

Responsible gold mining and value distribution

A global assessment of the economic value
created and distributed by members of the
World Gold Council



About the World Gold Council

The World Gold Council is the market development organisation for the gold industry. Working within the investment, jewellery and technology sectors, as well as engaging with governments and central banks, our purpose is to provide industry leadership, whilst stimulating and sustaining demand for gold.

We develop gold backed solutions, services and markets based on true market insight. As a result we create structural shifts in demand for gold across key market sectors.

We provide insights into international gold markets, helping people to better understand the wealth preservation qualities of gold and its role in meeting the social and environmental needs of society.

Based in the UK, with operations in India, the Far East, Europe and the USA, the World Gold Council is an association whose members comprise the world's leading gold mining companies.

Our Board of Directors represents the whole of the World Gold Council membership and is chaired by Randall Oliphant, who is also Executive Chairman of New Gold. In most cases, members are represented on the Board by their Chairman or CEO. Members' active support of the World Gold Council represents their shared vision of ensuring a sustainable gold mining industry, based on a deep understanding of gold's role in society, now and in the future.

Member companies are¹:

African Barrick Gold Plc
Agnico Eagle Mines Limited
Alamos Gold Inc.
AngloGold Ashanti
Barrick Gold Corporation
Centerra Gold Inc.
Cia de Minas Buenaventura SAA
Eldorado Gold Corporation
Franco-Nevada Corporation
Gold Fields Limited
Goldcorp Inc.
Golden Star Resources Limited
IAMGOLD Corporation
Kinross Gold Corporation
New Gold Inc.
Newcrest Mining Limited
Newmont Mining Corporation
Primerio Mining Corporation
Royal Gold Inc.
Yamana Gold Inc.

¹ As at 28 October 2013

Contents

Methodology	02	Country data	
		Argentina	12
Foreword: Terry Heymann	03	Australia	14
		Brazil	16
Global value creation and distribution	04	Burkina Faso	18
		Canada	20
Global data	05	Chile	22
		China	24
Commentaries		Colombia	26
Value creation over the mining life-cycle by Randall Oliphant	06	Democratic Republic of Congo	28
Sharing the benefits of gold mining – how mining contributes to development by Nick Holland	08	Dominican Republic	30
		Finland	32
Global highlights	10	Ghana	34
		Guatemala	36
		Guinea	38
		Indonesia	40
		Kyrgyz Republic	42
		Mali	44
		Mauritania	46
		Mexico	48
		Mongolia	50
		Namibia	52
		Papua New Guinea	54
		Peru	56
		Russia	58
		South Africa	60
		Suriname	62
		Tanzania	64
		USA	66
		Disclosures	68
		Appendix	70

Methodology

Survey participation

This survey includes data from 15 companies with operations in over 25 countries with over 220,000 employees and contractors. The 2012 figures include data from 96 producing gold mines and numerous 'non-producing operations' including exploration activities, pre-mine development and closed mine sites.

The quantitative assessment of the value distribution associated with gold mining companies has been undertaken by the World Gold Council, working closely with our members who represent the world's leading gold mining companies.

All gold-producing companies who are members of the World Gold Council were invited to participate. Each company was asked to provide information on payments by country and which of those payments went to individuals or commercial entities in the same country. Companies were asked to include payments related to both producing operations (where gold is being poured and they have a source of revenue) and non-producing operations (where no gold is being poured, there is no source of revenue, yet costs are still incurred). Non-producing operations may include exploration activities, pre-mine development, closed mine sites and corporate facilities.

Companies were asked to provide data on an attributable basis – i.e. only including data for the share of the operation that they own. This ensures that there is no double-counting in the case of joint-ventures, but it does mean that the total figures will under-represent the full impact of the operations included, where they are partially owned by companies or other entities who have not participated in this study.

The World Gold Council consolidated the data on a country-by-country basis. The data was also consolidated to provide global information on the amount of money that stays in the country where the operation is located and the amount of money that is paid to businesses or providers of capital outside the country. 'In country' refers to the money that was paid to employees, contractors or businesses in the specified country.

This information is not always readily available and so all data has been provided on a good faith basis. The data has not been verified by the World Gold Council, nor has the data been audited and there may be differences between the data provided in this report and financial information released by individual companies, due to a number of factors, including reporting requirements, reporting boundaries and historical corrections. As such, no user should rely on the data as the basis for assessing company-specific financial performance. It is intended however that the report will provide a valuable perspective on the total financial flows that gold mining companies generate.

This report includes country level data on key economic and development indicators, as well as data about the total national gold production. This data – which is shown for each country under the heading 'Country data' – has been collected from internationally recognised sources, including the IMF, the UNDP, TR GFMS and SNL Metal Economics Group.

In addition, the report includes data that was collected directly from members of the World Gold Council. This data is shown for each country under the heading 'Survey data'.

The following definitions were used:

Employees and contractors

To include all employees and all contractors with contracts longer than three months

Gold ounces sold

Total ounces of gold sold on an attributable basis

Value of gold sales

Revenue realised through sale of gold on an attributable basis

Total revenue

Revenue realised through sale of metal and all additional country-specific revenue, on an attributable basis

Payments to other businesses

Procurement spend included in operating expenses, including rent and land-use fees (except to government) and in capital expenditure; excludes taxes

Payments to employees and contractors

Includes wages, benefits and bonus payments (including shares); excludes taxes

Payments to governments – royalties and land use payments

Includes taxes related to 'right to mine' and mining licence

Payments to governments – income and other corporate tax

Includes taxes paid by the company paid to the government on the basis of profitability; does not include dividend payments

Payments to governments – other

Includes taxes paid related to procurement of goods or services, including payroll taxes

Community investments

Includes all community-related expenditure, including infrastructure, health and well-being, education and training, local environment, scholarships and donations

All figures are in US\$ million unless otherwise noted.

Foreword: Terry Heymann

Managing Director, Gold for Development, World Gold Council



Responsibly undertaken, gold mining and related activities can play an important role in achieving sustainable socio-economic development in all the countries where gold is found. Gold, produced in conformance with high safety, environmental and social standards, provides opportunities in the form of jobs, skills, improved infrastructure and tax revenues. Through such direct and indirect economic contributions, professional gold mining benefits nations, communities and individuals.

Transparency

At their meeting in June 2013, the G8 agreed to increase transparency on resource revenues. Greater transparency can increase the ability of citizens to hold governments to account in how they use the proceeds of resource revenues, help interested parties better understand the sometimes complex economics of mining, and ultimately contribute to better development impacts and outcomes.

There is already a high level of transparency among responsible miners. In addition to generic financial reporting rules, mining has industry-specific transparency guidelines such as the guidelines for reporting mineral resources and payments to governments through the Extractive Industries Transparency Initiative (EITI). In addition, most gold mining companies already report their distribution of economic value in countries of operation.

Thus, by and large, the data is already out there. However, until now there has been no systematic attempt to look at the comprehensive picture of the economic contribution made by gold mining companies.

This report does that. It builds on existing disclosure to look across the globe at the money that gold mining companies put into national economies. In addition to payments to governments, this report also recognises the money that is spent on two other vital constituencies, namely employees and businesses.

Impact

As this report demonstrates, the impact of the responsible gold mining industry is significant. Collectively, in 2012 alone, the 15 participating companies, who are all members of the World Gold Council, spent US\$24bn in payments to businesses in the countries where their mines are producing gold and a further US\$3.6bn in payments to businesses in countries where their projects are yet to produce gold. Over US\$8bn was also spent on employees and contractors, supporting the livelihoods and economic opportunity for millions of people. These numbers demonstrate the transformational potential of responsible gold mining, especially in developing countries.

Although sales of gold are generally not their sole source of revenue (given sales of other metals), this report also shows that in 2012, in aggregate, participating companies spent more than they earned from gold sales. This is the nature of the economic life-cycle of mining and reflects investment in future production. It generally takes at least ten years to develop a large-scale gold mine. During this development phase, companies will spend money with no certainty about the returns they will make, given fluctuating commodity prices. This 'front-loading' of expenses means that mining companies take on significant risk on behalf of their shareholders and may in any one period spend more than they earn. All stakeholders involved in mining need to understand these life-cycle economics; the more that they do, the better placed they will be to work together to maximise the potential contribution to all parties over the life-span of the mines.

Collaboration

Responsible gold mining can contribute substantially to social and economic development but we need to take a realistic view of the role it can play and contribution it can make. The approaches taken must reflect the unique context and circumstances of each country. Collaborative efforts with governments, communities, and the international development community are required to ensure sustained improvements in the standard of living, reduce poverty, and improve access to better services and opportunities.

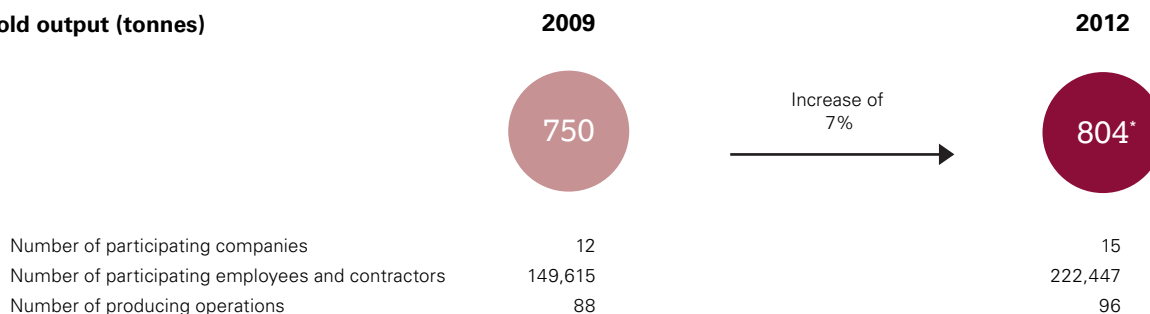
These collaborative efforts will differ by country and community, but they should be guided by fundamental principles, including treating all individuals with respect; communicating in an open and transparent manner; and working to create sustained value for all stakeholders.

Maximising the development potential of mining requires continued attention and discussion. The gold mining industry is keen to play its role, alongside governments, development agencies and local communities. It is hoped that by providing further insight of the economic impact of gold mining in countries around the world and clarifying the realities of the mining life-cycle, this report will be an important step in advancing this dialogue.

