researchers, scientists, and practitioners who are the best in the country and from whom the mining industry can draw practical best practice guidance. The intention is to streamline mine site practices (rehabilitation for example), improving results, and reducing costs.

Several projects already underway include anti-poaching lobbying and support, research into sustainable housing, and plans to develop an environmental best practice guide for the mining industry.
OUR PEOPLE

COVERED IN THIS SECTION

General Standard Disclosures
- G4-3
- G4-9
- G4-10
- G4-11

Specific Standard Disclosures
- LA1
- LA2
- LA4
- LA6
- LA7
- LA8
EMPLOYMENT
AN IMPORTANT ECONOMIC IMPACT OF MINING CAN BE MEASURED IN TERMS OF EMPLOYMENT AND INCOME GENERATION. GLOBALLY THE FORMAL MINING SECTOR EMPLOYS AND PROVIDES SKILLS TRANSFER TO BETWEEN TWO AND FOUR MILLION PEOPLE. This benefit is expanded by a multiplier factor of between two to five when indirect impacts are considered. B2Gold believes that every employee is part of our global team, and that each and every person is a key component to our success. At some of our sites we have more than 20 nationalities working together. This is a tribute to all the places that we have worked and to our inclusive culture that attracts talent from around the globe. As progressive employers, we generate opportunities for people to develop their careers, train employees to acquire new skills, open doors to women and minorities, and establish internship initiatives. This provides significant incentive to many workers that dream of an international career or of providing a stable income for their families.

Due to the operations being in wide-ranging locations around the world, benefit policies and practices vary to a great extent. This is mainly as a result of different in-country practices, statutory environments, and collective bargaining agreements. However, the following can be positively stated:

- A diversified Otjikoto management team.
- Full-time Employees 2,223 Male Employees 1,891
- Part-time Employees 164 Female Employees 344
- Total 3,426
- Male 2,235
- Female 1,191
- Total 3,934
- Table 6 Employees by Type and Gender

- Benefits are reviewed in terms of legislation, collective agreements, and type of employment contracts. Pay policies and access to standard company benefits for temporary or part-time employees are not purely based on the nature of the employment contract, but also on union membership. In some operations, non-permanent employees may also receive standard benefits if they are members of a union.

- PAY POLICIES

- This benefit is expanded by a multiplier factor of between two to five when indirect impacts are considered.

- The process of compiling employment data for this first report, provided the opportunity to analyze to what degree we are delivering employment benefits to people. Collected data covers the period 1 September to 31 December 2016.

- We can now see to what extent our employment statistics are influenced by projects under development which employ a significant number of fixed-term employees as a result of the finite nature of the construction phase. Although overall permanent employment positions are only 57% of total positions, statistics for our operating mines indicate 75% overall are permanent employment positions.

- As indicated by the data, we dowell at retaining talent and providing stable employment. We had a total employee turnover rate of 5.3%, with the major reason for separation being the end of fixed-term contracts. The natural attrition rate for permanent employees is 2.6%. Generally speaking, we are able to source more young, skilled labor than what we lose in the market.

- Even though only 13% of our total workforce is female, 21% of senior positions are occupied by women. These positions include occupations of a specialized or professional nature as well as superintendent, middle and senior management positions. During 2017, we aim to understand whether any employment barriers exist in the workplace prohibiting the employment and advancement of female employees, and also how an increase in female representation can be facilitated and encouraged. Focus areas may include recruitment practices, training and development, and internship programs.

- Across all operations, only 7% of the total workforce are expatriate employees, indicating a high level of local employment. In regions with operating mines (i.e. Nicaragua, Philippines, and Namibia) expatriates comprise just 3% of the workforce. Regions where we have exploration or development projects, the expatriate rate is higher – either due to low labor numbers or the need for specialized skills. When a mining company comes to a region, a leading expectation of government and community stakeholders is opportunities for employment. In many developing countries, the low literacy and skill rates make the fulfillment of these expectations a significant challenge. B2Gold has developed a Local Content Performance Standard to promote
strategies directed at enhancing local employment and local procurement. We provide many employment opportunities to unskilled individuals. Across all regions, approximately 20% of the total workforce constitutes unskilled employees. Semi-skilled employees form 26% of the total workforce.

Two-thirds of all employees are employed in technical or operational positions, as opposed to administrative or support functions. The demographics of our employees show that approximately two-thirds of the company’s workforce is 30 to 50 years old, with just 10% being over the age of 50.

In Namibia, the successful fast-track construction of Otjikoto was achieved through the involvement of a large Namibian workforce, along with specialized support from Canada, USA, Mexico, Ghana, Russia, Nicaragua, South Africa, and Australia. Many of these Namibians became experts in their various disciplines due to their experience with the Otjikoto construction. They in turn are now “expats” and are transferring their expertise to our Malian workforce at Fekola. In Mali we have a unique opportunity to make a sustainable impact on skills for employment and small business development. See our AFECK case study at the end of this section.
In 2014, the Human Development Index ranked Mali as 187 out of 207 countries. Mali is confronted with skilled human resource issues in all sectors of the economy, which is inhibiting the private sector’s development. In 2010, more than 70% of its population aged between 15 and 24 was not attending school. The education sector suffered severe disruptions during the 2012 crisis, aggravating the training and employment prospects for young people.

The Fekola Project is located within the Golden Belt of Kenieba, an area in south-west Mali with a strong concentration of mineral exploration licences and several operating mines. However, the Kenieba district is a poorly-developed rural area with high rates of illiteracy, and low participation by the local workforce in the mining industry outside of low-skilled jobs. According to a recent socio-economic survey of the most populated village within the impact area of Fekola, only 23% of men and 18% of women have completed some secondary school, with self-reported literacy rates of 36% for men and 16% for women. Low levels of education and skills limit employment opportunities, as well as the ability to develop and grow enterprises.

