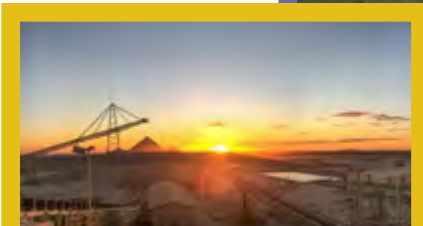
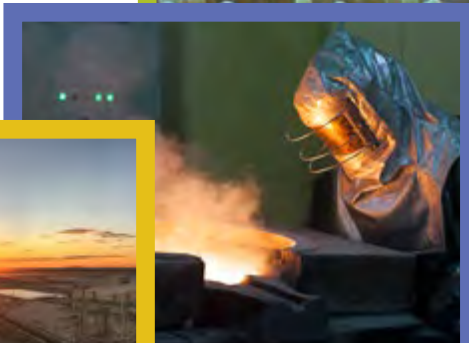
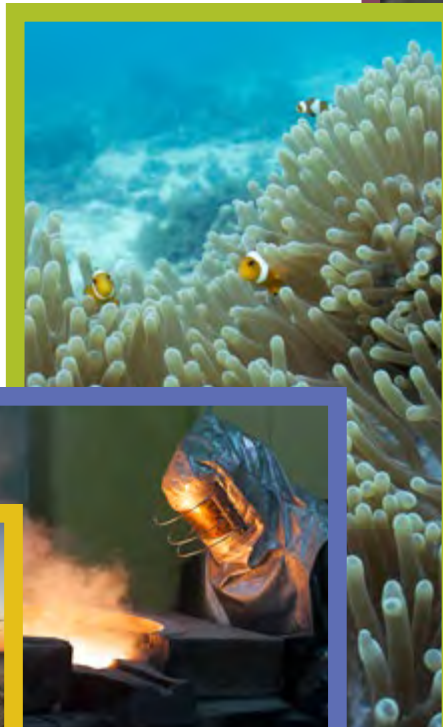
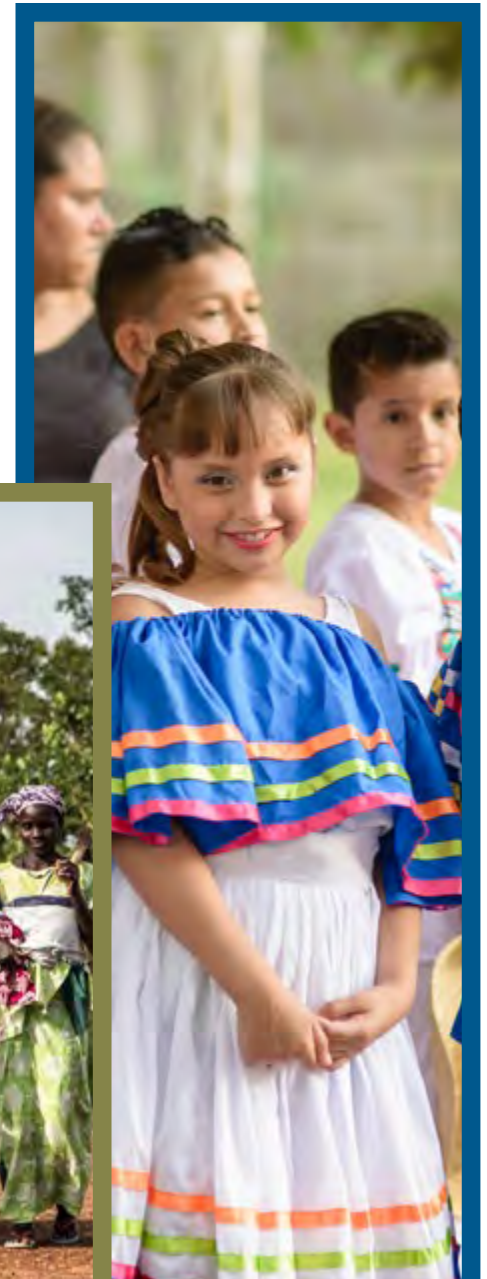




RESPONSIBLE MINING REPORT 2016

RAISING THE BAR



CORPORATE WORKING GROUP

GOVERNANCE

Bill Lytle

ECONOMIC & FINANCE

Ed Bartz

ENVIRONMENT

Ken Jones

OCCUPATIONAL HEALTH & SAFETY

Ken Jones

LABOR PRACTICE & HUMAN RESOURCES

Angela Morgan & Ninette Kröhnert

SOCIAL AND COMMUNITY

Steffen Kramer

FACILITATOR

Liane Kelly

COMMUNICATIONS & CONTENT DEVELOPMENT

Gretha du Plessis

MAIN CONTACT FOR ENQUIRIES WITH REGARDS OUR RESPONSIBLE MINING REPORT:

Liane Kelly

Corporate Social Responsibility Manager

B2Gold Corp.

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Tel: +1 604 681-8371

CAUTIONARY STATEMENT

This report has not been externally assured.

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 statements”) within the meaning of applicable securities legislation, including projections of future financial and operational performance; statements with respect to future events or future performance; production estimates and guidance, including the Company’s projected gold production of between 545,000 to 595,000 ounces in 2017 and projected gold production of between 900,000 and 950,000 ounces in 2018; projected operating, sustaining and production costs and guidance; estimates of capital expenditures and planned investments and budgets; and statements regarding anticipated exploration, development, construction, production, permitting and other activities of the Company, including: Fekola Project being approximately three months ahead of schedule and beginning production on 1 October 2017 and being on budget, and gold production of the Company being almost doubled as a result thereof, approaching a million ounces towards the end of 2018; Fekola being a low cost mine and the resulting increase in the Company’s production base and reduction in costs; focus on drilling additional greenfield opportunities for future exploration; audit by the DENR in relation to the Masbate Mine and the final result thereof; continued work of the Company with the DENR and operations continuing in full regulatory compliance; the Company’s future compliance with laws; the Company providing sufficient resources to ensure environmental risks are adequately addressed during all phases of each project; the goals and projections described in our “Vision for Responsible Mining” on page 4 and the “Going Forward” items in the “Quick View of Report” beginning on page 16; and various other statements regarding our plans and anticipated future achievements relating to the audits, environment, ecosystem, other species, reclamation, water, waste, human health and safety, hiring, training,

social development and internal systems and practices; and expectations of future growth, profitability and accretive acquisitions. All statements in this presentation that address events or developments that we expect to occur in the future are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as “expect”, “plan”, “anticipate”, “project”, “target”, “potential”, “schedule”, “forecast”, “budget”, “estimate”, “intend” or “believe” and similar expressions or their negative connotations, or that events or conditions “will”, “would”, “may”, “could”, “should” or “might” occur.

Forward-looking statements necessarily involve assumptions, risks and uncertainties, certain of which are beyond B2Gold’s control, including risks associated with the volatility of metal prices and the Company’s common shares; risks and dangers inherent in exploration, development and mining activities; risk of not achieving production, cost or other estimates; risk that actual production, development plans and costs differ materially from the estimates in the Company’s feasibility studies; the ability to obtain and maintain any necessary permits, consents or authorizations required for mining activities; risks related to environmental regulations or hazards and compliance with complex regulations associated with mining activities; risks related to operations in foreign and developing countries and compliance with foreign laws; risks related to remote operations and the availability adequate infrastructure, fluctuations in price and availability of energy and other inputs necessary for mining operations; regulatory, political and country risks; the final outcome of the DENR audit; as well as other factors identified herein or under the heading “Risk Factors” in B2Gold’s most recent Annual Information Form and B2Gold’s other filings with Canadian securities regulators and the U.S. Securities and Exchange Commission (the “SEC”), which may be viewed at www.sedar.com and www.sec.gov, respectively. The

list 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, and actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. Accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur. 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 opinions should change other than as required by applicable law. For the reasons set forth above, undue reliance should not be placed on forward-looking statements.

NON-IFRS MEASURES

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”). Non-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 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.sedar.com and at www.sec.gov or 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.

VISION FOR RESPONSIBLE MINING

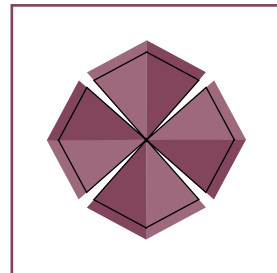
To be the best example mining operation

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.

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.



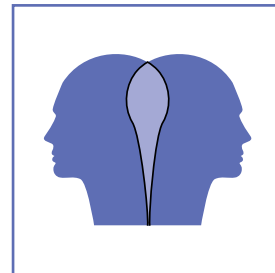
INTEGRITY

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



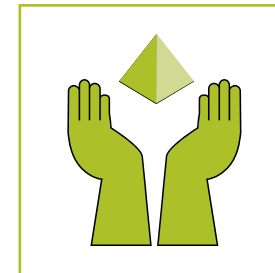
HIGH PERFORMANCE

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



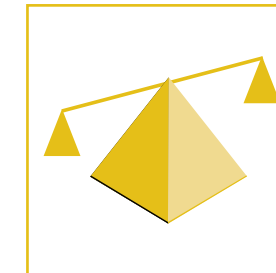
BUILDING MUTUALLY BENEFICIAL PARTNERSHIPS

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



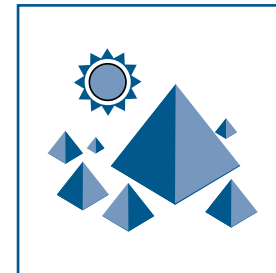
RESPECT

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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GLOSSARY

AFECK	Adéquation Formation-Emploi dans le Cercle de Keniéba	ICMM	International Council on Mining and Metals
AISC	All-In Sustaining Costs	IFC	International Finance Corporation
ANF	American Nicaraguan Foundation	ISO	International Organization for Standardization
APEN	Association of Nicaraguan Producers and Exporters	IUCN	International Union for Conservation of Nature
ASM	Artisanal and Small-scale Mining	LTI	Lost-Time Injury
CRC	Community Resettlement Committee	MGB	Mines and Geosciences Bureau
CSR	Corporate Social Responsibility	NCE	Namibian Chamber of Environment
DENR	Department of Environment and Natural Resources	NGO	Non-Governmental Organization
DFS	Definitive Feasibility Study	OHS	Occupational Health and Safety
ECC	Environmental Compliance Certificate	OHSAS	Occupational Health and Safety Assessment Series
ESIA	Environmental and Social Impact Assessment	RAP	Resettlement Action Plan
GRI	Global Reporting Initiative	RSU	Restricted Stock Unit
HDPE	High-Density Polyethylene	SDMP	Social Development and Management Program
HFO	Heavy Fuel Oil	SEP	Stakeholder Engagement Plan
HSE	Health, Safety and Environmental	TSF	Tailings Storage Facility
HSESS	Health, Safety, Environment, Social and Security	UNESCO	United Nations Educational, Scientific and Cultural Organization
IADP	Integrated Area Development Plan		

COVERED IN THIS SECTION

General Standard Disclosures

□ G4-1



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.

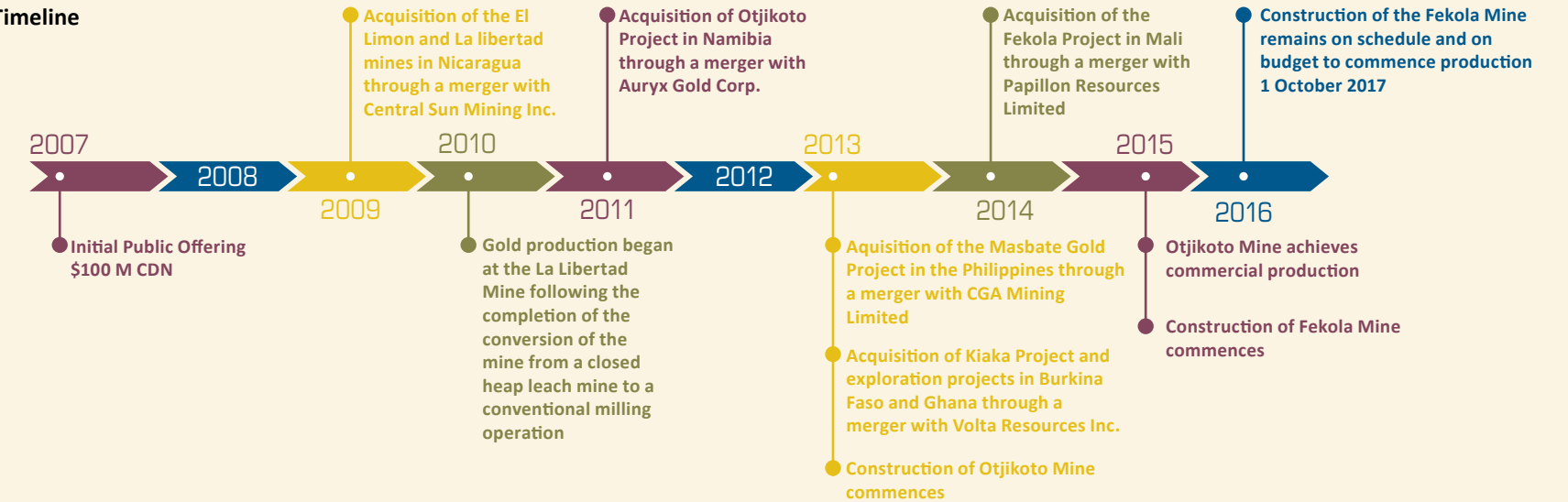
Since we went public in 2007, B2Gold's strategic focus has been to acquire interests in mineral properties with demonstrated potential for hosting gold deposits, to undertake exploration and drilling campaigns to define and develop resources on these properties, and to finance, develop, construct and 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 with no gold production in 2009, we acquired a company (Central Sun Mining) in Nicaragua with one producing mine (El Limon) and another (La Libertad) ready for development. We acquired a mine in the Philippines (Masbate) and constructed a mine in Namibia (Otjikoto). In just six years we've grown to more than 550,000 ounces. The Fekola Project is the latest addition to the B2Gold family. In 2014 B2Gold finalized a merger with Papillon Resources to acquire the Fekola Project and immediately commenced construction. The initial earthworks started in February 2015 and the team is set to commence gold production in October 2017. This is only 27 months after completing the Definitive Feasibility Study (DFS) and a remarkable achievement! This project will almost double gold production at

GRAPH 1

Our Timeline



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.