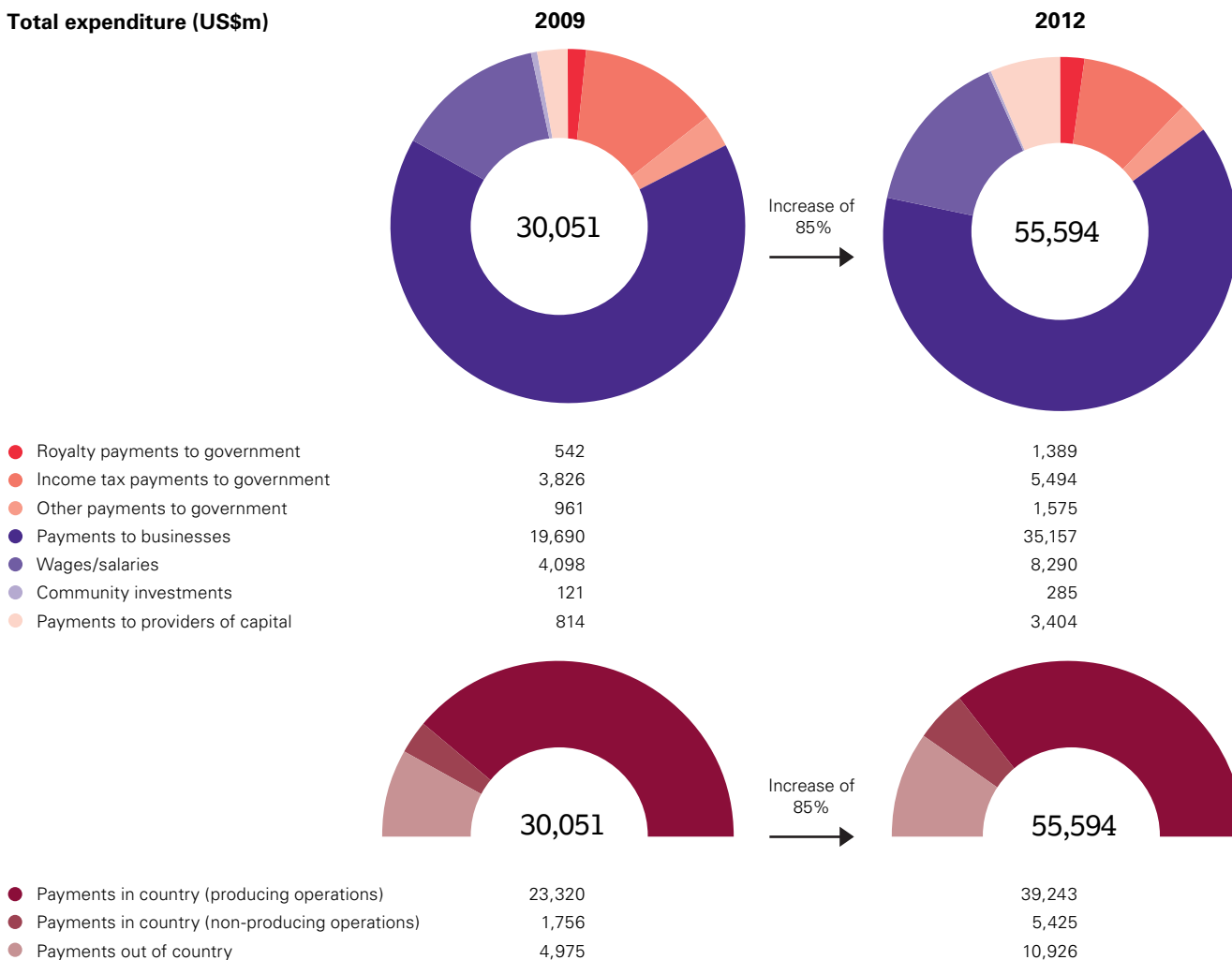
Global value creation and distribution

Consolidated survey data

Gold output (tonnes)



Total expenditure (US\$m)



* This survey represents gold output from participating companies of 804 tonnes in 2012. Total mined gold in 2012 was 2,848 tonnes.

Global data

Table 1: Consolidated data from survey 2012

	Gold output		Total gold sales			Number of employees and contractors
	Tonnes	as % of total national output	US\$m	as % of GDP	as % of national exports	
Argentina	35.0	64	1,819	0.4	2.4	13,051
Australia	117.3	47	6,468	0.4	2.5	11,738
Brazil	29.4	44	1,636	0.1	0.7	6,609
Burkina Faso	10.9	35	587	5.6	26.9	5,813
Canada	51.3	47	2,639	0.1	0.6	12,504
Chile	12.9	27	688	0.3	0.9	6,833
China	9.3	2	501	0.0	0.0	1,834
Colombia	–	–	–	–	–	1,361
Democratic Republic of Congo	–	–	–	–	–	1,089
Dominican Republic	–	–	–	–	–	5,302
Finland	5.3	60	284	0.1	0.4	5,723
Ghana	75.2	78	4,139	10.6	34.5	23,352
Guatemala	6.5	99	347	0.7	4.9	2,830
Guinea	7.2	39	456	8.1	32.6	3,097
Indonesia	2.1	2	114	0.0	0.1	10,177
Kyrgyz Republic	9.8	87	533	8.2	28.1	3,036
Mali	10.6	21	568	5.5	19.7	1,632
Mauritania	5.8	70	297	7.1	n/a	1,608
Mexico	39.0	41	2,239	0.2	0.6	13,731
Mongolia	2.3	18	127	1.2	2.9	384
Namibia	2.3	100	123	1.0	3.0	953
Papua New Guinea	13.6	24	710	4.5	11.6	4,217
Peru	53.7	29	2,832	1.4	6.2	15,311
Russia	18.0	8	910	0.0	0.2	1,258
South Africa	46.2	26	2,463	0.6	2.8	37,726
Suriname	12.2	61	655	13.8	25.9	1,449
Tanzania	35.9	73	1,939	6.9	29.9	13,648
USA	192.8	83	10,210	0.1	0.7	16,182
Total OECD countries	336.2		17,878			68,024
Total non-OECD countries	468.3		25,405			154,423
Total (All countries)	804.5		43,284			222,447

Source: Company surveys, IMF, IFS

Value creation over the mining life-cycle

Randall Oliphant, Chairman, World Gold Council and Executive Chairman, New Gold



Mining is a long-term and high risk business but many of the controversies about how its benefits are shared are based around snapshots rather than an appreciation of how value distribution changes during a mine life-cycle. This report provides just such a snapshot for 2012 with 2009 data for most countries as a comparator. I hope the analysis informs debate about value distribution over the mining cycle, recognising the very significant up-front capital requirements that last many years before a mine starts producing.

Let me make it clear from the outset that it is essential that if a mining project is to be successful all its major stakeholders feel that they have been fairly treated. As part of this, I believe that mines must aim to contribute to the development of host countries and communities. But in evaluating benefits, it is important to ensure that there is an informed debate about the nature of the contributions which gold mining operations can make including: supply chain development; building skills; foreign exchange earnings; investment; infrastructure; social investment and, of course by no means least, taxation.

Over the last five years a dominant question has been whether governments have been getting an equitable share. However, employees and local communities are also, appropriately, questioning whether they are getting 'their fair share'. And of course, the investor community that provides the funds to mining companies to develop mines, is also, quite rightly, concerned about the returns that they can expect to make. Put simply, new investment will only happen if investors can make a return on their capital commensurate with the risks they run.

The nature of risks for mining projects

These risks include country risks, technical and project execution risks and exposure to a huge range of economic and commercial variables. In the latter category, during a mine's life there will be a number of price cycles of unpredictable length and volatility, related not just to the metals that are mined, but also a range of cost inputs. For example, energy costs and wage rates have seen greater than average inflation over the last decade; when combined with fluctuating foreign exchange rates and changing patterns of supply and demand, this creates a dynamic and constantly changing commercial environment. To get an investment right requires careful planning of how these variables will interact over perhaps 20 to 30 years.

There has been much discussion about 'stabilisation agreements' which are designed to provide mining investors with some certainty around core fiscal terms and aspects of the regulatory framework. By reducing these risks, the cost of capital will typically be reduced and the number of viable projects increased. The need for such agreements, especially in politically volatile jurisdictions, arises from the fact that investing companies are essentially captive once they commit money to develop a geographically immobile ore body. Stabilisation agreements provide a degree of protection from changing costs once a mine has been built. In reality, if an agreement is shown by subsequent events to be inappropriate, companies and countries are usually willing to discuss adjustments, but at least they start the discussion with some underpinning for the terms of the original investment.

Mine life-cycles

It typically takes ten to fifteen years from the time when geologists start to prospect in a location through to first production from a gold mine. Estimates vary widely but even the optimists reckon that rather less than 1% of the prospects meet the threshold to produce a viable mine. In the early years of exploration, expenditures per prospect will be relatively low but with some benefits flowing to contractors and local communities from short-term job opportunities and small-scale social projects.

Expenditures will rise significantly during 'feasibility' and permitting. They then rise to their peak during construction. At this point the inflow of investment, the construction of supporting infrastructure and direct employment are likely to be at their highest. In countries without an established mining sector or skills base, this may, however, be a period when there is a high dependence upon imported capital goods, services and skills.

After 10 to 15 years of outflows, revenues are generated for the mining company for the first time as the mine comes into production. Prior to opening there will have been significant investment in training and the mine will now have a settled workforce generating direct and indirect livelihoods. Communities around the mine should benefit from employment opportunities, social investments, and, in many cases, improved infrastructure. For the host country, the benefits will be felt from the boost to GDP and particularly from foreign exchange earnings.

As this study illustrates, in countries where local supply chains can be established this is likely to amount to the biggest source of benefits for a host economy, including because of its contribution to building a wider economic base. Of course, competitive local suppliers cannot be created overnight but increasingly major gold mines will have proactive programmes to identify local procurement opportunities and to build the capacities of local entrepreneurs to take advantage of those opportunities. Royalties and payroll-related taxes will begin to flow to the national treasury in addition to corporate taxes. On occasion, the bulk of corporate taxes is delayed until a portion of the initial capital investment has been recovered. This carries a risk of disappointed expectations – but it would defer investment if profit-related taxes are required when a project remains in deficit.

As the mine reaches maturity, local supply chains will become increasingly established, the tax contributions will typically reach their peak and investors will be receiving a return on their investment. Then, as the mine's production begins to decline, often with lower grades, investment will increasingly be devoted to preparing for orderly closure, decommissioning and for the ongoing management of environmental liabilities.

Equitable distribution of value?

Over the last decade, the gold price has risen steadily until a significant correction in 2013. In common with other metals, this has generated a sense amongst some stakeholders that they have not had their share of this upside. In part this is because the economics of gold mining are not well understood. The development of the 'all-in' cost metrics should help provide a more consistent approach that companies can use to disclose their costs and so provide further transparency on the costs of mining, including the capital required.

Although prices were certainly strong up until the major reversal of 2013, throughout the mining sector there have also been huge cost pressures, including from suppliers and from organised labour. Moreover, the cost of finding and developing replacement mines has been rising fast. It is sometimes easy to forget just how scarce gold is and how hard it is to find and mine profitably. Estimates of all the gold ever mined total around 170,000 tonnes – not even enough to fill two Olympic-sized swimming pools.