Within this context, B2Gold saw the opportunity to invest in the socio-economic development of the region through support for strengthening basic vocational and business skills. The AFECK Project (Adéquation Formation-Emploi dans le Cercle de Kenieba) is co-funded by Global Affairs Canada and B2Gold, and is being implemented by the international development organization CRC Sogema. Objectives of the project include:

- increased capacity of local small businesses, with a focus on female entrepreneurs, to provide goods and services to the extractive and other sectors; and
- greater government capacity at the national, regional, and local levels to develop and support vocational skills programs in the extractive sector.

In 2017, training was initiated at the Fekola Project to meet the immediate needs of a resettlement plan for the village of Fadougou. CRC Sogema has developed training plans in sectors of masonry, welding, electrical work, and carpentry. The courses will be short-term and take four to five weeks to complete.

The project includes a substantial entrepreneurial component, due to the fact that B2Gold and other mines in the region have significant supply requirements, including food, services, and manufactured products. Currently, mining companies procure very little within the region itself. Training programs will be developed to encourage the establishment and growth of small businesses, with the goal that a significant number of these businesses will be run by women, and will ultimately service other sectors.

At the end of 2017, a permanent training center will be established in Kenieba to serve the broader area, as currently the nearest vocational training facility is located over 250 kilometres away. Recently, a partnership agreement has been signed with the National Directorate of Vocational Training. Continued collaboration will ensure the sustainability of the AFECK initiative.

Objectives of AFECK include improved technical and professional skills for Kenieba area residents to meet the needs of the labor market;

- increased capacity of local small businesses, with a focus on female entrepreneurs, to provide goods and services to the extractive and other sectors; and
- greater government capacity at the national, regional, and local levels to develop and support vocational skills programs in the extractive sector.
Safestay performance. We achieved 365 days without an LTI and committed to continuous improvement in health and safety, risk management, and controls and implementing improvements identified through our internal audit program of our health, safety, and environment management systems – as part of our commitment to continuous improvement in health and safety performance. We achieved 365 days without an LTI at Masbate and over two million man-hours without an LTI at our Otjikoto operation. However, the LTI/Frequency Rate at La Libertad and El Limon edged upwards. This is why it is important that we remain vigilant as we work to reach our goal of everyone going home safe and healthy every day.

Beyond protecting human health, we believe that effective health and safety management also enhances production and reduces costs. It also has the potential to expose employees and contractors to physical, chemical, and biological health risks. We believe the mining industry has an unparalleled opportunity to set an example to the world on how to operate with safety risks in the workplace and we believe it is possible for us to work to prevent serious injuries and illnesses.

In the context of the mining industry, mining and processing operations are a high risk, requiring the handling of large volumes of materials, the use of heavy equipment, and potentially hazardous production processes. It also has the potential to expose employees and contractors to physical, chemical, and biological health risks. We believe the mining industry has an unparalleled opportunity to set an example on how to operate with safety risks in the workplace.

Safety is a core value for us and nothing is more important than the health and safety of our people. B2Gold recognizes its responsibility to identify and mitigate health and safety risks in the workplace and we believe it is possible for us to work to prevent serious injuries and illnesses.

In 2013, there were no fatalities at our operations and we made a conscious effort to continue and improve our safety performance, establishing additional safety procedures and controls and implementing improvements identified through our audit and management of our health, safety, and environment management systems. We also continued our efforts to identify and improve our safety performance. The increase in incidents may be linked to the increased production at our La Libertad and El Limon mines, which is expected to continue.

Our OHS Policy defines our corporate commitment to protecting our workers and to ensure that management holds our employees accountable for their health and safety performance. In 2015, our OHS Policy was updated to include our belief that workplace injuries and illnesses are preventable, that health and safety considerations are integral and compatible with all other management functions, and that effective health and safety management enhances production and costs.

High Potential Risk Control

A key component of reducing risk and injuries or illnesses to workers is the implementation of controls targeted at high potential risks. Without such targeted controls, it has been shown that the number of serious injuries can plateau or even increase. To ensure the frequency of lesser injuries continues to decline. This requires an organization creating specific measures to understand and manage high potential risk incidents. These management systems enable us to better evaluate root causes and trends relating to serious accidents, property damage and operational disruption.

We implement the HSE management systems and manage high potential risk incidents. We are in place at our sites. Committees are established, and function to comply with various and differing requirements.

In 2016, we performed a comprehensive occupational hygiene programs and procedures are designed to limit worker exposure that our operations help prevent occupational exposure that allows us to identify potential occupational health risk factors, detect the onset of potential occupational diseases in our workforce, mitigate occupational exposures, and provide care as necessary to our workforce.

We also monitor occupational exposure including dust, noise, and other chemicals. Monitoring is focused on workers with higher exposure risk or higher incidence of occupational diseases.

In 2016, we performed a comprehensive occupational hygiene survey at our Otjikoto operation and began work to implement comprehensive noise monitoring programs. We plan to use these data as a basis for an additional survey at El Limon in 2017. In 2016, we evaluated the number of workers with higher occupational exposure risk or higher incidence of occupational diseases. Higher exposure risks or illnesses were identified to relate to noise induced hearing loss.
In 2017, we plan to enhance our occupational health and hygiene risk assessments, monitoring, and exposure controls to protect the long-term health of employees. We also plan to develop indicators for occupational health and hygiene reporting and incorporate these indicators into health and safety performance reporting.

Safety Performance

In 2016, there were no fatalities at our operations and we continued to build on our efforts to improve safety performance, establishing additional safety processes and controls and implementing improvements identified through our internal audit program of our HSE management systems as part of our commitment to continuous improvement in health and safety performance.

On 12 October 2016, Masbate completed 365 days and over six million man-hours without an LTI. That performance continued and the Masbate operation completed 2016 without an LTI. This is a considerable achievement, particularly due to the fact that in 2016 there was significant construction activity on site including expansion of the plant, several plant shutdowns and contractor activity, and the mine moved deeper into the main mining areas.

In addition, our Otjikoto operation achieved over two million man-hours without an LTI and only two LTIs were reported for the year. This accomplishment, as well as the performance at Masbate, were possible only through the dedication to safe production efforts to improve safety performance, establishing additional safety processes and controls and incorporating these indicators into health and safety performance reporting.

