



SUSTAINABILITY REPORT 2017



WHO WE ARE

HELLAS GOLD SUSTAINABILITY REPORT 2017

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Port of Stratoni



HELLAS GOLD S.A. **GENERAL DISCLOSURES**

Hellas Gold S.A. is a gold, silver, lead and zinc mining company headquartered in Athens, Greece



ABOUT THIS REPORT

Social and environmental disclosures are an important step towards improving relationships and trust with stakeholders who increasingly demand higher levels of transparency and accountability. At Hellas Gold S.A. ("Hellas Gold" or the "Company") we recognize the importance of disclosing non-financial information. For five successive years we have produced an annual Sustainability Report outlining initiatives and management mechanisms in place to identify, manage, monitor and mitigate our current and potential impacts. This Sustainability Report (the "Report") covers the period from January 1st to December 31st, 2017.

This Report has been prepared in accordance with the GRI Standards*: Core option. The GRI Mining and Metals Sector Supplement was also taken into consideration.

Hellas Gold supports the UN Sustainable Development Goals ("SDGs") and SDG icons can be found throughout the Report to see how Hellas Gold contributes to sustainable development across our operations.

This Report is the outcome of a collaborative, interdepartmental effort under the coordination of Hellas Gold's CSR & Community Relations department. Although the Report is not externally assured, all content has been prepared and reviewed internally. We welcome any feedback from our stakeholders that can help us in our efforts to continuously improve our sustainability approach and reporting practices. Any feedback about this Report can be submitted by phone (+30 23760 25000) or by email: press@gr.eldoradogold.com.

*For more details see: www.globalreporting.org/standards/

MANAGING DIRECTOR MESSAGE

Dear Stakeholder,

Halkidiki, which translates the “land of copper”, is the place where mining and metals production has been carried out for more than 25 centuries driving the growth and prosperity of the wider region. Hellas Gold and its people are continuing this centuries-old mining tradition aiming to create a bright future for the people and communities living in this Northeastern part of Greece.

We believe that our ongoing efforts to operate and sustain our mines, rehabilitate the local environment, engage openly with our stakeholders, constantly improve our production processes, and develop our workforce, will drive prosperity and well-being for the region and its residents.

2017 was a challenging year for Hellas Gold, though it ended positively with the announcement that the Olympias mine completed construction and moved into commercial production. We continued our efforts to strengthen our engagement with the community around the projects and our stakeholders. However, we have room for improvement and the contractor fatality we experienced at Skouries in August 2017 serves as a reminder that we must do better towards protecting our employees, contractors, suppliers and communities. Mining, as a long-term business, has the ability to create value based on our ability to operate responsibly and sustainably. Beyond operating safely, this means minimizing our environmental impacts throughout the life of our mines, respecting human rights, and sharing the wealth we generate fairly.

At Hellas Gold, people are at the core of our business model. We strive to maximize value for our employees, contractors, investors, local communities and the greater region of Central Macedonia. We employ and train employees from our local communities and continue to increase our percentage of local suppliers in alignment with our goal to support parallel economic development. These efforts generate significant employment and wealth for Greece and can help our economy recover and prosper.

We remain committed to the three pillars that define our sustainability strategy, supporting our long-term success:

I. Environmental Stewardship: We aim to act as responsible stewards of the environment. Our goal is to demonstrate that mining and environmental responsibility can co-exist across every stage of the project life cycle.

II. Community Development: We invest in initiatives that empower the local, regional and national economy, while acting as responsible neighbors. Our goal is to enrich the lives of the people around us, creating sustainable benefits for all.

III. Valued Employment: We provide ongoing opportunities for local employment and career development and we are committed to increasing the percentage of senior executives coming from our local communities. At the same time, we focus on improving our health and safety performance to ensure that all our employees and contractors return home safely every day.

We remain committed to realizing our investment plans in Greece, adhering to leading industry health, safety and environmental practices, and maintaining full compliance with Greek and European laws and permitting requirements. As we work towards achieving the targets above, we will endeavor to lead the way and set new benchmarks for outstanding sustainability performance in Greece.

Sincerely yours,
Dimitris Dimitriadis
Managing Director



HELLAS GOLD AT A GLANCE

Hellas Gold is a gold, silver, lead and zinc mining company headquartered in Athens, Greece. Its operations include exploration, development, production and reclamation works.

Since February 2012, Hellas Gold has operated as a subsidiary of Eldorado Gold Corporation (Eldorado Gold). Eldorado Gold is a Canadian mid-tier gold producer with shares trading on the Toronto (TSX: ELD) and New York (NYSE: EGO) stock exchanges. In Greece, Eldorado Gold owns 100% of Thrace Minerals S.A., 100% of Thracian Gold Mining S.A. and 95% of Hellas Gold S.A. while the remaining 5% interest in the Company belongs to the Ellaktor Group. Eldorado Gold has more than 20 years of experience in the construction and operation of gold mines in Europe, Asia and South America. Its market capitalization was approximately EUR 0.97 billion dollars in 2017 with revenues of approximately EUR 346.4 million.

Hellas Gold's mining operations are located in Halkidiki, Central Macedonia in Greece. The mining operations are collectively referred to as the "Kassandra Mines"; a name first used in 1893 and attributable to our mining activities ever since. The Kassandra Mines consist of three key assets: the Stratoni and the Olympias operating mines and the Skouries development project. All our products are sold to metallurgic facilities in China and the United States, which with further processing produce pure gold, silver, lead and zinc for a variety of end uses.

THE STRATONI MINE



Stratoni is an underground, silver–lead–zinc mine. The Stratoni mining area is composed of the Mavres Petres underground orebody, the Stratoni plant and the Stratoni port facilities. Ore from the Mavres Petres mine is transported to the Stratoni plant where, through a multistage flotation process, a lead–silver concentrate and a zinc concentrate is extracted and then shipped from the Stratoni and Thessaloniki ports to overseas refineries.



Stratoni in 2017 numbers

150,734 Tonnes
of ore processed

5.8%
Lead grade

9.4%
Zinc grade

36,699 Tonnes
of concentrate produced

41,693 Tonnes
of concentrate sold

€0,939/t
Cash costs

€45.31 M
Concentrate revenues

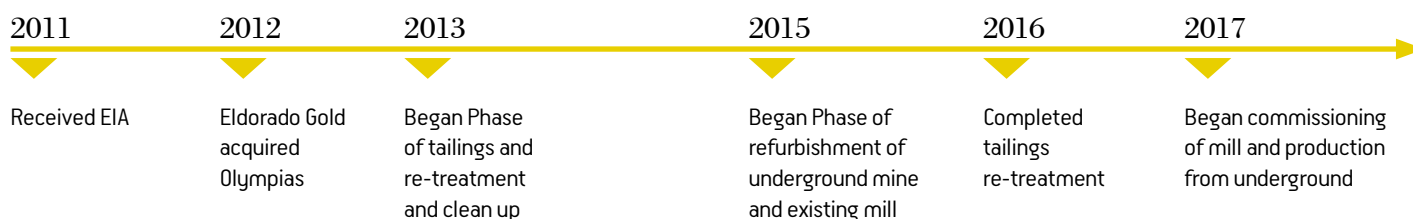
€0.53 M
Sustaining capital expenditures

THE OLYMPIAS MINE



Olympias is a pre-existing gold-silver-lead-zinc underground mine. The mine is being redeveloped and modernized in phases. Phase I involves an environmental clean up of previously mined tailings (mining waste) and the refurbishment of the original processing plant and underground mine. It started in 2013 and continued during 2017.

Phase II began in the first quarter of 2017, with the commencement of underground production alongside operation of the Olympias flotation plant. The renovated flotation plant and the modernized underground mine were officially declared in commercial production at the end of 2017.



Olympias in 2017 numbers

18,472 oz
of gold produced
(including pre-commercial
production)

7.5 g/t
Gold grade

116 g/t
Silver grade (estimated
based on current proven
and probable reserves)

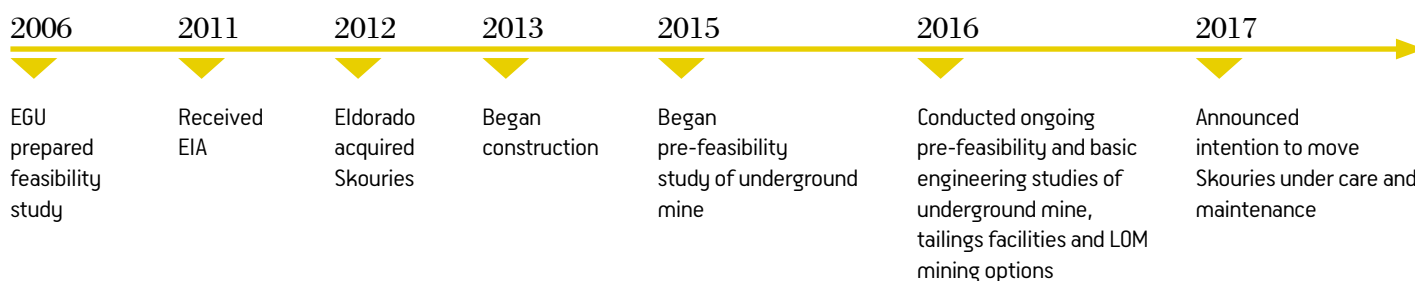
3.5%
Lead grade (estimated
based on current proven
and probable reserves)

4.8%
Zinc grade (estimated
based on current proven
and probable reserves)



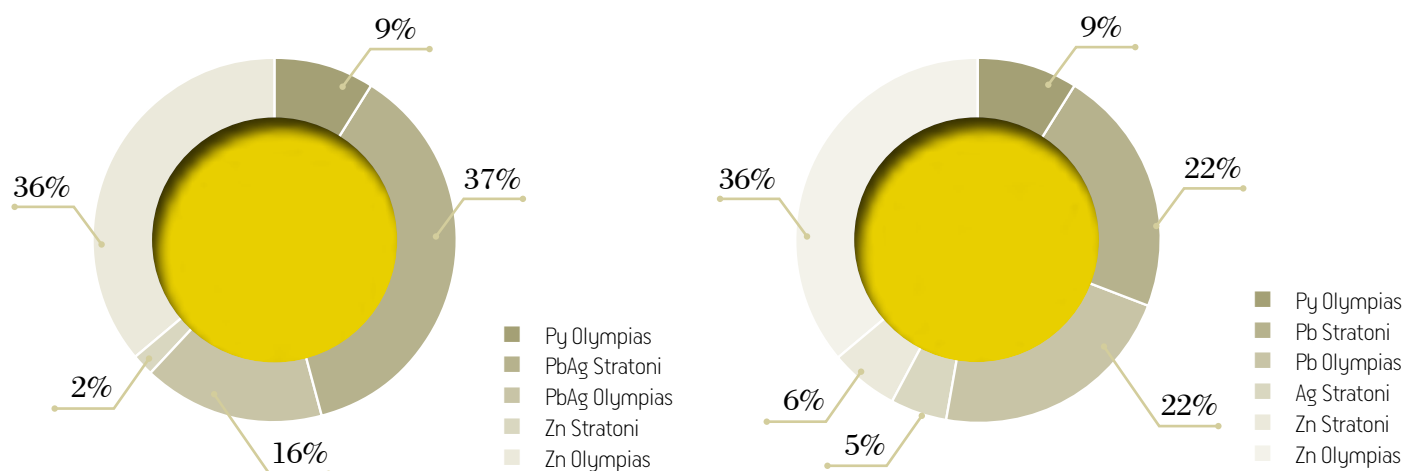
THE SKOURIES PROJECT

Skouries is a high-grade gold–copper porphyry deposit. Upon completion, the Skouries mine will operate initially as an open-pit and underground mine, later followed by only underground production. Our objective for the Skouries project is to use the smallest possible surface area for construction of the mine. Parallel rehabilitation will occur as project areas are no longer needed, and upon closure the mine area will be fully reclaimed and rehabilitated.