Our commitment to social responsibility and environmental stewardship combined with our rapid growth, has made it crucial for us to review our status as a responsible miner and to take a step back and critique our performance in this regard. We took on the challenge to produce our first Responsible Mining Report for 2016 – a report based on internationally-respected Global Reporting Initiative (GRI) guidelines. Our report content 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 the realization that, year-on-year, it will allow us to raise the bar for ourselves and 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. The 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 toward standardizing human resource approaches across our operations. We need to accelerate strategies to empower women in our communities to develop opportunities 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



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.

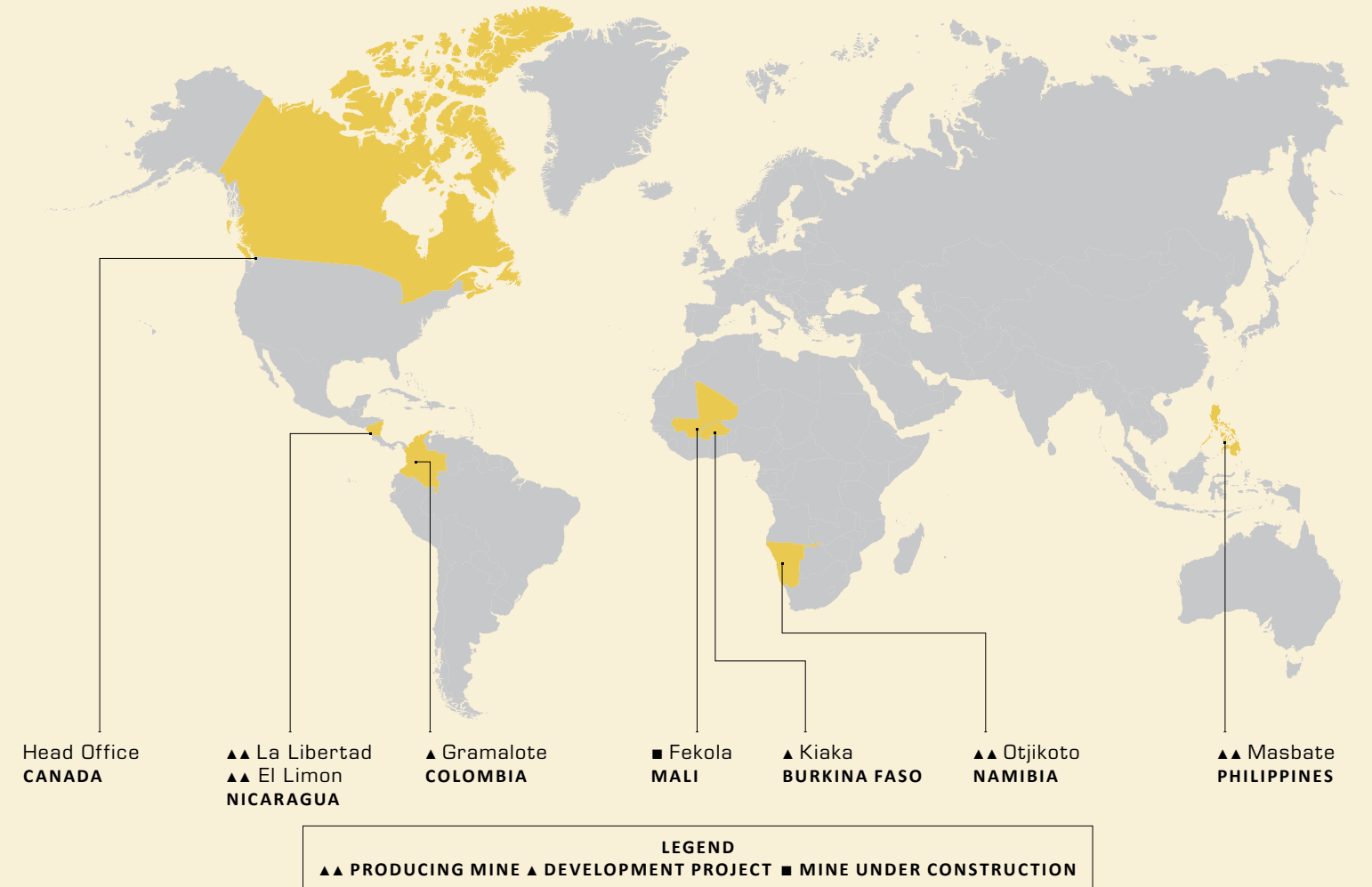
As we celebrate these achievements, we must also pause and be brought back to a deep realization of our incredible responsibility when it comes to the safety of our people. The passing of a colleague at Otjikoto was deeply distressing to us all. He was seriously injured on the 28th of December 2015 during a re-fueling operation. Unfortunately,

he succumbed to his multiple injuries in January 2016. Every effort has been made to redouble our safety practices and procedures to ensure such an accident cannot happen again.

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 work place 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



ABOUT THIS REPORT

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LA LIBERTAD | NICARAGUA

THIS FIRST ANNUAL B2GOLD CORP. RESPONSIBLE MINING REPORT COVERS THE REPORTING PERIOD OF JANUARY TO DECEMBER 2016. OUR REPORT ADHERES TO GUIDELINES¹ 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:²

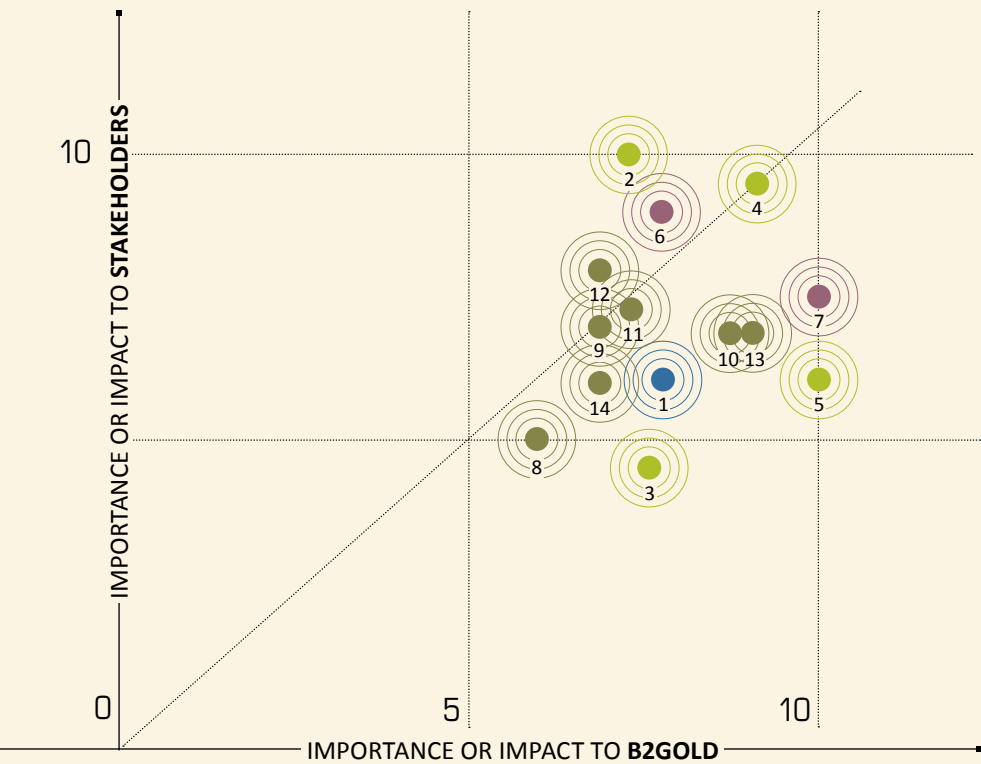
<p>Philippines Gold Processing & Refining Corporation MASBATE</p> <p>100% INTEREST</p>	<p>Filminera Resources Corporation MASBATE</p> <p>100% INTEREST</p>	<p>Desarrollo Minero de Nicaragua SA LA LIBERTAD</p> <p>100% INTEREST</p>	<p>Triton Minera SA EL LIMON</p> <p>95% INTEREST</p>
<p>B2Gold Namibia (Pty) Ltd. OTJIKOTO</p> <p>90% INTEREST</p>	<p>Fekola SA FEKOLA</p> <p>90% INTEREST</p>	<p>Kiaka Gold SARL KIAKA</p> <p>81% INTEREST</p>	<p>Mocoa Ventures Ltd. MOCOA</p> <p>100% INTEREST</p>

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.
² Additional information can be obtained from www.sedar.com and www.b2gold.com.

GRAPH 2
2016 Materiality Assessment



ECONOMIC
1 Economic Performance

ENVIRONMENTAL
2 Water
3 Biodiversity
4 Effluents and Waste
5 Compliance

SOCIAL: LABOR AND DECENT WORK
6 Employment
7 Occupational Health and Safety

SOCIAL: HUMAN RIGHTS
8 Investment
9 Freedom of Association & Collective Bargaining
10 Security Practices

SOCIAL: SOCIETY
11 Local Communities
12 Grievance Mechanisms for Impacts on Society
13 Artisanal and Small-scale Mining
14 Resettlement

The indicator selection triggered the data collection at corporate and country levels, compilation of supporting information on management approaches, the analysis of results by corporate-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.

OUR ECONOMIC PERFORMANCE

OVERVIEW



Record year of production =

\$683.3

MILLION REVENUE

12%

Production increase over 2015

Forecast 2017 production: 545,000 oz to 595,000 oz

HIGHLIGHTS



FEKOLA MINE TO START PRODUCTION Q4 2017

2%

Of costs for Community Investment

19%

Of costs for Employee Wages & Benefits

GOING FORWARD



ANALYZE ECONOMIC VALUE DISTRIBUTED

Need to understand how it's making an impact

OUR COMMUNITIES

OVERVIEW

Social Performance Management System and Standards in place

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

HIGHLIGHTS



JABALI ANTENA RESETTLEMENT – A MODEL FOR RESETTLEMENT IN NICARAGUA



HUMAN RIGHTS RISK SCOPING CONDUCTED

GOING FORWARD

SOCIAL CLOSURE PERFORMANCE STANDARD TO BE COMPLETED IN 2017



HUMAN
Rights Management Strategy to be implemented in 2017

OUR ENVIRONMENT

OVERVIEW

Environmental Management System and Performance Standards in place



RECLAMATION PLANS IN PLACE AT ALL SITES

HIGHLIGHTS



Biodiversity studies completed and endangered species identified adjacent our sites



Otjikoto Nature Reserve established; surrounds the mine

GOING FORWARD

Improvement of some measurement and monitoring methods (e.g. water abstraction) so that improved trend analysis can be performed



Not all sites performed comprehensive environmental legal compliance audits – an improvement required for 2017

OUR PEOPLE

OVERVIEW

3,934

EMPLOYEES



13%

female employees

21%

females in senior positions

75%

Of employees permanently employed at our operating mines

HSE Management System and OHS Standards in place

LTI Frequency Rate at La Libertad increased by 31%



Frequency Rate at El Limon increased by 18%

HIGHLIGHTS

7%

EXPATRIATE EMPLOYEES; HIGH LEVEL OF LOCAL EMPLOYMENT

NO FATALITIES

6 MILLION

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

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

2 MILLION

LTI-free man-hours at Otjikoto

GOING FORWARD



Focus on attracting female employees and aim to understand whether barriers to opportunities exist



NEED TO HARMONIZE HR POLICIES AND PRACTICES ACROSS SITES



Development of indicators for occupational health and hygiene reporting planned

ABOUT US

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VANCOUVER | CANADA

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.

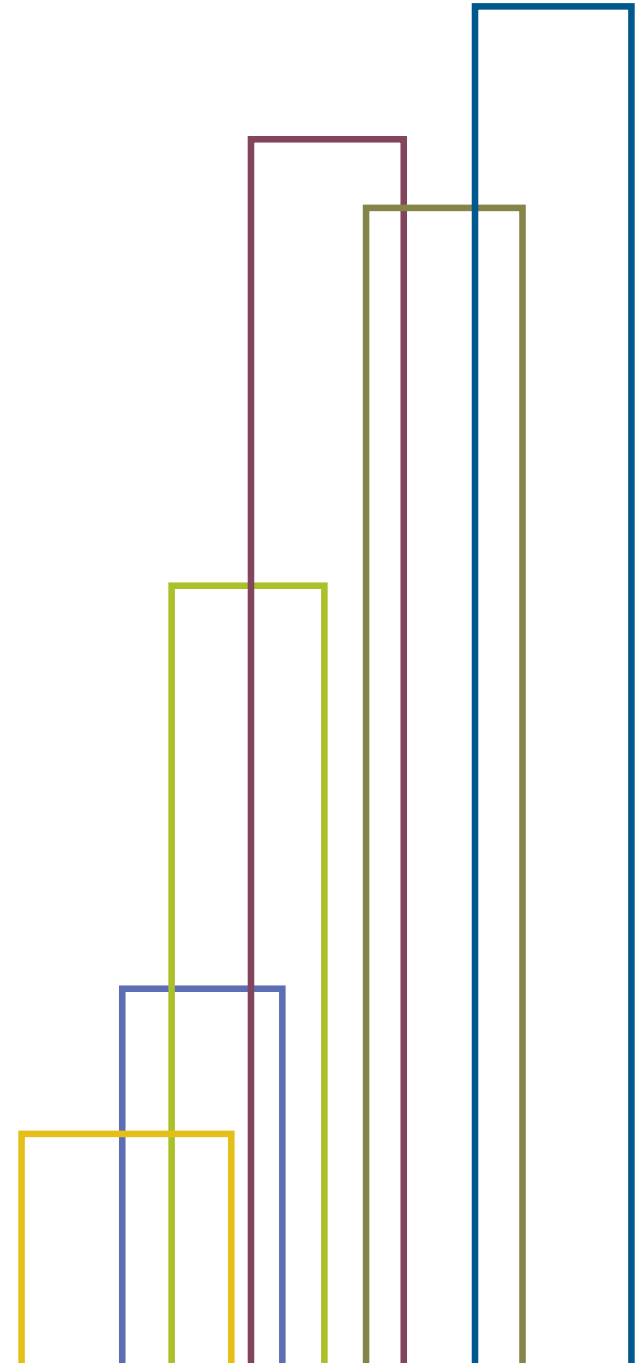
OUTLOOK

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.