Safety Performance

and contractors. Our composite LTI Frequency Rate for 2016 for our four operating mines was 0.83. Our composite LTI Severity Rate was 22.1.

The LTI Frequency Rate at La Libertad and El Limon increased in 2016 – by 31% and 18% respectively. Our La Libertad and El Limon operations experience a higher number of LTIs for a variety of reasons, one being higher risks associated with underground mining. We will evaluate the causes of these increases in LTI Frequency Rate and additional controls will be implemented in 2017 to reduce the number of injuries to our employees and contractors. Our composite LTI Frequency Rate for 2016 for our four operating mines was 1.43.

Note: The LTI Frequency Rate is a general measure of the occurrence of injuries to employees and contractors. All our LTIs are reported.

The LTI Severity Rate at La Libertad and El Limon increased in 2016 – by 31% and 18% respectively. Our composite LTI Severity Rate was 22.1.

TABLE 10

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>LTI Frequency Rate</td>
<td>0</td>
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<td>0</td>
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<td>0</td>
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<tr>
<td>LTI Severity Rate</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td>0</td>
</tr>
<tr>
<td>Masbate</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>El Limon</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>La Libertad</td>
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<td>0.04</td>
<td>0.10</td>
<td>0.03</td>
<td>0.11</td>
<td>0.07</td>
<td>0</td>
</tr>
<tr>
<td>Ottokoko</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Fekola**</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

| Composite | n/a | n/a | n/a | n/a | n/a | n/a | n/a |

** Statistics for Fekola began in February 2015.

** Statistics for Ottokoko began in April 2013.

n/r = not reported

The dash (–) indicates that the time period did not apply to that project, i.e. Otjikoto and Fekola did not start significant construction activities until 2013 and 2015 respectively.

In our safety statistics, we include both employees and contractors from the beginning of 2014. Prior to 2014, safety statistics may not include both contractors. LTI frequency and severity are affected by factors other than the number of employees at risk. New information or a modification of incidents may cause a change in historical data.

The world population is in the range of 7.4 billion people as of 2016. Population densities are not included in the calculations.

We report fatalities, injuries and the number of employees at risk to provide a clear picture of our HSE performance. We also plan to develop indicators for occupational health and hygiene reporting and incorporate these indicators into health and safety performance reporting.

Our safety statistics include both employees and contractors from the beginning of 2014.

For 2016, we continued to build upon our efforts to improve safety performance. We established additional safety processes and controls and implemented improvements identified through our internal audit program of our HSE management systems as part of our commitment to continuous improvement in health and safety performance.

In 2016, there were no fatalities at our operations and we continued to build on our efforts to improve safety performance, establishing additional safety processes and controls and implementing improvements identified through our internal audit program of our HSE management systems as part of our commitment to continuous improvement in health and safety performance.

In 2016, there were no fatalities at our operations. The composite LTI Frequency Rate for our four operating mines was 0.83. Our composite LTI Severity Rate was 22.1.

In 2017, we plan to enhance our occupational health and hygiene risk assessments, monitoring, and exposure controls to protect the long-term health of employees. We also plan to develop indicators for occupational health and hygiene reporting and incorporate these indicators into health and safety performance reporting.
OUR COMMUNITIES

COVERED IN THIS SECTION

General Standard Disclosures

- DMA
- G4-14
- G4-24
- G4-25
- G4-26
- G4-27

- SO1
- SO2
- SO11
- HR1
- HR2
- HR4
- MM8
- MM9

FEKOLA | MALI
B2Gold is committed to engaging openly and respectfully with stakeholders in order to build constructive and responsive relationships. We consider stakeholder views in our operations, avoiding reputational risks and costs, avoiding the costs of conflict arising from sensitivity issues and reduce or remove social risks.

This is particularly true in the extractive sector, which is associated with extensive social, economic, and environmental impacts. Engaging with stakeholders also makes good business sense in that it can contribute to attaining and protecting a social license to operate, avoiding reputational risks and costs, avoiding the costs of conflict arising from sensitivity issues and reducing or removing social risks. **— particularly in the context of recurring skills shortages.** 10

To ensure that we are able to respect community stakeholder interests, we follow comprehensive Responsibility Performance Standards that align with IFC and ICDM standards. The IFC standards are the most recognized, quoted and referred to for Social Performance. The requirements of our Social Performance Standards apply to all stages of our activities, from exploration through to closure, and to all interactions between stakeholders and our staff or sub-contractors. The B2Gold Board has additional oversight of our social performance through the HSESS Committee.

Each of our regions creates Stakeholder Engagement Plans (SEPs) that describe how we will share information, listen, and respond to stakeholders. Our planning process identifies and analyzes our stakeholders to determine material issues, establish objectives, and share information, listen, and respond to stakeholders. Our planning process identifies and analyzes our stakeholders to determine material issues, establish objectives, and share information, listen, and respond to stakeholders. Our planning process identifies and analyzes our stakeholders to determine material issues, establish objectives, and share information, listen, and respond to stakeholders.

Our approaches to engagement are not always effective and we sometimes learn this after tensions rise or issues emerge. Our periodic evaluations allow us to alter our approaches to align with our stakeholder responses.

A notable challenge to engagement occurs when significant in-migration takes place at any one of our sites. The host community can be overwhelmed by this change of social dynamics. When this happens, extra-ordinary approaches are developed in collaboration with local authorities and community leaders. We often are recognized by local authorities for helping to support their traditional ways of life and preserving social capital.

Our approaches to engagement are not always effective and we sometimes learn this after tensions rise or issues emerge. Our periodic evaluations allow us to alter our approaches to align with our stakeholder responses.

**STAKEHOLDER ENGAGEMENT**

Companies can contribute to positive social and economic development when they involve stakeholders, such as local communities, in their planning and decision-making. This is particularly true in the extractive sector, which is associated with extensive social, economic, and environmental impacts. Engaging with stakeholders also makes good business sense in that it can contribute to attaining and protecting a social license to operate, avoiding reputational risks and costs, avoiding the costs of conflict arising from sensitivity issues and reducing or removing social risks. — particularly in the context of recurring skills shortages. 10

B2Gold is committed to engaging openly and respectfully with stakeholders in order to build constructive and responsive relationships. We consider stakeholder views in our operational decision-making, and apply both formal and informal methods to ensure this happens effectively.