Paste Plant – Olympias



HELLAS GOLD SALES 2017 RECOGNIZED 31.12.2017

SALES 2017

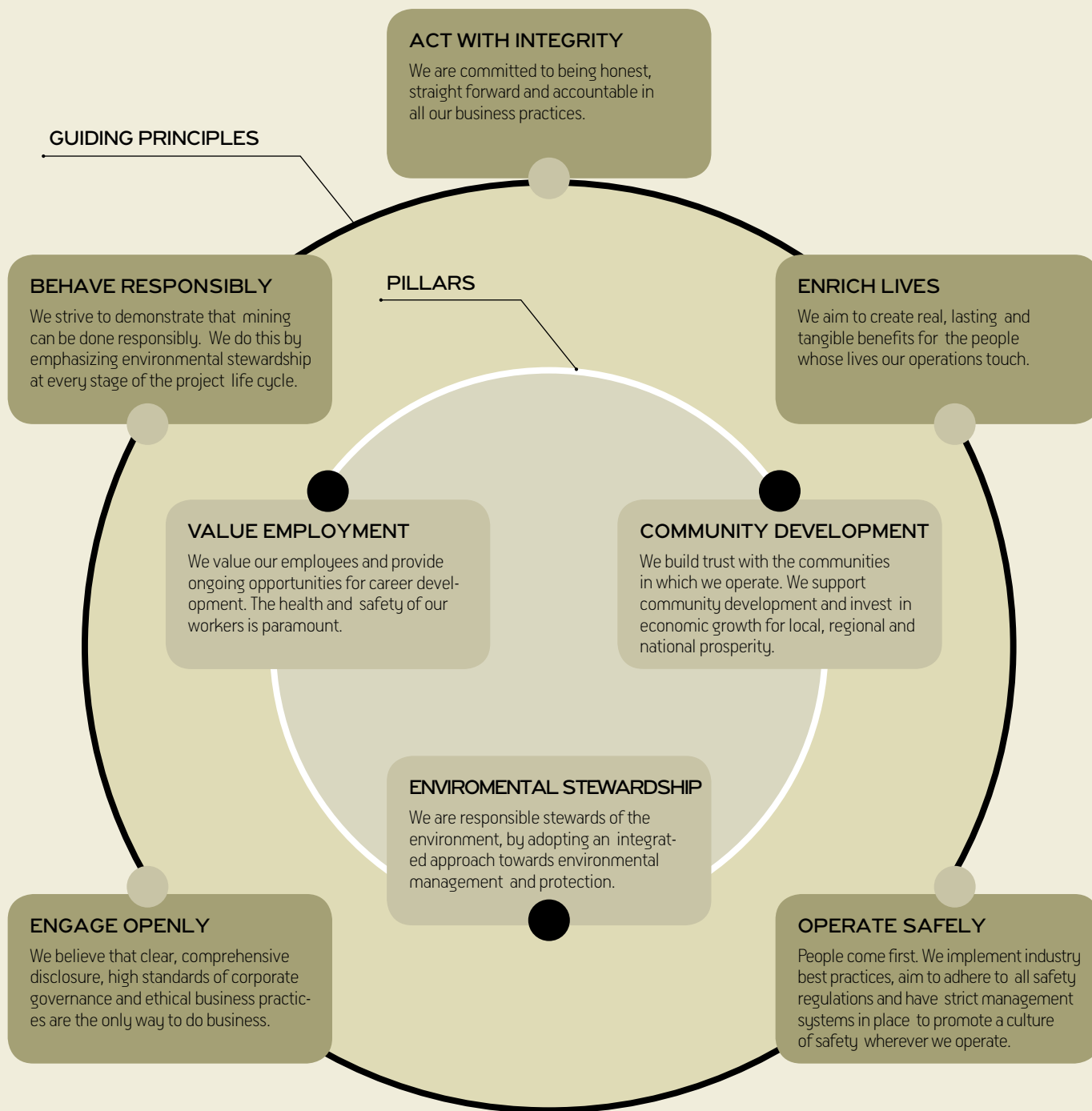
	Wet Metric Ton	Percentage
Py Olympias	32.707	37%
PbAg Stratoni	13.932	16%
PbAg Olympias	2.083	2%
Pb Total	16.015	18%
Zn Stratoni	31.009	36%
Zn Olympias	7.501	9%
Zn Total	38.510	44%

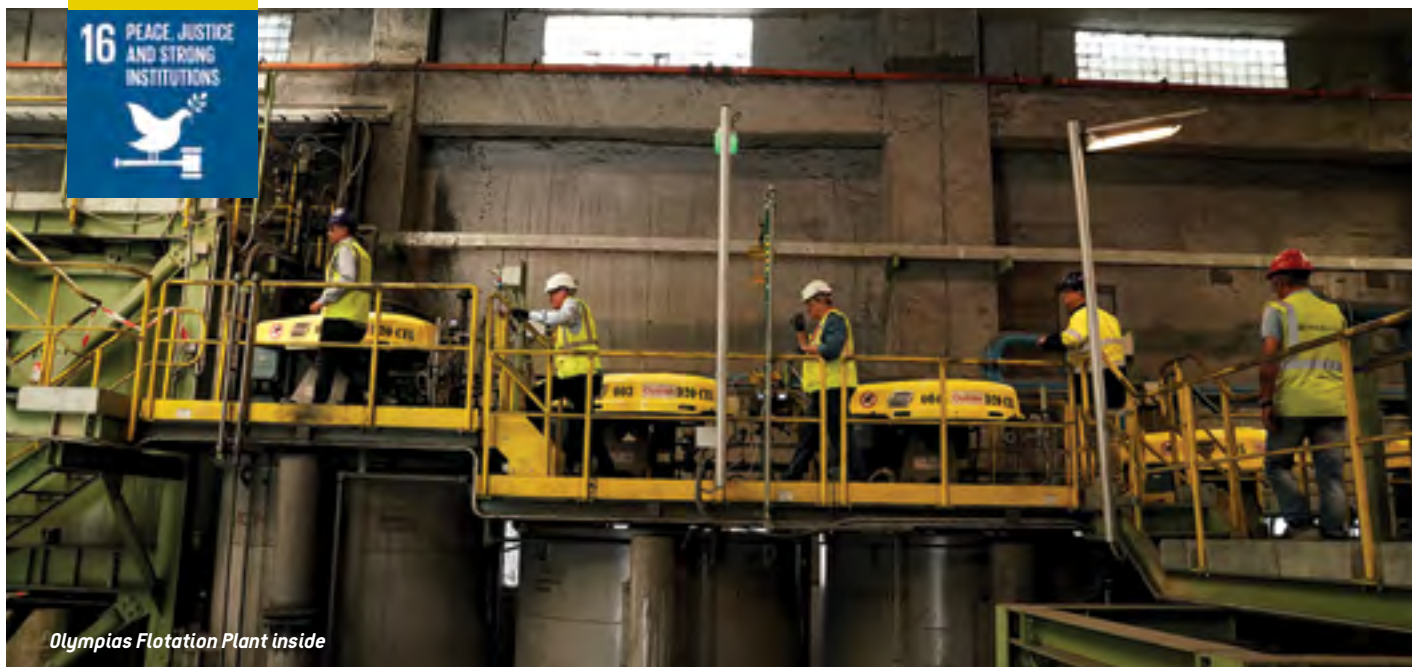
REVENUE 2017

	SUSD	Percentage
Py Olympias	18.425	22%
Pb Stratoni	18.785	22%
Pb Olympias	4.050	5%
Pb Total	22.836	27%
Ag Stratoni	4.752	6%
Zn Stratoni	30.830	37%
Zn Olympias	7.446	9%
Zn Total	38.276	45%

SUSTAINABILITY STRATEGY

Our sustainability strategy derives from the Guiding Principles of our parent company Eldorado Gold. We try to ensure that through each phase of our responsible mining process, we are able to generate social, environmental, and economic value. Hellas Gold has the potential to make Greece a leading European gold producer, and our ambition is to grow our mining projects while upholding our core commitment to sustainability.





Olympias Flotation Plant inside

GOVERNANCE AND ACCOUNTABILITY

We conduct business ethically, implementing high standards of corporate governance across every aspect of our operations. We understand that an integrated approach to managing our operations, risks and relationships can facilitate long-term planning, decision making and effective business communication.

The mining industry interrelates with the environment, economy and society, and is therefore a heavily regulated industry. Our activities are strictly controlled and we must comply with all rules, regulations and laws. Where possible, we look beyond legal compliance and adopt leading international practices and standards, and we continue to invest in developing our management practices, standards, policies, and systems of governance. Our governance approach, combined with our sustainability strategy and Guiding Principles enables us to create long-term value for all our stakeholders.

CODE OF BUSINESS CONDUCT AND ETHICS

Hellas Gold has adopted Eldorado's Code of Business Conduct and Ethics, which outlines our expectations for acting ethically in all situations and making choices that support the highest standards of integrity and business conduct. The Code is applicable to all our employees and representatives. All new hires are briefed on the Code and its requirements as part of induction training. Hellas Gold employees are required to review and re-sign the Code once per year while any infringements to the Code can lead to disciplinary measures including dismissal. A key part of the Code is the Company's whistleblower mechanism so that anyone from Hellas Gold can confidentially report any concerns regarding our accounting practices, financial statements, internal controls or any other suspected or known behavior that violates laws, government regulations or the Code.

PRECAUTIONARY APPROACH

Our risk management efforts led us to take precautionary measures throughout the life of our projects and mines. Before the initiation of any activity, we assess the potential environmental and social impacts to evaluate how to avoid, control or mitigate the risks.



Skouries Project

ANTI-BRIBERY AND ANTI-CORRUPTION

Our Anti-Bribery and Anti-Corruption Policy outlines mandatory prerequisites for all Hellas Gold directors, officers and employees in order to strictly comply with anti-bribery and anti-corruption laws, while monitoring for and preventing potential violations from our personnel, representatives, distributors, consultants and agents.

The Policy outlines the key contacts to be notified in case of a violation, and all requirements concerning improper payments, record keeping, insider trading, penalties and consequences. All employees and contractors are provided with the Policy upon beginning of employment or engagement. An Anti-Bribery and Anti-Corruption Compliance certificate must be signed upon the joining or working with the Company and annual training is provided to agents and employees.

Eldorado's Corporate Secretary and Global Internal Controls Manager are responsible for investigating any reported instances of non-compliance. If an employee or agent fails to meet Policy's requirements, they may be subject to disciplinary action, including immediate termination and civil or legal penalties.

INTERNAL AUDIT

Eldorado Gold's Internal Audit team looks to ensure that Hellas Gold follows corporate policies and procedures, such as the Code of Business Conduct and Ethics, and confirm that the company's risk management, governance and internal control procedures are operating effectively. Internal Audit reports directly to Eldorado Gold's Finance Department and the Audit Committee of the Board. The Audit Committee's goal is to ensure that the Company operates in a fully transparent manner and in the best interest of Company's stakeholders.

CORPORATE OVERSIGHT

Hellas Gold's activities in Halkidiki are overseen by our mine General Managers, who report to the Company's corporate office in Athens. Additional oversight is provided by our majority owners Eldorado Gold Corporation (95%) and Ellaktor Group (5%). Eldorado operates a decentralized yet coordinated business infrastructure, which means that the senior management team in Canada works closely with our management team in Greece.

At Eldorado, corporate governance is headed by the Board of Directors. The Board provides senior management with independent and objective advice. Governance policies explicitly require the Chairman of the Board and all members of the Board committees to be independent. Together, the Board works with senior management to set long-term goals, develop strategy and monitor the progress of Hellas Gold toward achieving its goals. The Board also regularly evaluates the principal business risks and monitors the effectiveness of the risk management process. The Board is composed of the following committees: Audit, Compensation, Corporate Governance and Nominating, and Sustainability.



Beekeeping – Olympias village

SUSTAINABILITY COMMITTEE

The Sustainability Committee oversees the policies, programs and practices that relate to environment, health, safety, community relations and security. The goal of the committee is to ensure that Hellas Gold is committed to ethical, transparent and responsible behavior while engaging with all its stakeholders.

The Sustainability Committee receives detailed quarterly reports from Hellas Gold, providing an overview of its operations and performance related to safety, health, environment, community relations and security. In the instance of a major incident, such as a fatality, serious lost-time injury, significant environmental incident or other legally reportable event, the Sustainability Committee receives a briefing within 24 hours. The Board of Directors, including members of the Sustainability Committee, periodically visit our sites for first hand validation and interaction with our operations personnel.

MEMBERSHIPS AND DISTINCTIONS

INDUSTRY ASSOCIATIONS

Hellas Gold actively participates in many national and international associations and at the same time voluntarily adopts international Guidelines and standards through the participation of its parent company. These associations include:



GREEK MINING ENTERPRISES ASSOCIATION



HELLENIC FEDERATION OF ENTERPRISES



FEDERATIONS OF INDUSTRIES OF NORTHERN GREECE



GREEK INTERNATIONAL BUSINESS ASSOCIATION



FEDERATION OF ATTICA AND PIRAEUS INDUSTRIES



ATHENS CHAMBER OF COMMERCE AND INDUSTRY



AMERICAN-HELLENIC CHAMBER OF COMMERCE



CANADIAN-HELLENIC CHAMBER OF COMMERCE



EUROPEAN ASSOCIATION OF MINING INDUSTRIES,
METAL ORES AND INDUSTRIAL MINERALS



MINING ASSOCIATION OF CANADA



WORLD GOLD COUNCIL

SUSTAINABILITY ASSOCIATIONS

EU Responsible Mining Demonstrations Commitment (REMIND)

We are one of the twenty partners across 10 European countries aligned to develop and implement the “EU Responsible Mining Charter.” The main objectives of this initiative are to enhance sustainable performance reporting, to identify best practices for a responsible mining industry and to build public trust based on the principle of accountability.

CSR Hellas

Hellas Gold is one of the members of the Hellenic Network for Corporate Social Responsibility (CSR Hellas). The mission of CSR Hellas is to help business to align social progress and sustainable development. All CSR Hellas participating companies have agreed to integrate responsible social and environmental practices in their business activities.

Greek Sustainability Code

Hellas Gold follows the principles of the Greek Sustainability Code. This Code serves as a practical tool for improving transparency in corporate disclosures while committing the participating companies on issues of sustainable development and responsible business. These commitments respond to the EU Directive on disclosure of non-financial information and diversity information. The Code consists of four pillars and twenty criteria and was developed as part of the Sustainable Greece 2020 Initiative

AWARDS



During 2017, Hellas Gold was recognized by several distinguished organizations for its sustainability practices, transparent disclosure and commitment to operate responsibly. These awards help demonstrate to our stakeholders that Hellas Gold meets the highest standards of excellence, verified by a variety of external organizations. The recognition we have received serves as a motivation for us to continue enhancing our sustainability strategy and practices.



BRAVO AWARDS & SUSTAINABILITY DIALOGUE

- Bravo Market – Parallel growth through supply chain management: More specifically, Bravo Market honored our strategic decision to invest in local suppliers and improve the local economy indirectly through our purchases.
- Bravo Environment – Limiting environmental footprint: This award was appointed to Hellas Gold for reusing 100% of mining by-products as construction materials and for having recycled 100% of processing plant water.
- Bravo Society – The development of NE Halkidiki: This award refers to Hellas Gold's overall contributions to local communities including employment and education initiatives, support of cultural and sports associations.



CORPORATE RESPONSIBILITY INDEX

Gold Award- And Award for being the Gold winner with the maximum score. The Corporate Responsibility Index is a strategic management tool to enhance the capacity of businesses to develop, measure and communicate best practices in the field of corporate social responsibility. It does this through benchmarking corporate social responsibility strategy and its implementation process by companies.



RESPONSIBLE BUSINESS AWARDS

In Responsible Business Awards, Hellas Gold received the Gold Award for its Environmental Monitoring System, one of the most advanced environmental monitoring systems in Europe. Also, the Company received Silver Award for its contribution to the social and financial development of North East Halkidiki and the Bronze Award for the successful support of the Greek Paralympic Team.



