

ARTISANAL AND SMALL-SCALE MINING

Our strategic approach to ASM is to seek and maintain a peaceful co-existence, balancing the need to protect our operations with the right to a livelihood for artisanal and small-scale miners. Our Artisanal and Small-Scale Mining Performance Standard outlines how we will manage relations and interactions with ASM actors, with the objectives of protecting our people and property, maintaining our licence to operate, and supporting wider community benefits. ASM management is usually overseen by a senior manager, with support from Community Relations, Security, Operations and Exploration departments.

Our approach to co-existing with ASM depends on the context at each site, including the political and social dynamics, the presence and capacity of the regulator, and the nature of the risks. Management practices are outlined below. (Practices are in place in Nicaragua, the Philippines and Mali unless otherwise noted).

Artisanal and Small-Scale Mining (ASM) refers to formal or informal mining which is characterized by low capital intensity and high labour intensity and relatively simple methods for exploration, extraction and processing. It is estimated that more than 100 million¹⁹ people globally rely on this sector for income, mainly in developing regions.

While B2Gold recognizes ASM as an important livelihood, the presence of ASM around our mines and on our exploration permits in Nicaragua, the Philippines and Mali, results in risks and impacts. These include conflict over access to land for ASM, intrusions for the purposes of ASM or scavenging ore, an increase in crime and corruption in local communities, loss of livelihood following displacement of artisanal miners, the presence of child or forced labour, and the potential liability for labour, and environmental or health and safety impacts. The absence of effective and enforced regulation of ASM by authorities increases these risks. ASM is a salient issue for B2Gold due to the potential for conflict between artisanal miners and private or public security, potential for impacts on people's livelihoods, and likelihood of negative environmental impacts.

- » Coordinate between Community Relations, Operations, Exploration, and Security departments to manage risks.
- » Establish and communicate security protocols to local stakeholders on access to land.
- » Conduct regular monitoring and reporting on ASM activities and environmental impacts.
- » Engage with local and national stakeholders and authorities to reduce risks and establish access to land and controls on ASM.
- » Support alternative livelihood projects, particularly for artisanal miners displaced due to land acquisition.
- » Conduct regular risk assessments and update action plans (Mali, Nicaragua).
- » Coordinate with regulators to conduct an annual census and ensure regulator involvement in controlling ASM access to land (Nicaragua).
- » Support the establishment of a small cyanide processing mill (Nicaragua) or purchase ore from small-scale miners (Philippines) to diminish mercury use and provide livelihood stability.
- » Established a local committee and information centre including artisanal miners, local authorities and regulators to ensure effective information sharing and dialogue (Nicaragua).
- » Provided support for capacity building to enable the formalization of cooperatives and improve their environmental, health and safety, and mining practices (Nicaragua).
- » Consider ASM during closure planning to ensure ongoing access to land and economic activity (Nicaragua).
- » Adapt mine plan and design to facilitate access to land for ASM (Philippines).

MANAGING ASM INTRUSIONS APPLYING THE VOLUNTARY PRINCIPLES

In early 2018, a small number of artisanal miners initiated activities on a permitted exploration project near Fekola. Once detected and following dialogue with B2Gold representatives, they vacated the site. Days later the group returned and numbers rapidly increased to an estimated 1,400. After two months of engagement and negotiation, the miners refused to leave and prevented B2Gold staff from monitoring the site. The Company formally requested the government to intervene and a public security force was deployed nearby.

B2Gold had previously engaged with authorities and public security forces to share our corporate commitment to respect the Voluntary Principles on Security and Human Rights, and identified shared principles on avoiding the use of force and the need for dialogue. A timeline was established and communicated to the artisanal miners requiring their withdrawal. Prior to the public forces' arrival at the area, most of the miners had left peacefully and confrontation was avoided.

¹⁹ Working Together – How large-scale mining can engage with artisanal and small-scale miners, published by ICMM and IFC on ASM.