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**TABLE 12: Stakeholder Groups Addressed in Country-specific Stakeholder Engagement Plans**

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Nicaragua</th>
<th>Philippines</th>
<th>Namibia</th>
<th>Mali</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neighboring Village/Town Residents</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Service Providers/Contractors</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Local and Regional Government</td>
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<td>✓</td>
<td>✓</td>
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</tr>
<tr>
<td>Government Entities</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Neighboring Mines/Industries</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Unions</td>
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<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Wildlife Conservation Organizations and Researchers</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Commercial Organizations</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Foundations and NGOs</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>National Chambers</td>
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<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Chambers</td>
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</tr>
<tr>
<td>Women</td>
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<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Youth</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Farmers (Communal and Commercial)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Artisanal and Small-scale Miners</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Tourism Establishments and Operators</td>
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<tr>
<td>Local Businesses</td>
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<td>✓</td>
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<tr>
<td>Schools, Education and Training Institutions</td>
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<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Stakeholders</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Our approaches to engagement are not always effective and we sometimes learn this after tensions rise or issues emerge. Our periodic evaluations allow us to alter our approaches to align with our stakeholder responses.

A notable challenge to engagement occurs when significant in-migration takes place at any one of our sites. The host community can be overwhelmed by this change of social dynamics. When this happens, extra-ordinary approaches are developed in collaboration with local authorities and community leaders. We often are recognized by local authorities for helping to support their traditional ways of life and preserving social capital.

**COMMUNITY PROGRAMS AND INITIATIVES**

Community development is often described as the process or set of activities that allows members of a community to work together to improve the conditions for economic and social progress. It is considered sustainable when a community is strengthened as part of the process and plays a leading role in their own community’s development. Mining companies and mining projects can play a role in this process by acting as a catalyst for social and economic opportunities.
B2Gold invests in community programs and initiatives at all of our operations and often at all stages of our activities – beginning as soon as we put boots on the ground. Our Community Investment Performance Standard defines how we will meet our commitment to make meaningful, positive and sustainable contributions to the communities where we operate.

Our approach aims to include community stakeholder participation in the generation of community development plans. In some regions this is easily achievable. In Mali, from the outset, we worked with stakeholders to establish community consultation committees and combined their input with socio-economic studies to prioritize the social needs. We are leveraging other initiatives (e.g. the AFECK Project, and the resettlement livelihood restoration plans for Fadougou) into our community development strategies. Even though the Fekola project is still in development, in 2016 we invested in the social preparation needed for strengthening the community to take a role in their own development.

In other regions, we adopted some alternative approaches for community-led development. In Namibia, we work through a CSR Steering Committee which invites proposals from all levels of stakeholders throughout Namibia. Community ideas are encouraged within the aspects of education, health, livelihoods, and environmental conservation.

A notable achievement in 2016 was the leadership role taken by B2Gold in setting up the Namibian Chamber of Environment (NCE), which has an over-arching mandate to look after the interests of Namibian environmental NGOs and other non-state organizations that are working to promote conservation, good environmental management, and sustainable development. It is a membership organization open to any environmental organization, professional, or interested individual. The Namibian government has welcomed this initiative.

In the Philippines, the government requires mining companies to follow a structured Social Development and Management Program (SDMP). Our community investment projects are developed under this framework and follow their reporting and assessment guidelines.

B2Gold recognizes that our expertise is in mining, so we work with local and international NGOs to bring appropriate and proven approaches to development to our host communities.

Women’s involvement is secured through bilateral meetings in our workplace, community assemblies and through low-key gatherings – depending on what is most appropriate for the cultural setting in which we are working. Women can sometimes be more adversely impacted by a change in social and economic context brought on by a mining project. Community initiatives are currently focused on livelihood projects in collaboration with women’s associations, as well as vocational and occupational support for local villages. Overall, we still confront challenges in delivering positive impacts directly to women. Diversity and gender considerations remain an area for improvement for us.

<table>
<thead>
<tr>
<th>TABLE 12</th>
<th>Actual and Potential Impacts by Operation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations</td>
<td>Hazardous Substances</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>El Limon(1)</td>
</tr>
<tr>
<td></td>
<td>La Libertad(2)</td>
</tr>
<tr>
<td></td>
<td>Santa Domingo(3)</td>
</tr>
<tr>
<td>Philippines</td>
<td>Masbate(4)</td>
</tr>
<tr>
<td></td>
<td>Otjikoto(5)</td>
</tr>
<tr>
<td></td>
<td>Fekola(6)</td>
</tr>
<tr>
<td></td>
<td>Menankoto(7)</td>
</tr>
</tbody>
</table>

NOTES
(1) Direct proximity to community
(2) 6 km from community
(3) 0.5 km from community
(4) Mining operations contiguous with communities
(5) 40 km and 7 km from several communities
(6) 80 km from community
(7) 8 km from communities

<table>
<thead>
<tr>
<th>TABLE 13</th>
<th>Community Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mine</td>
<td>Community Investment ($’000)</td>
</tr>
<tr>
<td>La Libertad</td>
<td>3,395</td>
</tr>
<tr>
<td>El Limon</td>
<td>1,014</td>
</tr>
<tr>
<td>Masbate</td>
<td>3,206(1)</td>
</tr>
<tr>
<td>Otjikoto</td>
<td>2,206(2)</td>
</tr>
<tr>
<td>Fekola</td>
<td>1,812(3)</td>
</tr>
<tr>
<td>Other</td>
<td>125</td>
</tr>
<tr>
<td>Total</td>
<td>11,034</td>
</tr>
</tbody>
</table>

NOTES
(1) Masbate’s Social Development Tax of $3,206,000 is presented as Community Investment in this table.
(2) Otjikoto Nature Reserve spending estimated at $801,800 is presented as Community Investment in this table.
(3) Includes $1,477,000 for Fadougou Village relocation costs.
GRIEVANCE MANAGEMENT

A large scale activity, like mining, will inevitably generate concerns within a neighboring community. Even when excellent stakeholder engagement occurs and best practice performance standards are followed, real and perceived issues can occur. Concerns can be expressed informally or formally and, when not addressed, will often escalate.