Nursery – Olympias

STAKEHOLDER **ENGAGEMENT**

We define our stakeholders as those who are influenced by our activities and those whose actions influence the Company's decisions, objectives and sustainable development. We define our core groups of stakeholders as employees and contractors; employee unions; suppliers and partners; trade associations; the local community and local associations; local government; broader society and media; the Academic community; non-governmental organizations (NGOs); State and public administration and customers.

STAKEHOLDERS	KEY TOPICS AND CONCERNS	METHODS OF ENGAGEMENT
EMPLOYEES AND CONTRACTORS	<ul style="list-style-type: none"> • Maintaining employment • Improving health and safety • Strengthening internal communication • Upholding permitting and regulatory compliance • Provision of training and education • Protecting human rights 	<ul style="list-style-type: none"> • Internal communication, staff meetings, emails, communication through unions, corporate website • Daily interaction
EMPLOYEE UNIONS	<ul style="list-style-type: none"> • Maintaining employment • Improving health and safety • Strengthening internal communication • Minimizing impacts on land use and ongoing reclamation • Protecting human rights • Improving economic performance 	<ul style="list-style-type: none"> • Monthly meetings with management • Additional meetings whenever deemed necessary
SUPPLIERS AND PARTNERS	<ul style="list-style-type: none"> • Preventing bribery and corruption • Improving economic performance • Minimizing solid and liquid waste • Hiring local suppliers • Increasing positive indirect economic and social impacts • Preventing damage to equipment/facilities • Upholding permitting and regulatory compliance • Improving health and safety 	<ul style="list-style-type: none"> • Personal meetings, telephone and emails • Engage several times a month
TRADE ASSOCIATIONS	<ul style="list-style-type: none"> • Improving health and safety • Maintaining employment • Upholding permitting and regulatory compliance • Provision of training and skills development • Protecting human rights • Strengthening product stewardship • Minimizing solid and liquid waste • Reducing noise and vibrations • Minimizing impacts on land use and ongoing reclamation 	<ul style="list-style-type: none"> • Personal meetings, telephone and emails • Additional meetings whenever deemed necessary
THE LOCAL COMMUNITY AND LOCAL ASSOCIATIONS	<ul style="list-style-type: none"> • Upholding permitting and regulatory compliance • Protecting human rights • Reducing impacts on water resources • Protecting and preserving biodiversity • Minimizing solid and liquid waste • Maintaining environmental compliance • Increasing positive indirect economic and social impacts • Reducing GHG emissions and preserving air quality 	<ul style="list-style-type: none"> • Personal meetings, telephone, opinion surveys, neighborhood meetings, community newsletters • Interactions several times per month and whenever deemed necessary

Stakeholder engagement is an ongoing process that creates collaborative and constructive working conditions for the Company and our stakeholders. Through productive dialogue we can discuss and co-design solutions for topics that concern our stakeholders. It is a unique opportunity to exchange views and together build upon a common plan. When topics are raised through our stakeholder engagement, we aim to respond accordingly. We either notify the relevant business areas about a particular issue and look to resolve the matter, or we take stakeholder feedback into consideration when reviewing and improving our management systems and procedures. This Report's content is an outcome of continuous stakeholder engagement, where we seek to disclose relevant and material information to meet our stakeholders' expectations and interests.

STAKEHOLDERS	KEY TOPICS AND CONCERNS	METHODS OF ENGAGEMENT
LOCAL GOVERNMENT	<ul style="list-style-type: none"> • Maintaining a social license to operate • Maintaining employment • Hiring and prioritizing local suppliers • Engaging with our community • Upholding permitting and regulatory compliance • Reducing impacts on water resources • Minimizing impacts on land use and ongoing reclamation 	<ul style="list-style-type: none"> • Personal meetings and telephone • Engage when deemed necessary, usually more than twice a month
BROADER SOCIETY AND MEDIA	<ul style="list-style-type: none"> • Protecting and preserving biodiversity • Reducing GHG emissions and preserving air quality • Minimizing solid and liquid waste • Maintaining environmental compliance • Reducing noise and vibrations • Minimizing impacts on land use and ongoing reclamation • Maintaining employment • Increasing positive indirect economic and social impacts • Upholding permitting and regulatory compliance • Emergency preparedness 	<ul style="list-style-type: none"> • Personal meetings, telephone, emails, site tours for residents, students and broader society • Engage when deemed necessary
ACADEMIC COMMUNITY	<ul style="list-style-type: none"> • Improving health and safety • Protecting human rights • Preventing bribery and corruption • Emergency preparedness 	<ul style="list-style-type: none"> • Personal meetings, telephone and emails • Engage when deemed necessary
NON-GOVERNMENT ORGANIZATIONS (NGOS)	<ul style="list-style-type: none"> • Protecting and preserving biodiversity • Minimizing solid and liquid waste • Maintaining environmental compliance • Reducing noise and vibrations • Minimizing impacts on land use and ongoing reclamation 	<ul style="list-style-type: none"> • Personal meetings, telephone and emails • Engage when deemed necessary
STATE AND PUBLIC ADMINISTRATION	<ul style="list-style-type: none"> • Permitting • Assessing Hellas Gold's environmental controls • Reviewing the safety of Hellas Gold sites and projects • Protecting the environment • Protecting monuments and significant archaeological sites 	<ul style="list-style-type: none"> • Personal meetings, telephone and emails • Engage when deemed necessary, usually more than twice a month
BUYERS	<ul style="list-style-type: none"> • Resolving procedural problems • Discussing new contract terms 	<ul style="list-style-type: none"> • Personal meetings, telephone and e-mails • Engage when deemed necessary



Kokkinolakas Facilities

MATERIALITY ANALYSIS

We define the Report's content based on the GRI Principles of Stakeholder inclusiveness; Sustainability context, Materiality and Completeness. Our frequent and open stakeholder engagement offers us the opportunity to understand their concerns and interests. Report content is prioritized through a materiality analysis in order to fulfill our readers' expectations. We include material topics and their boundaries, sufficient to reflect our significant economic, environmental and social impacts, and making it easier for all our stakeholders to assess our sustainability performance. In addition, the Report addresses our performance in the wider context of sustainability through our contributions towards the United Nations' Sustainable Development Goals.

The material topics disclosed are based on Hellas Gold's 2016 Sustainable Development Report and the results of an independent Materiality Analysis research exercise conducted in 2016. Building the 2017 Report, in order to identify possible topic gaps, we conducted a comprehensive media review and completed a benchmarking study. This offered us insights to sustainability trends in the mining industry in Greece and abroad. In parallel, we engaged in open dialogue with our local communities, peers, academics, media and NGOs that helped us trace emerging concerns. In this context, we planned together with an independent consulting agency an all-day stakeholder event where we had the chance to discuss and conduct focus groups with CSR experts, peers, media and NGOs. All Report topics were reviewed and validated by Hellas Gold's Country Management.

ENVIRONMENTAL

MATERIAL
TOPICTOPIC
BOUNDARYSolid and
liquid wasteHellas Gold
Subcontractors
EmployeesEnvironmental
complianceHellas Gold
Government
EmployeesLand use and
reclamationHellas Gold
Government
Employees

SOCIAL

Health and
SafetyHellas Gold
Subcontractors
Employees

Employment

Hellas Gold
Local communityPermitting and
regulatory
complianceHellas Gold
Government
MediaSocial license
to operateHellas Gold
Subcontractors
Employees

ECONOMIC

Economic
performanceHellas Gold
Subcontractors
Government
Capital providers
Buyers
Shareholders and
Investors
Employees

TOPIC BOUNDARY:

The topic Boundary is where the impacts for a material topic occur.

ENVIRONMENTAL **STEWARDSHIP**

Responsible stewards of the environment through an integrated approach towards environmental management and protection



WE RECOGNIZE ENVIRONMENTAL MANAGEMENT AND PROTECTION AS A CORE PART OF **OUR EVERYDAY BUSINESS**

Environmental stewardship is a priority for Hellas Gold. More than 2,000 of our employees, contractors and families are members of the communities where we operate, and we recognize the major importance of safeguarding the environment. We are fully aware of our responsibilities and this empowers us to continue operating safely, responsibly and together with the local community. We carefully plan, design and build our operations to reduce our environmental footprint. We integrate environmental responsibility into our everyday business activities and implement industry-leading environmental management practices.



OUR ENVIRONMENTAL HIGHLIGHTS



Zero major* environmental incidents



Integrated and comprehensive environmental monitoring program



Reclamation and rehabilitation of historic waste disposal sites and mining areas



Certified environment and energy management systems (ISO 14001, ISO 50001)



Continuous improvement of our environmental performance



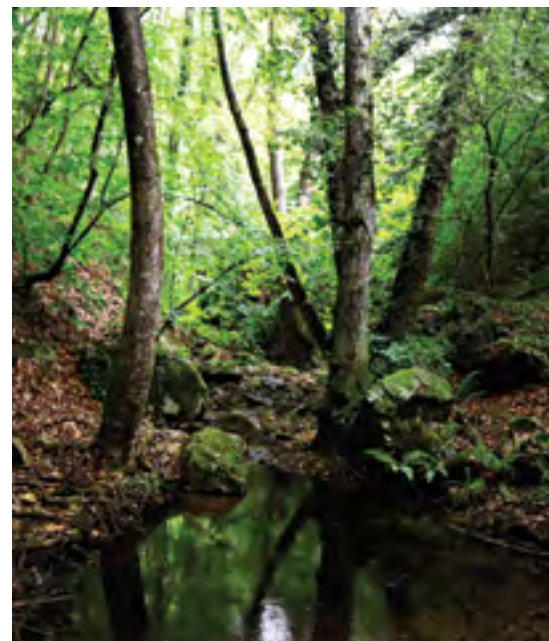
Use of Best Available Techniques (BAT) where feasible and permitted

OUR PERFORMANCE IS CONTINUOUSLY ASSESSED THROUGH SEVERAL MECHANISMS INCLUDING INTERNAL AUDITS, REGULAR MONITORING AND ASSESSMENTS BY PUBLIC AUTHORITIES, ANNUAL PERFORMANCE REVIEWS, AND EXTERNAL CERTIFICATIONS OF MANAGEMENT SYSTEMS AND EQUIPMENT.

* Major environmental incident is any incident that has measurable proof of pollution to the environment

WE PROMOTE A CULTURE OF ENVIRONMENTAL STEWARDSHIP

Our teams are required to adhere to environmental rules and regulations, and are encouraged to be proactive stewards of the environment. We promote this culture via environmental trainings and incentives.



ENVIRONMENTAL MANAGEMENT

We have developed comprehensive management systems in accordance with leading international standards that cover all of the Kassandra Mines' activities. Our systems include:

- KPI's for achieving our Environmental Policy commitments
- Site-specific procedures and practices
- Demonstration of our performance through regular audits and reporting
- Management plans for mine wastes, wastewater, resource efficiency, biodiversity and other environmental parameters.

We conduct monthly, quarterly and annual reviews of our management systems, which can identify possible risks and lead to the prevention and mitigation of environmental hazards.

The Environmental Department's projects are approved by Country Management prior to implementation. Hellas Gold's senior management is actively involved in supporting our environmental stewardship commitments, and is responsible for ensuring teams are equipped with the necessary resources to ensure our continued environmental compliance and strong performance. Hellas Gold's Environmental Department is responsible for developing and implementing our environmental management practices, as well as identifying new opportunities to improve the effectiveness of our systems. A team of 20 scientists and 15 contractors are available to manage environmental issues and enhance environmental performance.



Air monitoring
station sensors

ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEM

Our framework and approach to environmental stewardship is set by Hellas Gold's comprehensive Environmental Management System, designed in accordance with our mining licenses and independently certified to the ISO 14001 Environmental Management System Standard (ISO 14001), aiming to support environmental protection. It provides a stringent guideline to help organizations achieve environmental goals, using a structured approach that enables consistent environmental performance over time. The scope of ISO 14001 encompasses all stages of our projects' life cycle, including exploration for new deposits, construction of new mining facilities, operation of our mines and processing facilities, transportation of materials, and reclamation of our sites.

ISO 50001 ENERGY MANAGEMENT SYSTEM

The Kassandra Mines are the first mining operations in Greece certified with the ISO 50001 standard for energy management, which sets requirements for establishing, implementing, maintaining and improving an energy management system.

OUR ENVIRONMENTAL POLICY

Hellas Gold has adopted an Environmental Policy which promotes:

- Engagement and training for the entire workforce including contractors' personnel
- Use of effective environmental management and monitoring systems both within our mines as well as the broader area of our operations
- Research into new technologies which improve resource efficiency, facilitate recycling and reuse of waste, and enhance environmental restoration activities
- Transparency and open access for all our stakeholders to comprehensive data regarding our environmental performance

In addition, we adopt a precautionary approach, which involves conducting thorough risk assessments to identify how to avoid, control, or mitigate environmental impacts before we commence any activity.

TOWARDS SUSTAINABLE MINING

Our parent company, Eldorado Gold, is a member of the Mining Association of Canada (MAC) and requires all sites to align themselves to MAC's "Towards Sustainable Mining" (TSM) Guiding Principles, Protocols and Frameworks. Our obligation to comply and self-regulate against TSM offers great insights to sustainability benchmarks and international best practices in environmental and social areas throughout the mining life cycle.



*Surface waters
monitoring point*

ENVIRONMENTAL MONITORING

Hellas Gold has established one of the most integrated and comprehensive environmental monitoring systems in Europe. More than 400 monitoring stations gather data about air, water and soil quality, noise and acoustic measurements, vibration, seismicity, and ecology (flora – fauna), supported by on-site lab facilities with advanced equipment, and innovative and transparent reporting via a web viewer available to the public. This online platform* provides direct access to real time environmental data for our operations and the wider area around our sites freely, without the need for subscription or written requests.