A particular focus of recent discussions has been the tax contribution that mining companies make. Some governments have expressed concerns that foreign shareholders have been benefitting disproportionately and making 'super' profits. Yet the evidence demonstrates that this is not the case. For this to be true, one would expect to see gold mining investments generating significantly higher total shareholder returns than comparable, long-term, capital intensive, high-risk activities. But looking at the average for the sector, this is not the case. Over the last decade, investments in the oil and gas sector (which entails a comparable level of risk) have delivered a significantly better return than the comparable results from the gold mining sector. The oil and gas sector has also delivered greater stability of returns, an important attribute for many long-term investors with significant capital available to invest.

In summary, in looking at value distribution from a mine, it is important to look across the whole life-cycle of the investment. Mines and their stakeholders need to work harder at building models that bring this to life and to explain what reasonable expectations are. As an industry we have to get better at ensuring that our investments align, as far as is realistic, with government's regional economic development strategies. But the current rhetoric around lack of equitable benefits is a source of instability.

Mining has the potential to deliver significant social and economic benefits, as this report demonstrates. Governments are entitled to a fair return for their nation's minerals, local communities are entitled to tangible socio-economic outcomes, employees are entitled to a fair wage and safe working conditions and investors should rightly expect an appropriate return on their capital. The mining industry has a responsibility to deliver on these expectations, but we can only do it with the support and long-term cooperation of all stakeholders.

Sharing the benefits of gold mining – how mining contributes to development

Nick Holland, Chief Executive Officer, Gold Fields



There can be no doubt that mining, executed responsibly, is a significant force for sustainable growth. Beyond the multiplier effects on employment, livelihoods and the national economy, it should not be underestimated that whole communities are directly and often exclusively dependent on the sustainability and growth of the mining sector.

But to succeed in growing the mining economy, long-term relationships of trust and mutual respect must be established between its key stakeholders.

A mining operation should provide socio-economic benefits to all stakeholders – including employees and local communities (in the form of jobs, local procurement and community projects), national and regional governments (in the form of royalties, taxes and investment) and investors of capital (in the form of dividends, interest and risk adjusted returns on their investment). If one group withdraws their support for the operation, this will negatively impact all stakeholders.

Host governments offer the mineral resources that they hold in trust for their people; mining companies bring capital and know-how, which discover and create value from such resources. As a potential mine is identified and developed, the number of stakeholders grows – the shareholders and banks who must choose where to invest their money; the communities who own or occupy the surface rights, employees and their trade unions; and contractors and suppliers. Each contributes to the realisation of the project and each looks to achieve a 'fair' return.

For much of the last decade, the debate about mining's contribution to development has been stunted by the dead hand of the 'resource curse' theory, which held that many poorer countries would be better off leaving their minerals in the ground.

This is partially because many developing countries with a natural resource endowment are faced with a legacy of poverty and inequality to which the mining industry has, without doubt, contributed.

To address these challenges, it is essential to maximise the socio-economic benefits from the extraction of natural resources, but to do so without shrinking the mining economy. There are numerous examples around the world where mines have been a catalyst for wider socio-development.

Gold mining typically accounts for a high proportion of foreign direct investment for developing countries and for a substantial chunk of foreign exchange earnings. A recent report¹ found that gold mining contributed some \$78 billion in gross economic value added and 530,000 direct jobs in the 15 leading gold producer countries. Moreover, mining tends to generate large numbers of indirect jobs and to have significant multiplier effects in part because many mining jobs pay well and are highly skilled. This is particularly the case in developing countries. In Ghana one mining position supports an estimated 28 other jobs and livelihoods in the country and in Peru about 19. In South Africa mining supports about 1.4 million direct, indirect and induced jobs, and each of these jobs supports on average around nine dependents.

Mining companies have also achieved high levels of employment of country nationals in its operations rather than relying on expatriates. As this report also demonstrates, a large share of most mines' expenditures remain with the country where they are located.

But there can be no doubt that we are currently facing a major trust gap between mining companies and their capital providers on the one hand and trade unions, governments and communities on the other. What can mining companies do better at explaining, and helping other stakeholders to validate, their overall social and economic contribution?

Let's start with a couple of underlying requirements.

First, I take it as read that mining companies must manage their environmental impacts with the greatest care. We have a duty of stewardship to manage resources such as water and to ensure that we do not adversely impact upon the livelihoods of others and to remediate land once mining has finished. Secondly, I think transparency and consultation are increasingly foundation stones for our relationships. We have significant impacts on national and local economies and on social structures and it is incumbent on us to manage those impacts responsibly and accountably.

¹ *The direct economic impact of gold*, PWC, October 2013

Much of the debate about the contribution that miners make to host countries focuses on their royalty and tax payments. This is complicated by the fact that whilst royalties become payable from the start of production, corporate taxes often become due only after the accumulated costs – perhaps disbursed over the previous 15 years – in exploration and mine development have been recouped. Furthermore, this does not take account of the many indirect taxes that mining companies pay.

Governments' heavy focus on tax incomes from the mining sector has led many of them to raise these taxes and royalties to levels at which they are acting as an active deterrent to new investment. The argument that funds will inevitably flow to explore and develop attractive ore bodies is only true to the extent that these investments can guarantee a sound return. Uncompetitive tax rates are a factor which could lead to these ore bodies remaining unexploited.

Tax payments are only one means by which a country can turn the depletion of its resource base into benefits. Investment in areas such as education, skills development, health and infrastructure, often have equally important and far-reaching impacts.

Furthermore, as this report makes clear, the biggest single element in benefit distribution for communities and government comes from procurement by mines. The mining supply chain is well established in traditional mining countries like Australia, the US and South Africa. But, as mining companies have become more proactive in their approach to supporting suppliers, local sourcing is becoming increasingly central to miners' economic contribution.

This is particularly true in developing countries. In Peru, for example, a 2012 study² of the four biggest gold mines, found that 88% of their procurement spend was within the country and that this is generating clusters of mine-related suppliers who are also starting to service the export market. In Ghana, the African Development Bank's African Economic Outlook 2013³ noted the emergence of Ghanaian component manufacturers and input providers servicing the mining industry in areas like chemicals, civil engineering, business services, logistics, maintenance, catering, haulage and security.

In addition, mining companies can make a significant contribution to physical infrastructure surrounding the mine. Gold mines often need access roads, water pipelines and electricity grids. Increasingly these are built with an eye to creating regional or community benefits rather than being solely focused on the mine.

Finally, gold miners can make a big contribution, working with civil society, to improving governance and supporting capacity building, especially in areas like environmental management and public service delivery. All too often a mine finds it tough to improve the quality of life of surrounding communities because of the lack of local government partners capable of using revenues well. It is essential therefore that we work with local governments in jointly developing and implementing projects that utilise the revenues generated by mining.

However, all of this is academic if the mining sector fails to attract the capital that is required to realise this growth and so to liberate the developmental and wealth creating potential of the mining economy.

Unfortunately, the providers of capital to the mining industry are frustrated, having, at present, little to show for the capital they have invested over the years. Many of these investors have recently deserted the industry, depriving it of new capital and leaving potentially viable ore bodies undeveloped. Growth in the mining industry is stagnant. If we want the capital providers to resume investment, we need to take a fresh approach.

Some of the basic requirements are:

- Collaborative partnerships between government and miners, who are better able to operate and develop ore bodies and who are good social partners;
- Competitive tax and royalty systems that provide investors with acceptable risk weighted returns and through which governments can participate in the upside;
- Implementing the Shared Value concept, through which mining companies can ensure that the full costs and benefits of mining (social, environmental and economic) are taken into account when evaluating the viability of projects; and
- A stable legislative and regulatory environment to reduce risk.

Mining is a long-term business and a gold mine typically generates returns for a wide variety of stakeholders. Our objective should be to secure competitive returns for our investors but also to contribute to the sustainable development of the countries where we operate and thereby to be welcome and long-term development partners.

² *The economic contribution of large-scale mining in Peru – Second edition* by the World Gold Council, April 2012

³ *Resources Policy*, Bloch and Owusu, December 2012

Global highlights

\$165m **\$499m**

1

Peru

Despite gold output falling over 20% from 2009 to 2012 among companies surveyed (from 68.6 to 53.7 tonnes), payments to employees tripled (from \$165m to \$499m)

+\$\$\$

2

Chile

Payments to suppliers and wages/salaries represented over 90% of total in country expenditure in both 2009 and 2012

Over
90%

4

Mali

The value of gold mined in the country in 2012 was equivalent to over 90% of national exports

Over
85%

3

Brazil

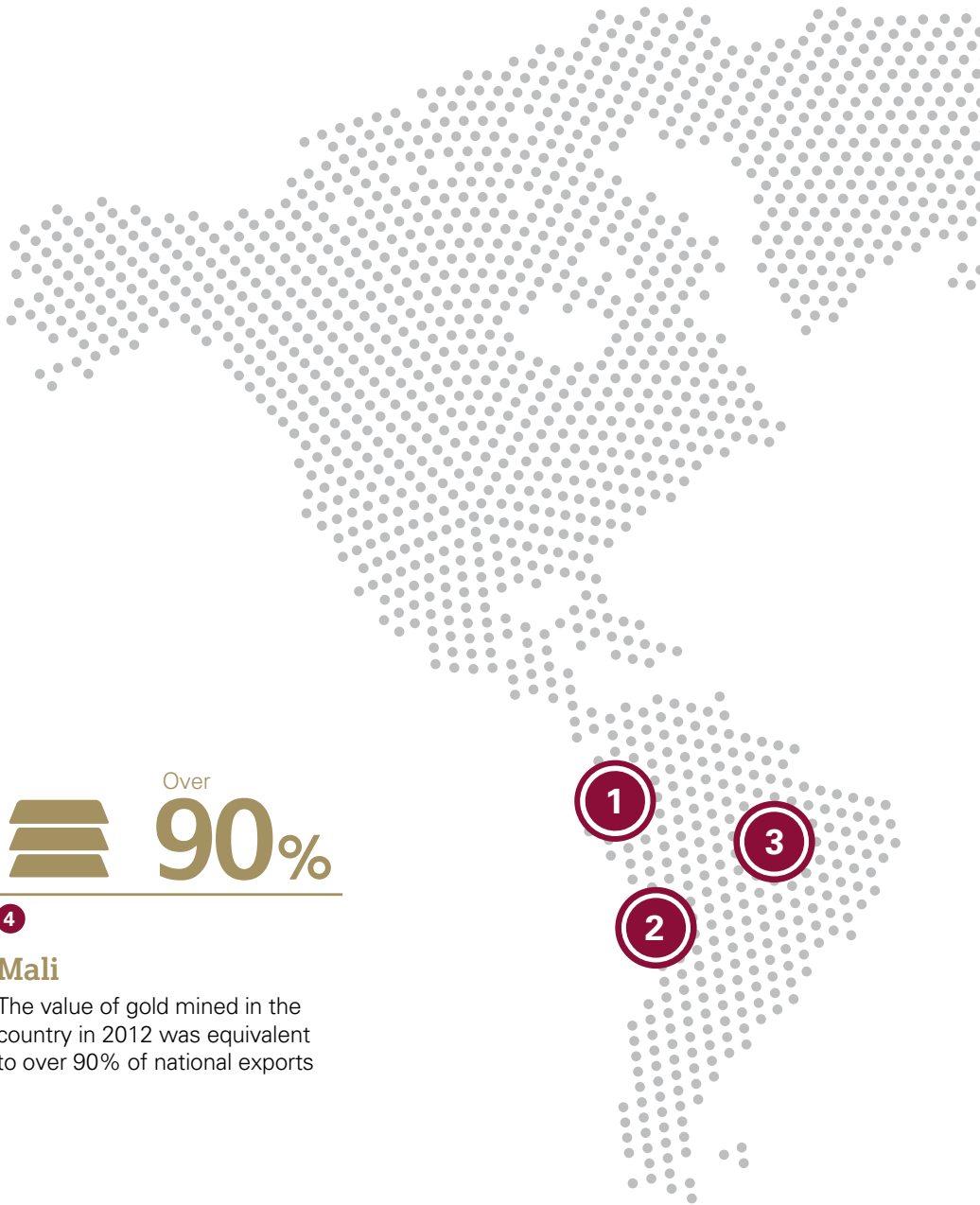
Over 85% of total expenditure was incurred in country in both 2009 and 2012