Our Community Grievance Management Performance Standard defines the requirements to have a mechanism to receive, investigate and respond to grievances from neighboring communities, with the goal of managing and mitigating impacts in a timely, respectful, and locally appropriate manner. The Standard aligns with the guidelines from IFC/ICM and the UN Guiding Principles for Business and Human Rights.

All B2Gold sites have implemented grievance mechanisms that report on issues by type, severity, resolution time, and acceptance. We recognize that if a complaint is left unaddressed, it can escalate to a conflict – which should be avoidable. In 2016, we reviewed and improved the effectiveness of each mechanism in Nicaragua and the Philippines in response to historical community concerns. A fresh communication process with employees and community members was achieved.

The grievance process has proven effective with sensitive activities like resettlement in Nicaragua and Mali. In the Philippines, we continue to face challenges internally with ensuring cross-functional management of grievances, and timely resolution and mitigation actions. In 2017, we will be implementing a company-wide technology solution to make grievance management more effective – internally we will have increased analytics and easier collaboration; externally we will improve feedback to community stakeholders. Most of the issues in Nicaragua and the Philippines relate to regular complaints about dust and vibration from blasting, as well as longstanding complaints regarding impacts on livelihoods.

Grievances are submitted for serious issues related to human rights impacts which are directly linked to our operations or which arise from the company’s treatment of human rights issues.

In 2016, grievances at our Namibian operations mostly related to neighboring commercial farmers who had groundwater and dust concerns during an extensive drought period in the region. The limited number of grievances at Otjikoto overall is likely related to its remote location and the presence of extractive companies. Recognizing this, we generated and approved a Human Rights Performance Standard for the company in 2016, designed to align B2Gold with leading international human rights good practice including the Voluntary Principles on Security and Human Rights, and the United Nations Guiding Principles on Business and Human Rights. In the Standard, B2Gold commits to “seek human rights by avoiding refinement on the human rights of others, andaddressing any adverse human rights impacts which are directly linked to our operations or business relationships”.

In meeting our responsibility to respect human rights, we will:

▪ promote and support human rights awareness, where appropriate or possible,
▪ assess and treat human rights risks with the same diligence as we do legal and business risks,
▪ pay particular attention to human rights impacts on vulnerable groups who may be at heightened risk; and
▪ periodically review human rights considerations in order to respond to changing situations.

All B2Gold sites have implemented grievance mechanisms that report on issues by type, severity, resolution time, and acceptance. Concerns can be expressed informally or formally and, when not addressed, will often escalate.

Our Human Rights Standard was reviewed by Executive Management, Board, and Senior Country Managers, and had input from field teams. Raising awareness of the Human Rights Standard occurred at all sites in 2016.

In order to implement our Human Rights Standard, we developed an initial three-year Human Rights Strategy to initiate in 2017. The strategy will include a combination of training and awareness, impact assessments, and due diligence activities. Our goal is to take a proactive approach to human rights by identifying and assessing risks, and integrating mitigation activities into our existing community relations, security, and employment practices. We have engaged the services of experienced human rights experts to scope the human rights risks in two priority countries in 2017 – Mali and Philippines. These initial assessments will serve as baselines for continuous improvement, and as a template for assessments at our remaining sites, as appropriate, in the following years.

TABLE 14

<table>
<thead>
<tr>
<th>Country</th>
<th>Filed 2016</th>
<th>Addressed 2016</th>
<th>Resolved 2016</th>
<th>Filed Prior and Resolved in 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nicaragua</td>
<td>59</td>
<td>47</td>
<td>47</td>
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</tr>
<tr>
<td>Philippines</td>
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<tr>
<td>Namibia</td>
<td>4</td>
<td>4</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Mali</td>
<td>47</td>
<td>46</td>
<td>46</td>
<td>1</td>
</tr>
<tr>
<td>N/A</td>
<td>n/r</td>
<td>n/r</td>
<td>n/r</td>
<td>n/r</td>
</tr>
</tbody>
</table>
As part of our Human Rights Management Strategy to be implemented in 2017, we will deliver customised human rights and security training that will ultimately reach all employees, management, and corporate executives.

As of 2016, limited human rights training has been executed within the company. In the Philippines, 4 direct security employees, 400 security contractor employees and 157 armed forces were trained in security and human rights awareness. Total training hours delivered was approximately 1,122 (i.e. 2 hours per person).

Freedom of Association and Collective Bargaining

One way to integrate human rights considerations into a company’s business decisions is to extend human rights standards into its supply chain. A company can raise awareness and communicate expectations regarding aspects of human rights and security risks and expected protocol through its supply and service providers. Integrating human rights screening or defining human rights performance expectations can be part of an awareness building strategy.

Although 82Gold does not yet have a consistent approach, regions have begun to identify significant investment agreements and have begun to embed human rights performance expectations as part of the requirements. Our regional sites (not including Canada) have defined significant investment agreements as having either a significant monetary component (in excess of US$100,000) or the potential for a significant impact.

El Limon led us to implement a deliberate communication strategy in 2016 that has been designed to facilitate dialogue and to communicate workers’ rights and benefits. El Limon is a high density mining operation in Northern Nicaragua with a workforce of approximately 500 employees. Employee representatives and the human resources team have received training on the Malian labor code and the Mining Convention in November 2016. There are currently no established unions at our El Limon construction site. No union-based grievances have occurred in work stoppages or threats occurred at any of our sites during the reporting period.

Employees, management and union representatives on site have identified a need to improve communication of the company’s policies and procedures to both workers and management.

Recent developments at El Limon have included increased community engagement efforts to address social and environmental issues. Several meetings have been held with the community to discuss these issues. The community has requested a formal community engagement committee to address these issues. The structure and function of this committee has been designed to facilitate dialogue and to communicate workers’ rights and benefits.