Hellas Gold's environmental management and monitoring system is overseen by an independent Environmental Committee. The Committee was established by the State and is comprised of members from various local and regulatory bodies. Hellas Gold responds to feedback from the Committee, which has a specific mandate to review Hellas Gold's compliance to the Kassandra Mines 'Environmental Terms'. The Committee is responsible for reviewing samples collected by specialists for quality control, independence and accuracy. This approach helps validate our performance to our stakeholders by using independent experts and sources they can trust. Additionally, Hellas Gold takes into account findings from assessments made by regulators, agencies and auditors that oversee our performance, as well as reports and feedback from our employees and local community members.

We continue to collaborate with several universities in Greece to improve our environmental performance. Our partnerships include the School of Forestry of the Aristotle University of Thessaloniki; the School of Geology of the Aristotle University of Thessaloniki; the School of Mining and Metallurgical Engineering of the National Technical University of Athens, and the School of Geology of the National & Kapodistrian University of Athens. By collaborating with local academic institutions, we gain insights to new research, innovations and emerging technologies. Furthermore, we offer our partners mining expertise and operational knowledge which help students and professors develop practical applications on their research.

*(<https://environmental.hellas-gold.com/>)



Real time dust concentration monitoring



GHG EMISSIONS

Worldwide, emphasis is given on regulation that penalizes heavy energy users and greenhouse gas emitters.

Scope 1 (direct) GHG emissions relate to the combustion of diesel and explosives. Scope 2 (indirect) GHG emissions are from the consumption of purchased electricity. Significant changes in each site's carbon footprint are reasonable as we move forward from construction to operation.

Direct (Scope 1) GHG emissions						
Gross direct (Scope 1) GHG emissions in metric tons of CO ₂ equivalent		Stratoni	Mavres Petres	Olympias	Skouries	TOTAL
On road diesel fuel (lt)		76.188	772.089	1.027.153	96.250	1.971.680
	CO ₂ (tn)	199	2.018	2.685	254	5.156
	CH ₄ (tn)	0	0	0		0
	N ₂ O (tn)	0	0	0		0
	Total (tn)	199	2.018	2.685	254	5.156
Stationary combustion (lt)					1.168.250	1.168.250
	CO ₂ (tn)				3.126	3.126
	CH ₄ (tn)				0	0
	N ₂ O (tn)				0	0
	Total (tn)				3.126	3.126
Explosives (tn)			70	177	9	256
	CO ₂ (tn)		2	4	0	6
CO₂ (tn) equivalent		199	2.090	2.866	3.389	8.544
Gases included in the calculation; whether CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , or all		CO ₂ , CH ₄ , N ₂ O				
Biogenic CO ₂ emissions in metric tons of CO ₂ equivalent		0				
Base year for the calculation, if applicable, including the rationale for choosing it		2017				
Base year for the calculation, if applicable, including emissions in the base year		2017				
Base year for the calculation, if applicable, including the context for any significant changes in emissions that triggered recalculations of base year emissions		2017				
Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source		GHG protocol				
Consolidation approach for emissions; whether equity share, financial control, or operational control		Operational control				
Standards, methodologies, assumptions, and/or calculation tools used		GHG protocol - cross sector tools				

Energy indirect (Scope 2) GHG emissions						
Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent		Stratoni	Mavres Petres	Olympias	Skouries	Total
	Electricity (KWh)	11.449.432	10.523.968	29.852.850		51.826.250
	CO ₂ (t)	7.838	7.205	20.438		35.481
If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO ₂ equivalent						
If available, the gases included in the calculation; whether CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , or all	CO ₂					
Base year for the calculation, if applicable, including the rationale for choosing it	2017					
Base year for the calculation, if applicable, including the emissions in the base year	N/A					
Base year for the calculation, if applicable, including the context for any significant changes in emissions s that triggered recalculations of base year emission	GHG protocol					
Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source	GHG protocol					
Consolidation approach for emissions; whether equity share, financial control, or operational control	Financial control					
Standards, methodologies, assumptions, and/or calculation tools used	GHG protocol calculation tools emissions from purchased electricity					



Flotation Plant Olympias

Disclaimer: Emissions have been calculated in accordance with the Greenhouse Gas Protocol developed by the World Resources Institute and the World Business Council on Sustainable Development. Conversion factors were obtained from the National Energy Board's Energy Conversion Tables, while emission factors were obtained using studies conducted by the Ministry of Energy & Environment of Greece. As a result, Scope 2 emission factors used here differ from sources used by Eldorado Gold Corporation (Defra) in their annual Year in Review. Calculation baseline year is 2016.



WATER MANAGEMENT

The responsible management of the water is essential to our long-term sustainable development strategy. We recognize water as a vital shared resource that must be actively managed. The quality and availability of water supply is important not only for the community and the region as a whole, but also for our business since access and availability to water supply is critical for our mining operations. We minimize our dependence on fresh water sources by having water management practices that allow us to reduce, reuse and recycle water. At all sites, we strictly control water in order to have zero discharge from the production process as well to ensure that discharges from our Water Treatment Plants fall within the parameters of our permits and licenses.

We have rigorous mechanisms in place so we can track that the water use of our mines is always in accordance with our operating permits and regulations and to ensure the quantity and quality of fresh water in the local area is maintained. Our processing plants are designed as closed-loop systems that recycle and recirculate water, minimizing fresh water consump-

tion and allowing for zero discharge. Any contact water that falls within our sites is collected, treated and reused for industrial water requirements or discharged once water quality standards are met. We use water diversion channels to redirect surface water flows away from our operations to ensure the quality and safety of water downstream. Our monitoring includes the quality (pH, conductance and mineral content) and flow of water in and around our operations through measuring data and comprehensive reports. This includes tests both on the mine water before and after treatment and the local water bodies (surface, ground, drinking, coastal and river) in the surrounding area.

Hellas Gold compiles comprehensive data on water for reporting purposes, using the framework and definitions developed by the Carbon Disclosure Project (CDP). Water data is recorded at a granular level per site location, which helps us to identify opportunities for increased efficiency at every stage of our operations.



WATER WITHDRAWAL

At our mine sites, water is obtained from various sources including groundwater and rainwater. The only effluent at both Stratoni and Olympias is mine water, which is discharged to the natural waterways after proper treatment. The Skouries mine site is designed for zero discharge, which will be achieved by the time that operations commence.

Our water withdrawals fall under the following categories:

- Groundwater: Water in soil beneath the soil surface. Renewable groundwater sources can be replenished relatively quickly and are usually located at shallow depths.
- Municipal supply: Water provided by municipal water utilities.

Water withdrawal by source			
Total volume of water withdrawal, with a breakdown by surface water, including water from wetlands, rivers, lakes, and oceans	0		
Total volume of water withdrawal, with a breakdown by ground water	Category	1.000*m ³	Watersource
	Mine water	770	Old Madem Lakkos mine
	Mine water	2.634	Mavres Petres mine
	Drinking water drillhole	16	Stratoniki aquifer
	Mine water	3.282	Olympias mine
	Drinking water drillhole	8	Olympias mine
	Mine water	298	Skouries mine
	Water drillhole	0	Skouries area aquifer
	Total	7.007	
Total volume of water withdrawn, with a breakdown by rainwater collected directly and stored by the organization	For environmental protection only, the rain water that falls within the boundaries of our installations is collected and recycled to the industrial water circuit. This rainwater is not considered as water withdrawal.		
Total volume of water withdrawal, with a breakdown by waste water from another organization	0		
Total volume of water withdrawal, with a breakdown by municipal water supplies or other public or private water utilities	Category	1.000*m ³	Watersource
	Stratoni drinking water	9	Stratoni municipality network
Standards, methodologies and assumptions used	All quantities from continuous measurements of water flow meters		

Water sources significantly affected by withdrawal of water	
Total number of water sources significantly affected by withdrawal by size of the watersource	No effect has been recorded on the water sources
Total number of water sources significantly affected by withdrawal by whether the source is designated as a nationally or internationally protected area	No effect has been recorded on the water sources
Total number of water sources significantly affected by withdrawal by biodiversity value (such as species diversity and endemism, and total number of protected species)	No effect has been recorded on the water sources
Total number of water sources significantly affected by withdrawal by value or importance of the water source to local communities and indigenous peoples	No effect has been recorded on the water sources
Standards, methodologies, and assumptions	Monthly measurements of water level of drillhole monitoring each groundwater body.

Disclaimer about standards, methodologies, and assumptions used: More information about all calculations and estimations used can be found within the Kassandra Mines Environmental Impact Study *. Waste water discharge results for (2017) are also publicly available in the Environmental Monitoring Program web viewer and in the Carbon Disclosure Project (www.cdp.net), in which Eldorado is participating.

* assessed online at: http://files.hellas-gold.com/mpe/Kyria_Meleti.pdf

WASTE MANAGEMENT

At Hellas Gold, we consider responsible waste management as an essential part of our operations. In the mining sector, waste is considered to be any material that has no economic value. Waste rock, overburden and tailings for example, extracted from mining areas is the primary type of solid waste generated by our mines. Different types of waste are generated through our mining activities, and it is our duty to implement rigorous management practices to minimize our environmental footprint. We strive to go beyond mandatory rules and regulations, to develop responsible and innovative waste management practices that focus on both the reduction of waste as well as the reuse and recycling of waste products.

Challenges we face mainly relate to the removal, cleaning and rehabilitation of old mining tailings and waste rock, as well as the dewatering and filtration of tailings for use in backfill. If waste cannot be reused for other purposes, we dispose of it in an environmentally safe manner.

Waste management activities are a core part of Hellas Gold's ISO 14001 Environmental Management System. Within this System, we have established processes which relate specifically to mine waste and industrial waste management. All disposed waste types and quantities are recorded in legal disposal documents and submitted to the government.

INDUSTRIAL WASTE

In addition to solid mining waste, we generate solid industrial waste which mainly consists of plastic, wood and metal. The management of industrial solid waste is performed by licensed contractors, who are responsible for handling any hazardous and non-hazardous materials. The environmental practices of contractors are regularly reviewed and include:

- Hazardous waste: Identification forms (with data including collection site, ECHA (European Waste Catalogue) number and waste volumes), shipping notes from the Company's warehouse, and certificates of final management (deposit, recovery etc.).
- Non-hazardous waste: Shipping notes from the Company's warehouse and certificates of recycling from the wastes Management Company.

We reuse mine tailings to backfill mined out areas of our sites, mixing the material with cement. In addition, all our mine sites use waste rock as construction material for new project development. These practices help reduce surface waste facilities and create useful by-products from waste materials. In 2017, we reused 100% of inert waste rock from Olympias and Stratoni as construction material (dams and roads).

PRODUCTION - MANAGEMENT OF SOLID MINING WASTES (TN)

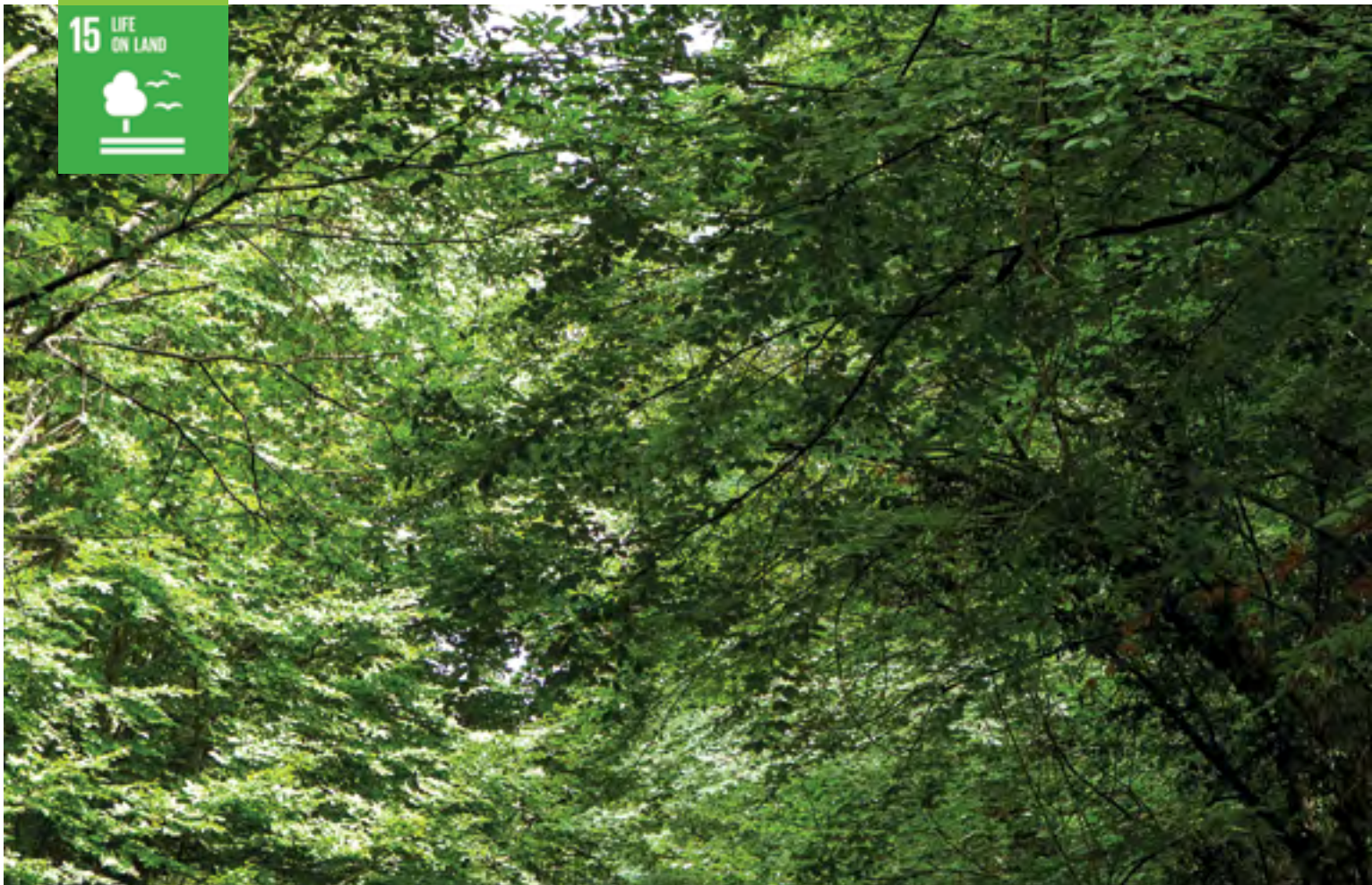
Waste	Unit	Production	Use	Deposit
Olympias tailings	tn	90.261	40.618	11.343
Olympias waste rock	tn	229.982	229.982	
Old Phires area waste rock (not derived)	tn		109.626	
Skouries waste rock	tn			
Mavres Petres waste rock	tn	56.727	56.727	
Mavres Petres neutralization sludge	tn	3.645		3.645
Stratoni neutralisation sludge	tn	67.878		
Stratoni tailings	tn	114.033		
Stratoni coarse tailings	tn		56.691	41.122
Stratoni fine tailings	tn			84.097
Stratoni sum.	tn	242.283	113.418	128.865
Olympias sum.	tn	320.243	380.226	11.343
Skouries sum.	tn	0	0	0
Total	tn	562.526	493.644	140.208

