



## Eldorado Gold Conflict-Free Gold Report 2017



## Executive Summary

Headquartered in Vancouver, Canada, Eldorado Gold Corporation (“Eldorado”) is a Canadian mid-tier gold producer listed on the Toronto (TSX: ELD) and New York (NYSE: EGO) stock exchanges.

Over Eldorado’s 25 years of experience in the mining industry, we have focused on producing sustainable value for our stakeholders through a low-cost strategy, a highly-skilled and dedicated workforce, and safe and responsible operations. Ultimately, our ability to operate relies upon our relationships with our workforce, neighbouring communities and host governments, and we seek to treat all of our partners with respect.

Respect for our stakeholders means that the gold we produce has been extracted in a manner that does not cause, support or benefit unlawful armed conflict, does not contribute to serious human rights abuses, and is not in breach of international humanitarian law. We believe it is our responsibility to create value without conflict, and adopted the World Gold Council’s *Conflict-Free Gold Standard* (“the Standard”) in January 2013 in order to provide assurance to all of our stakeholders that we act upon this responsibility.

This Conflict-Free Gold Report (“the Report”) summarizes how Eldorado conforms to the requirements of the Standard for the reporting period of January 1, 2017 to December 31, 2017. Eldorado’s four producing mines in Greece and Turkey are not considered to be in “high-risk” or “conflict-affected” areas, and are in conformance with the Standard. We have also included our Lamaque project in Canada within the scope of this Report, which produced a small amount of doré in 2017 and is in conformance with the Standard.

Our Chief Operating Officer is responsible for the Standard’s implementation and for Eldorado’s ongoing compliance. An independent assurance provider has reviewed and assured our compliance with the Standard.

### OUR GUIDING PRINCIPLES

Our guiding principles underpin all that we do.

#### Act with Integrity

We are committed to being honest, straightforward and accountable in all our business practices.

#### Enrich Lives

We aim to create real, lasting and tangible benefits for the people whose lives our operations touch.

#### Engage Openly

We believe that clear, comprehensive disclosure, high standards of corporate governance and ethical business practices are the only ways to do business.

#### Operate Safely

People come first. We implement industry best practices, adhere to all safety regulations and have strict management systems in place to promote a culture of safety wherever we operate.

#### Behave Responsibly

We strive to demonstrate that mining can be done responsibly. We do this by emphasizing environmental stewardship at every stage of the project life cycle.



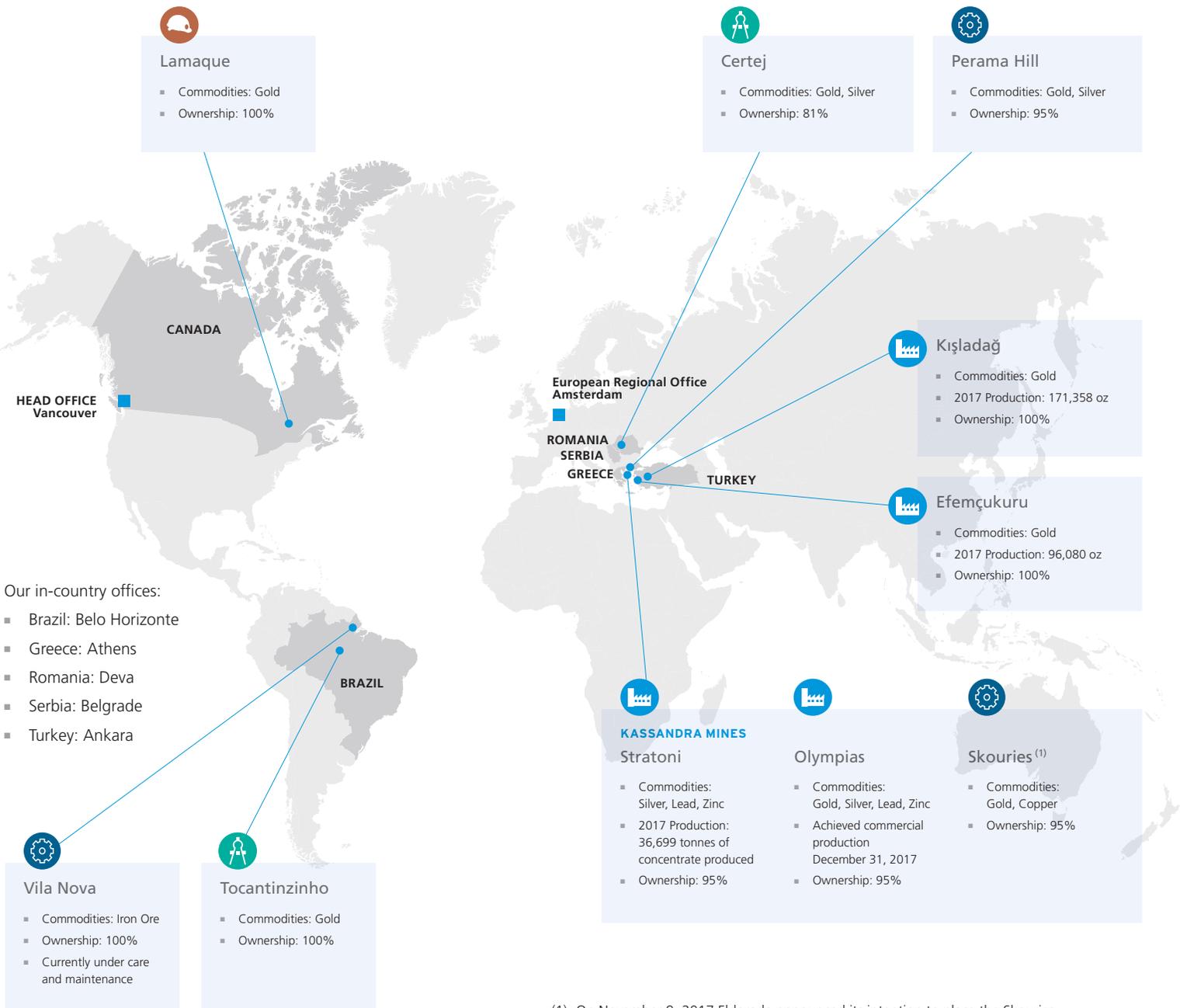
Underground driller at Efemçukuru, Turkey.