In Nicaragua, 82Gold complies with the national labor law with regards to freedom of association. There are currently four established unions in our Nicaraguan operations or within significant service suppliers – all of which are considered during workers’ collective agreement evaluations and updates. Historical conflicts with our unions at El Limon led us to implement a deliberate communication strategy in 2016 that has been designed to facilitate dialogue and to communicate workers’ rights and benefits.

Workers at our operations in the Philippines are not unionized. However, an employee engagement committee serves as a voluntary body composed of representatives from the general workforce and management and has monthly meetings to identify and address concerns. These meetings have served as a mechanism for employees to express grievances as well as for management to provide information and updates.

In the Philippines, labor law has been designed to facilitate dialogue and to communicate workers’ rights and benefits. The scope and breadth of workers’ rights and benefits is significant.

El Limon led us to implement a deliberate communication strategy in 2016 that has been designed to facilitate dialogue and to communicate workers’ rights and benefits. El Limon is a high density mining operation in Northern Nicaragua with a workforce of approximately 500 employees. Employee representatives and the human resources team have received training on the Malian labor code and the Mining Convention in November 2016. There are currently no established unions at our El Limon construction site. No union-based grievances have occurred in work stoppages or threats occurred at any of our sites during the reporting period.

Security Practices

Community mining areas (CMA) are defined by a local government unit (city or provincial) for small-scale miners organized into a cooperative or association. An example of artisanal and small-scale (ASM) areas is referred to as artisanal mining. As of mid-2016, sites have addressed security risks and training independently. As mentioned previously, our Human Rights and Security Management Strategy to be implemented in 2017 includes a consistent approach to security risk assessment and training aligned with the Voluntary Principles. In Nicaragua, security risks include:

- lack of adequate training of security forces limiting the department’s readiness, responsiveness, and efficiency;
- social and political tensions arising from protests against industrial mining; intrusion of artisanal and small-scale (ASM) miners in restricted areas (in particular at La Libertad); and
- transit of community members and cattle across company property (in particular at El Limon).

Progress has been made at our Nicaraguan operations in 2016, specifically regarding the development of action plans with national police in both municipalities to achieve better results when investigating criminal activity on our sites. A structural and functional arrangement of security staff and resources have also taken place to improve readiness and efficiency.

Mdehyde monitors security events and records interactions with intruders (e.g. farmers, ASM miners). Security impacts have included actual conflict with security personnel and intruders. A use-of-force policy is in place which has been rigorously implemented and enforced, resulting in a marked reduction and almost complete absence of physical or armed conflict with intruders.

Intra-site intruders are a significant challenge for our Mustabe operations. In 2016 there were 4,785 instances, involving 31,156 individuals – most of these were ASM miners. As poverty is the main driver for most of these cases, there are limited solutions that can be applied to alleviate the level of poverty that fuels these events. Stringent regulations have hindered efforts to establish a Model Mining District (‘community mining area’) to make ASM more regulated.

In Namibia, security operations at Ojitkoto are concentrated inside a controlled area with the objectives of protecting property and assets with no impact on society. The Ojitkoto site is located on previously commercially-owned farmland, with the closest neighboring towns of Otjiwarongo and Chari located 78km and 44km away from site.

In Masbate, security events have included actual conflict between security personnel and intruders (e.g. farmers, ASM miners). Security impacts have included actual conflict between security personnel and intruders. As poverty is the main driver for most of these cases, there are limited solutions that can be applied to alleviate the level of poverty that fuels these events. Stringent regulations have hindered efforts to establish a Model Mining District (‘community mining area’) to make ASM more regulated.

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During the initial feasibility and the impact assessment phase of the Fekola project, all risks were assessed—including an analysis of security risks of the region and the project. As part of this risk assessment, action and mitigation plans were put in place. A security manager for West Africa continues to conduct ongoing risk assessments including the development of policy and procedures. In late 2016, as part of our human rights impact scoping activity, we considered human rights and security issues and will all risks were assessed—including an analysis of security risks of the region and the project. As part of this risk assessment, action and mitigation plans were put in place. A security manager for West Africa continues to conduct ongoing risk assessments including the development of policy and procedures. In late 2016, as part of our human rights impact scoping activity, we considered human rights and security issues and will.

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The extent to which we directly employ versus outsource security personnel varies in each region according to the security risk scenario. Nicaragua outsource security entirely to a third-party contractor (employs 231 people). Our Philippine in-house security department of four works with a total of 400 third-party security personnel supported by a further 357 strong detachment from the armed forces. Namibia’s direct security team of 47 has not yet received training in the Voluntary Principles. There is no third-party security force associated with our Otjikoto operations. Mali directly employs 72 security personnel that are supported by a further 157-strong detachment from the armed forces. Namibia’s direct security department of four works with a total of 400 third-party security personnel supported by a further 357 strong detachment from the armed forces. Namibia’s direct security team of 47 has not yet received training in the Voluntary Principles.

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Our strategic approach to ASM is to seek and maintain a peaceful co-existence. With this in mind, we are guided by our ASM Performance Standard that outlines how we will manage relations and interactions with ASM actors with the objectives of protecting our people and property, maintaining our license to operate, and supporting wider community benefits. It is estimated that more than 100 million people rely on the sector for income, mainly in developing regions. At this scale, it is recognized that ASM is a livelihood that contributes socially and economically for many countries. In some regions, ASM takes place alongside large-scale mining leading to conflicts.

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Some mining projects involve land acquisition or restrictions on land use that can have adverse impacts on communities and people that use the land. Resettlement refers to either the physical displacement or economic displacement (loss of access to assets, impact on income sources or livelihoods) as a result of project-related land requirements. Unless carefully managed, resettlement may result in impoverishment for the affected community and its inhabitants. Conversely, a well-planned and participatory resettlement process can offer an opportunity for development and sustainable well-being.