TRANSPORT OF WASTE

Total weight of hazardous waste transported	170 tn
Total weight of hazardous waste imported	0
Total weight of hazardous waste exported	170 tn
Total weight of hazardous waste treated	None. Mine water is not considered as waste
Percentage of hazardous waste shipped internationally	There is no direct international shipment of hazardous waste by Hellas Gold. Authorized bodies are responsible for the proper shipment and management of them
Standards, methodologies, and assumptions used	Industrial waste (including oil), medical waste management determined by waste disposal contractor, quantities provided by waste disposal contractor

Waste by type and by disposal method

Hazardous waste, with a breakdown	by reuse	None		
	by recycling	Type	tn	
		Industrial waste	4	
	by composting	None		
	by recovery, including energy recovery	Type	tn	
		Industrial waste	4	
		Used oil	55	
		Total	59	
	by incineration (mass burn)	None		
	by deep well injection	None		
	by landfill	Source	tn	landfill
		STR tailings	84.097	Chevalie / KOK TMF
		MP sludge	3.645	Chevalie / KOK TMF
		Total	87.742	
Non hazardous waste, with a breakdown	by the following disposal methods where applicable by on - site storage	None		
	by other (to be specified by the organization)	Type	tn	Management
		Industrial waste	29	R13
		Industrial waste	81	D15
		Medical waste	0	D9
		Total	111	
	by reuse	Source	tn	Reuse
		OL tailings	40.618	OL backfilling
		OL waste rock	229.982	OL mine, KOK TMF construction
		OL Phires waste rock	109.626	KOK TMF construction
		MP waste rock	56.727	MP mine, KOK TMF construction
		STR tailings	56.691	MP backfilling
		Total	493.644	
	by recycling	Type	tn	
The waste disposal method has been determined:	by composting	None		
	by recovery, including energy recovery	None		
	by incineration (mass burn)	None		
	by deep well injection	None		
	by landfill	Source	tn	landfill
		OL tailings	11.343	KOK TMF
	by the following disposal methods where applicable by on - site storage	Source	tn	Storage
	by other (to be specified by the organization)	STR tailings	41.122	Chevalie old dam
		Type	tn	Management
		Industrial waste	815	R12
		Industrial waste	194	R13
		Industrial waste	118	D15
		Total	1.127	
	disposed of directly by the organization, or otherwise directly confirmed	Mining waste management determined by JMD of Environmental Terms, quantities recorded directly by HG		
	Information provided by the waste disposal contractor	Industrial waste (including oil), medical waste management determined by waste disposal contractor, quantities provided by waste disposal contractor		



Land Use and Reclamation

We prioritize the protection of natural landscapes and the mitigation of our environmental footprint. We are committed to the clean-up and rehabilitation of old stockpiles and tailings disposal sites that were acquired when we purchased the properties. Our mine plans have been designed so that land reclamation occurs in parallel with mine development. Our land use and ongoing reclamation activities have not caused any household resettlements and are a key element of the mine closure plans we have in place for all of our mines.

We restore the land so it is in harmony with the surrounding landscape. In order to do so, we make use of the Olympias nursery. In 2008, we partnered with Ellaktor to create the Olympias plant nursery near our Olympias mine installations. The nursery has 2,5 million plants across 400 different species and covers 150,000 m² making it one of the largest plant nurseries of Greece. The nursery itself was built on land that was formerly a mine tailings area. Another element that makes our nursery unique is the fact that the plants are watered solely with mine water from our Olympias mine, avoiding the use of any fresh water. During 2017, 4.100 seedlings (trees) and shrubs were used for revegetating areas where mining activities have ceased.



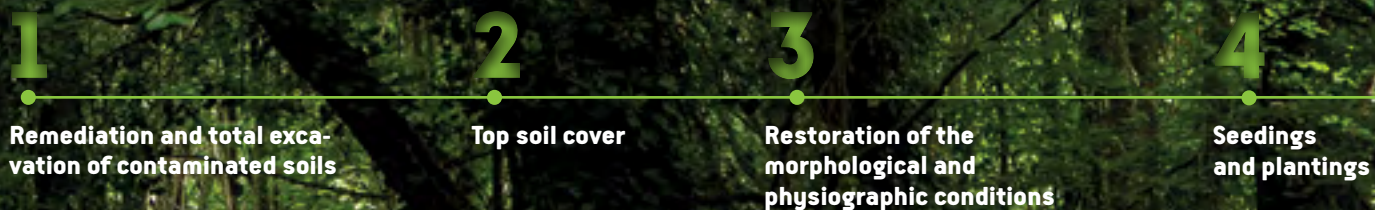
Approximately €2,5 million was invested

during 2017 on reclamation and environmental protection projects at the Olympias mining facilities and the wider area.

AN ENVIRONMENTAL RECLAMATION SUCCESS STORY

A 28-acre open storage facility was constructed in 1980 to store arsenopyrite produced by the Olympias mine. Hellas Gold began reclamation activities after inheriting the storage facility when it acquired the Kassandra Mines, anticipated to be completed by year-end 2018.

Rehabilitation completed to date includes:



Purpose of the project:

Remediation, soil additives, restoration of the mine areas and plantings for the rehabilitation of the wider area.

In 2017, we initiated a Green/Vegetative Waste Collection project together with our local communities. Local villages are invited to participate in the program by nominating specific areas for people to dump branches and waste-wood material. This pruning is later collected, crushed and composted for reuse as a soil additive in our rehabilitation projects. This project enhances the circular economy, removes waste from the communities and creates natural soils.

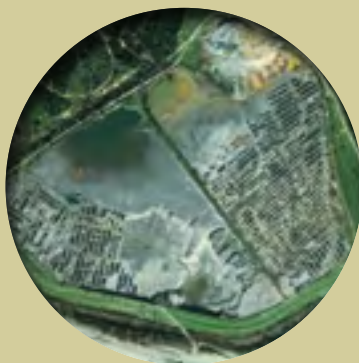
SUCCESSFUL RESTORATION CASE STUDIES

OLYMPIAS

Old tailings dam:

Old tailings from historic mining activities have been removed.

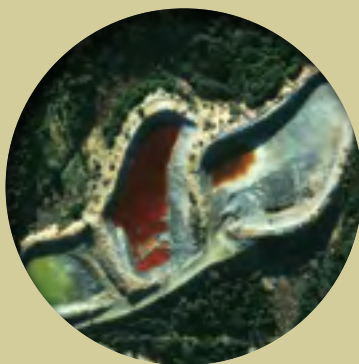
BEFORE



END OF 2017



BEFORE



Old arsenopyrites disposal area:

Revegetation has been completed aiming to rehabilitate and develop the area into its original condition prior to mining.

END OF 2017



BEFORE



Area "Platia Phire":

The removal of old mine materials and restoration of the area is in progress.

END OF 2017



STRATONIKI

BEFORE

END OF 2017

Reforestation of old mining areas
around Stratoniki village is in progress.

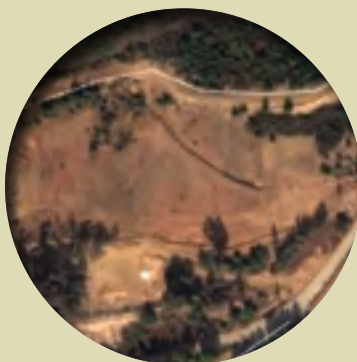


STRATONI

BEFORE

END OF 2017

Restoration at the area
of old pyrite stockpile in Stratoni.



SKOURIES

BEFORE

END OF 2017

Example of parallel restoration:
Hydroseeding at the slopes
of Skouries site.



Environmental Compliance

RESPECT FOR THE ENVIRONMENT IS MORE THAN A LEGAL DUTY IT DRIVES US TO OPERATE RESPONSIBLY AND MINIMIZE OUR ENVIRONMENTAL FOOTPRINT

We strive to comply with all Greek and European environmental legislation and permitting requirements. The results of our environmental monitoring activities, and reports following independent inspections by the Scientific Auditing Committee, are publicly available on the Company's website.



DUST

Dust emissions from mining and construction activities are monitored for compliance with regulatory limits. This includes dust emissions inside our installations, at our mine boundaries towards the nearest settlements and within the surrounding villages to ensure no impact from our mining activities. In 2017, there were no violations against regulatory limits.



NOISE

Noise emissions are monitored at the borders of our mining-facilities towards the nearest settlements. In 2017, there were no violations against regulatory limits.



VIBRATION AND SEISMIC ACTIVITY

A network of vibration monitoring stations (at every settlement in the wider area of Kassandra mines) and accelerometers monitor and record any potential impact from activities that might generate ground movement. In 2017, there were no violations against regulatory limits.

Our consistent track record of environmental compliance demonstrates the strength of our commitment to act as environmental stewards. No fines, penalties or non-monetary sanctions were incurred in 2017 for non-compliance with environmental laws and regulations.



THE KOKKINOLAKKAS TAILINGS MANAGEMENT FACILITY (TMF)

The Kokkinolakkas TMF is a US\$100 million project that uses industry-leading methods and materials to provide safe, stable and environmentally responsible storage of mine waste from the Olympias and Stratoni mines. Mine waste is first used for construction and backfill purposes, with excess stored as dry-stack tailings within the Kokkinolakkas TMF. The Kokkinolakkas facility was constructed in accordance with Hellas Gold's commitment to rehabilitate all old tailing and waste rock facilities in the area of the Kassandra mines. Before Hellas Gold's acquisition of the Kassandra Mines and construction of the Kokkinolakkas TMF, there were multiple tailings management facilities used in the area and often with little treatment or preventative maintenance. At the Olympias site, over 2.5 million tons of mining waste was left from previous business activities with no further processing or environmental protections, merely two kilometers away from Olympias village.



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KEY FEATURES OF THE KOKKINOLAKKAS TMF

- Industry-leading dry-stack tailings technology
- 11 million cubic meters of storage capacity, the equivalent volume of 4,400 Olympic swimming pools
- Specifically designed and constructed to withstand major flooding or seismic events
- Use of 4-layer ground and dam liner in-line with stringent European Union regulations
- 24/7 monitoring systems collect environmental and geotechnical data from across the facility
- Water management systems designed to protect natural water sources and integrity of the facility
- Integrated drainage channels to decrease flood risk and prevent water and soil contamination
- Regular inspections by Hellas Gold engineers and several inspections throughout the year by Greek authorities
- Creation of approximately 30 full-time jobs for the life of the Company's mining projects



WATER MANAGEMENT AND ENVIRONMENTAL PROTECTION

To protect water from contamination and to maintain the integrity of the Kokkinolakkas TMF, we carefully monitor and manage water in and around the site. We have built infrastructure to:

- Divert the naturally occurring Kokkinolakkas creek through a 1.1km tunnel, preventing creek water from coming into contact with the site
- Channel non-contact rain and groundwater away from the facility through drainage ditches
- Collect all contact water in a seepage pond for testing and treatment prior to discharging



INDUSTRY LEADING 4-LAYER LINER

The ground and dam liner system at the Kokkinolakkas TMF is made of four independent layers of highly durable woven and non-woven geotextile materials that are double seam welded. This liner system prevents seepage of contact water and tailings into the surrounding soil.



*Restoration of Basdekis
stream – Olympias*

BASDEKIS CREEK DIVERSION

At the former Olympias sulphide mine, surface subsidence was recorded as a result of sub level caving mine methods previously applied during 1974-1987. The subsidence is mainly located along the Basdekis creek basin, near the mine shaft. Due to the subsidence, surface water was seeping through cracks on the surface into the underground mine below, increasing the risk for potential flooding of the mine, water contamination, and discharge of contaminated water into the natural environment.

To improve surface water management in the Olympias mine area, Hellas Gold initiated the Basdekis diversion project to collect and divert water from the Basdekis creek away from the subsidence area. A system of cement channels 850m long were designed and constructed to move the creek away from the affected area.

Environmental benefits from the project included the elimination of a major source of contamination of Olympias surface water, increased availability of clean surface water for irrigation use by neighbouring communities, as well improved safety for the underground mine facilities.

OUR **PEOPLE**

The health and safety of our workforce is paramount to the way we do business. We strive to adopt leading safe working practices and provide ongoing education and career development for our employees



WE INVEST IN OUR PEOPLE

Our Human Resources strategy promotes the values of high performance and sustainability leadership. Hellas Gold's culture and values are fortified by our Human Resources strategy, our Guiding Principles and our Code of Business Conduct and Ethics that govern the way we work. We invest in recruitment, staff retention and employment practices to ensure a positive work environment and a culture of operational excellence. We find ways to improve our personnel management and try to maintain the best possible relations with our employees.