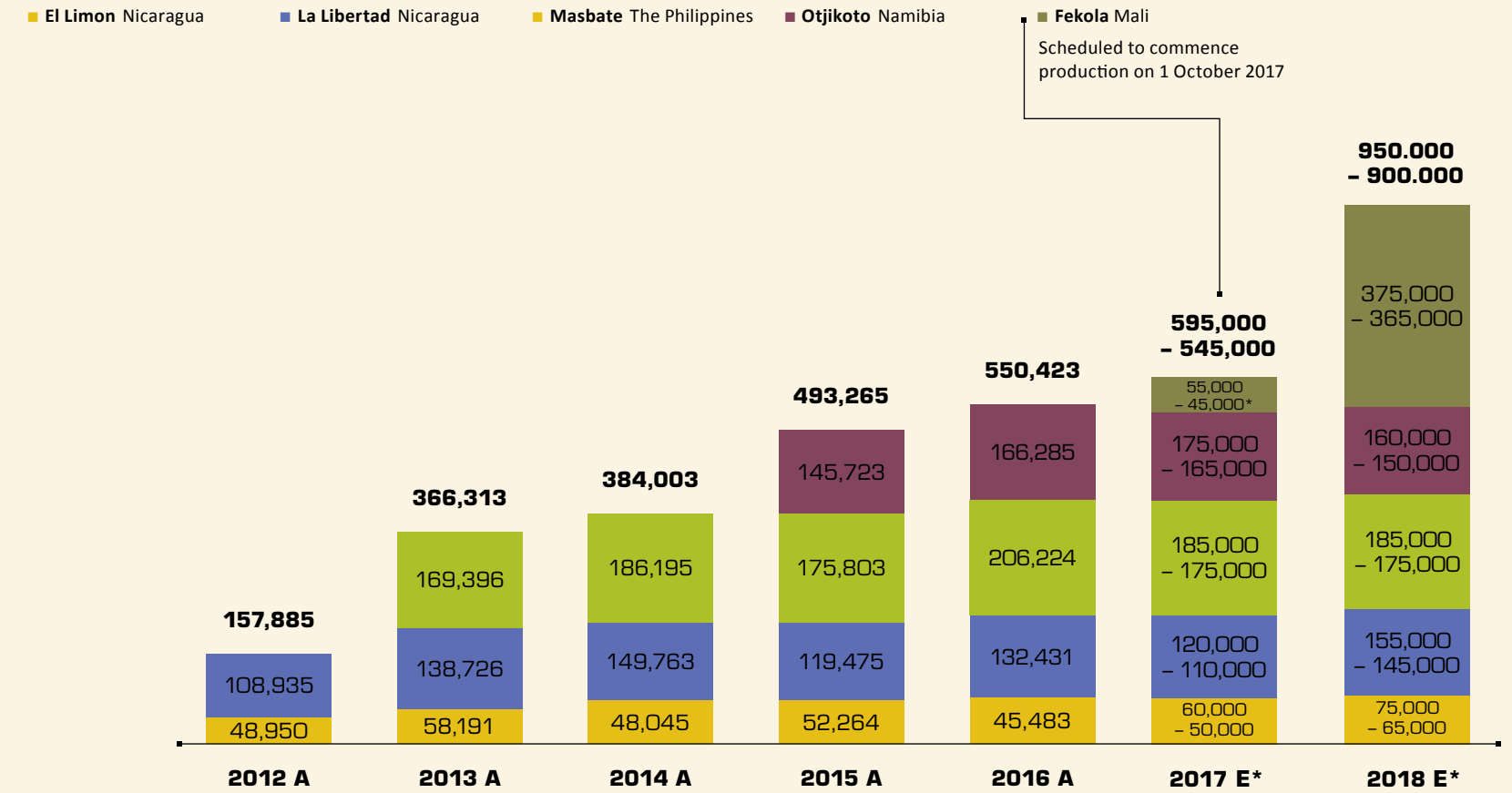
The 2017 outlook provides for forecast annual consolidated gold production of between 545,000 and 595,000 ounces (versus 2016 record annual consolidated gold production of 550,423), forecast cash operating costs of between \$610 and \$650 per ounce and forecast AISC of between \$940 and \$970 per ounce (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 feasibility programs at our existing projects. Exploration will focus on drilling additional greenfield



GRAPH 3
Production In Ounces



NOTES

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

	2016 ACTUAL RECORD ANNUAL	2017 FORECAST BETWEEN	2018 FORECAST BETWEEN
ANNUAL CONSOLIDATED GOLD PRODUCTION	550,423 OUNCES	545,000 & 595,000 OUNCES	900,000 & 950,000 OUNCES
CONSOLIDATED CASH OPERATING COSTS	\$508 PER OUNCE	BETWEEN \$610 & \$650 PER OUNCE	BETWEEN \$500 & \$535 PER OUNCE
ALL-IN SUSTAINING COST (AISC)	\$794 PER OUNCE	BETWEEN \$940 & \$970 PER OUNCE	BETWEEN \$780 & \$810 PER OUNCE

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.



On an annual basis, key management are also required to respond to a compliance questionnaire. The Governance Committee updates the Code as it deems appropriate – to reflect changes in the legal and regulatory framework applicable to us, the business practices within our industry, our own business practices, and the prevailing ethical standards of the communities in which we operate.

SUPPLY CHAIN

B2Gold is committed to maximizing the economic benefits and opportunities within the countries where we work. Our Local Content Social Performance Standard defines the minimum requirements to implement local content strategies to generate employment and procurement opportunities in a local region. The requirements of this standard apply to all stages of our activities (from exploration through to closure) and our contractors are encouraged to adopt these same strategies where possible.

At all stages, from exploration to construction to mining operations, we procure a wide range of goods and services that are commonly used in any large-scale infrastructure and mining project, including heavy mining and construction equipment, process chemicals, fuel and lubricating oils, explosives, general supplies, equipment parts, and a range of services. This leads to interactions with numerous suppliers from various industries, as well as with both local and international organizations.

Our supply chain consists of corporate and regional supply chain groups working together to achieve maximum value for our shareholders, employees, business partners and host communities while minimizing any associated risks in a manner that maintains an ethical, safe, highly efficient, and productive workplace at each of our operations. Our approach to working with suppliers and contractors is based on the principles of long-term partnership, fair competition, and ethical conduct. As part of this approach we have developed a pre-qualification process, tendering procedures, and commercial terms and conditions allowing us to govern the conduct and performance of suppliers and contractors.

In sourcing the goods and services necessary to run our operations, we give preference to local businesses where possible – provided they meet minimum safety, quality, ethical, and cost requirements. We continuously invest resources in developing local suppliers and providing them with additional opportunities through exposure of their goods and services to other B2Gold operations.

The AFECK Project (see case study at the end of *Our People* section) is an example of an initiative where community entrepreneurship is fostered to encourage such small businesses to become suppliers for the Fekola Project. Although we see opportunity, we are yet to implement a global supply chain management approach which would realize the significant advantages for local procurement.

CASE STUDY: PHILIPPINES DENR Audit — Principled Corporate Governance



CHANGING POLITICAL LANDSCAPE

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 nation-wide 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 promotes community-led development and environmental stewardship while providing a safe work environment.





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.

Our governance approach at Masbate is driven by industry best practice and compliance with environmental and other regulations.

However, an element of political risk continues to exist 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. Twin all regulatory compliance sampling and ensure the closeout meeting is thorough.
- 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. In several cases of community concern at Masbate, the issues had been addressed but either not communicated sufficiently to the local population by the appropriate government institution, or not to the satisfaction of specific local individuals. For example, the results of several investigations by government agencies regarding coastal health were either not published or not well communicated, causing ongoing conflict.
- 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.
- A direct approach in building relationships with government officials can ease misunderstandings and distrust, and facilitate resolution.



Community relationships and community development continue to be priorities.

OUR ECONOMIC PERFORMANCE

COVERED IN THIS SECTION

General Standard Disclosures

- DMA

Specific Standard Disclosures

- EC1



OTJIKOTO | NAMIBIA

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
2016 Economic Value Generated

Mine	2016 Gold Revenue (\$ '000)	2016 Gold Sold (oz)
La Libertad	163,660	131,457
El Limon	56,379	45,038
Masbate	255,580	204,000
Otjikoto	207,674	167,786
Fekola ⁽¹⁾	n/a	n/a
Consolidated	683,293	548,281

NOTES

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



TABLE 2
Economic Value Retained

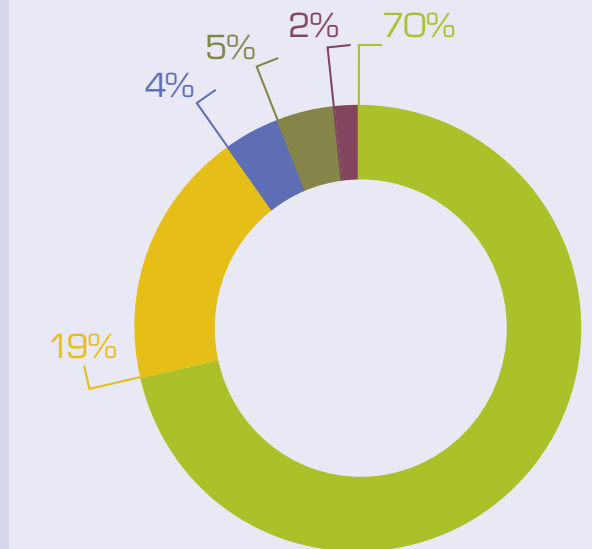
Mine	Gold Revenue (\$ '000) (A)	Adjusted AISC ⁽¹⁾ (\$ '000) (B)	Employee Wages and Benefits (\$ '000) (C)	Payments to Capital Providers (\$ '000) (D)	Payments to Government ⁽²⁾ (\$ '000) (E)	Community Investments (\$ '000) (F)	Economic Value Retained (\$ '000) (G) = (A)-(B)-(C)-(D)-(E)-(F)
La Libertad	163,660	98,185	18,134	144	8,751	3,395	35,051
El Limon	56,379	38,722	14,348	26	4,771	1,014	(2,502)
Masbate	255,580	116,194 ⁽³⁾	15,311	–	6,150	3,206 ⁽³⁾	114,719
Otjikoto	207,674	72,761 ⁽⁴⁾	26,268	1,568	2,865	1,443 ⁽⁴⁾	102,769
Other (Head Office)	–	12,230	15,675	17,044	24	125	(45,098)
B2Gold Consolidated (excl. Fekola)	683,293	338,092	89,736	18,782	22,561	9,183	204,939
Fekola ⁽⁶⁾	n/a	n/a	46,575	n/a	2,503	1,851 ⁽⁵⁾	(50,929)
B2Gold Consolidated (incl. Fekola)	683,293	338,092	136,311	18,782	25,064	11,034	154,010

NOTES

- (1) Adjusted AISC (see "Non-IFRS Measures") is AISC less employee wages and benefits (column C) and less community investments (column F).
- (2) Payments to Government consist of income and withholding taxes (excludes production taxes, property taxes and business licenses 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) Otjikoto's Nature Reserve spending estimated at \$801,000 is presented as Community Investment in this table.
- (5) Includes \$1,477,000 for Fadougou Village relocation costs.
- (6) n/a = not applicable; Fekola mine under construction in 2016.