Although we seek to avoid or minimize the need for resettlement, some of B2Gold operations and projects do require resettlement due to either the physical displacement or economic displacement of community members. Our Resettlement Performance Standard ensures that all land access and acquisition activities avoid and minimize involuntary resettlement. Where it is unavoidable, we commit to mitigate any economic or physical displacement by improving or restoring livelihoods and standards of living. The requirements of this standard apply to all stages of our activities - from exploration through to closure. Due to the close proximity of communities to some of our operations in Nicaragua, the Philippines and Mali, resettlement has been required under careful consideration.

Our ASM Performance Standard applies to all stages of our activities, from exploration through to closure, where there is current or potential ASM activity on or near our concessions or land, regardless of the legality or type of ASM activities. Our tactical approach to co-existing with ASM includes several common interventions that are applied in parallel:

- generate annual or monthly census data combined with monthly or weekly monitoring to manage influx;
- register census data with mining and environmental authorities to encourage their participation;
- support mining authority involvement in the regions;
- sensitize security personnel to ASM risks;
- established ASM Affairs roles in Nicaragua and the Philippines to lead our engagement strategies;
- in 2016, we conducted ASM social risk assessments that led to revised ASM strategies for Nicaragua, Philippines, and Mali regions;
- near La Libertad, we facilitated the establishment of a small mill in the region to manage ASM ore processing, diminished mercury use by ASM miners, and provide livelihood stability (among other objectives);
- at Masbate, we purchase and process ore from ASM miners which, in general, has a positive impact on local livelihoods, we are maintaining ongoing dialogue with the Governor of Masbate and Mayor of Aroroy to explore small miner solutions;
- in the Philippines, there are plans to establish a dedicated area within the concession (Minahang Bayan) which could be allocated by the government to local ASM cooperatives; this would help create a relocation area for any displaced ASM miners; and
- alternative livelihood projects have been implemented in Nicaragua with varying success, and are being considered for select ASM miners in Mali.

Challenges associated with ASM presence near our operations still occur. When engagement and monitoring of ASM miners lapsed, influx and relationship tensions occurred. Re-engagement and facilitating involvement of authorities has resulted in peaceful outcomes.

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### TABLE 17

<table>
<thead>
<tr>
<th>Region</th>
<th>Resettlement Sites**</th>
<th>Households Resettled</th>
<th>People Resettled or Pending Resettlement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nicaragua</strong></td>
<td></td>
<td></td>
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<tr>
<td>Santa Pancha (El Limón)</td>
<td>123</td>
<td>615</td>
<td></td>
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<tr>
<td>Jabal Antena (Santa Domingo)</td>
<td>44</td>
<td>191</td>
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<tr>
<td><strong>Sub-Total</strong></td>
<td>167</td>
<td>806</td>
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<td><strong>Bangladesh</strong></td>
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<td>Sangiho Colorado Waste Dump</td>
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<tr>
<td>Main Vein Waste Dump</td>
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<td>TAF Operations</td>
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<tr>
<td>Patiqi L450</td>
<td>2</td>
<td>15</td>
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<tr>
<td>Main Vein Waste Dump</td>
<td>21</td>
<td>105</td>
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<tr>
<td><strong>Sub-Total</strong></td>
<td>158(2)</td>
<td>790(3)</td>
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</tr>
<tr>
<td><strong>Malaysia</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Fadougou</td>
<td>908</td>
<td>3,324</td>
<td></td>
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<tr>
<td>Sub-Total</td>
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<td>3,324</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,255</td>
<td>4,920</td>
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</tbody>
</table>

### NOTES

(1) Resettlement numbers for impacted household and inhabitants are cumulative numbers from 2012 to 2016 since some resettlement activities are on-going, including the monitoring for restoration of livelihoods.


(3) Number of people are estimated based on 158 households.

### Jabal Antena (Santa Domingo) NICARAGUA

Resettlement was required in order to progress with the Jabal Antena mining project. Site selection and participatory approach to resettlement. Many of the successful outcomes of our approach are discussed in the Jabal case study at the end of this section.

### Regular on-site monitoring and house-to-house visits were carried out to identify and address impacts, deliver key messages (e.g. explaining the compensation framework), and provide responses to frequent concerns. Main challenges included the completion of negotiated agreements within the compensation framework and continuing the resettlement process without any social conflict.

### New households were supported in re-establishing themselves through campaigns to sensitize them to their responsibilities in caring for their new properties, and the importance of responsible water and energy usage. Reoccupation took place, and new living areas were treated against viral disease.

### The Jabal Antena Resettlement Project has not concluded. Negotiations continue with remaining beneficiaries whose expectations surpass the fair and equitable terms included in the compensation framework. Community leaders and government agencies are mediating this process in order to ensure an equitable outcome.

### B2Gold facilitates resolution of these grievances through coordination between stakeholders and the government institution in charge. During the last quarter of 2016, a gap analysis on the resettlement project was carried out in relation to our Resettlement Standard to evaluate the process and compensation framework, and identify possible actions for 2017. The main challenge is reaching agreement on joint actions with the government departments to address the gaps that were identified.

### Neighboring Communities (Masbate) PHILIPPINES

Various communities are in close proximity to, or contiguous with, our Masbate operations. Several resettlement activities (of varying scale) are occurring with different approaches. Smaller scale acquisitions of land are regularly carried out following the municipal standards for compensation. For larger-scale acquisitions that include significant displacement, Resettlement Action Plans (RAPs) are established and implemented. The implementation of our Resettlement Performance Standard remains a challenge due to the variety of impacts. Engagement with municipal officials and impacted stakeholders continues throughout the land acquisition process.

The village of Fadougou is located adjacent to the main Fekola open pit. Although the relocation of the village was not a requirement of the Mine Construction Permit, after extensive stakeholder consultation, it was decided to relocate the village (with grants from the Department of Social Welfare and Development) to a new resettlement neighborhood in Fekola. The mitigation of impacts has been handled both through initiatives taken by the Fekola community and the government.

### Challenges include addressing local preferences for cash compensation, and identifying and addressing non-financial impacts of land acquisition and displacement.