Over
26%

5

Burkina Faso

Gold sales from companies surveyed were equivalent to over 26% of national exports in 2012





Over
2012
 2009 **95%**

6

South Africa

Over 95% of total expenditure was incurred in country in both 2009 and 2012



6%

7

Tanzania

Payments to government from companies surveyed contributed to 6% of total government revenue in 2012



19%

8

Papua New Guinea

Gold sales were equivalent to 19% of national GDP in 2012

Argentina

Country data

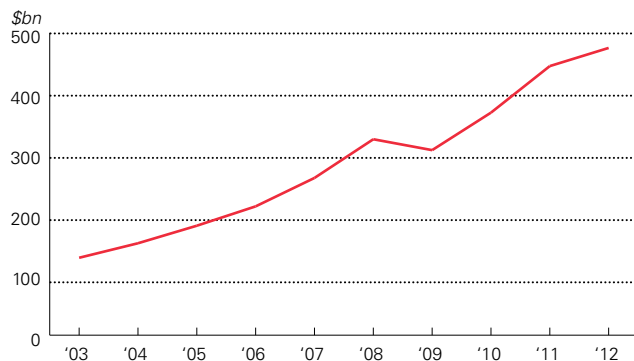
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
54.6	2,930	0.6	3.9

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

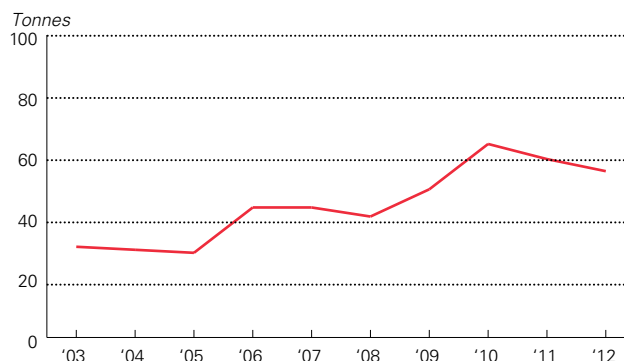


Table 2: Key macro-economic data 2012

	2012
Population (millions)	41.0
GDP per capita (US\$)	11,576
Total government revenue (US\$bn)	191.3
Public debt (% of GDP)	44.9
Exports (US\$bn)	75.2
Imports (US\$bn)	68.5
Human Development Index	0.81
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Veladero, Barrick Gold Corp*	23.8
Bajo de la Alumbrera, Glencore Xstrata plc*^	11.5
Cerro Vanguardia, AngloGold Ashanti Ltd*	7.4
Gualcamayo, Yamana Gold Inc	4.6
San Jose, Hochschild Mining plc	2.7

* Participating mine in this survey

^ JV between Xstrata (50%), Goldcorp (37.5%) and Yamana (12.5%)



Case study – Economic and social development

Barrick is the main private employer in San Juan province, the location of their Veladero mine and Pascua-Lama project. San Juan used to be one of the poorest provinces in the country, but as the economy grows, poverty rates are declining and other key socio-economic indicators are showing signs of improvement. Infant mortality fell from 19.6 per 1,000 births in 2003 to 11.0 in 2010 – a 44 percent decrease, and nearly double the 28 percent drop in the national infant mortality rate.

Additionally, mining helps create new companies and support the growth of existing ones, creating jobs and driving economic activity. One example is Industrias Metalúrgicas Jaime, a San Juan-based company that began assembling off-road truck hoppers for the Veladero operation in 2004. Since then, the firm has expanded to incorporate welding and maintenance and repair work. The company's workforce has grown significantly and its work with Veladero has led to opportunities beyond mining.

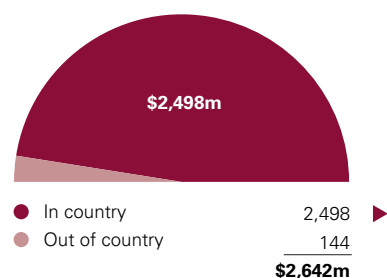
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (3 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
35.0 (2009: 29.9)	64	1,819	0.4	2.4	13,051

Chart 3a: Total expenditure 2012



Data comprises 3 producing and 2 non-producing operations

Chart 3b: In country expenditure 2012

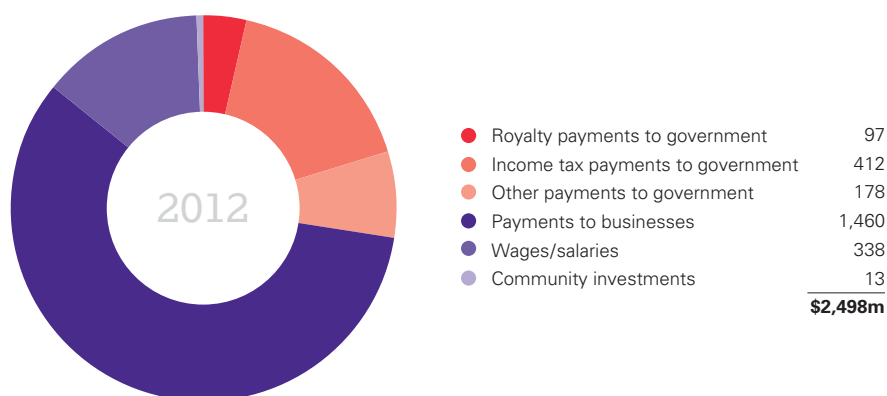
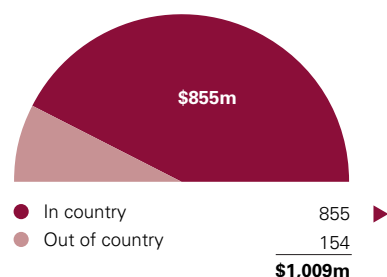
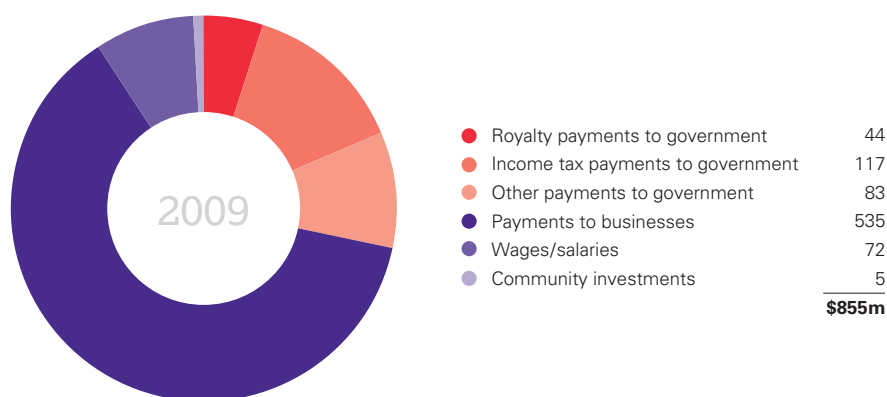


Chart 4a: Total expenditure 2009



Data comprises 3 producing and 1 non-producing operations

Chart 4b: In country expenditure 2009



Key points

- Of companies surveyed, total gold output increased 17% from 2009 to 2012 (from 30 to 35 tonnes) yet payments to suppliers almost trebled from \$535m to \$1,460m and wages increased almost five times from \$72m to \$338m
- Gold sales from companies surveyed contributed to over 2% of national exports in 2012

“Today, we welcome the new way of mining, which is more sustainable, helping create important change for the people of San Juan, not only through the creation of jobs, but also because of its emphasis on social development. The people of San Juan want to foster the development of mining and exploration as a means of growth and employment, which means less poverty, less marginalisation, and ultimately, a better quality of life.”

Ing. Jose Luis Gioja, Governor San Juan province, July 2013

Australia

Country data

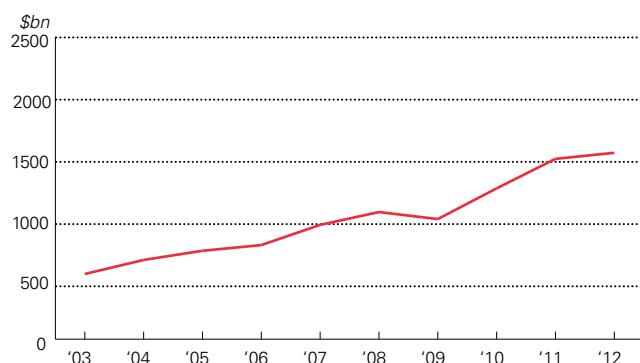
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
250.1	13,420	0.9	5.2

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

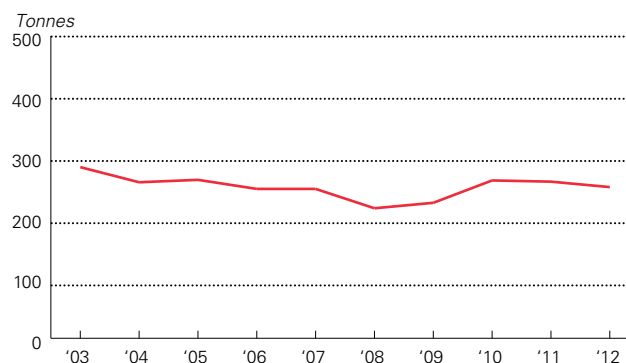


Table 2: Key macro-economic data 2012

	2012
Population (millions)	22.8
GDP per capita (US\$)	67,723
Total government revenue (US\$bn)	518.7
Public debt (% of GDP)	27.2
Exports (US\$bn)	256.7
Imports (US\$bn)	260.9
Human Development Index	0.94
Income level	High income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Boddington, Newmont Mining Corp*	22.5
Kalgoorlie Consolidated, Barrick Gold Corp*	20.3
Telfer, Newcrest Mining Ltd	16.8
Yilgarn South, Barrick Gold Corp*	14.1
St Ives, Gold Fields Ltd*	14.0

* Participating mine in this survey

Case study – Aboriginal and indigenous peoples

Between the 1970s and the late 2000s, sport and recreation in the Western Desert region of Western Australia (WA) changed very little. Participation stagnated and the health of the local Martu people suffered. Starting in 2008, Newcrest's Community Relations team at Telfer Mine and the Western Australia Department of Sport and Recreation created and funded an Indigenous Sports Development Officer (ISDO) position.