HR POLICIES

Hellas Gold's Code of Business Conduct and Ethics defines the legal, ethical and regulatory standards we follow to safeguard employee rights, including the elimination of all forms of discrimination including that based on race, religion, gender, age, nationality, disability and sexual orientation.



GENDER DIVERSITY

Hellas Gold is an equal opportunity employer. We recruit based on the skills and experience our candidates have, offering equal salaries for female and male employees that fill equivalent working positions. We recognize that the Greek mining sector has a limited availability of experienced female mine workers and that the ratio of female employees at Hellas Gold is relatively low. We aim to reduce this disproportion of our workforce. In 2017, 47% of our new hires were female employees. This percentage is significantly better than the 41% newly hired female employees in 2016.



HUMAN RIGHTS

Our Human Rights Policy is applicable to everyone who works at and with the Company, including all employees and contractors. It was first published in January 2016 and describes the key principles towards respecting our people: employees, contractors, local community members, supply chain workers and stakeholders who are affected by our activity. Hellas Gold stands firmly against all forms of violence including violent protests and demonstrations. We do not condone any violence by our workforce, and our Security team is proficient in spontaneous response to any violent action. We are explicitly against all actions that endanger the safety and security of our personnel, local communities and properties.



EMPLOYEE BENEFITS

Our strong work culture is founded upon employees that are rewarded competitively while enjoying a full benefits package. In Hellas Gold we value environmental, health and safety, and social performance using indicators that are included in our senior management performance appraisals. Furthermore, beyond our legislative compliance regarding compensation and employee benefits, we also offer supplementary benefits to our employees such as life and accident insurance, and medical and hospital coverage through a group insurance policy.



MINIMUM WAGE & LOCALITY

Hellas Gold pays a minimum wage that is over 50% higher than the statutory minimum wage. We pay the same salary for people working in the same positions regardless of their gender, religion or country of origin. It is notable that the communities around our projects have the highest reported income levels in Halkidiki. Moreover 57% of senior management –level of engineer and higher- are hired from within Aristotle's Municipality.



HUMAN RESOURCE MANAGEMENT TOOLS

Management tools support our work environment and culture. Hellas Gold's Performance Management System was developed in 2014 and includes specific targets, performance appraisals, training schedules, coaching, succession planning and employee rewards.



MEASURING PERFORMANCE- IMPROVING OUR WORKFORCE

Based on our "Golden Behaviors" and our performance management system we established the standards needed to measure employee performance. Subsequently, our employees are provided with clear targets and incentives which are based on their goals and performance. Our managers are provided with a framework to evaluate the skills and competencies of their employees, offering a clear and transparent process for evaluating personnel performance, assisting employees' alignment to team goals and corporate targets. 2017 was the third year that Hellas Gold's performance management system was deployed. It included the development of a high-performance culture that attracted strong talent while retaining our existing high-performing employees. We recognize that investing in our employees' performance has further helped to promote managerial excellence across the Company.



TRAINING AND DEVELOPMENT

We consider education and training as a significant investment, which can result in the creation of a healthy, safe and productive working environment. For this reason, an internal corporate training system was developed to support the Company's training and education activities. Our people are critical to the sustainability and success of our business and they require the right skills and knowledge to operate safely, responsibly and productively in the workplace. Every year, Hellas Gold prepares and submits its annual training plan to public authorities. The plan incorporates the training needs of our employees and feedback from the department managers on training topics that employees should receive in order to acquire new or develop existing skills.

Following this plan, a series of training seminars is designed, organized and implemented, every year. The content of these training and education programs covers a wide variety of topics across health, safety, environment, technical and management areas. All training programs are conducted either by qualified Company employees or by recognized external bodies or partners, whenever it is appropriate.

Each training and education session is recorded in a Training Course Register. Data is used as an input to weekly and monthly training progress reports, addressed to Eldorado Gold and Hellas Gold Head Offices, as well as to the accountable Mining Inspectorate.

We cultivate our employees' talents by providing frequent trainings covering a variety of topics and collaborating with leading training companies. Training covers a wide area of technical and soft skills while engaging both internal and external experts as trainers.

24%

employees who received regular performance and career development reviews

18%

male employees who received a regular performance and career development review during the reporting period

59%

female employees who received a regular performance and career development review during the reporting period

43%

senior management employees who received a regular performance and career development review during the reporting period

94%

middle management employees who received a regular performance and career development review during the reporting period

71%

technical employees who received a regular performance and career development review during the reporting period

91%

administrative employees who received a regular performance and career development review during the reporting period

8%

production employees who received a regular performance and career development review during the reporting period

TRAINING PROGRAMS

Indicative examples of trainings that took place in 2017 are presented below:



SAFETY

Surface and Underground Safety Induction, Basic Principles for Health & Safety in the Workplace, Safety Leadership Workshop for Managers, Emergency Response Plan, NEBOSH: International General Certificate, Risk assessment & Hazard Identification, High-Risks Operating Procedures (Woodcutting Works, Working at Heights, Working in Confined Space, Hot Works, Equipment De-energization, Isolation & Labeling (Lock out – Tag out), Working Safely in Ponds), Safe Truck & Transport Driving, Fire Extinguisher Training, Mine Rescue Training.



HEALTH

Ambulance Driver Training, Evaluation & Prevention of Nutrition Habits, Musculoskeletal Diseases & Physical Activity Pertinent to Mining Activities Employees, Mine Rescue Fitness, Medical Oxygen Use in Cyanide Accidents, CPR – AED, First AID at Work, Post-Traumatic Stress, Medical Devices - Quality Management Systems - Requirements for Regulatory Purposes, Medical Laboratories - Requirements for Quality & Competence.



TECHNICAL

Onsite Geotechnical Training for Underground Mines, Plant Unit (Feeders, Cone & Jaw Crushers, Screens, and Ball Mill) Maintenance & Operation, Resource Estimation, Open Pit Mine Planning, Laboratory Analytical Techniques, ISO 90001: 2015 Internal Quality Management Systems Inspector, Technical Software Programs, TETRA Communication System, Maintenance of Voltage Substations, Audit Plant, Chemical Reagents Management, Digital Marketing & Social Media, Information Info-structures Security, GRI Sustainability Reporting Standards, Payroll & New Labor Legislation, Economic Guidelines for Mineral Exploration, Labor Legislation, Economic Guidelines for Mineral Exploration, Greek Financial & Accounting Standards, Internal Audit, Land Scape Architecture.



MANAGEMENT

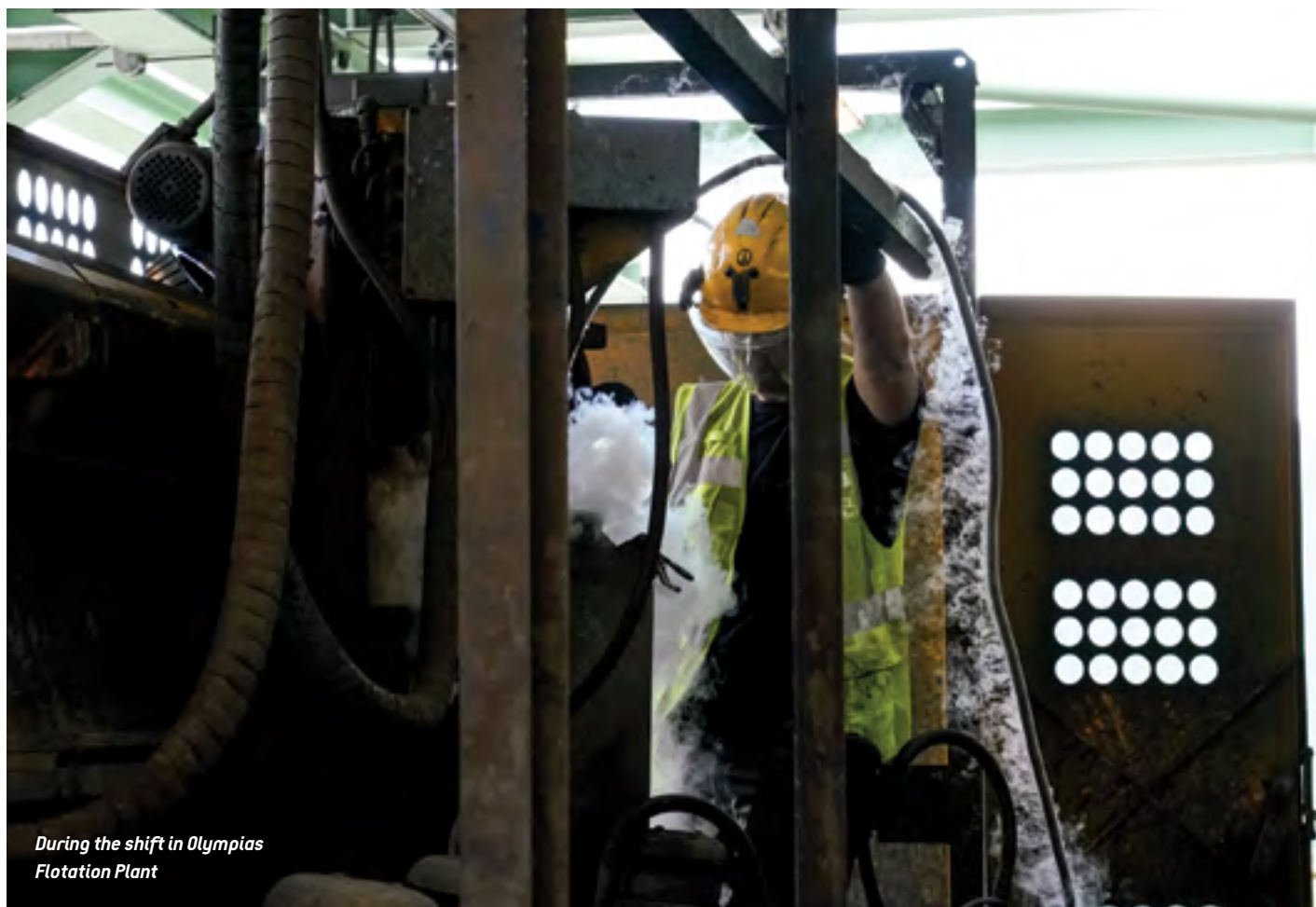
Leadership Skills Development, Business Administration, Performance Management, Advanced Leadership Skills Development, Management of Industrial Projects, Personal Data Protection, Change Management Process, Innovation & Business Analysis, Contractors' Management at HG sites, Corporate Policy Training on Bribery, Corruption & Code of Ethics & Human Rights Policy.



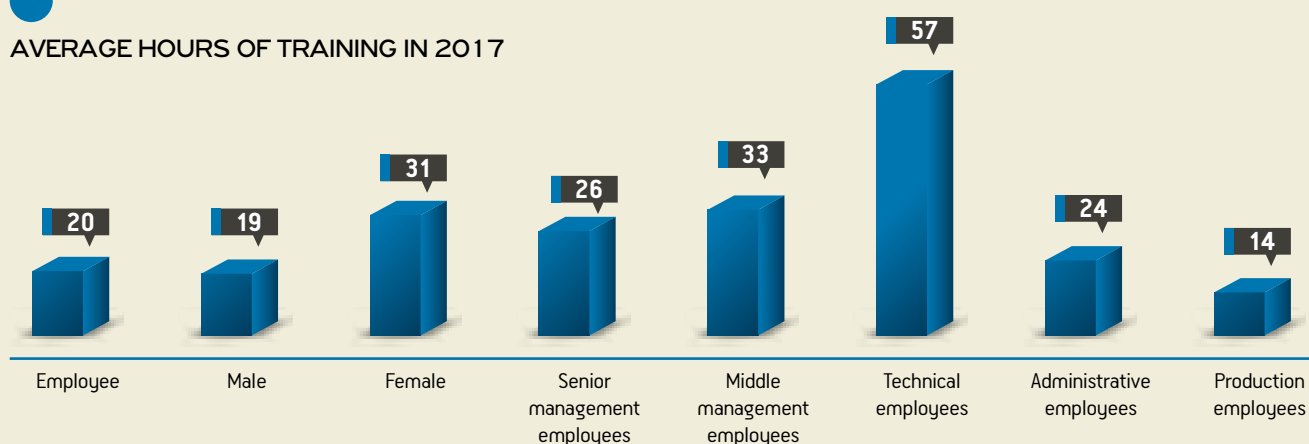
ENVIRONMENT

Electronic Waste Registry, Industrial Solid Waste Management, New National Plan & Regular Environmental Inspection Programs.

- Health and safety training sessions aim to build safer working behaviors and habits, prevent safety incidents and improve emergency response, and are conducted within the Company's sites by safety and training engineers.
- Technical training sessions are conducted with the aim of improving the competency, skills, knowledge and practices of working activities for each employee.
- Management training sessions are focused on improving the leadership skills of Company employees, including effective communications, team-work and management skills, which contribute to more effective working teams.
- Environmental training is provided to Company employees to inform them of our Environmental Management System, topics and risks, as well as new environmental requirements and practices.