### Pascual (Fekola) MALI

The village of Pascual is located adjacent to the main Fekola open pit. Although the relocation of the village was not a requirement of the Mine Construction Permit, after extensive stakeholder consultation, it was decided to relocate the village (with grants from the Department of Social Welfare and Development) to a new resettlement neighborhood in Fekola. The mitigation of impacts has been handled both through initiatives taken by the Fekola community and the government.

### Challenges include addressing local preferences for cash compensation, and identifying and addressing non-financial impacts of land acquisition and displacement.

### Conclusion

Despite the challenges, B2Gold has assumed an advisory and monitoring role in consultation with government and community stakeholders to proceed with a resettlement project. This decision was made due to the proximity of the village to the mine site, the potential for social risks, and the opportunity to improve the wellbeing of the community.

### Studies related to demography and socio-economic living conditions of affected parties have been conducted by an international resettlement consultant firm together with a local Malian social development consultant group. A RAP was prepared and a resettlement-specific ESIA were developed and submitted to national authorities – according to international best practice. Resettlement site selection was a main challenge which required the consideration of technical, social, and cultural criteria. In 2016, agreements have been signed for the resettlement site. The land acquisition process and development planning are ongoing.

### A Community Resettlement Committee (CRC) was officially established with representation from a range of stakeholder groups including original village members, youth, women, and in-migrants, along with the support and participation of local authorities. The impacts of resettlement, ongoing planning processes and activities, compensation rates, and livelihood support initiatives were discussed in this CRC forum. Impacts had been identified through the ESIA and the RAP processes, and include potential impacts on land use and inter-community conflict. The RA and ESIA have been approved by authorities.
Prior to the Jabali Antena Resettlement Project in Santo Domingo, the beneficiary families lived in precarious conditions, according to a survey by means of different communications carried out by B2Gold in the area in 2014. 90% of families in Barrío Jabali faced difficulties obtaining potable water. A similar percentage used latrines. A great majority (98%) of families did not have legal titles to their homes or properties.

Close to half the families lived in houses made of wood slats or plastic, affecting their safety and well-being. Outside of the homes, road infrastructure was lacking and there was no public lighting.

“...a neighborhood is the grocery store.” – JEFFRIN IRÍAS, resettlement project beneficiary

“Before, we lived in a wood slat house. I worked as the baker. At night, I would have to drag himself along the bad roads. When it rained, the situation was worse. It was very dangerous, and I felt so bad for him under these conditions.” – CRISTINA CIEÑUEGOS, resettlement project beneficiary

“A very nice project.” – NELSON ALVAREZ, resettlement project beneficiary

“...two new pieces of equipment: a band saw and an edge banding machine to fabricate the wooden pieces of rocking chairs and other furniture.” – DENIS SOLORZANO, resettlement project beneficiary

“...the small grocery store, which has better conditions. And with the small grocery store, we have a higher income, because the center of a neighborhood is the grocery store.” – JEFFRIN IRÍAS, resettlement project beneficiary

“A little family business in our resettlement area.” – EMELANIA URBINA, resettlement project beneficiary

“We applied a fair and equitable compensation framework (one asset compensated by another). Nevertheless, in most cases, the benefits provided to each family surpassed what was stipulated in the corresponding compensation package.” – ISAAC SOLORZANO, resettlement project beneficiary

“...we have set a precedent in Nicaragua: we are the first mining company to directly execute a resettlement project.” – B2Gold’s Livelihood Restitution Program currently provides support to six small businesses in the Nuevo Jabali urban development.

“...and with the small grocery store, which has better conditions. And with the small grocery store, we have a higher income, because the center of a neighborhood is the grocery store.” – JEFFRIN IRÍAS, resettlement project beneficiary

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“At the beginning of the mine, we were working at a map and seeing where our neighbors live.” – ISAAC SOLÓRZANO, resettlement project beneficiary

“The mayor of Santo Domingo, Nelson Alvarez, was also present at the event. He feels that the resettlement project beneficiary families have been provided with many benefits, including services such as electricity, public lighting, water, waste water treatment, trash collection, paved streets, bus stops, green areas, a park and soccer field, and sidewalks to the neighboring Barrio José Bregeón. In addition, beneficiaries receive legal title to their homes and plots, duly inscribed in the National Registry of Properties.

“I feel very pleased because my clothing business is growing.” – MARÍA TERESA PICHERNO, resettlement project beneficiary

“...and we are promoting the creation of successful business initiatives in this urban development.” – APEN

“...we have set a precedent in Nicaragua: we are the first mining company to directly execute a resettlement project.” – B2Gold’s Livelihood Restitution Program currently provides support to six small businesses in the Nuevo Jabali urban development.

“In its Jabali Antena resettlement project in Santo Domingo, Chontales, B2Gold applies the highest international social performance standards in a transparent, voluntary and informed process that will allow 200 people to improve their quality of life and enjoy dignified housing, with appropriate services in a safe environment.” – APEN SPOKESPERSON at the Expositor of the Year Award Ceremony, May 5 2016

“...and an edge banding machine to fabricate the wooden pieces of rocking chairs and other furniture.” – DENIS SOLORZANO, resettlement project beneficiary

“A very nice project.” – NELSON ALVAREZ, resettlement project beneficiary

“...the small grocery store, which has better conditions. And with the small grocery store, we have a higher income, because the center of a neighborhood is the grocery store.” – JEFFRIN IRÍAS, resettlement project beneficiary

“A little family business in our resettlement area.” – EMELANIA URBINA, resettlement project beneficiary

“We applied a fair and equitable compensation framework (one asset compensated by another). Nevertheless, in most cases, the benefits provided to each family surpassed what was stipulated in the corresponding compensation package.” – Isaac Solorzano, resettlement project beneficiary

“At the beginning of the mine, we were working at a map and seeing where our neighbors live.” – Isaac Solorzano, resettlement project beneficiary

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“I feel very pleased because my clothing business is growing.” – Maria Teresa Pichardo, resettlement project beneficiary

“...and we are promoting the creation of successful business initiatives in this urban development.” – APEN
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<thead>
<tr>
<th>TABLE 19</th>
<th>Specific Standard Disclosures</th>
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