In 2012, the Western Desert Sports Council (WDSC) was incorporated. This provides a valuable setting for governance training and upskilling. These community capacity building skills can be transferred to many ventures, including the management of community corporations, small businesses and other activities.

In collaboration with indigenous communities, through improved facilities, programmes, staffing, communication, employment and training, the WDSC is working to achieve behavioural change that will lead to better health in the East Pilbara, and capacity development among the Martu people.

Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (5 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
117.3 (2009: 59.4)	47	6,468	0.4	2.5	11,738

Chart 3a: Total expenditure 2012

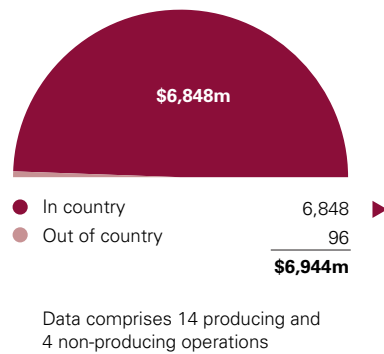


Chart 3b: In country expenditure 2012

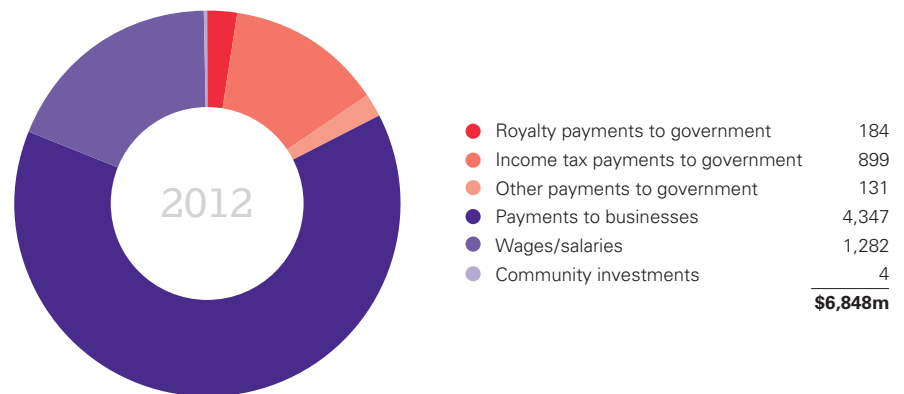


Chart 4a: Total expenditure 2009

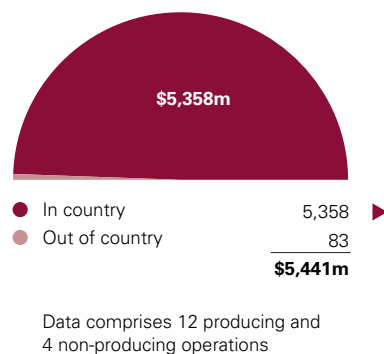
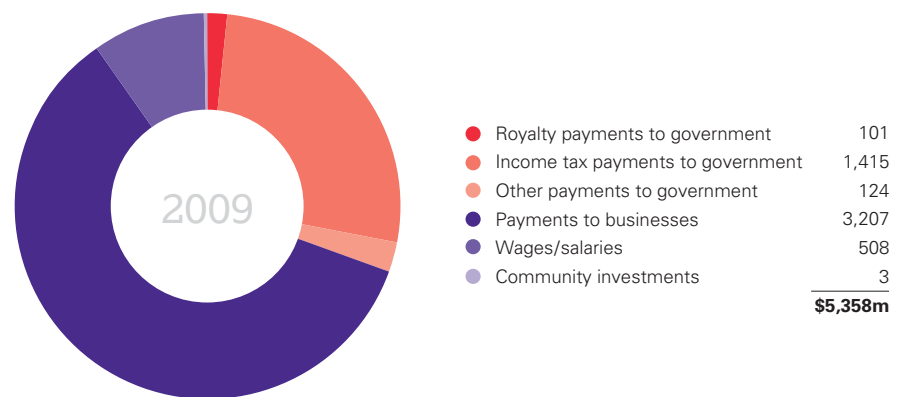


Chart 4b: In country expenditure 2009



Key points

- Over 98% of total expenditure was incurred in country in both 2009 and 2012
- Of companies surveyed, total gold output increased 34% from 2009 to 2012 (from 87 to 117 tonnes) yet wages more than doubled from \$508 to \$1,282m

“Mining is integral to the development of Australia’s hinterland, our communities, our people and our settlement patterns. Mining has driven much of our industrial innovation; a significant proportion of our research and development; the strength of our environmental regimes; and the exploration of our remote inland. Mining is not a meal ticket. It defines our nation and identity.”

Mr Gary Gray, Minister of Resources and Energy, Commonwealth of Australia, 26 June 2013

Brazil

Country data

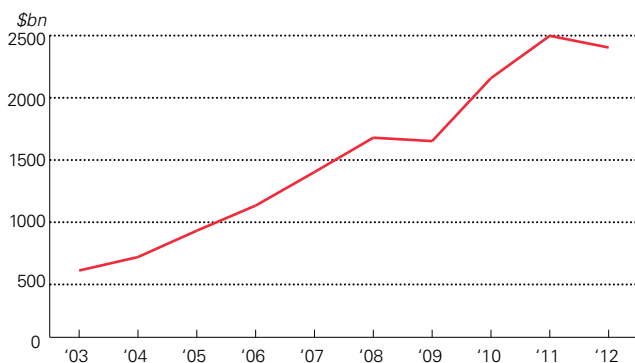
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
673	3,611	0.2	1.5

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

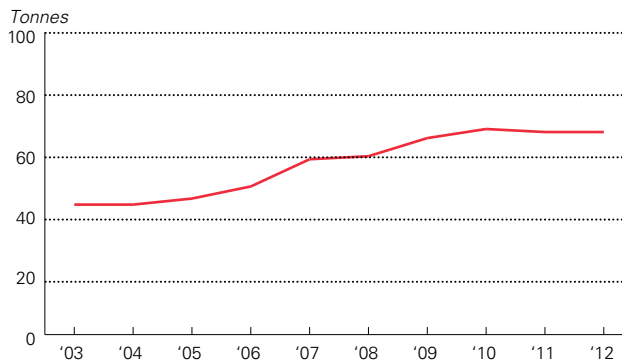


Table 2: Key macro-economic data 2012

	2012
Population (millions)	198.4
GDP per capita (US\$)	12,079
Total government revenue (US\$bn)	892.4
Public debt (% of GDP)	68.5
Exports (US\$bn)	242.6
Imports (US\$bn)	228.4
Human Development Index	0.73
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Paracatu, Kinross Gold Corp*	14.5
AGA Mineracao, AngloGold Ashanti Ltd*	12.1
Chapada, Yamana Gold Inc	3.7
Jacobina, Yamana Gold Inc	3.6
Serra Grande, AngloGold Ashanti Ltd*	3.0

* Participating mine in this survey



Case study – Education

Yamana believes investment in education is the foundation for building a prosperous and sustainable community. They have made significant investment in education programmes, focusing on basic education in Brazil.

In partnership with communities, they began a two-year programme in 2010 to support the education systems around a number of their Brazilian mines. Teachers participated in a programme divided into 16 training modules, focused on teaching methods, motivational strategies, and behavioural needs. One indicator of success was that pupils at participating schools scored higher in standardised tests than those in non-participating schools. The programme is designed to be sustainable locally. Municipalities now run it themselves, while Yamana provides monitoring support.

Yamana will be extending this programme of collaboration with local stakeholders to improve education near another of their Brazilian operations.

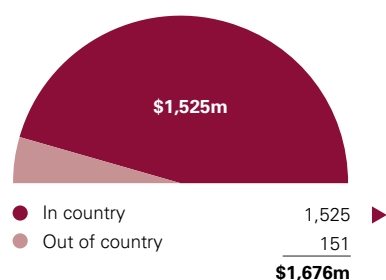
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (2 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
29.4 (2009: 24.2)	44	1,636	0.1	0.7	6,609

Chart 3a: Total expenditure 2012



Data comprises 3 producing operations

Chart 3b: In country expenditure 2012

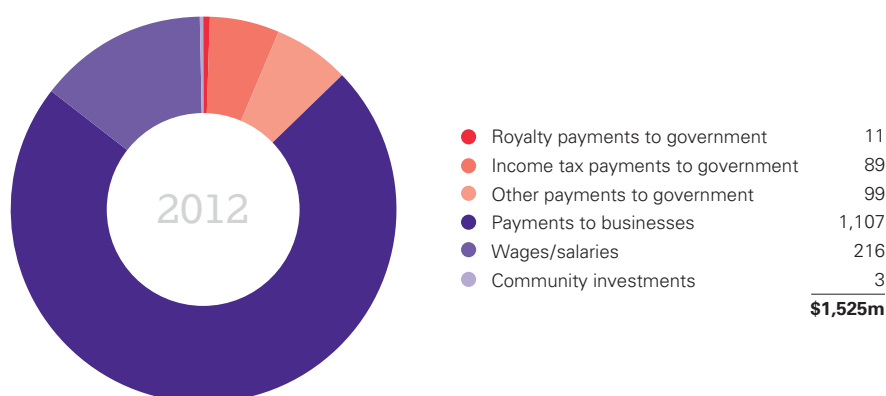
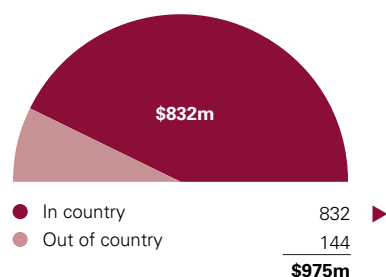
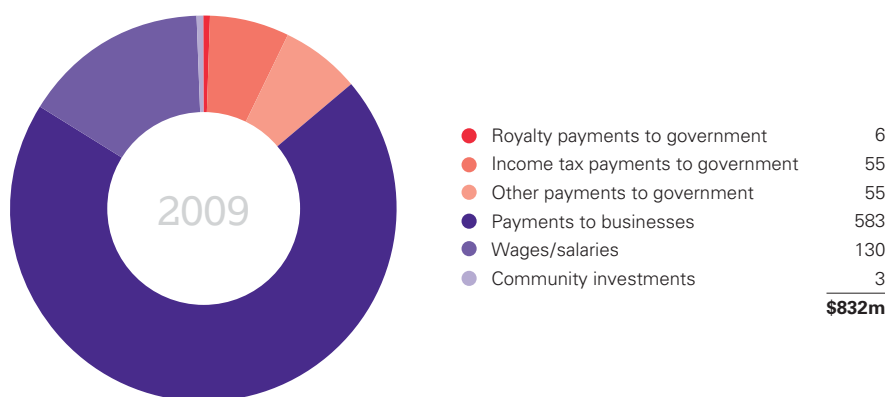


Chart 4a: Total expenditure 2009



Data comprises 4 producing operations

Chart 4b: In country expenditure 2009



Key points

- Over 85% of total expenditure was incurred in country in both 2009 and 2012
- Payments to suppliers and wages/salaries represented over 85% of total in country expenditure in both 2009 and 2012

“The Brazilian Federal Government has developed the National Mining Plan 2030, to promote the sustainable growth of the mineral sector over the next 20 years. Investment in mineral exploration and exploitation of gold in Brazil has been growing in recent years. Both large mining, mainly located in the state of Minas Gerais, and small-scale mining, mainly located in the states of Mato Grosso and Pará has socio-economic importance for the country.”