AVERAGE HOURS OF TRAINING IN 2017



TRADE UNIONS

In 2017, Hellas Gold had three active trade unions that covered 71% of our employees (762), providing a formal system and avenue for dialogue between our workforce and Company management. Our trade unions are:

1

Agia Varvara Laborers and Employees Union

2

Association of Underground Miners- Kassandra Mines Halkidiki

3

Stoa 59- Underground Miners in Olympias



NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER



	47	14	5	142	160	236	66
New employee hires during the reporting period	25-34 years old	35-44 years old	45+ years old	men	women	from local community	outside the community
	33	8	44	165	153	31	
Employee turnover during the reporting period	25-34 years old	35-44 years old	45+ years old	men	women	from local community	

* Hires and Employee turnover for ages between 18-24 years are not reported since they correspond to Hellas Gold annual summer internship program



INFORMATION ON EMPLOYEES AND OTHER WORKERS BY EMPLOYMENT CONTRACT AND BY REGION

Permanent employees	1036	Permanent employees men from the region • Local community	846
Temporary employees	31	Permanent employees men outside the region • Local community	95
Permanent employees from the region • Local community	916	Temporary employees men from the region • Local community	10
Permanent employees outside the region • Local community	120	Temporary employees men outside the region • Local community	9
Temporary employees from the region • Local community	16	Full time employees from the region • Local community	920
Temporary employees outside the region • Local community	15	Full time employees outside the region • Local community	147
Workers that are not employees who perform significant portion of the organization's activities			-



Flotation Plant - Stratoni



EMPLOYEES AND OTHER WORKERS BY EMPLOYMENT CONTRACT AND BY GENDER

		Male	Female
Permanent employees	From the region • Local community	846	70
	Outside the region • Local community	95	25
		941	95
Temporary employees	From the region • Local community	10	6
	Outside the region • Local community	9	6
		19	12



EMPLOYEES AND OTHER WORKERS BY EMPLOYMENT TYPE AND BY GENDER

	Full time employees	Part time employees
	1067	-
From the region / local community	834	86
Outside the region / local community	126	21
	960	107



*Emergency Response Team – Search and Rescue
of personnel course during Underground Mine Training*



HEALTH AND SAFETY

Ensuring our people return home safely every day, is paramount for us. We are committed to the highest health and safety standards, strictly adhere to safety regulations and have systems in place to promote a culture of safety. In all of our activities, from design criteria to operations, we strive to reduce risk through engineering controls, procedures, training, and protective equipment. Our managers are expected to lead by example, advocating for health and safety in every aspect of their everyday jobs. For Hellas Gold, health and safety is a priority that goes beyond mere compliance with Greek legislation. It is a matter of business ethics and an undermining principle that influences our business model, from staff turnover to our social license to operate. Our health and safety performance is constantly monitored to pursue the most innovative and effective supervision systems. Project design and planning is carried out with a prerequisite of eliminating risk through engineering controls, training and protective equipment.

The mining sector features health hazards and can expose employees to higher-risk activities including the usage of explosives, exposure to chemical substances, working at heights, working in confined spaces and the use of heavy equipment and heavy vehicles. We take our responsibility seriously to protect the lives and the health of our employees, and regularly evaluate and respond to inherent risks across our sites. At Hellas Gold we define a Hazard as anything in the work environment that has the potential to affect or damage our people or equipment. Common within the mining sector, some of our workers are exposed to activities that demonstrate higher health risks. These may include prolonged exposure to loud noise, chemicals and other hazards. We regularly conduct medical examinations using an occupational health schedule that monitors exposure to heavy metals and silica. In addition, formal agreements with our trade unions underscore the health and safety priorities and performance expectations for all our employees.

In addition to the Eldorado Gold Safety Policy and Global Health and Safety Directive, we have implemented a Road Safety Policy. Our policies and procedures address risk management, high-risk work activities, emergency response, crisis management, incident notifications and investigations, and change management.

Performance is measured daily, weekly and monthly against established key performance indicators. Health and safety practices are continually reviewed to ensure understanding and acceptance of requirements across the workforce. This is achieved through training, inspections, task observations, audits, and the completion of hazard identification reports. In addition, all incidents are reported and thoroughly investigated to prevent recurrence whilst providing the opportunity to implement effective preventative and corrective controls.





HEALTH AND SAFETY **STRATEGY**

One of the most demanding targets we have set in Hellas Gold is the creation and maintenance of an injury-free, healthy working environment for all our employees. We aim to diminish health and safety risks across our value chain starting from our detailed engineering designs to our operations and mine closure.



HEALTH AND SAFETY **POLICY**

Our commitments and corporate values for a safe and healthy workplace are outlined in Eldorado Gold's Health and Safety Policy. This policy endorses initiatives that go beyond legal compliance and the fulfillment of the conditions set by the Greek Mining and Quarrying Operations Regulations. Our policy is in accordance with European safety standards and is reviewed annually and updated when deemed necessary.



HEALTH AND SAFETY **COMMITTEES AND TEAMS**

Greek legislation requires Hellas Gold to establish a Health & Safety Committee. The Committee meets every quarter to discuss Hellas Gold's health and safety performance, review potential risks, identify root causes and propose solutions. Representatives of all our trade unions along with Hellas Gold's Occupational Health doctor, the Safety Engineer and representatives from Kassandra Mines' management populate the Committee.

In addition to the Health & Safety Committee, Hellas Gold has established dedicated health and safety teams at each of our sites, accountable for the daily supervision, implementation and management of health and safety policies, programs and activities. Health and safety teams report directly to our mine General Managers, who in turn reports to Hellas Gold's Managing Director and Eldorado Gold's Chief Operating Officer. Annual health and safety objectives and targets for Hellas Gold are set by the Chief Operating Officer who reviews Hellas Gold performance on a weekly basis.



WORKERS REPRESENTATION IN HEALTH AND SAFETY COMMITTEES

All of our employees are represented through employee representatives in our joint management-worker Health and Safety Committee which has the following rights:



To represent workers on all issues relating to health and safety at work.



To participate in investigations and inspections carried out by Hellas Gold and the competent authority in the workplace.



To investigate and check health and safety issues.



To be able to reach consultants and independent experts for assistance.



To consult with Hellas Gold on health and safety issues, including policies and procedures relating to such issues.



To contact the competent authorities about issues relating to the health and safety of workers and environmental protection.



To be notified about LTIs and hazardous incidents.

Hellas Gold's Emergency Response Team is proud to have as an active member one of the few women rescuers in Greece. Hellas Gold Safety Engineer, Eirini Psychari, successfully completed a two-week emergency response training course in September 2017. After completing final exams and the Emergency Response Training (ERT), Eirini became one of the very few women in Greece to successfully attain this internationally recognized qualification. The demanding course covered techniques to safely respond and mitigate harm following significant incidents or emergencies. This included road accident rescue, hazardous material spill response, firefighting, and underground search/rescue. The commitment and dedication displayed by Eirini throughout the training was commendable, and should serve to inspire women throughout the mining industry.



HEALTH AND SAFETY MANAGEMENT SYSTEMS

Our health and safety management system was developed in accordance with leading international standards and outlines the policies and procedures to identify, plan, manage, monitor, review and continuously improve our performance through modernization of existing mine infrastructure; the improvement of our tools and processes and the purchase of newer and more advanced tools. Precaution measures for accident prevention include frequent risk assessments, continuous monitoring and the adoption of risk-mitigating measures as needed. Improvements to our safety performance is empowered by the continuous education and training of our workforce.

OHSAS 18001 OCCUPATIONAL HEALTH AND SAFETY

Hellas Gold has a health and safety management system certified to OHSAS 18001. The Occupational Health and Safety Assessment Series standard (officially BS OHSAS 18001) is an internationally applied British Standard that exists to help organizations establish demonstrably sound occupational health and safety policies, procedures and practices. OHSAS 18001 is widely recognized as a leading practice for the establishment of occupational health and safety management systems.

ISO 39001 ROAD TRAFFIC SAFETY

Hellas Gold is certified to ISO 39001, introducing policies and procedures that prevent vehicle accidents and heavy vehicle misuse. The application of this standard affects our employees and other users of the public road networks we use in our areas of operation. The Road Traffic System helps to identify and mitigate the risks associated with our operational activities while demonstrating our commitment for responsible management of the corporate vehicle fleet. The system sets parameters for monitoring road safety, including setting indicators and targets while ensuring compliance with road safety legislation. Our employees' commitment to road safety is achieved through continuous education and road safety awareness programs.



CONTRACTOR SAFETY RULES

The nature of our projects requires Hellas Gold's cooperation with a large contractor workforce, operating inside and near our plants, mines and projects. We include our Contractor Safety Rules in all tender notices and contractor projects' assignments. The Contractor Safety Rules are very important for the safety of our operations since they aim to prevent accidents that may affect both contractor and Hellas Gold property and personnel. Poor implementation of the aforementioned rules can lead to work stoppages and the dismissal of contractor personnel until remedial actions are taken. Such actions include the documentation of high risks procedures, suitable training for contractor personnel, refresher training of Hellas Gold's safety rules and the auditing of machinery, materials, personal protective equipment and emergency equipment used. Our health and safety performance is monitored continuously and safety incident reports are prepared on a weekly basis for all sites, capturing weekly, monthly and annual statistics.

Unfortunately, on August 28th 2017, despite our efforts an accident occurred at the Skouries mine where a contractor employee died while performing tree cutting activities. Our internal investigation has resulted in findings that we have acted upon, in order to reduce the possibility of the occurrence of similar actions in the future. Throughout 2017, we continued to extensively train all our personnel in health and safety to reduce the hazards in our workplace and respond to issues that concern our people.

TYPES OF INJURY AND RATES OF INJURY



Injury rate	1,17	0
Occupational disease rate (ODR)	0	0
Lost day rate (LDR)	134,04	0
Work-related fatalities	1	0
Occupational disease rate	0	0

Fatalities are included in the injury rate

The calculated lost days are scheduled work days

Lost days are calculated as the total number of scheduled work days missed due to injury and their calculation begins the day after the accident

COMMUNITY **INVESTMENT**

We are good neighbors and support community development through balanced social and economic growth



COMMUNITY INVESTMENT



We empower community development through balanced social and economic growth. We directly enhance community well-being through projects that engage Hellas Gold with schools, universities, health care providers, cultural associations and NGOs. Our community investment programs focus on education, health, arts and culture, sports and infrastructure projects that support an improved quality of life for residents around our projects.

We also support organizations which act for the public benefit. Hellas Gold is a proud and longstanding sponsor of the Greek Paralympic team and we are honored to support their preparations for the Tokyo Summer Paralympics in 2020. Thessaloniki based NGO Oasis offers consultation and counselling to people suffering from drug, alcohol, internet and other addictions, and we are proud to support Oasis' efforts in our communities. In 2017, we continued our collaboration

with the Democritus University of Thrace to design, manage and improve our employees' quality of life through a training project titled "Evaluation and prevention of nutritional habits and musculoskeletal disorders and physical activity in miners". This project focused on targeted activities to minimize injuries and ailments associated with certain tasks, and to improve the health of our workforce through nutrition and exercise. In 2017, this included a dedicated program focused on training and support for our employees looking to quit smoking.

Through 2017 we continue our "open doors" program which offers an opportunity to University students to visit our sites and familiarize themselves with state of the art technologies and leading practices in the mining sector. In 2017, 350 visitors toured the Kassandra Mines and more than 6,000 guests have visited since 2013.

CASE STUDY, TOURISTIC DEVELOPMENT

Tourism is an important component of the Halkidiki economy. For several decades, Mining and tourism have co-existed in Halkidiki to support the economic development of the region. Eastern Halkidiki, where our activities take place, has unique features such as amazing beaches, cultural heritage, mountain walking trails, beautiful villages and unique landscapes. Hellas Gold provides support for ongoing maintenance, signage and documentation of walking trails throughout the region, helping to improve tourism awareness and access to the countryside. To further promote Halkidiki's tourism sector we provide financial contributions to Mount Athos Organization, a non-profit organization focusing on attracting tourists from Greece and abroad to our communities. Their programs highlight the attractions of North Eastern Halkidiki and promote the natural beauty of the region to travelers and tourist agencies.



CASE STUDY, AQUATIC TOURISM AND MARINE BIODIVERSITY

Hellas Gold recognizes tourism is a significant pillar for economic activity and sustainable development in Halkidiki. The discovery of historic shipwrecks off the coast of Halkidiki and a sea horse population located near the shores of Stratoni led us to prioritize investments that support local aquatic tourism. Through the Project Seahorse initiative, together with researchers and divers from the University of British Columbia (Canada), the University of Algarve (Portugal) and Greek Underwater Film and Research (UFR) Team, we have documented and highlighted the importance of the Stratoni sea horse colony. Researchers and divers visited Stratoni to study the sea horse colony. Our efforts make professional divers underpin the region as an attractive diving destination.



CASE STUDY, PREVENT WILDFIRES

The Halkidiki region is lush with dense vegetation and prone to long, hot and dry summers. In turn, the region is highly susceptible to wild fires that can cause vast damage to local ecosystems and properties. In response to this threat, Hellas Gold initiated a project in partnership with the Thessaloniki Aeroclub, who now conduct regular flights over the region in an effort to detect and respond to wildfires. Since 2015, by providing supplies and fuel for wildfire surveillance activities, we have worked with the pilots to identify and prevent the spread of multiple forest fires across the region. In addition to fires, the Aeroclub monitors for and reports visible instances of pollution in the Thermaikos Gulf, the Axios River and other water resources of Thessaloniki and Halkidiki Regions. When fires or pollution are spotted by pilots of Thessaloniki Aeroclub, they immediately communicate with authorities to take action. Many flights would not be performed without the support of Hellas Gold.

VALUE CREATED

We seek a holistic understanding on how our operations affect the communities and the society around us. Thus, we regularly engage third party researchers and consultants to improve our understanding and measurement of our impacts. In 2017 we received the final results of the Social Impact Assessment (SIA) that was conducted by AMBIO consulting company with the collaboration of professors of the University of Thessaly. The local impact of Hellas Gold's investments in Greece and our contribution to the Greek economy has shown that there is a very positive socio-economic impact on the region where the mines are located. Hellas Gold has made a significant positive contribution to the local community.

The main findings of the independent Socio-Economic Impact Assessment include:



Local economic development has been affected significantly by the direct and indirect employment increases attributed to the mining activity.



Local economy is improving partially due to the infrastructure improvement that is a part of Hellas Gold's corporate social responsibility strategy. Local entrepreneurship has been boosted through Hellas Gold's supply chain management strategy that focuses on empowering local suppliers.



In addition to significant contributions to the national economy through the payment of direct and indirect taxes, Hellas Gold provides further benefits to the Greek economy through the provision of well paid and full-time employment, contributions to the Greek Social Security System, and exports of high-value materials that support the country's trade balance. These benefits will further increase when the Kassandra Mines achieve full operation.