## Our Operations

The maps below show the locations of our operations, along with Eldorado's percentage ownership of each asset.

-  Operating Mines
-  Construction Projects
-  Development Projects
-  Care and Maintenance



(1) On November 9, 2017 Eldorado announced its intention to place the Skouries construction project under care and maintenance.

## The Conflict-Free Gold Standard

The World Gold Council published the Standard in October 2012 following extensive consultation with governments, civil society, external auditors and supply chain participants.

The Standard creates a framework for assurance that gold is not contributing to conflict, or contributing to human rights abuses, and helps to “operationalise” the OECD’s Due Diligence Guidance for Responsible Supply Chains for Minerals from Conflict-Affected and High-Risk Areas.

For more information and to obtain a copy of the Standard, please visit: [www.gold.org/gold-mining/responsible-mining/conflict-free](http://www.gold.org/gold-mining/responsible-mining/conflict-free)

### The Standard’s Requirements

The Standard sets out a series of risk assessment and disclosure requirements intended to a) identify any operations that may have the potential to contribute to conflict, and b) show that steps have been taken to mitigate against the potential for the production of gold to contribute to conflict if operations are in “high-risk” areas.

Part A of the Standard requires companies to a) assess whether they are adhering to any applicable international sanctions and b) to undertake a risk assessment based upon the presence of recognized conflict in the regions in which they operate. The Heidelberg Institute for International Conflict Research’s annual *Conflict Barometer* is used to assess the level of conflict at national and sub-national levels around the world. Operations that are located in a sub-national area ranked as level 5 (war) or level 4 (limited war) during the reporting period or within the previous two years have been classified as “conflict-affected or high-risk”, in which case the company must therefore complete the remaining assessments in Parts B-E of the Standard. For operations not considered to be located in “high risk” or “conflict affected” areas, or where the company has transferred custody of the gold during the transportation process, the remaining assessments are Parts D and E of the Standard.

### Reporting Parameters

This Conflict-Free Gold Report includes all mining and processing operations over which Eldorado has direct control (Appendix A) and which produced gold during the 2017 reporting year. This is consistent with the reporting boundaries that Eldorado has publicly disclosed in its *2017 Year in Review Report*.

This Report does not include exploration or any sites that are currently not producing gold or gold-bearing materials.

### Conforming to the Conflict-Free Gold Standard

This Conflict-Free Gold Report marks Eldorado’s fifth year of conformance with the Standard. Though we cannot control many of the economic, social and political realities that contribute to the emergence of conflict within a given area, we believe it is our responsibility to minimize the risk of our products contributing to conflict. Our continued conformance with the Standard assures us as well as our stakeholders that our operations are Conflict-Free.



The Olympias processing plant at night, Greece.



## Eldorado's Evaluation

### Part A - Conflict Assessment

Per Part A of the Standard, Eldorado conducted a review of international sanction databases including, but not limited to, the United Nations Security Council, the European Union sanctions database, Global Affairs Canada, and the U.S. Department of State database. We also reviewed independent assessments published in the 2013, 2014, 2015, 2016 and 2017 Heidelberg Institute for International Conflict Research's annual *Conflict Barometer*. Finally, we referred to our 2013, 2014, 2015 and 2016 Conflict-Free Gold Standard assessments.