Dr Carlos Nogueira da Costa Jnr, Secretary of Geology, Mining, and Mineral Transformation, Ministry of Mines and Energy of Brazil, 30 August 2013

Burkina Faso

Country data

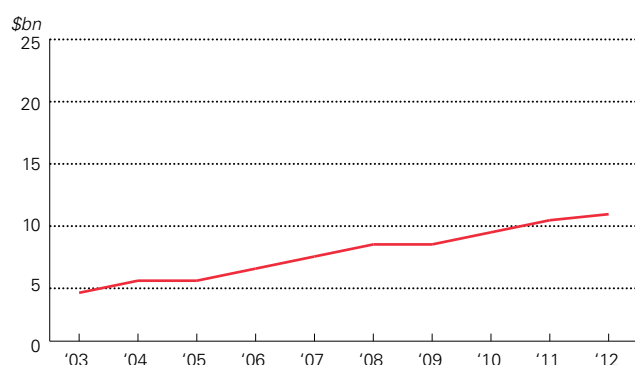
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output	Total gold sales		
Tonnes	US\$m	as % of GDP	as % of national exports
31.3	1,680	16.1	77.0

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

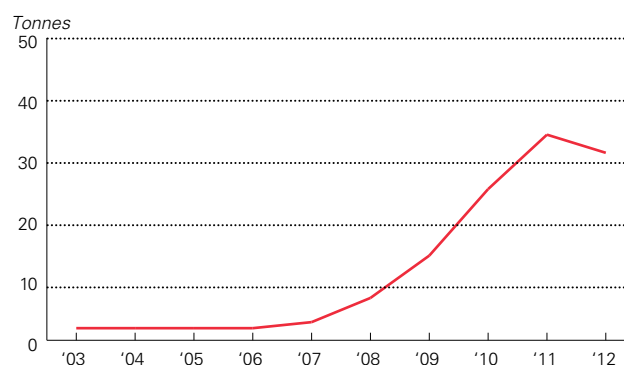


Table 2: Key macro-economic data 2012

	2012
Population (millions)	17.4
GDP per capita (US\$)	603
Total government revenue (US\$bn)	2.5
Public debt (% of GDP)	27.7
Exports (US\$bn)	2.2
Imports (US\$bn)	3.4
Human Development Index	0.34
Income level	Low income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Essakane, Iamgold Corp*	10.9
Mana, SEMAFO Inc	5.4
Inata, Avocet Mining plc	4.2
Taparko, High River Gold Mines Ltd	3.9
Youga, Endeavour Mining Corp	2.8

* Participating mine in this survey

Case study – Education/NGO partnerships

In 2011, IAMGOLD announced a five-year partnership with Plan Canada to support youth and economic development in Burkina Faso. The goal of the project is to improve the quality and relevance of pre-vocational education for approximately 6,400 girls and boys, aged 13–18 years, who are identified as 'kids at risk'.

These adolescents have left the school system and thus have been unable to acquire sufficient academic skills to enter vocational streams. With the Canadian International Development Agency (CIDA) leading the financial contribution of \$5.6 million, IAMGOLD has committed \$1.0 million to the project along with in-kind contributions in country and has provided support on various practical and technical elements of the programme.

Among the key 2012 accomplishments, focus areas for vocational training were identified through a market survey and 13 schools were renovated or newly constructed and equipped as training sites. The focus areas were identified as: masonry, plumbing, mechanics, metal construction, tailoring/fashion, carpentry/woodworking, hairstyling, leather craft, agriculture, forestry and animal husbandry.

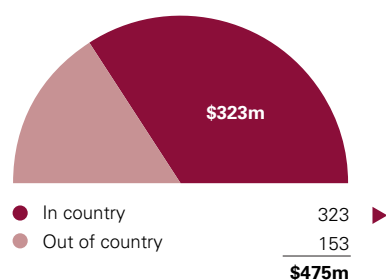
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

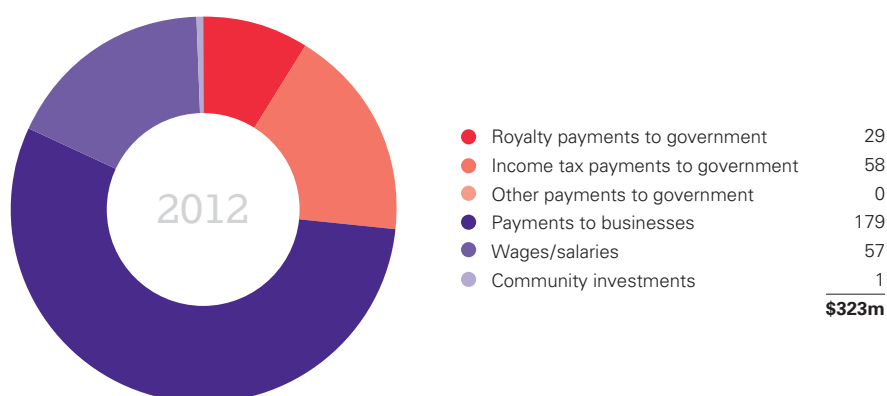
Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
10.9 (2009: n/a)	35	587	5.6	26.9	5,813

Chart 3a: Total expenditure 2012



Data comprises 1 producing operation

Chart 3b: In country expenditure 2012



2009 data unavailable

Key points

- Gold sales from companies surveyed were equivalent to 26% of national exports in 2012
- Payments to government from companies surveyed represented 3.5% of total government revenue

“Gold production has reduced the country’s heavy dependence on a single export commodity (cotton). It has not resulted in ‘Dutch disease’ and, therefore, has not damaged agricultural production... Gold is not a renewable resource and revenue from this activity could be used to help local development by building infrastructure and by fostering the enhancement of the value of agricultural, forestry and livestock products.”

African Economic Outlook 2013 sponsored by the African Development Bank, UNDP, OECD Development Centre and the United Nations Economic Commission for Africa (UNECA)

Canada

Country data

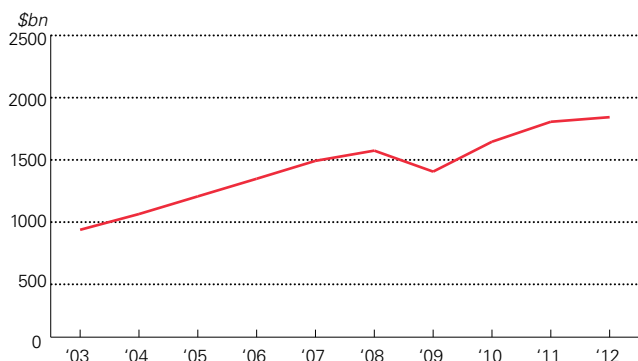
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
108.2	5,806	0.3	1.3

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

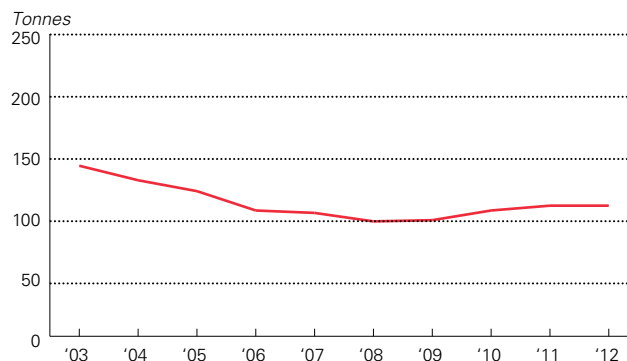


Table 2: Key macro-economic data 2012

	2012
Population (millions)	34.8
GDP per capita (US\$)	52,232
Total government revenue (US\$bn)	686.6
Public debt (% of GDP)	85.6
Exports (US\$bn)	454.8
Imports (US\$bn)	462.4
Human Development Index	0.91
Income level	High income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Red Lake, Goldcorp Inc*	15.8
Canadian Malartic, Osisko Mining Corp	12.1
Meadowbank River, Agnico-Eagle Mines Ltd*	11.4
Porcupine, Goldcorp Inc*	8.2
Musselwhite, Goldcorp Inc*	7.4

* Participating mine in this survey



Case study – Community investment/Indigenous peoples

New Gold's New Afton Mine started operations in July 2012. New Afton is located in the asserted traditional territory of the Tk'emlúps and Skeetchestn Indian Bands. These bands are part of the larger cultural group known as the Secwepemc or Shuswap First Nation. The New Afton Mine operates within the terms and conditions of a mutually beneficial Participation Agreement, which establishes environmental goals, economic opportunities, social and financial considerations.

The New Afton Participation Agreement ensures business, employment, training and educational opportunities for the local First Nations. In 2012, 23% of New Afton employees were First Nations. That year, the Company engaged with 30 local First Nation businesses, providing C\$ 14.5 million in aggregate revenue to these businesses. New Gold also sponsors scholarships for local First Nations and provides education and job opportunities for their First Nations partners, along with funding for various sporting, health and community groups.