GRAPH 4
Economic Value Distributed (Without Fekola)

- Adjusted AISC
- Employee Wages and Benefits
- Payment to Capital Providers
- Payments to Government
- Community Investment



OUR ENVIRONMENT

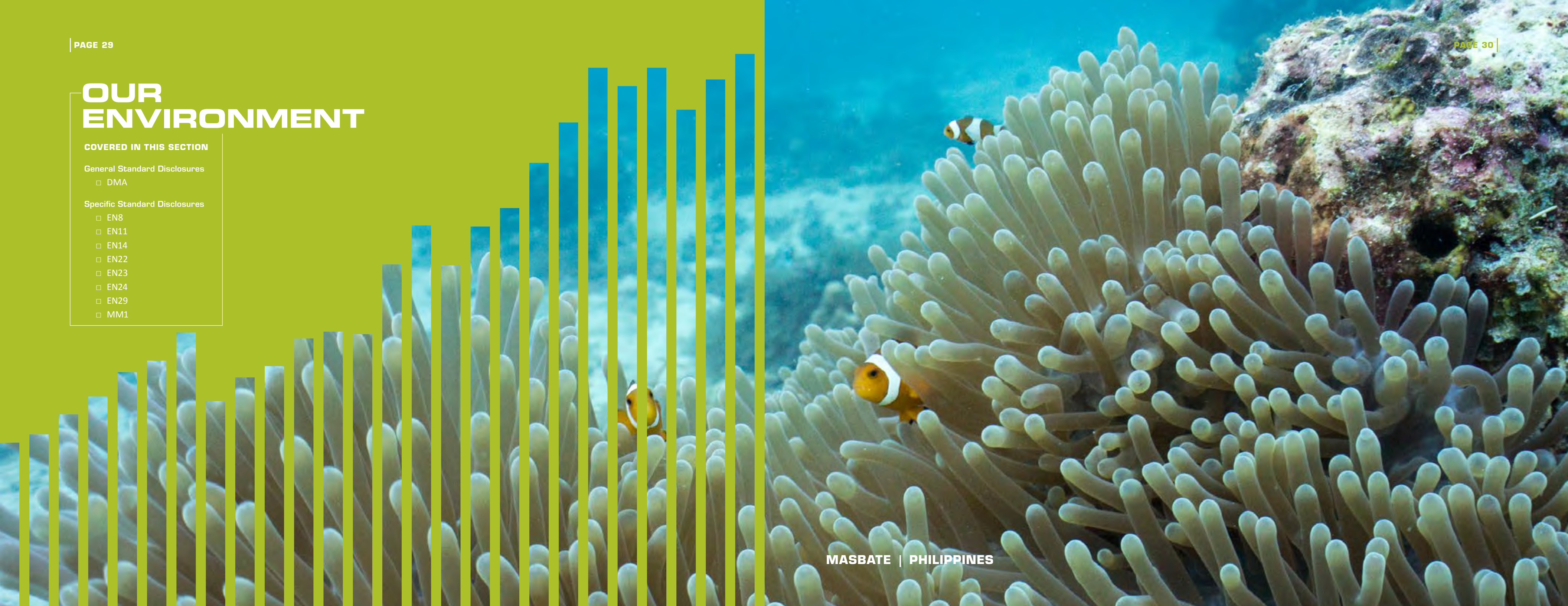
COVERED IN THIS SECTION

General Standard Disclosures

- DMA

Specific Standard Disclosures

- EN8
- EN11
- EN14
- EN22
- EN23
- EN24
- EN29
- MM1



MASBATE | PHILIPPINES

BY ITS VERY NATURE, MINING HAS THE POTENTIAL TO ADVERSELY IMPACT THE ENVIRONMENT – DUE TO PHYSICAL DISTURBANCE OF THE LAND, GENERATION OF AIR- AND WATER-BASED EMISSIONS, USE OF RESOURCES, AND ASSOCIATED PRODUCTION PROCESSES. Additionally, our operations and growth 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 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 each project.

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. Where unacceptable impacts remain, we focus on implementing compensatory actions to address residual impacts to the environment. Beyond our direct environmental management actions, we pursue opportunities, such as conservation, to deliver lasting environmental benefits. See our Namibian case study at the end of this section.

To ensure that we are able to reduce potential environmental impacts from our operations, we apply robust Health, Safety and Environmental (HSE) Management System Standards and Environmental and Biodiversity Performance Standards based on international best practice – this includes compliance with in-country regulations, relevant International Organization for

Standardization (ISO) and Occupational Health and Safety Assessment Series (OHSAS) Standards, and reliance on the IFC Performance Standards and international best practices in cases where national regulatory systems are not sufficiently stringent. These management systems, including external audits, enable us to mitigate and manage the potential risks and impacts of our operations.

WATER

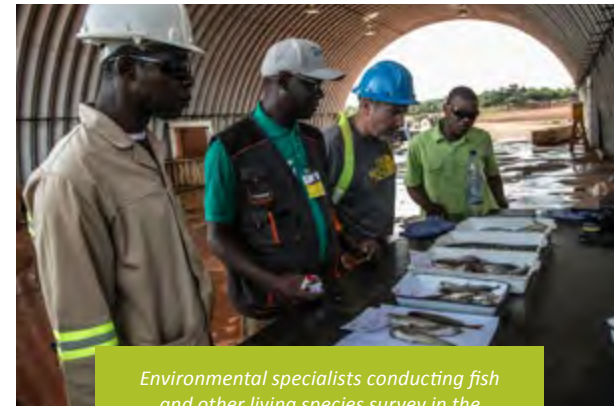
In the mining industry, water management has emerged as a critical issue because mining typically uses large volumes of water and can potentially affect water quality, which in turn can impact other water users. As a result, the industry can affect, and is affected by, issues of water availability and quality.

The sustainability of our operations relies on our ability to obtain the appropriate quality and quantity of water and to use this resource responsibly. Water risks and impacts experienced by our operations vary from region to region. Some sites are located in water scarce environments, while others must manage water excess, water quality or water discharge issues. In addition, communities near our operations, or with whom we share watersheds, care about access to sufficient quantities of clean water for physical health and well-being and the maintenance of the local environment. Without adequate access to water, our operations could not function. Likewise, responsible water management is fundamental to maintaining the trust and well-being of our communities in areas where we operate.

Guiding our approach to responsibly manage water resources is our Water Management Performance Standard, which sets the minimum requirements to



Water sampling is done regularly in bodies of water near our Masbate Mine and is reported to the regulators for transparency.



Environmental specialists conducting fish and other living species survey in the Falémé river at Fekola.

proactively plan, manage and monitor our risks and performance throughout the mine life cycle to protect human health, the environment, and water resources. Our efforts are focused on keeping clean water clean through a strategy that avoids affecting water quality whenever possible. We divert water around our facilities and construct high-density polyethylene (HDPE) liners within our tailings storage facilities (TSFs) and water storage ponds (where necessary) to minimize the potential for seepage to groundwater resources. B2Gold does have historic TSFs that do not have HDPE liners (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 a HDPE-lined facility to ensure that they do not adversely impact the surrounding receiving environment. All operations recycle process water 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 assess water management alternatives, to evaluate an operation’s water management performance, and to provide 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 water and ground water sources as well as run-off collections. As our operations are located across the world, each operating site has different challenges in measuring water abstraction depending 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

Site	Surface Water (m³)	Ground Water (m³)	Municipal Supply (m³)	Bottled Supply (m³)
La Libertad	31,700	275,000	2,900	324
El Limon ⁽¹⁾	–	–	–	–
Masbate	1,427,000	203,000	n/a	188
Otjikoto	⁽²⁾	1,774,000	n/a	n/r
Fekola ⁽³⁾	65,000	310,000	n/a	n/r

NOTES

- (1) Sufficient data not collected in 2016; improvements to be implemented in 2017.
- (2) Surface water run-off collection is negligible; direct precipitation not estimated.
- (3) Data from January to August 2016.
n/r = not reported
n/a = not applicable

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.

From 2013 to 2016 a total of more than 500,000 mangrove propagules were planted in 100 hectares of coastal areas around the Masbate Mine. The environment team seeks to build a mangrove forest to enhance coastal resources for the communities.

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.

Responsible mining companies can create significant opportunities to achieve positive impacts on biodiversity. This can include the protection and restoration of ecosystems and sharing expertise to improve biodiversity management.

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)³ category Ia, Ib, 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 have 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 Aroroy 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, continued biodiversity monitoring, and ongoing capacity building of local fishermen. External experts provide ongoing review and guidance regarding biodiversity management measures as needed. Masbate

³ The IUCN categories are the global standard for classifying protected areas, with category Ia being the most strictly protected area (e.g. a nature reserve).

IUCN ENDANGERED OR CRITICALLY ENDANGERED SPECIES ADJACENT TO OUR OPERATIONS:

<p>FEKOLA</p> <p>CR </p> <p>WEST AFRICAN CHIMPANZEE</p> <p>CR </p> <p>HOODED VULTURE</p> <p>EN </p> <p>AFRICAN LION</p> <p>EN ENDANGERED</p> <p>CR CRITICALLY ENDANGERED</p>	<p>MASBATE</p> <p>EN </p> <p>GOLDEN-CAPPED FRUIT BAT</p> <p>EN </p> <p>HORNED HELMET SNAIL</p> <p>EN </p> <p>GIANT CLAM</p> <p>EN </p> <p>FIRE CORAL</p> <p>EN </p> <p>SPINE CORAL</p>
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At the Otjikoto Nature Reserve there are ongoing initiatives focusing on de-bushing of invasive species and re-stocking of game.

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.

Otjikoto provides a unique opportunity for significant conservation efforts. Namibia has some of the largest populations of cheetah, rhinos and other iconic species of global conservation status. We have established the Otjikoto Nature Reserve adjacent to our mine operation – a sizable area of 15,000 hectares. The reserve’s management

has already succeeded in rehabilitating much of the previously neglected farmland to its natural state and re-stocking the area with game.

The reserve and its team also support conservation and other biodiversity research and provide conservation and biodiversity education opportunities to surrounding communities and schools from across Namibia, hosting 1,417 learners, teachers, students and representatives from tertiary educational facilities during 2016.

Reclamation

Responsibly 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 minimize 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 Performance Standard, which sets the minimum requirements to proactively 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 its 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 aspects of the project to this stage and presents reclamation activities as the project progresses into operations in 2017. Also in 2017, Otjikoto will establish its site-wide Mine Reclamation and Closure Plan to further facilitate its ongoing reclamation and monitoring programs and incorporate closure considerations into the long-term mine plan.

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



Endemic plant species are maintained at the Masbate nursery for continuous progressive rehabilitation in disturbed areas. Over a million seedlings have been donated to the national greening program of the Philippines.

TABLE 4
Amount of Land Affected or Rehabilitated

Site	Surface Area (ha)			Net Disturbed 2016 ⁽¹⁾ (A+B-C)
	Disturbed Pre-2016 (A)	Disturbed in 2016 (B)	Rehabilitated in 2016 ⁽¹⁾ (C)	
La Libertad	318	0	98	220
El Limon	306.4	0.5	7	299.9
Masbate	547	28.5	32.1	543
Otjikoto	434	240	11	663
Fekola	552.7	275.5	0	828.2

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



In 2016, we recycled or disposed of 65 tonnes of paper and plastics.

TABLE 5
Waste Generated

Site	Waste Oil (tonnes)	Hydrocarbon Impregnated Material (tonnes)	Hazardous Materials ⁽¹⁾ (tonnes)	Paper/ Carton (tonnes)	Plastics (tonnes)	Metals (tonnes)	Biological Waste (tonnes)	Compost (tonnes)	Landfill (tonnes)
La Libertad	140.9	183.2	4.1	9.5	16.8	153	n/r	8.0	249.6
El Limon	131.6 ⁽²⁾	⁽²⁾	7.1	6.3 ⁽³⁾	⁽³⁾	100.9	0.24	12.3	47.6
Masbate	297.7	231.5	9.9	6.2 ⁽⁴⁾	⁽⁴⁾	⁽⁴⁾	7.5	0.66	5,113 m ³
Otjikoto	322.1 ⁽⁵⁾	35.9	⁽⁶⁾	18.8	8.0	414.5	57 bags	n/r	52.2
Fekola ⁽⁷⁾	41.1	n/r	113 batteries ⁽⁸⁾	0	0.37 ⁽⁹⁾	95.4	0.27 ⁽¹⁰⁾	n/r	101 ⁽¹¹⁾

NOTES

- (1) Non-hydrocarbon materials, typically consisting of automotive/equipment batteries, fluorescent bulbs, electronics, printer toner cartridges, etc.
- (2) Includes waste oil and hydrocarbon impregnated waste.
- (3) Includes paper, carton, plastic, batteries, and toner.
- (4) Includes all recycled materials (i.e. paper, plastic and metals).
- (5) Comprised of 257,000 liters of waste oil and 127,000 liters of heavy fuel oil (HFO) sludge.
- (6) Reported recycling of 42 mobile equipment batteries and 479 tires.
- (7) Data is for May to December 2016 (measurement of waste streams initiated in May).
- (8) In addition, 53 fluorescent bulbs, five air conditioners, and 57 toner cartridges are being temporarily stored on site for future removal.
- (9) Materials temporarily stored on site for future recycling.
- (10) Materials temporarily stored on site for future disposal.
- (11) In addition, approximately 19.5 tonnes of materials were burned at landfill site.
n/r = not reported

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 can 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 Performance Standard guides 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. Wastes are segregated, collected, transported, stored and disposed of or recycled according to established Waste Management Plans.

We seek to minimize the quantities of waste that we produce and materials are reused or recycled wherever possible. All materials are recycled or disposed of in accordance with all relevant in-country statutory obligations, licenses, and other requirements.

Non-hazardous waste at our sites typically consists of scrap metal, wood waste, glass, tires, cardboard and paper. The primary hazardous waste produced at our operations include waste oil, solvents, anti-freeze, paint, batteries, and fluorescent tubes.

In 2016, we recycled or disposed of 65 tonnes of paper and plastics, 760 tonnes of metal, 21 tonnes of non-



A diversion channel diverts the flow of a stream around operational areas in Santo Domingo (Nicaragua), safely discharging the water downstream to follow its natural course.



B2Gold established the Peña Blanca Wildlife Reserve in Santo Domingo, where some 83,000 plants and 290 animal species are protected.



A potable water point, sponsored by B2Gold, in the village of Fadougou.

hydrocarbon hazardous materials, 933 tonnes of waste oil and 450 tonnes of hydrocarbon impregnated materials. In 2017, we will continue to improve our waste management practices, including improvements in reporting, classification of materials, and monitoring the amounts of each waste stream generated.

COMPLIANCE AND ENVIRONMENTAL INCIDENTS

We are committed to meeting regulatory and permit requirements and our approach to managing legal compliance is guided by our Legal Obligations and Evaluation Compliance Management System Standard. This standard sets minimum requirements at our operations to ensure that we have formal processes and systems in place to identify and manage our statutory obligations with respect to the various national, provincial/state and local/municipal laws, regulations, rules and other HSE obligations that apply to our operations.

We track our compliance through legal and permit registers, inspections and audits, and environmental monitoring. In addition, we investigate and track environmental incidents to understand root causes of events, to aid in the development of mitigation strategies, and to avoid repeat events.

Not all our sites have performed comprehensive environmental legal compliance audits. This is an improvement to take place in 2017 for us to better manage, report, and track our environmental legal performance. Although we do have need for improvement to formalize some compliance monitoring processes, none of our operations reported any material environmental regulatory or permit non-compliance in 2016.