Following our 2017 assessment, we concluded that there were no applicable international sanctions imposed on the countries where we operated or through which we transported gold and gold-bearing materials during the 2017 year.

Our review of the Heidelberg Conflict Barometer found that high intensity (level 4 – limited war) conflict had occurred in Turkey during the 2017 year. Conflict related to the ongoing war between Turkey and Islamic State, and fighting between the Kurdistan Workers' Party (PKK) and the Turkish government. Conflict over the country's political system de-escalated from 2016 and was assessed as a non-violent crisis in 2017. Conflicts were concentrated along the country's southeastern provinces near Syria, Iraq and Iran. Eldorado's Kışladağ and Efemçukuru mines are located within the western provinces of Üsâk and İzmir respectively, and are not in close proximity to any "War" or "Limited War". We therefore conclude that our Turkish operations are not conflict-affected.

No other Eldorado operations or regions through which we transport gold and gold-bearing material were determined to be in close proximity to conflict. As such, we conclude that Eldorado has no mines considered to be in "conflict-affected" or "high-risk" areas.

### Part B - Company Assessment & Part C - Commodity Assessment

Based on the results of Eldorado's Part A: Conflict Assessment, further assessments of Parts B and C were not required for any of our operations based on the absence of high intensity conflict and security risks at each of our sites.

### Part D - Externally Sourced Gold

Eldorado complies with Part D of the Standard as we do not accept of source gold or gold-bearing materials from third parties.

### Part E - Management Statement of Conformance

Eldorado has produced appropriate Management Statements of Conformance documentation, which have been signed by the General Managers at each of our sites for the January 1, 2017 to December 31, 2017 period, as referenced in Appendix A. We have included within this report a consolidated Management statement of Conformance, signed by Eldorado's Chief Operating Officer, to act as formal representation to the next participant in the chain of custody as required in Part E: Management Statement of Conformance.

We are not aware of any deviations from conformance with the Standard that arose during the reporting period.

We conclude that Eldorado was in conformance with the criteria set out in the Conflict-Free Gold Standard for the reporting year January 1, 2017 to December 31, 2017.

#### SUPPORTING DOCUMENTATION TO THIS REPORT INCLUDES:

1. Eldorado's 2013, 2014, 2015 and 2016 Conflict-Free Gold Reports: <https://www.eldoradogold.com/responsibility/our-approach/accountability/>
2. Eldorado's Code of Business Conduct & Ethics <https://www.eldoradogold.com/about-us/governance/>
3. Eldorado's 2017 Year in Review report: <https://www.eldoradogold.com/responsibility/reporting/>
4. Eldorado's Governance Policies: <https://www.eldoradogold.com/about-us/governance/>

#### CONTACT US

Should you wish to provide any feedback to Eldorado with respect to this Conflict-Free Gold Report, please e-mail [sustainability@eldoradogold.com](mailto:sustainability@eldoradogold.com) or leave a comment at [www.eldoradogold.com/contact-form/](http://www.eldoradogold.com/contact-form/)



#### Independent Assurance

Eldorado engaged the services of PricewaterhouseCoopers LLP ("PwC") to provide independent limited assurance in relation to Eldorado's conformance with the Standard. PwC's assurance report is available in Appendix B.

## Management Statement of Conformance

Eldorado Gold Corporation (“Eldorado”), based in Vancouver, Canada, confirms that, to the best of our knowledge, all gold and gold-bearing material produced by our sites listed in Appendix A, is not causing, supporting or benefitting unlawful armed conflict, contributing to serious human rights abuses or breaching international humanitarian law as per the World Gold Council’s *Conflict-Free Gold Standard* (“the Standard”).

Eldorado confirms our mines listed in Appendix A have appropriate systems and processes in place to ensure that all gold and gold-bearing material leaving our operations’ area of control is being dispatched in conformance with the Standard.

In accordance with Part D (Externally Sourced Gold Assessment) of the Standard, Eldorado confirms that our mines listed in Appendix A do not accept or externally source gold or gold-bearing materials from third parties.

The World Gold Council’s Conflict-Free Gold Standard was published in 2012 and implemented by Eldorado on January 1, 2013. This Management Statement of Conformance covers the period of January 1, 2017 to December 31, 2017. This is Eldorado’s fifth Conflict-Free Gold Report, which discloses Eldorado’s conformance to the Standard and that Eldorado has obtained independent limited assurance in accordance with the Standard. Re-assessments will be undertaken annually or as required by the Standard.

This Management Statement of Conformance is provided by Eldorado as part of our adherence to the World Gold Council’s *Conflict-Free Gold Standard* and acts as a formal representation to the next participant in the chain of custody.