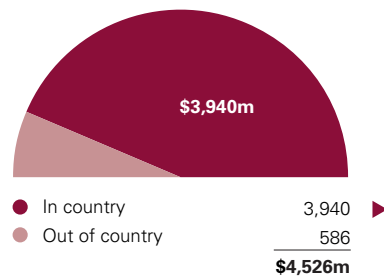
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (7 companies)

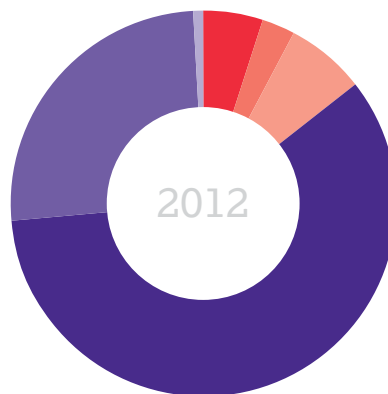
Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
51.3 (2009: 49.0)	47	2,639	0.1	0.6	12,504

Chart 3a: Total expenditure 2012



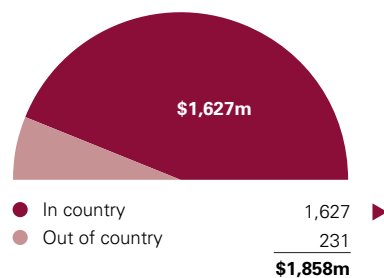
Data comprises 8 producing and 13 non-producing operations

Chart 3b: In country expenditure 2012



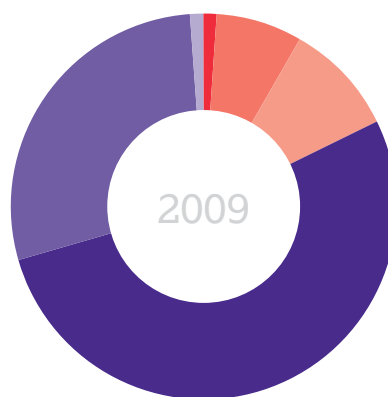
Royalty payments to government	198
Income tax payments to government	112
Other payments to government	261
Payments to businesses	2,339
Wages/salaries	1,004
Community investments	26
Total	\$3,940m

Chart 4a: Total expenditure 2009



Data comprises 8 producing and 11 non-producing operations

Chart 4b: In country expenditure 2009



Royalty payments to government	22
Income tax payments to government	118
Other payments to government	153
Payments to businesses	860
Wages/salaries	459
Community investments	16
Total	\$1,627m

Key points

- Despite gold output increasing by only 5% from 2009 to 2012 among companies surveyed (from 49.0 to 51.3 tonnes), in country expenditure more than doubled
- Payments to suppliers and wages/salaries represented over 80% of total in country expenditure in both 2009 and 2012

“Mining is a cornerstone of the Canadian economy providing good employment and benefits to communities across the country. The future for precious metals is bright as advancing geoscience unlocks new high-potential areas in Canada’s north. Internationally, Canada is among the world’s gold mining giants. Canadian companies have mining interests worth nearly \$150 billion invested in 100 countries.”

The Honourable Joe Oliver, Canada’s Minister of Natural Resources, 22 July 2013

Chile

Country data

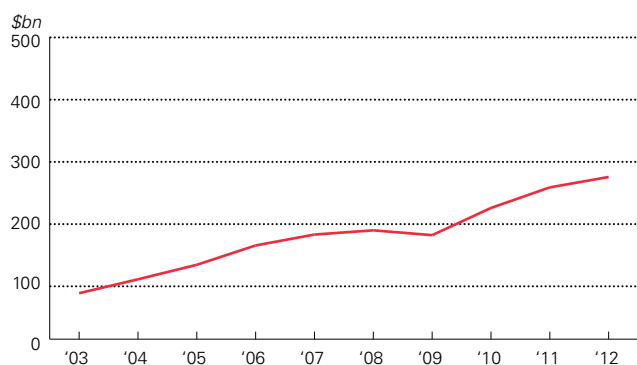
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
48.6	2,608	1.0	3.3

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

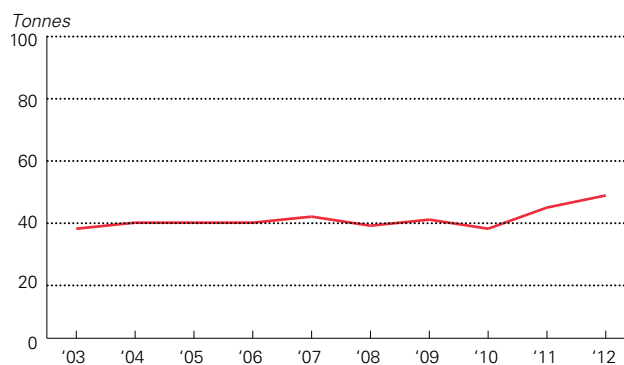


Table 2: Key macro-economic data 2012

	2012
Population (millions)	17.4
GDP per capita (US\$)	15,410
Total government revenue (US\$bn)	64.0
Public debt (% of GDP)	11.2
Exports (US\$bn)	79.7
Imports (US\$bn)	79.1
Human Development Index	0.82
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
El Penon, Yamana Gold Inc	9.9
Esperanza, Antofagasta plc	7.7
Maricunga, Kinross Gold Corp*	7.4
La Coipa, Kinross Gold Corp*	5.6
Escondida, BHP Billiton Group	3.0

* Participating mine in this survey

Case study – Water management/environment

The Maricunga and La Coipa mines are located approximately 4,000 metres above sea level in the Atacama Desert, one of the driest places on Earth. In this water-stressed area, Kinross has undertaken extensive studies to better understand the hydrological cycle in the area, implemented measures to improve water efficiency and with local water authorities, worked to improve water resource stewardship. The water in this basin is a vital factor in the region's biological ecosystems, supporting wetlands that are vital habitat for wildlife including vicuña, flamingo and guanaco.

The challenge is that annual precipitation is approximately 150 millimetres and comes as snow. In 2011, Kinross installed two 100-metre lines of wooden snow fencing, aiming to improve snowmelt infiltration into groundwater. If not captured the snow would otherwise mostly be lost to sublimation, which is snow evaporating into air. Kinross is optimistic that carefully installed snowfences can result in meaningful contributions to the local water supply.

Preliminary results showed that accumulated snow contributed to an increase in groundwater recharge during the spring melt. Kinross and the Chilean National Irrigation Commission are exploring a joint research project to test the efficacy of snow harvesting and evaluate its potential in other water-stressed areas.

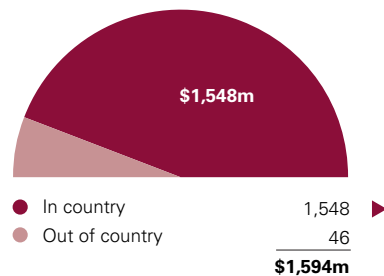
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (3 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
12.9 (2009: 14.5)	27	688	0.3	0.9	6,833

Chart 3a: Total expenditure 2012



Data comprises 2 producing and 2 non-producing operations

Chart 3b: In country expenditure 2012

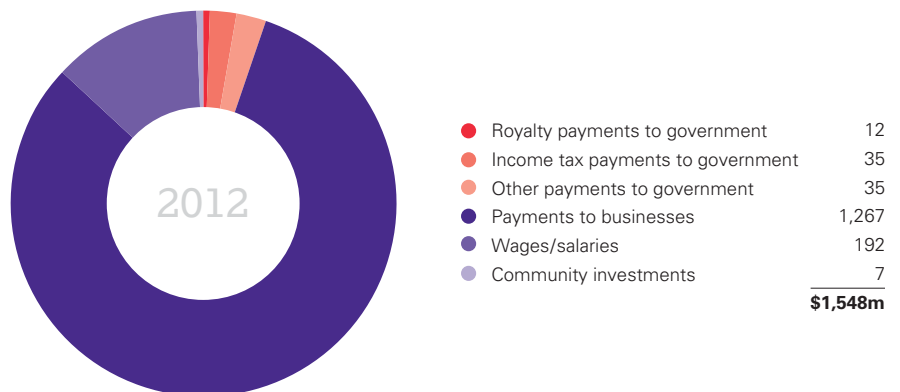
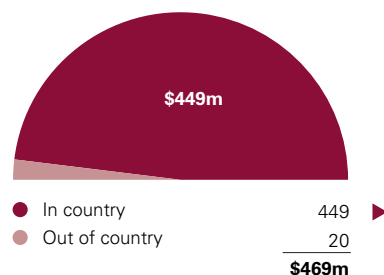
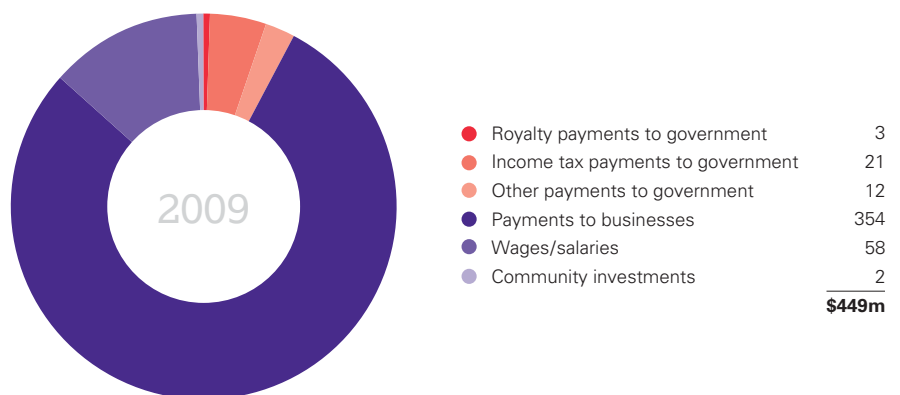


Chart 4a: Total expenditure 2009



Data comprises 2 producing and 3 non-producing operations

Chart 4b: In country expenditure 2009



Key points

- Despite gold output falling 11% from 2009 to 2012 among companies surveyed (from 14.5 to 12.9 tonnes), in country expenditure more than trebled
- Payments to suppliers and wages/salaries represented over 90% of total in country expenditure in both 2009 and 2012

“Mining is a powerful engine that throughout our history has driven Chile towards becoming a developed country. We want this force and power to continue and, why not, increase in time.”
Hernán de Solminhac, Minister of Mining, Republic of Chile, 8 August 2013

China

Country data

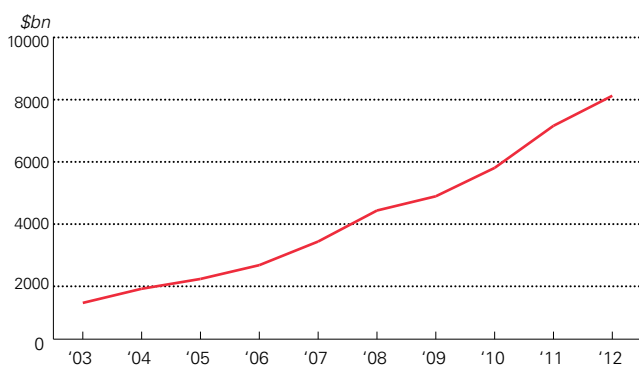
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output	Total gold sales		
Tonnes	US\$m	as % of GDP	as % of national exports
413.1	22,167	0.3	1.1