Department of Energy and Natural Resources (DENR) Audit

In August of 2016, Masbate underwent an extensive environmental audit by the DENR. The audit report was received on 11 October 2016 and the operation was given seven days to respond to the audit findings. Several minor, non-material fines were paid (mostly due to administrative issues) and legal clarification was provided to the DENR. On 2 February 2017, the DENR announced that, as per the outcome of the audit process, Masbate was placed on a “deferred” list of operations in the Philippines. In 2017, the operation has continued to work with the DENR in response to various inquiries and will continue doing so to ensure that the Masbate operation is in full regulatory compliance. See our detailed Philippine case study in the *About Us* section.

Environmental Incidents

An incident is an unintended event that, in the vast majority of cases, is immediately managed and has no environmental implications. All our operations 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, meters, alarms, Standard Operating Procedures, training, regular inspections, 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.

CASE STUDY: NAMIBIA
Leaving an Environmental Legacy



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 having been there. 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 protection and sustainability. 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 urbanization and population growth; accessibility of affordable housing is often linked to sanitation concerns which has 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 15,000 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 a year attend a wide variety of classes based on the government school curriculum, with an added focus on environment, conservation, sustainable utilization

of biological resources, recycling, responsible living, and alternative energies. We hope to inspire a life-long appreciation for the environment. A special focus has also been given to physics, as this is a subject with which many Namibian children struggle academically. In partnership with Colorado State University (USA), a practical and fun-based approach to teaching basic physics has been introduced through their *Little Shop of Physics* program.

In support of the Ministry of Environment and Tourism and the School of Veterinary Medicine based at the University of Namibia, the Otjikoto Nature Reserve has invited the Veterinary School to establish a research laboratory on site and leverage the available facilities and support.

Long-term, sustainable land and wildlife management relies on a shared vision and collaboration with many stakeholders. As a testament to our commitment to environmental stewardship, the Chamber of Mines asked B2Gold to set the internal agenda and strategy for environmental management in the mining sector. We worked with government, environmental non-governmental organizations (NGOs), and industry partners to create the Namibia Chamber of the Environment (NCE) in 2016.

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.

The Otjikoto Nature Reserve hosted almost 1,500 visitors in 2016.

OUR PEOPLE

COVERED IN THIS SECTION

General Standard Disclosures

- DMA
- G4-9
- G4-10
- G4-11

Specific Standard Disclosures

- LA1
- LA2
- LA5
- LA6
- LA7
- LA8



OTJIKOTO | NAMIBIA

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 five⁴ 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.

As of the end of 2016, our employees totaled 3,934⁵ and employment levels are fairly stable. The only significant factor contributing to variations in headcount is the step changes in employment at the beginning and end of a construction phase of a project in development.

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:

- health care, life insurance, disability / invalidity coverage and retirement provisions have been implemented, mostly for permanent employees and as governed by the specific laws, agreements and / or funds in place for the various regions;
- a discretionary stock option program is in place; it needs to be harmonized and structured; and
- parental leave benefits are provided within legal frameworks.

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.

⁴ Source: *Economic Impact of World Mining*, World Bank Group Mining Department, Washington, D.C., USA.
⁵ Headcounts do not include contractor employees. The reported numbers include full-time and part-time permanent employees as well as temporary employees.



A diversified Otjikota management team.

GRAPH 5
Overall Gender Split

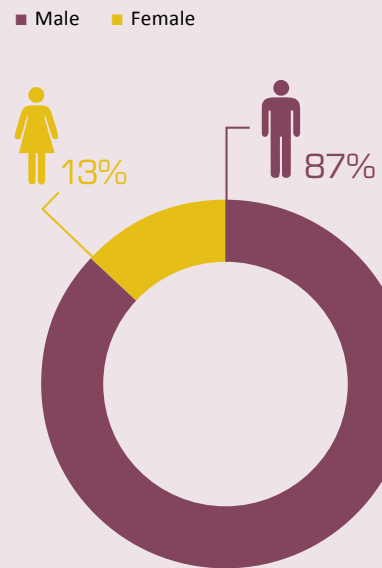


TABLE 6
Employees by Type of Contract and Gender

Type	Male	Female	Total
Permanent Employees	1,891	344	2,235
Temporary Employees	1,535	164	1,699
Total	3,426	508	3,934

TABLE 7
Permanent Workforce by Employment Type and Gender

Type	Total	Male/Female	Total
Full-time Employees	2,223	Male Employees	1,891
Part-time Employees	12	Female Employees	344
Total	2,235	Total	2,235



El Limon

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 do well 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 will 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

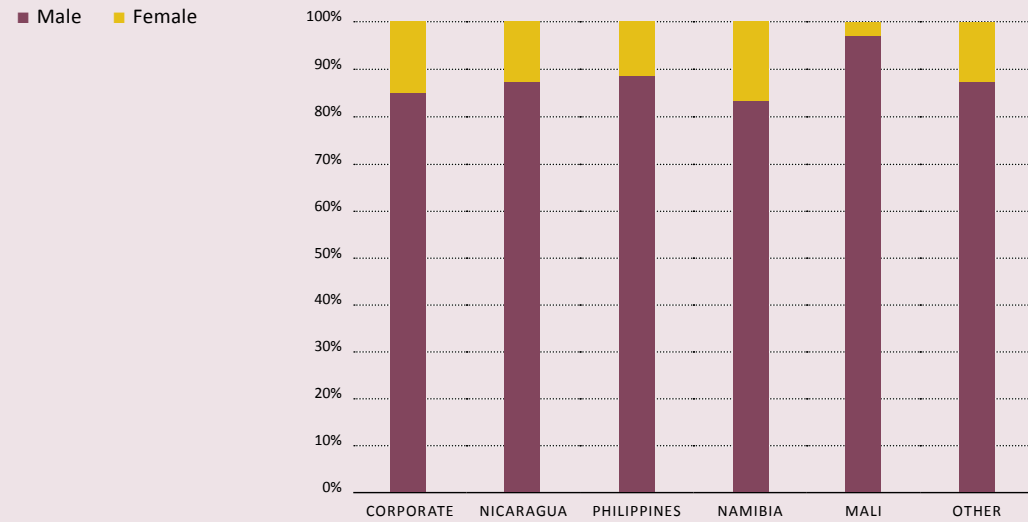
strategies directed at enhancing local employment and local procurement. We provide many employment opportunities to unskilled individuals. Across all regions, approximately 20% of the total workforce constitutes unskilled employees. Semi-skilled employees form 26% of the total workforce.

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.

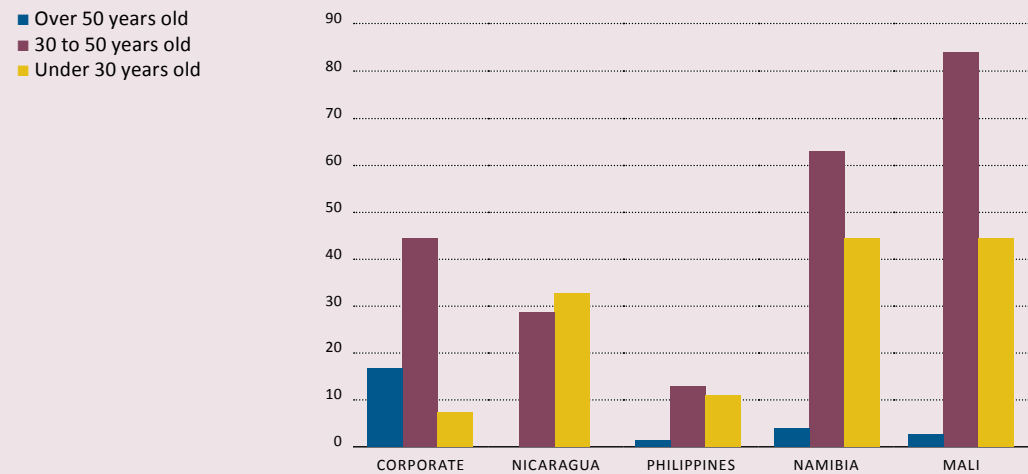
In Namibia, the successful fast-track construction of Otjikoto was achieved through the involvement of a large Namibian workforce, along with specialized support from Canada, USA, Mexico, Russia, Ghana, Nicaragua, South Africa, and Australia. Many of these Namibians became experts in their various disciplines 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.

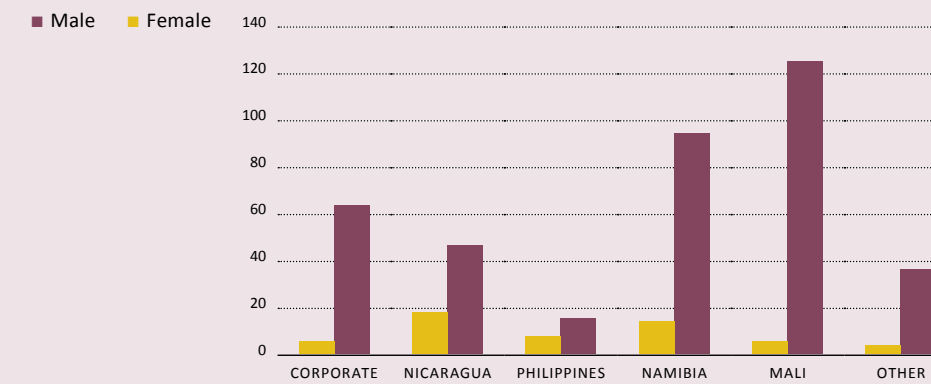
GRAPH 6
Gender
Percentage by Region



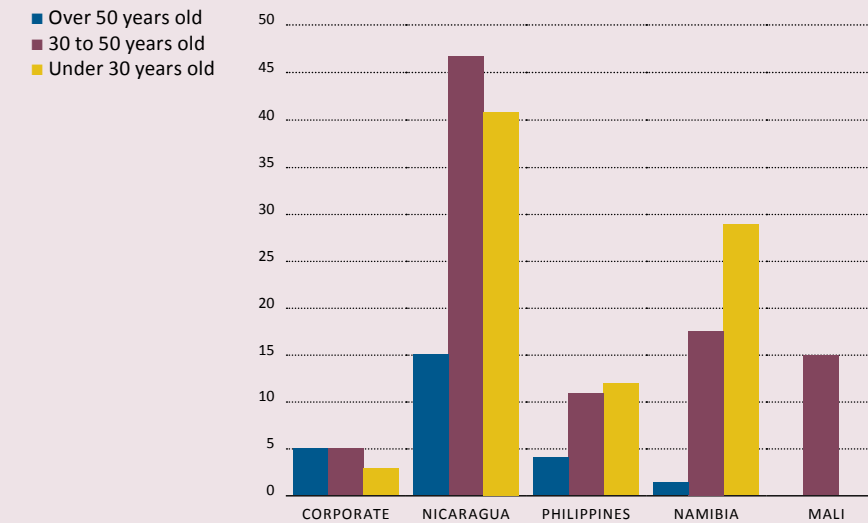
GRAPH 7
New Hires by Age Group



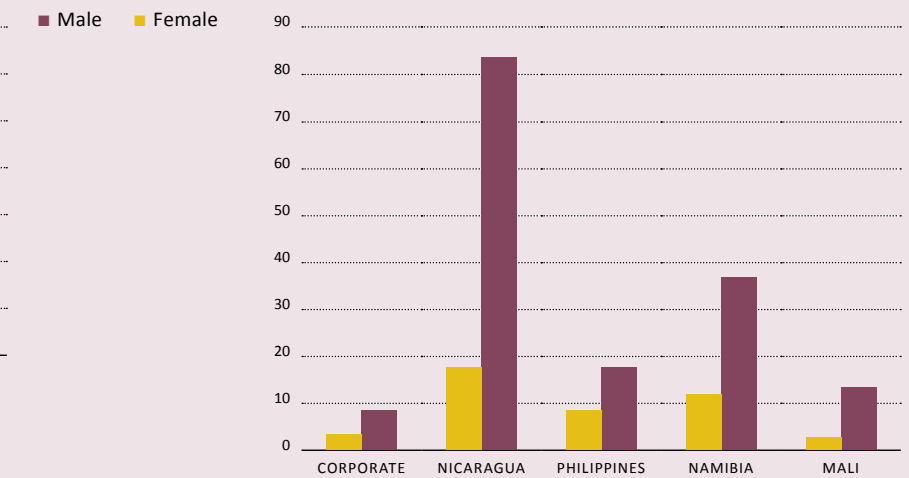
GRAPH 8
New Hires
by Gender



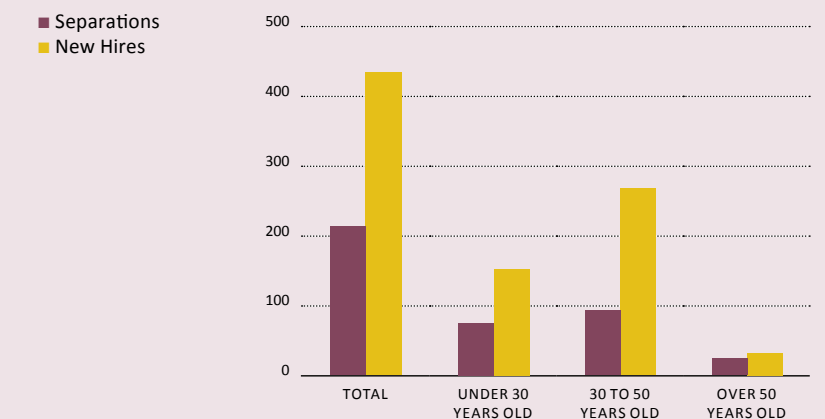
GRAPH 9
Employee Turnover
by Age



GRAPH 10
Employee Turnover
by Gender



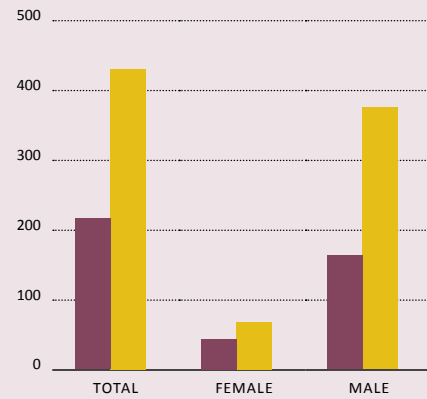
GRAPH 11
Employment Rate By Age





GRAPH 12
Employment Rate
by Gender

■ Separation
■ New Hires



GRAPH 13
Employment Rate
By Country

■ Separation
■ New Hires

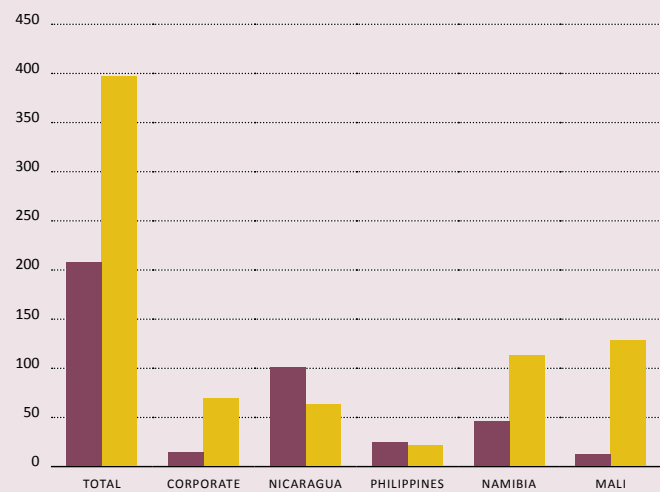
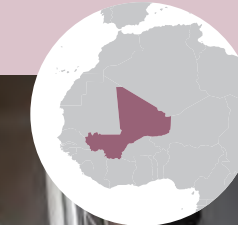