Eldorado’s 2017 Conflict-Free Gold Report and independent assurance statement can be viewed on our website at [www.eldoradogold.com/responsibility/our-approach/accountability](http://www.eldoradogold.com/responsibility/our-approach/accountability).



**Paul Skayman,**  
Chief Operating Officer, Eldorado Gold Corporation

August 20, 2018

▶ Paul Skayman, COO.



◀ The Efemçukuru ball mill and processing plant, Turkey.



## Appendix A

Eldorado's Conflict-Free Gold Report and the conclusions expressed therein represents the conformance of the following operations to the *Conflict-Free Gold Standard*:

Our Operating Mines:

- Kışladağ Mine in Üsâk Province, Turkey
- Efemçukuru Mine in İzmir Province, Turkey
- Olympias Mine in Halkidiki Region, Greece

Our Development Project:

- Lamaque Mine in Québec, Canada

The Report does not include Eldorado's base metal assets, exploration or other development stage projects as these sites did not produce gold or gold-bearing materials in 2017.



Ore haulage at the Kışladağ open pit, Turkey.

## Appendix B

### Independent Limited Assurance Report

To the Board of Directors and Management of Eldorado Gold Corporation,

#### What we did

We were engaged by Eldorado Gold Corporation ("Eldorado") to conduct a limited assurance engagement with respect to the information set out in their Conflict-Free Gold Report (the "Report") for the year ended December 31, 2017.

#### Reporting criteria

Eldorado's reporting criteria are based on the World Gold Council's *Conflict-Free Gold Standard* (October 2012) (the "Standard"), *Guidance for Implementing Companies* (October 2012) (the "Guidance") and *Guidance for Assurance Providers* (October 2012) (the "Assurance Guidance").

The assurance scope consists of Eldorado's Conflict-Free Gold Report (pages 1 to 6) and includes a summary of Eldorado's procedures for preparing the Report in accordance with the Standard.



#### Responsibilities

##### PRICEWATERHOUSECOOPERS LLP

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information ("ISAE 3000") issued by the International Auditing and Assurance Standards Board, and the guidance set out in the *Guidance for Assurance Providers* (October 2012) (the "Assurance Guidance") issued by the World Gold Council.

We apply International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

In conducting our engagement, we have complied with the applicable requirements of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in the Assurance Guidance.

##### ELDORADO GOLD CORPORATION

Eldorado management is responsible for the preparation and presentation of the Report in accordance with the Standard. This responsibility includes establishing appropriate risk management and internal controls associated with the information and disclosures presented by Eldorado.

Eldorado is responsible for providing us with information about any frauds (including alleged and/or suspected instances of fraud) or illegal (or possibly illegal) acts communicated by employees, former employees or contractors and all related facts known by management that may relate to the Report. Eldorado is responsible for the disclosures identified by management as relevant for demonstrating adherence to the Standard as outlined within the "Eldorado's Evaluation" section of the Report.



Workers planning a blast in the Kışladağ pit.

## What our work involved

We planned and performed our work to obtain all the evidence, information and explanations considered necessary in relation to the above scope. A limited assurance engagement consists of inquiries, primarily of persons responsible for the preparation of the Report, and conducting desktop-based research and other evidence gathering procedures as required. Our limited assurance procedures included but were not limited to:

- Enquiries of management to gain an understanding of Eldorado's processes and risk management protocols regarding the information and assertions presented in the Report;
- Enquiries of relevant staff at Eldorado's corporate office and select sites to understand the processes and controls for information collection and reporting in accordance with the Standard;
- Assessing the existence, availability and suitability of documentation to support the information and assertions in the Report;
- Tests of select underlying processes and controls which support the information in the Report; and
- Review of the presentation of the Report to ensure consistency with our findings.

Our Assurance Criteria comprised the World Gold Council's "Standard", and "Assurance Guidance" described above. While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls and, accordingly, we express no conclusions thereon.

## What we found

Based on the limited assurance procedures performed, nothing has come to our attention that would lead us to believe that Eldorado's Report, for the year ended December 31, 2017 was not in all material respects prepared and presented in accordance with the requirements of the Standard, as defined herein.



### PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia

August 20, 2018

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

### Limited assurance

This engagement is aimed at obtaining limited assurance for our conclusions. As a limited assurance engagement is restricted primarily to enquiries and analytical procedures and the work is substantially less detailed than that undertaken for a reasonable assurance engagement, the level of assurance is lower than would be obtained in a reasonable assurance engagement.

### Restriction on use

Our assurance report is addressed solely to the management and Board of Directors of Eldorado in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than Eldorado for our work or for the conclusions we have reached in this assurance report.

This report has been prepared for Eldorado for the purpose of assisting management in determining whether Eldorado has complied with the Standard and for no other purpose.

### Inherent limitations

Non-financial information, such as that included in the Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The nature and methods used to determine such information, as well as the measurement criteria, may change over time.

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