In Aristotle Municipality unemployment levels decreased by 42% during 2010-2015. This significant change was largely attributed to Hellas Gold's operations, with the majority of employees and contractors coming from the local population. Per 2015 data, Hellas Gold directly employed approximately 24% of the Aristotle's Municipality labor force.



The tourism industry in Halkidiki has grown significantly overtime.



Real estate prices in Halkidiki were more resilient to impacts during the Greek financial crisis compared to the surrounding region.



The residents of Aristotle's Municipality have the highest average annual income compared to other municipalities in Halkidiki.



Hellas Gold exports represented 0.3% of total Greek export value in 2017.

There are many direct, indirect and induced benefits that are derived from mining and wherever possible we seek to maximize these benefits to strengthen the local and national economy.

HOW MINING CREATES VALUE

Tourism

Social inclusion

Human capital retention

Demand for local goods and services

Development of municipal facilities

Economic development

INDUCED IMPACTS
Resulting from employees of both the mine and the supply chain relocating to, and spending their wages in, the local community.

Utilities

Accounting and legal services

Transport

Mining fleet

Parts, equipment and machinery

Industrial materials

Engineering and environmental services

Job creation (supply chain)

INDIRECT IMPACTS
Resulting from suppliers purchasing goods and services to meet mine demand.

MINING PROJECT

Payments for land use

Infrastructure development

Innovation and technology

Payments to suppliers

Community projects and partnerships

Skills and training development

Environmental education

Sales of metals

Export revenues

Environmental conservation and land rehabilitation

Job creation (Hellas Gold, Suppliers and contractors)

Payments to government and taxes (income and corporate)

DIRECT IMPACTS
Resulting from the development and operation of a mine.

HELLAS GOLD

ECONOMIC PERFORMANCE

Direct economic value generated and distributed*

Amounts are in Euros and have been calculated on an accrued basis using the 2017 average EURO/ USD rate



*Fire assay method
of ore analysis for
the determination of gold*

At Hellas Gold we are responsible for managing our spending in alignment with our budget. Our Finance department is responsible for preparing our annual operating budget and accountable for confirming that budget is strictly followed by all departments. Performance against budget is regularly evaluated in order to identify possible exceedances and to manage them accordingly.

We annually quantify the contributions we make to the Greek Government and report our contributions towards taxes, royalties, fees, production entitlements, bonuses, dividends and infrastructure improvement payments. The transparent disclosure of payments to government is part of the mining industry's ongoing mandate to enhance accountability, transparency and fight corruption.

776.775	723.800	0,00	0,00
Taxes	Royalties	Fees	Production Entitlements
0,00	0,00	614.565	2.115.141
Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid

*Payments to government are in Euros and have been calculated on a cash basis and in accordance with the Canadian Extractive Sector Transparency Measures Act (ESTMA).



Olympias plant



FINANCIAL ASSISTANCE RECEIVED FROM THE GOVERNMENT

In 2017, Hellas Gold did not receive any form of financial assistance from the Greek State. We did not receive any tax reliefs; tax credits; subsidies; investment grants, research and development grants, or any other relevant types of grant. We did not receive any awards, royalty holidays; financial assistance from export credit agencies; financial incentives or other financial benefits from any government. The only financial payment we received was from our participation in the X-Mine European Horizon 2020 funded project.



X - Mine is an innovation program implemented under the "Horizon 2020" research and innovation funding program of the European Union. The aim of the program is to achieve "Real-Time Mineral X-Ray Analysis for Efficient and Sustainable Mining". X-mine's objective is to find the easiest and most accurate calculation for geological reserves of ore and mining. In this way, smaller and more complex geological deposits may become economically viable, while helping to minimize environmental impacts. New technologies being developed through the project will be piloted in four European mining regions, namely Sweden, Greece, Bulgaria and Cyprus. We are proud of our participation towards improving sustainable mining techniques.

Participants at the X-Mine Kick-off Meeting in Sweden





OUR SUPPLY CHAIN AND PROCUREMENT MANAGEMENT

By prioritizing local procurement, we aim to maximize our contribution to the Halkidiki economy by developing strong working relationships with the community and nearby industries and directing income to local suppliers and contractors. Our procurement practices are focused on maximizing purchases from local suppliers. We define “local” as procurement from contractors and suppliers that are based in and operate within the Municipality of Aristotle.

We place great emphasis on sustainable supply-chain management. Not only do we use sustainability criteria during the procurement process but also we provide support for local suppliers to improve their capacity and ability to work with us, and training for local contractors to ensure that they carry out work safely. The support we provide to suppliers in Halkidiki has helped grow their businesses and increase their capacity to provide the goods and services we need. We develop our suppliers’ knowledge and skills regarding health and safety, environmental management, and governance issues so their cooperation with us allows them to develop projects with large companies domestically and internationally.

Local procurement provides numerous benefits to Hellas Gold, including:

					
Improved operational efficiency (by creating an efficient network of local suppliers and contractors)	Reduced lead times (the time it takes to deliver the good or service)	Supply chain security	Customized and dedicated supply	Opportunities for more favourable terms when procuring goods and services	Enhanced public perception, reputation and social license



Manual pouring of sample after fire assay fusion



SUPPLY CHAIN MANAGEMENT

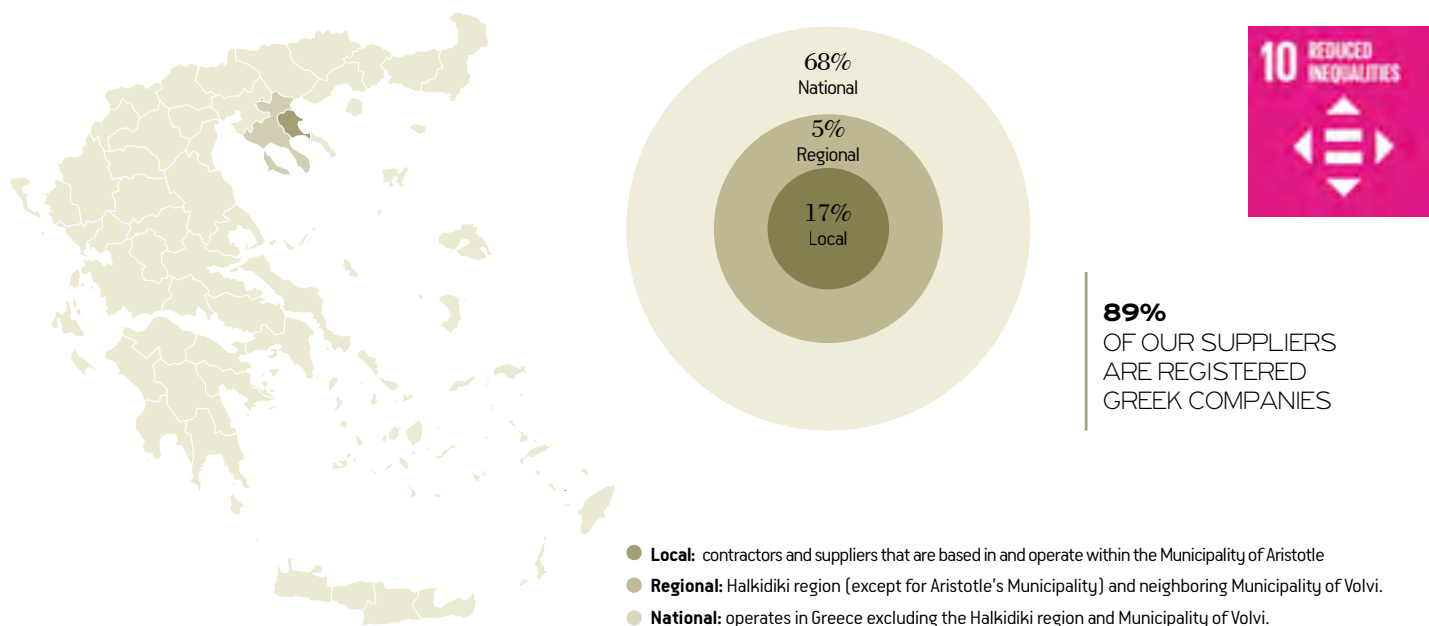
Our supply chain is managed by Hellas Gold’s Purchasing Department located in Stratoni. Supply chain management is integrated across all business units and extends through out our mine lifecycles – across planning, construction, mining and reclamation activities. We gain efficiencies by focusing on local supplier and contractor management, leveraging existing transport networks, resourcefully shipping supplies and our concentrates, and effectively using transit stations around our projects to reduce the need to maintain high stock in our warehouses. In 2015, we implemented a Contractor Management System to formalize our approach to evaluating contractors. Contractor evaluation begins at the earliest

stages of soliciting a contract, when a project quote is given or a tender is submitted. The contractors who can demonstrate that they will complete the work under the safest conditions will be prioritized. Our Contractor Safety Rules are included in all tender notices and form a core part of any contract. As a prerequisite to working with us, all contractors are required to comply with our Health and Safety Policy; Environmental Policy and Human Rights Policy. Contractors that work with Hellas Gold receive the same support and training that our employees do. Health and safety training takes place before any project commences and at regular intervals.

PROCUREMENT MANAGEMENT

We are committed to protecting human rights in our supply chain, which is why we seek to implement international best practices in our business activities. Our suppliers and contractors must adhere to the Human Rights Policy developed by Eldorado Gold and implemented by Hellas Gold in Greece. The Policy explicitly outlines our support for the elimination of child and forced labor and the elimination of workplace discrimination on the basis of race, sex, religion, age, social status, sexual orientation or any other arbitrary characteristic unrelated to an individual's job performance.

Our Supply Chain includes the following suppliers: Vendor Manufacturers; Vendors of goods and services; Distributors of goods; Importers; Equipment Rentals; Contractors and subcontractors. We work with approximately 4,230 different suppliers of which the vast majority (89%) are registered Greek companies.



MONETARY VALUE OF PAYMENTS MADE TO SUPPLIERS IN 2017

Proportion of spending on local suppliers

208,6m €

2017 Total Purchases
(Local+National+Foreign)
(Energy fees included)

€ 185,6m €

2017 Local+National
Purchases
(National Purchases)

€ 22,9m €

2017 Foreign Purchases

€ 20,7m €

2017 Local Purchases
(Municipality of Aristotle)

PAYMENTS MADE TO LOCAL SUPPLIERS

TOTAL (2013-2017):
To businesses
of Aristotle's Municipality

2013

22,8m €

2014

€ 27,3m €

2015

€ 20,4m €

2016

€ 20,4m €

2017

€ 20,7m €

€ 111.8m €

DISTRIBUTION OF LOCAL SUPPLIER AND CONTRACTOR SPEND PER SUPPLY CATEGORY:



Goods

M€ 5,0

M€ 2,9



Services

M€ 3,4

M€ 3,2



Contracts

M€ 12,3

M€ 14,2

2017

2016



PERMITTING AND REGULATORY COMPLIANCE

We aim to build trust by operating in strict compliance with relevant rules and regulations and responding immediately to any changes in the law or any identified regulatory compliance issue. Our approach to financial management and business transparency extends beyond the requirements of Greek law, as we undertake additional internal audits and quarterly reviews not prescribed by national regulations. Additionally, we share our experience of operating in Greece with local regulators, in order to support further legislative development for the mining industry. Permitting (obtaining licenses for our projects based on approvals from the Ministry of the Environment and Energy) is essential for our business –

without these licenses, our projects could not continue.

Despite fulfilling the requirements to obtain licenses, we continue to face delays in being issued with routine licenses. These delays are costly for both Hellas Gold and our workforce, who depend on our operations for a stable income.

Permitting at Skouries

Due to delays in the issuance of routine permits and licenses, Hellas Gold announced in 2017 the decision to put the Skouries project under care and maintenance in 2018.

Hellas Gold complies with:

The Sarbanes–Oxley (SOX) Act – The Act was created to deter and prevent fraudulent accounting practices by corporations. Hellas Gold is audited under SOX by independent auditors and fully reviewed by our internal audit teams at least twice a year. Across the financial management function, we have established precautionary controls to avoid any mismanagement practices, with regular reviews taking place. In this regard, our commitments in financial management and economic transparency go well beyond our compliance to Greek legislation.

The Canadian Government's Extractive Sector Transparency Measures Act (ESTMA) – The Act seeks to increase financial transparency and deter corruption in the extractive industry. It requires Eldorado Gold and its subsidiaries, including Hellas Gold, to disclose on an annual basis, specific payments made to all governments in Canada, Greece and abroad.

EU Directives on Non Financial Disclosures – In July 2016, the Greek government passed law 4403/2016, implementing the provisions of the EU Directives 2013/34/EU and 2014/95/EU. The EU Directives outline requirements for disclosures within company financial statements and related reports, including supplementary disclosures on payments to government and non-financial performance.

FINES AND NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH LAWS AND REGULATIONS

Amounts (€)	2013	2014	2015	2016	2017
Total monetary value of significant fines	15.895	5.917.348	24.142.167	100.213	52.594
Total number of non-monetary sanctions	0	0	0	0	0
Cases brought through dispute resolution mechanisms	0	1	1	2	0

GRI 102

GENERAL DISCLOSURES

ORGANIZATIONAL PROFILE

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GRI 102-16	Values, principles, standards and norms of behavior	16-17
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GRI 102-47	List of material topics	22-23
GRI 102-48	Restatements of information	No restatements
GRI 102-49	Changes in Reporting	From GRI G4 to GRI Standards
GRI 102-50	Reporting period	01.01.2017-31.12.2017
GRI 102-51	Date of most recent previous report	2016
GRI 102-52	Reporting cycle	Annual
GRI 102-53	Contact point for questions regarding the report	press@gr.eldoradogold.com
GRI 102-54	Claims of reporting in accordance with the GRI Standards	8
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GRI

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MATERIAL ISSUE: ECONOMIC PERFORMANCE

PAGE NUMBER - DIRECT ANSWER

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