TABLE 8
Employee Wages and Benefits

Mine	Total (\$ '000)
La Libertad	18,134
El Limon	14,348
Masbate	15,311
Otjikoto	26,268
Other (Head Office)	15,675
Fekola	46,575
Consolidated (incl. Fekola)	136,311

CASE STUDY: MALI

Vocational and Small Business Training in Kenieba



In 2014, the Human Development Index ranked Mali as 187 out of 207 countries. Mali is confronted with skilled human resources 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 disturbances during the 2012 crisis⁶, 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 licenses 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 16% of women have completed some secondary school, with self-reported literacy rates of 36% for men and 29% 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 Keniéba) 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:

- 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.

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 the 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 kilometers 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.

⁶ In recent years, Mali has been confronted by a profound crisis with serious political, security, socio-economic, humanitarian, and human rights consequences. In mid-January 2012, a Tuareg rebellion resulted in attacks against Government forces in the north of the country. This was followed by a military coup d'état in March of 2012. Further destabilization and security issues in the northern region of Mali have occurred since then. Source: *United Nations Multidimensional Integrated Stabilization Mission in Mali*.

Objectives of AFECK include improved technical and professional skills for residents of the area and increased capacity for small businesses – with a focus on female entrepreneurs.

OCCUPATIONAL HEALTH AND SAFETY (OHS)

In a global context, an estimated 2.3 million people die every year as a result of work-related accidents and diseases. More than 160 million people suffer from occupational and work-related diseases, and there are an estimated 313 million non-fatal accidents per year. The suffering caused by such accidents and illnesses to workers and their families is incalculable. In economic terms, more than 4% of the world's annual GDP is lost as a consequence of occupational accidents and diseases.⁷

In the context of the mining industry, mining and processing involves 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 hazards. We believe the mining industry has a responsibility to control the hazards associated with operations to ensure the safety and longer-term health of workers.

Safety is a core value for us and nothing is more important than the health and safety of our people. B2Gold recognizes our responsibility to identify and mitigate health and safety risks in the workplace and we believe it is possible for our people to work without serious injuries and illnesses.

In 2016, there were no fatalities⁸ 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 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 emphasizes that we must remain diligent as we work to reach our goal of everyone going home safely and healthy every day.

Beyond protecting human health, we believe that effective health and safety management also enhances production and reduces costs. Our Management System and Performance Standards are based on international standards including compliance with in-country regulations, relevant ISO and OHSAS standards, and reliance on the IFC Performance Standards and international best practices in cases where national regulatory systems are not sufficiently stringent. These management systems enable us to optimize our production and avoid potential injuries, accidents, property damage and operational disruption.

We implement the HSE management systems and manage HSE performance with dedicated HSE personnel at both the corporate and site levels. In addition, we have in place a HSESS Committee which is made up of several members of the Board and our Executive Management team. This Committee assists the Board in overseeing our health, safety, environmental and Corporate Social Responsibility (CSR) policies and programs, and our health, safety, environmental and CSR performance.

Our OHS Policy defines our corporate commitment to protecting our workers and to ensure that management holds our employees and contractors accountable for their health and safety performance. In 2015, our OHS Policy was updated to include our belief that work place injuries and illnesses are preventable, that health and



Workers at La Libertad Mine receiving first aid training.



An emergency simulation exercise at Fekola.

⁷ Source: <http://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/occupational-safetyand-health/lang-en/index.htm>

⁸ The fatality mentioned in the CEO message is a matter of reporting periods. The accident occurred in December 2015, but the employee passed away in January 2016.

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 while the frequency of lesser injuries continues to decline. This requires that an organization creates specific measures to understand and manage high potential risks and high potential risk incidents to ensure that worker exposure to high risks are identified and reduced to prevent serious injuries and fatalities.

B2Gold's Golden Rules for Safety have been in place since 2014 and are a set of 13 rules that target high risk work activities and behaviors common to all our sites. These rules must be followed by everyone on our sites. Similarly, everyone on our sites is empowered to intervene as soon as any violation is observed and to stop work if the risk of the task is not controlled to an acceptable level. To further evaluate controls for high potential risk events, we plan to establish and record two additional incident categories in 2017: *Serious Accidents* and *Potential Fatal Occurrences*. Establishing these categories will elevate their profile to ensure that such incidents are treated with appropriate seriousness and concern and will allow us to better evaluate root causes and trends relating to high potential risk incidents.

High Risk Activities and Unsafe Behaviors

An important component to the management of risk and the protection of the health and safety of our employees

and contractors lies in the safety culture at our sites and the resulting behaviors of employees and contractors. We plan to pilot a Safety Interaction Program at our Otjikoto site in 2017 aimed at systematically observing targeted high risk activities and unsafe behaviors. This will help us to reinforce positive behaviors, to identify needs for corrective action, and to further develop a strong culture of safety at the mine. Once this Safety Interaction Program has been successfully implemented, we then plan to expand this program to our other operations in the future.

Worker Representation in HSE Committees

At B2Gold safety is the responsibility of everyone. A key component of this culture is for employees to have a voice to raise health and safety concerns, to identify and report hazards to management, and to receive feedback about how health and safety risks and hazards are being managed. Our sites have HSE Committees in place to provide this forum to our employees and contractors; committees are in place at our La Libertad, El Limon, Masbate and Otjikoto mines. The committees take various forms, but include both worker and management representation as well as union representation where labor unions are in place. Committees meet monthly and minutes are taken at each meeting. There are various legal requirements regarding the form and function (e.g. committee mandate, worker representation, etc.) of these committees in the various jurisdictions in which we operate, and our HSE Committees are established, and function to comply with, these various and differing requirements.

Fekola is currently in the construction phase and did not have a formal HSE Committee in place in 2016. Workers are represented in periodic safety meetings and other forums. Fekola is scheduled to begin production in 2017

and an HSE Committee will be established that will comply with any in-country legal requirements as well as with our own HSE requirements.

Occupational Health

The occupational hygiene programs and procedures at our operations help prevent occupational exposure that could give rise to occupational illness. These programs and procedures are designed to limit worker exposure to potentially harmful substances and other sources of occupationally related illness or disease.

All of our mine sites perform pre-employment, annual employment and post-employment medical examinations that allow us to identify potential occupational health risk factors, detect the onset of potential occupational diseases in our workforce, mitigate occupational exposure, and provide care as necessary to our workforce.

We also monitor occupational exposure including dust, noise, vibration, and hazardous chemicals. This monitoring is focused on workers with higher exposure risk or higher incidence of occupational illness.

In 2016, we performed a comprehensive occupational health survey at our Otjikoto operation and began work to implement comprehensive exposure monitoring programs. We plan to use these survey results 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 illness. Higher exposure risks or illnesses were identified relating to noise-induced hearing loss,

TABLE 9
Number of Workers with Higher Occupational Exposure Risk

Exposure Risk	Work Area	Position	Number of Workers (n)	Exposure Risk	Work Area	Position	Number of Workers (n)									
La Libertad				Masbate												
Heavy Metal or Chemical Poisoning	<ul style="list-style-type: none"> ▪ Chemical lab ▪ Metallurgy lab ▪ Leaching ▪ Thickening ▪ Vehicle maintenance 	<ul style="list-style-type: none"> ▪ Lab technician ▪ Leaching operator ▪ Mechanic 	44	Heavy Metal or Chemical Poisoning	<ul style="list-style-type: none"> ▪ Gold room ▪ Mill ▪ Metallurgy lab 	<ul style="list-style-type: none"> ▪ Lab personnel ▪ Mill operator 	39									
		<ul style="list-style-type: none"> ▪ Metallurgical analyst ▪ Thickening operator 				<ul style="list-style-type: none"> ▪ Boilermaker ▪ Fitter ▪ Geology field assistant 										
		<ul style="list-style-type: none"> ▪ Drilling assistant ▪ Drilling operator 				<ul style="list-style-type: none"> ▪ Mechanic ▪ Sampler ▪ Welder 										
		<ul style="list-style-type: none"> ▪ Crusher operator ▪ Drilling assistant ▪ Drilling operator ▪ Lab technician 				<ul style="list-style-type: none"> ▪ Musculoskeletal Disorders ▪ Various 		53								
Noise-induced Hearing Loss	<ul style="list-style-type: none"> ▪ Drilling 	<ul style="list-style-type: none"> ▪ Drilling assistant ▪ Drilling operator 	44	Noise-induced Hearing Loss	<ul style="list-style-type: none"> ▪ Blasting ▪ Drilling ▪ Exploration ▪ Processing 	<ul style="list-style-type: none"> ▪ Blast assistant ▪ Crusher operator ▪ Drilling assistant ▪ Drilling operator ▪ Mill operator 	66									
Respiratory Disease	<ul style="list-style-type: none"> ▪ Chemical lab ▪ Crushing ▪ Drilling 	<ul style="list-style-type: none"> ▪ Crusher operator ▪ Drilling assistant ▪ Drilling operator ▪ Lab technician 	65			Respiratory Disease		<ul style="list-style-type: none"> ▪ Blasting ▪ Crushing ▪ Drilling ▪ Exploration ▪ Mill 	<ul style="list-style-type: none"> ▪ Blast assistant ▪ Crusher operator ▪ Drilling assistant ▪ Drilling operator ▪ Lead-man drill and blast ▪ Mill operator 							
										Heavy Metal or Chemical Poisoning	<ul style="list-style-type: none"> ▪ Chemical lab ▪ Metallurgical lab ▪ Leaching ▪ Thickening ▪ Vehicle Maintenance 	<ul style="list-style-type: none"> ▪ Lab technician ▪ Leaching operator ▪ Mechanic ▪ Metallurgical analyst ▪ Thickening operator 	36	Skin Disease	<ul style="list-style-type: none"> ▪ Maintenance ▪ Mill ▪ Mine 	<ul style="list-style-type: none"> ▪ Field worker ▪ Lime/reagent mill operator ▪ Maintenance personnel ▪ Mining operator
Respiratory Disease	<ul style="list-style-type: none"> ▪ Chemical lab ▪ Crushing ▪ Drilling 	<ul style="list-style-type: none"> ▪ Crusher operator ▪ Drilling assistant ▪ Drilling operator ▪ Lab technician 	174	Otjikoto												
				Thermal-induced Illness	<ul style="list-style-type: none"> ▪ Underground mine 	<ul style="list-style-type: none"> ▪ Drilling assistant ▪ Drilling operator 	138	Baseline occupational hygiene survey conducted and completed in November 2016.								
Fekola																
				No data reported for Fekola in 2016. Evaluation to be performed in 2017.												

respiratory disease (dust and heavy metals exposure), musculoskeletal disorders, and thermal-induced illness and skin disease.

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 fatalities⁹ 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 critical 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 of our employees and contractors at every level of our operations.

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 sites and one construction project was 0.83. Our composite LTI Severity Rate was 22.1.

⁹ The fatality mentioned in the CEO message is a matter of reporting periods. The accident occurred in December 2015, but the employee passed away in January 2016.

TABLE 10
Safety Performance

Mine	LTI Frequency Rate						
	2010	2011	2012	2013	2014	2015	2016
La Libertad	1.43	1.03	1.13	1.32	2.9	1.3	1.7
El Limon	n/r	6	4	1.18	1.6	2.2	2.6
Masbate	0.04	0.04	0.10	0.03	0.11	0.07	0
Otjikoto	–	–	–	0.4*	0.2	0.2	0.16
Fekola	–	–	–	–	–	0**	0.38
Composite	n/a	n/a	n/a	n/a	n/a	n/a	0.83
Mine	LTI Severity Rate						
	2010	2011	2012	2013	2014	2015	2016
La Libertad	24.4	16	14.7	13.3	26.3	17.6	40.1
El Limon	n/r	16	14.7	19.4	18.5	46.0	53.6
Masbate	2.6	2.0	1.2	0.4	1.9	2.0	0
Otjikoto*	–	–	–	3.7*	1.6	2.8	10.6
Fekola**	–	–	–	–	–	0**	22.9
Composite	n/a	n/a	n/a	n/a	n/a	n/a	22.1
Mine	Fatalities						
	2010	2011	2012	2013	2014	2015	2016
La Libertad	0	0	0	0	0	0	0
El Limon	n/r	1	0	0	2	0	0
Masbate	0	0	0	0	0	0	0
Otjikoto*	–	–	–	0*	0	1	0
Fekola**	–	–	–	–	–	0**	0
Composite	0	1	0	0	2	1	0

NOTES

- Our safety statistics include both employees and contractors as from the beginning of 2014. Prior to 2014 safety statistics may not include all contractors. LTI Frequency and Severity are based on 200,000 man-hours. New information or a reclassification of injuries may cause a change in historical data.
- 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.
- n/r = not reported
- * Statistics for Otjikoto began in April 2013.
- ** Statistics for Fekola began in February 2015.

OUR COMMUNITIES

COVERED IN THIS SECTION

General Standard Disclosures

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

General Standard Disclosures

- SO1
- SO2
- SO11
- HR1
- HR2
- HR4
- HR7
- MM8
- MM9



FEKOLA | MALI



A beneficiary of the SME Compete initiative. The program fosters small business development within the Otavi and Otjiwarongo communities adjacent the Otjikoto Mine.

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 grievances, improving corporate risk profile, and attracting and retaining employees — 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.

¹⁰ Source: Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractives Sector, Organisation for Economic Cooperation and Development (OECD), April 2015.



Santo Domingo residents (Nicaragua) participate in community assemblies with B2Gold to exchange ideas and promote joint strategies for local development.

To ensure that we are able to respect community stakeholder interests, we follow comprehensive Social Responsibility Performance Standards that align with IFC and ICMM 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 create 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 detail how, when, and where engagement will occur. Our SEPs are reviewed and adapted on a regular basis according to ongoing activities and stakeholder feedback. Stakeholder analysis is updated at least quarterly. Consultation and disclosure is an iterative process and we apply a variety of methods: public meetings, door-to-door visits, formal dialog tables, community group assemblies or informal community interest group gatherings.

TABLE 11
Stakeholder Groups Addressed in Country-specific Stakeholder Engagement Plans

Stakeholders	Nicaragua	Philippines	Namibia	Mali
Employees	✓	✓	✓	✓
Neighboring Village/Town Residents	✓	✓	✓	✓
Service Providers/Contractors	✓	✓	✓	✓
Local and Regional Government	✓	✓	✓	✓
Government Ministries	✓	✓	✓	✓
Neighboring Mines/Industries	✓	✓	✓	✓
Unions	✓	–	✓	–
Wildlife Conservation Organizations and Researchers	✓	✓	✓	✓
Communal Conservancies for Wildlife Protection	–	–	✓	–
Foundations and NGOs	✓	✓	✓	✓
National Chambers	✓	✓	✓	✓
Women	✓	✓	–	✓
Youth	✓	✓	✓	✓
Farmers (Communal and Commercial)	✓	✓	✓	✓
Artisanal and Small-scale Miners	✓	✓	–	✓
Tourism Establishments and Operators	–	–	✓	–
Local Businesses	✓	✓	✓	✓
Schools, Education and Training Institutes	✓	✓	✓	✓
Shareholders	✓	✓	✓	✓

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 dynamic. 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.

Communities closest to our mining sites are most likely impacted by our presence. While these community stakeholders often are prioritized in our considerations, we also identify and engage with stakeholders at local, regional and national levels.

Environmental and Social Impact Assessments (ESIAs) are part of the mine project planning and permitting process. As operations advance, we follow up our assessment by conducting socio-economic studies to further evaluate any actual or potential social impacts on community stakeholders by our operations. All of our sites have either ESIA or socio-economic impact assessments available to help us address and mitigate adverse impacts.

When there is the potential for a distinct adverse impact, as in the recommendation for resettlement of Fadougou Village near our Fekola Project, B2Gold conducts a specific impact assessment to ensure that detailed mitigation plans are in place to address sensitive issues and reduce or remove social risks.

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 or facilitator for social and economic opportunities.

TABLE 12
Actual and Potential Impacts by Operation

Operations	Hazardous Substances	Environmental Dust, Noise	Employer Leverage, Employment Benefits	Land Acquisition, Resettlement	Socio-economic, Cultural, Livelihoods
Nicaragua					
El Limon ⁽¹⁾	✓	✓	✓	✓	✓
La Libertad ⁽²⁾	–	–	✓	✓	✓
Santa Domingo ⁽³⁾	✓	✓	✓	✓	✓
Philippines					
Masbate ⁽⁴⁾	✓	✓	✓	✓	✓
Namibia					
Otjikoto ⁽⁵⁾	–	✓	✓	✓	–
Mali					
Fekola ⁽⁶⁾	–	✓	✓	✓	✓
Menankoto ⁽⁷⁾	ESIA planned for 2017				

- 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 70 km from nearest communities
 - (6) < 1 km from community
 - (7) ~ 5 km from communities

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 water and sanitation 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 13
Community Investment

Mine	Community Investment (\$ '000)
La Libertad	3,395
El Limon	1,014
Masbate	3,206 ⁽¹⁾
Otjikoto	1,443 ⁽²⁾
Other	125
Fekola	1,851 ⁽³⁾
Consolidated	11,034

- 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.



One of the local kindergartens in Otjiwarongo that has benefited from Early Childhood Development training, books and educational toys offered by B2Gold in partnership with Lifeline/Childline.



Masbate’s community initiatives address the need for basic health care in the local communities.



Masbate is an island province where a number of essential daily supplies come from outside. An egg project was only started in 2016 but is being replicated in other villages for its success and the demand for the product.



A B2Gold representative explains the grievance mechanism to the villagers of Fadougou, Mali.



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 and ICMM 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.

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 limited numbers of stakeholders in the direct area of impact. At all sites, but in Mali in particular, employment and recruitment practices make up a significant amount of concerns, expressed both informally and formally. In 2016, our community relations and human resource departments in Mali worked together to specifically target and track local employment rates at the village, regional and national levels.

TABLE 14
Grievances

Country	Filed 2016	Addressed 2016	Resolved 2016	Filed Prior and Resolved in 2016
Nicaragua	59	47	47	1
Philippines	150	69	n/r	73
Namibia	4	4	3	0
Mali	47	46	46	1

NOTES
n/r = not reported



Due to a lack of childcare centers and public parks in the community of Otjiwarongo (close to the Otjikoto Mine), some children end up using a local waste dump as a playground.

HUMAN RIGHTS

We operate in regions and countries where there is significant risk of human rights impacts related to 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 guidance 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 “respect human rights by avoiding infringement on the human rights of others, and addressing 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, when 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.

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 mitigating 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 15

Human Rights Training

<i>Security employees and contractors trained in human rights</i>	561
Nicaragua	0
Philippines	561
Namibia	0
Mali	0
<i>Non-security employees trained in human rights</i>	0

Extending Human Rights Awareness through Agreements and Training

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 B2Gold 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 on human rights. Examples are agreements with security forces or services, agreements that affect water usage or quality, agreements that relate to project impacted people regarding land use or resettlement, and agreements related to labor conditions. The security contracts in the Philippines and the consulting contract to manage the resettlement of Fadougou Village in Mali are examples where human rights language is included, to align with international standards for the use of force and resettlement respectively.

The most effective way we can influence human rights performance is through training. As part of our Human Rights Management Strategy to be implemented in 2017, we

will deliver customized 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

Freedom of association and collective bargaining provides protection for workers to organize as a collective to represent their interests at the work place. The right to freedom of association is a fundamental provision in the UN Declaration of Human Rights. B2Gold upholds these principles within our management of labor relations. Our operating mines which have signed collective bargaining agreements are El Limon and La Libertad in Nicaragua and Otjikoto in Namibia. Approximately 90% of staff in these regions are covered by collective agreements.

In Nicaragua, B2Gold 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 resolve issues of common interest. This enhances mutual trust and respect through information-sharing, discussion, consultation, and negotiation. In Namibia, Otjikoto has a Recognition Agreement in place with the union which recognizes that employees have the right to belong to a company-recognized trade union. Regular union and management meetings have been taking place.

An employee relations committee has been established at Fekola that includes worker representatives as well as representatives from any supplier or contractor with more than ten employees at site. This committee addresses employee and workplace issues.



Union leaders sign El Limon Mine's 2016-2018 Collective Agreement, benefiting approximately 500 workers.

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 Fekola construction site. No union-based grievances resulting in work stoppages or threats occurred at any of our sites during the reporting period.

Security Practices

Security practices for the mining sector considers potential risks to employees and to community members, country risk profiles, and the protection of property and assets. Well planned security strategies and security response protocols consider the potential for human rights impacts. The Voluntary Principles for Human Rights and Security are specifically designed for the extractive sector promoted by governments, companies and non-governmental organizations.

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 obtain better results when investigating criminal activity on our sites. A structural and functional rearrangement of security staff and resources have also taken place to improve readiness and efficiency.

Masbate monitors security events and records interactions with intruders (e.g. farmers, ASM miners). Security impacts have included actual conflict between 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.

Intruders are a significant challenge for our Masbate 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 *Minahang Bayan*¹¹ (community mining area) to make ASM more regulated.

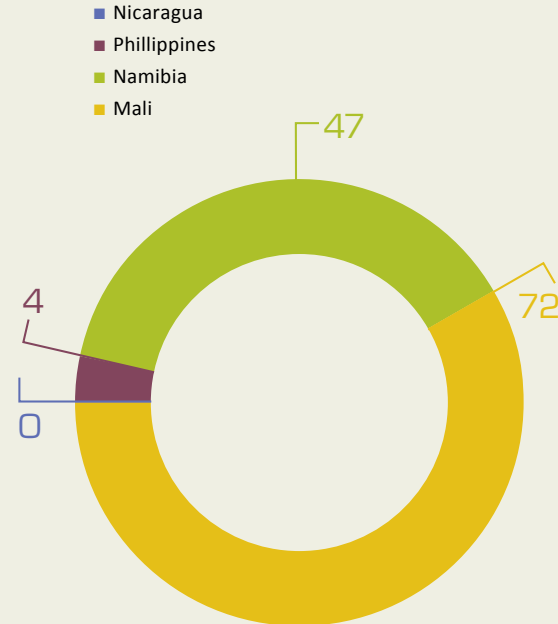
In Namibia, security operations at Otjikoto are concentrated inside a controlled area with the objective of protecting property and assets with no impact on society. The Otjikoto site is located on previously commercially-owned farmland, with the closest neighboring towns of Otjiwarongo and Otavi located respectively 70km and 40km away from site.

¹¹ *Minahang Bayan* is defined as "the people's small-scale mining areas" and are areas deemed as suitable on-shore sites, identified by a local government unit (city or provincial) for small-scale miners organized into a cooperative that could operate under the monitoring of the Mines and Geosciences Bureau (MGB).



Security of the process plant is monitored at our La Libertad Mine.

GRAPH 14
Security Personnel Directly Employed (n)



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 be implementing our initiatives in Mali in 2017.

The extent to which we directly employ versus outsource security personnel varies in each region according to the security risk scenario. Nicaragua outsources security entirely to a third-party contractor (employs 221 people). Our Philippine in-house security department of four works with a total of 400 third-party security personnel supported by a further 157-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 the gendarme forces of Mali. As of 2016 there has been no training in the Voluntary Principles for Malian security personnel.



In the Philippines, there are plans to establish a Minahang Bayan (ASM miner concession) which would be allocated by the government to local ASM cooperatives.

ARTISANAL AND SMALL-SCALE MINING (ASM)

ASM refers to informal mining activities carried out using artisanal methods or with minimal machinery. It is estimated that more than 100 million¹² people rely on this 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 formal mining leading to conflicts.

Nicaragua, the Philippines and Mali all have a long history of ASM activity. ASM takes place nearby and alongside our La Libertad and Santo Domingo operations in Nicaragua, our Masbate Mine in the Philippines, our Fekola Project in Mali as well as several exploration projects in each of those countries. Their close proximity can lead to conflicts and sometimes poses risks for our operations. The fact that ASM mostly occurs outside regulatory frameworks can make addressing those risks somewhat complex.

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.

¹² Working Together – How large-scale mining can engage with artisanal and small-scale miners, published by ICMC and IFC on ASM.

TABLE 16
ASM Risks and Mitigation Measures
(Current and Planned)

Region	ASM Risks	Mitigation Measures
Nicaragua		<ul style="list-style-type: none"> Stakeholder engagement to facilitate co-existence strategies and minimize conflicts
Philippines	<ul style="list-style-type: none"> Social conflict Threat to operations Impact on livelihoods 	<ul style="list-style-type: none"> Support for alternative livelihoods
Mali		<ul style="list-style-type: none"> ASM-specific risk assessment and strategic plan
Nicaragua		<ul style="list-style-type: none"> Baseline survey, registration and monitoring to control influx of new ASMs
Philippines	<ul style="list-style-type: none"> Influx into industrial mining areas Resistance to relocation 	<ul style="list-style-type: none"> Identification of new work areas for organized ASMs with the approval and oversight from the Ministry of Mines
Mali		<ul style="list-style-type: none"> Support for alternative processing solutions (mercury-free processing plant)
Nicaragua	<ul style="list-style-type: none"> Alternative ore processing solutions not sustainable 	<ul style="list-style-type: none"> Support for alternative processing solutions (mercury-free processing plant)
Nicaragua		<ul style="list-style-type: none"> Health and safety capacity development plan and affordable access to safety equipment for ASMs
Philippines	<ul style="list-style-type: none"> ASM generated risks: health, safety, environmental impact, child labor, livelihoods 	<ul style="list-style-type: none"> Raising awareness of ASM risks with government authorities (Ministry of Mines, Ministry of Environment) and community leaders
Mali		<ul style="list-style-type: none"> Negotiation and acceptance of compensation framework
Nicaragua	<ul style="list-style-type: none"> Compensation expectations 	<ul style="list-style-type: none"> Negotiation and acceptance of compensation framework
Philippines	<ul style="list-style-type: none"> Security issues (e.g. theft, property damage) 	<ul style="list-style-type: none"> Stakeholder engagement Safety and security procedures
Mali		<ul style="list-style-type: none"> Safety and security procedures

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, diminish 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.



A "Chilean mill" processes artisanal miners' ore in Santo Domingo.



Artisanal gold miners near our exploration project in Mali.



Children going to school in a barangay close to the Masbate Mine. Resettlement impacts are carefully considered when communities are close to our operations.

RESETTLEMENT

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.

TABLE 17
Resettlement Sites and Associated Impacts⁽¹⁾

Region	Resettlement Sites	Households Resettled	People Resettled or Pending Resettlement
Nicaragua	Santa Pancha (El Limon)	123	615
	Jabali Antena (Santo Domingo)	44	191
Sub-Total		167	806
Philippines (Masbate)	Bangon-Colorado Waste Dump	7	35
	Syndicate Waste Dump	92	460
	Main Vein	8	40
	TSF Operations	11	55
	Panique L450	3	15
	Main Vein Waste Dump	21	105
	Bangon Waste Dump	16	80
Sub-Total		158(2)	790(3)
Mali (Fekola)	Fadougou	908	3,324
Sub-Total		908	3,324
TOTAL		1,233	4,920

NOTES

- (1) Resettlement numbers for impacted households and inhabitants are cumulative numbers from 2012 to 2016 since some resettlement activities are on-going, including the monitoring for restoration of livelihoods.
- (2) 2012: Sitio Wyoming for the development of the Syndicate waste dump; 2013 to 2014: Main Vein Extension, TSF Operations, Bangon-Colorado Waste Dump, Panique L450 sinkhole, and Main Vein Waste Dump; 2015: Above mentioned projects as well as Bangon-Colorado Waste dump; 2016: Bangon-Colorado Waste Dump.
- (3) Number of people are estimated based on 158 households.

One of the streets in the Nuevo Jabali resettlement neighborhood in Santo Domingo.



Jabali Antena (Santa Domingo) NICARAGUA

Resettlement was required in order to progress with the Jabali Antena mining project. Pit design alternatives were adopted in order to reduce the impact of displacement. In applying our Resettlement Standard to this project, we implemented a voluntary and participatory approach to resettlement. Many of the successful outcomes of our approach are discussed in the Jabali 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. Reforestation took place, and new living areas were treated against viral disease.

The Jabali 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.

Santa Pancha (El Limon) NICARAGUA

Some decades ago, the El Limon Mine was closed and the community's sole economic source was lost. Left unmonitored, residents of Santa Pancha constructed households in precarious zones in the region. When related social risks were identified by B2Gold, a need for a government-led resettlement was recommended. To ensure that this community could re-establish itself successfully, an alliance was formed between the government (Ministry of Housing), a resettlement project contractor, and the American Nicaraguan Foundation (ANF). B2Gold has assumed an advisory and monitoring role in the resettlement process. The mitigation of impacts has been handled both through joint meetings with all affected families and alliance members, and by managing individual grievances. Families could present complaints via the B2Gold community grievance mechanism in place.

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.

Of the 158 households resettled from 2012 to 2016, most chose cash compensation for their assets along with relocation assistance. As a result, in some cases it is difficult to monitor or confirm whether livelihood restoration has been achieved.

Disputes usually arise from the assessed value of a physical asset and the value of crops to be compensated. These disputes are resolved by using government standards as well as negotiated prices agreed on by Masbate and affected families.

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

Fadougou (Fekola) MALI

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 engagement with the local population, it was decided 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 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 RAP and ESIA have been approved by authorities.

CASE STUDY: NICARAGUA Jabali – From Precarious Living Conditions to Secured Livelihoods



Prior to the Jabali Antena Resettlement Project in Santo Domingo, the beneficiary families lived in precarious conditions. According to a social assessment carried out by B2Gold in the area in 2014, 90% of families in Barrio 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.

“My son (Giovanni Cienfuegos) has been handicapped since birth. When he wanted to leave the barrio (Jabali), he 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 those conditions.” —**CRISTINA CIENFUEGOS**, resettlement project beneficiary

A VOLUNTARY, TRANSPARENT AND INFORMED PROCESS

Considering the living conditions in Barrio Jabali, B2Gold proposed a resettlement project to benefit the families of 46 owners of homes and plots within 100 meters of the proposed Jabali Antena pit limit.

Pursuant to our process, each of the beneficiary families received personalized information about the resettlement project by means of different communications activities including census information, confirmation of beneficiaries, a La Libertad mine visit to witness our responsible mining practices, presentation of resettlement site, and presentation of the individual compensation proposals.

“I participated in the tour they gave of the mine (La Libertad). They also visited us in our house and told us what they were planning. I really liked the work that B2Gold does, how they process the gold, don’t contaminate the environment, and take care of the workers. In another activity we were looking at a map and seeing where our neighbors live.” —**ISAAC SOLÓRZANO**, resettlement project beneficiary

The mayor of Santo Domingo, Nelson Alvarez, was also informed and consulted from the start of the resettlement process.

“B2Gold requested an audience with the Municipal Council to present the resettlement project proposal. The proposal was presented to the Council and approved unanimously, in benefit of the population. We also brought up the issue in a municipal town hall meeting with the population, clarifying all of the questions, and it was approved. The company has done a good job in telling the people the truth. It’s a very nice project.” —**NELSON ALVAREZ**, Mayor of Santo Domingo

IMPROVED LIVING CONDITIONS

To date, 27 house or plot owners and their families have voluntarily relocated to Nuevo Jabali, a new neighborhood built in the direction of Santo Domingo’s natural urban growth, in an area deemed safe from possible natural risks.

Beneficiary families have potable water services (24/7), electricity and public lighting, 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 will receive legal title to their homes and plots, duly inscribed in the National Registry of Properties.

“I am very happy. This is a dream come true. Where I lived before I didn’t have electricity or water, so here I feel pleased to have so many comforts I didn’t have before.” —**MARÍA TERESA PICHARDO**, 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.

PROSPERING IN NUEVO JABALI

As part of the process to improve the living conditions of beneficiary families in Nuevo Jabali, B2Gold implemented the Livelihood Restitution Program. Through this program, we are promoting the creation of successful business initiatives in this urban development.

“I feel very pleased because my clothing business is growing. I’ve now built a porch. I have my display cases and shelves, thanks to the support that B2Gold has provided.” —**EMELANIA URBINA**, resettlement project beneficiary and owner of a clothing and miscellanea store

“Before, we lived in a wood slat house. I worked as the fare collector on a bus, and I sold soft drinks out of a cooler. I would leave home at three in the morning and return at about nine at night. But now we’ve set up a business in our new house. Our lives are changing for the better. We’ve moved into the Nuevo Jabali neighborhood, 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

Denis Solórzano, a carpenter with more than 50 years of experience, is another participant in the Livelihood Restitution Program. He was able to improve the infrastructure of his small carpentry business, and also benefited from two new pieces of equipment: a band saw

and an edge banding machine to fabricate the wooden pieces of rocking chairs and other furniture.

B2Gold’s Livelihood Restitution Program currently provides support to six small businesses in the Nuevo Jabali urban development.

EXEMPLARY RESETTLEMENT IN NICARAGUA

In executing a transparent, voluntary resettlement process with the beneficiary families’ full participation, we have set a precedent in Nicaragua: we are the first mining company to directly execute a resettlement project.

For our successful work on the Jabali Antena resettlement project, B2Gold received the 2015 Exporter of the Year Award in the CSR category, from the Association of Nicaraguan Producers and Exporters (APEN).

“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 enable some 200 people to improve their quality of life and enjoy dignified housing, with appropriate services in a safe environment.” —**APEN SPOKESPERSON** at the Exporter of the Year Award Ceremony, 5 May 2016



Ribbon-cutting ceremony to inaugurate the new house of a beneficiary of the Nuevo Jabali Resettlement Project; beneficences see their new homes for the first time.

GRI TABLES

COVERED IN THIS SECTION

General Standard Disclosures

□ G4-32



EL LIMON | NIGARAGUA

TABLE 18
General Standard Disclosures

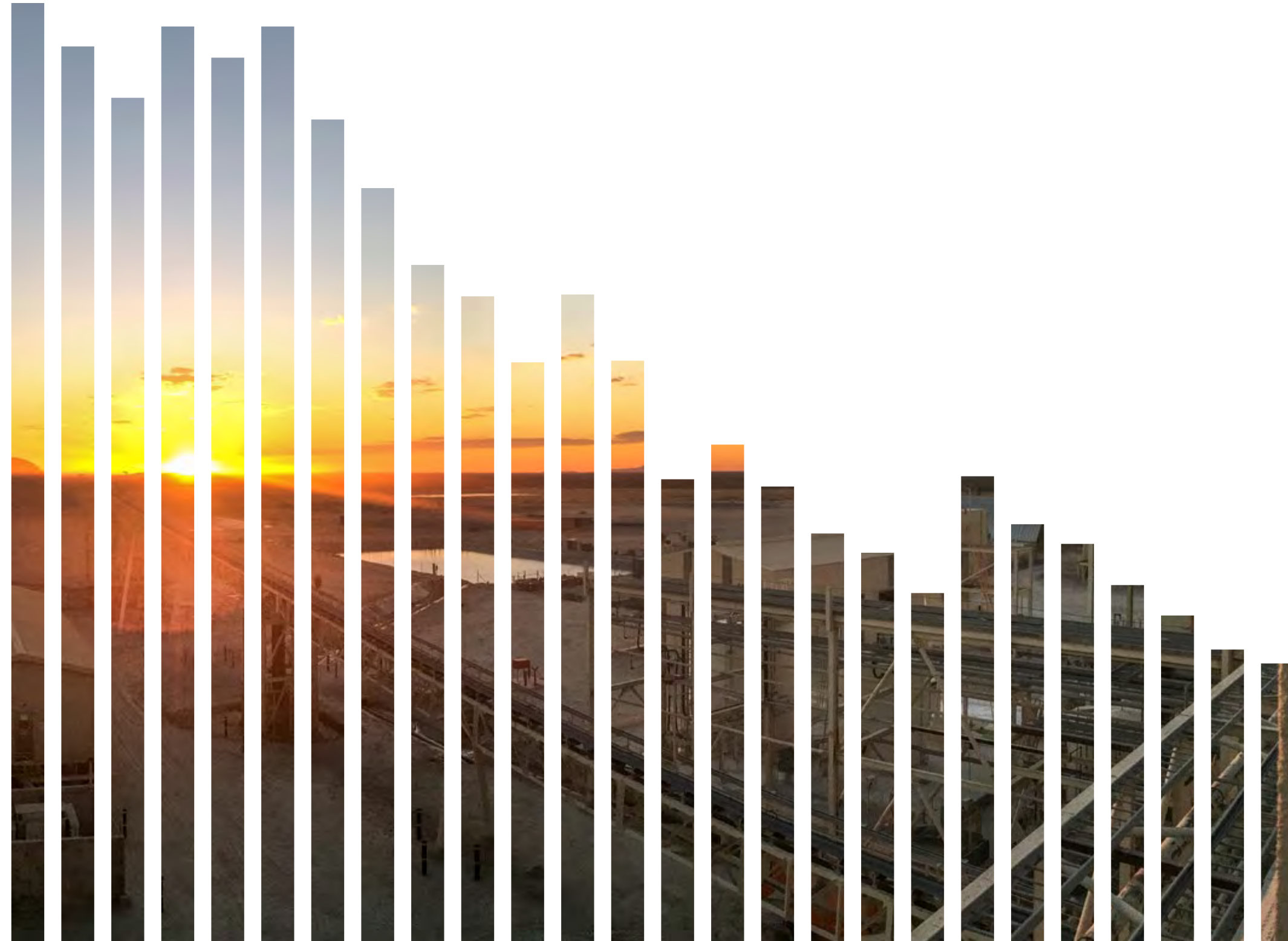
Disclosure	Chapter Reference	Disclosure	Chapter Reference
Message from CEO		Stakeholder Engagement	
G4-1	Page 8	G4-24	
Organizational Profile		G4-25	
G4-3		G4-26	Our Communities
G4-4		G4-27	
G4-5	About Us	Report Profile	
G4-6		G4-28	About This Report
G4-7		G4-29	Not applicable
G4-8		G4-30	About This Report
G4-9	Our People	G4-31	Inside Front Cover
G4-10	Inside Front Cover	G4-32	About This Report
G4-11	About This Report	G4-33	
G4-12	About Us	Governance	
G4-13		G4-34	About Us
G4-14	Our Communities	Ethics and Integrity	
G4-15	About Us	G4-56	About Us
G4-16			
Identified Material Aspects and Boundaries			
G4-17			
G4-18			
G4-19	About This Report		
G4-20			
G4-21			
G4-22	Not applicable		
G4-23			

TABLE 19
Specific Standard Disclosures

Category	DMA and Indicators	Chapter Reference
Economic		
	DMA	
Material Aspects	Economic Performance	EC1 Our Economic Performance
Environmental		
	DMA	
Material Aspects	Water	EN8
	Biodiversity	EN11, EN14, MM1
	Effluents and Waste	EN22, EN23, EN24
	Compliance	EN29
Social: Labour and Decent Work		
	DMA	
Material Aspects	Employment	LA1, LA2, MM4
	Occupational Health and Safety	LA5, LA6, LA7, LA8
Social: Human Rights		
	DMA	
Material Aspects	Investment	HR1, HR2
	Freedom of Association and Collective Bargaining	HR4
	Security Practices	HR7
Social: Society		
	DMA	
Material Aspects	Local Communities	SO1, SO2
	Grievance Mechanisms for Impacts on Society	SO11
	Artisanal and Small-scale Mining	MM8
	Resettlement	MM9

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