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

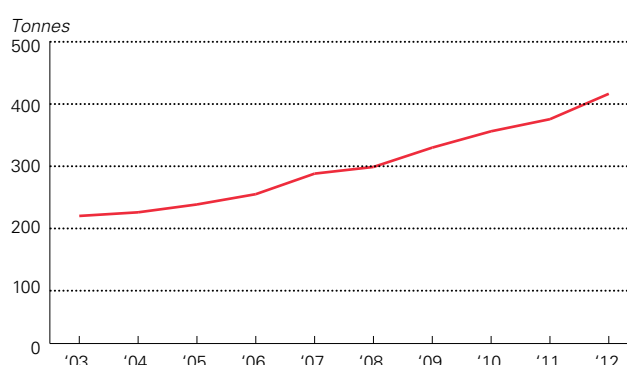


Table 2: Key macro-economic data 2012

	2012
Population (millions)	1,354.0
GDP per capita (US\$)	6,076
Total government revenue (US\$bn)	1,862.9
Public debt (% of GDP)	22.8
Exports (US\$bn)	2,048.9
Imports (US\$bn)	1,817.8
Human Development Index	0.70
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Zijinshan, Zijin Mining Group Co Ltd	16.4
Sanshandao, Shandong Gold Mining Co Ltd (Shandong Gold Group)	6.6
Jiaojia, Shandong Gold Mining Co Ltd (Shandong Gold Group)	6.3
CSH 217, China Gold International Resources Corp Ltd	4.3
Xincheng, Shandong Gold Mining Co Ltd (Shandong Gold Group)	4.1



Case study – Community development

As part of their five-year agreement with the provincial government, Eldorado Gold sets aside a minimum of US\$200,000 each year to donate to charity projects in Qinghai province, the location of their Tanjianshan mine. In 2012, one of the community projects was aimed at improving doctors' and nurses' skills. Eldorado donated money to the Dachaidan People's Hospital to provide improved medical training for hospital staff.

Eldorado's White Mountain mine is unique in being located only seven kilometres away from the city of Baishan, where the company is investing in an agricultural project to create sustainable income for locals beyond the life of the mine. Eldorado completed construction of five greenhouses in November 2011 and engaged local university professors to select appropriate fruit and vegetable varieties to grow. Since then, locals have been employed and trained to use the greenhouses to grow organic vegetables year-round. The produce is sold to mine employees and contractors and in a local market.

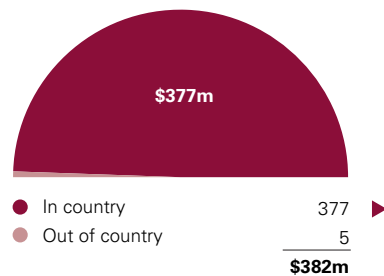
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (2 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
9.3 (2009: 9.4)	2	501	0.0	0.0%	1,834

Chart 3a: Total expenditure 2012



Data comprises 3 producing and 2 non-producing operations

Chart 3b: In country expenditure 2012

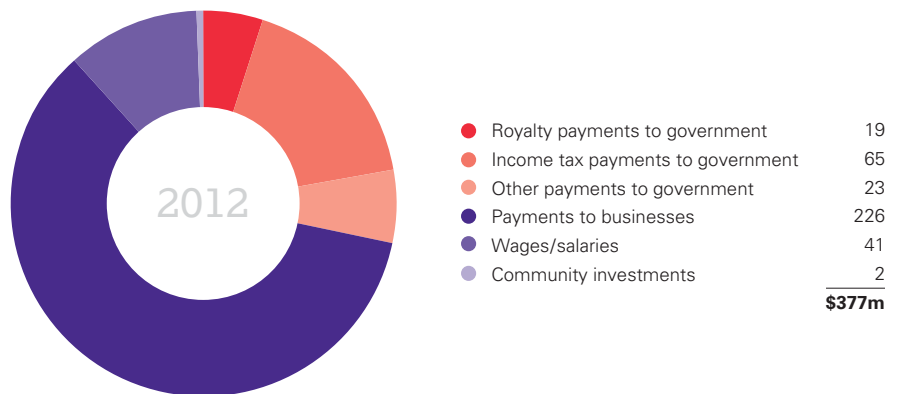
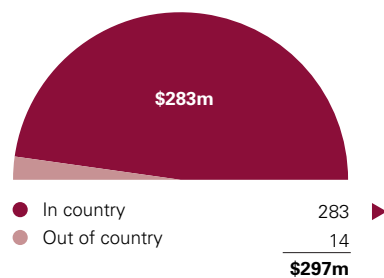
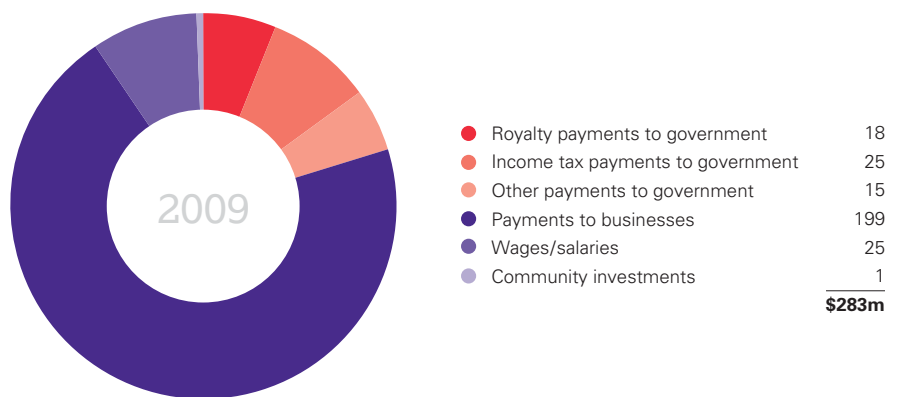


Chart 4a: Total expenditure 2009



Data comprises 3 producing and 2 non-producing operations

Chart 4b: In country expenditure 2009



Key points

- Over 95% of total expenditure was incurred in country in both 2009 and 2012
- Despite gold output decreasing from 2009 to 2012 among companies surveyed (from 9.4 to 9.3 tonnes), total payment of wages and salaries increased by over 60%

Colombia

Country data

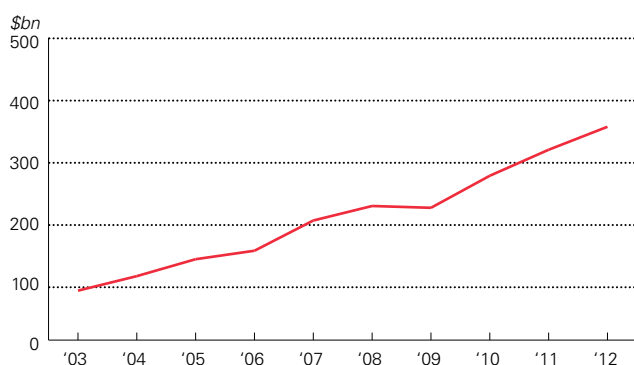
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output	Total gold sales		
Tonnes	US\$m	as % of GDP	as % of national exports
39.1	2,098	0.6	3.5

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

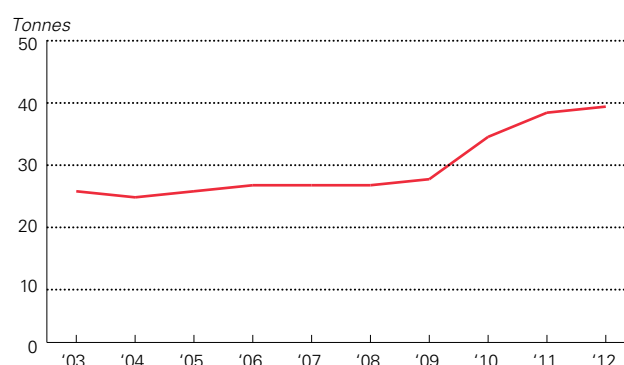


Table 2: Key macro-economic data 2012

	2012
Population (millions)	46.6
GDP per capita (US\$)	7,855
Total government revenue (US\$bn)	103.8
Public debt (% of GDP)	32.8
Exports (US\$bn)	59.6
Imports (US\$bn)	58.6
Human Development Index	0.72
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Antioquia, Mineros SA	3.7
Segovia Operations, Gran Colombia Gold Corp	2.5
Marmato, Gran Colombia Gold Corp	0.7

No participating mines

Case study – Stakeholder Engagement

At AngloGold Ashanti's exploratory activities in Colombia, stakeholder engagement has focused primarily on education about modern gold mining and its benefits as well as mitigation and compensation of any possible negative impacts. Engagement has focused on improving the livelihood of the local inhabitants through investment projects in health, education and infrastructure and strengthening existing economic activities.

The Gramalote project is based in an impoverished area of Antioquia Department and both the direct and indirect employment opportunities will benefit the region substantially. Much of Gramalote's support stems from the promise of the economic development it will provide for a community where 35% of inhabitants live in poverty, 12% in extreme poverty and 14% of San Roque's inhabitants are unemployed. The project has established a community investment programme which includes supporting existing activities and social infrastructure. The Gramalote project team has designed and implemented an extensive strategy of identifying and engaging stakeholders at the local and regional level.

Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
0	0	0	0.0	0.0	1,361

Chart 3a: Total expenditure 2012

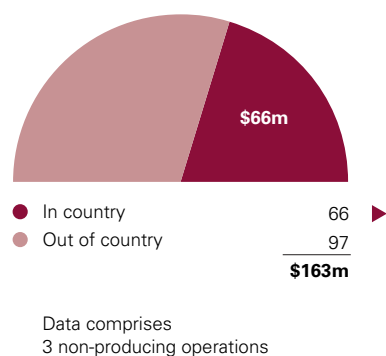


Chart 3b: In country expenditure 2012

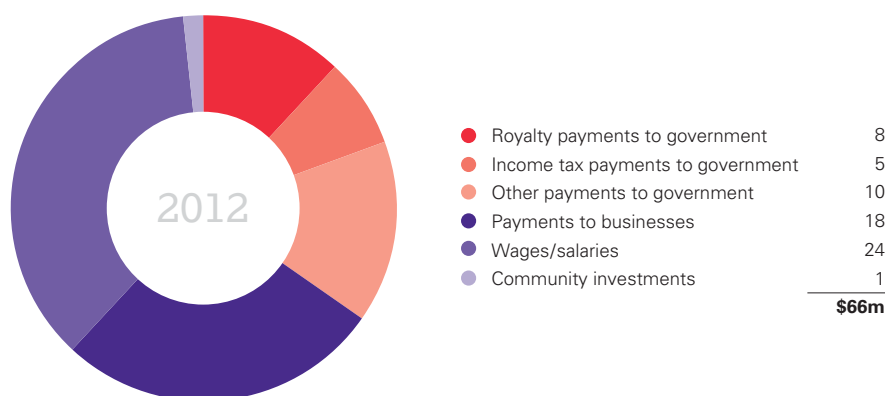


Chart 4a: Total expenditure 2009

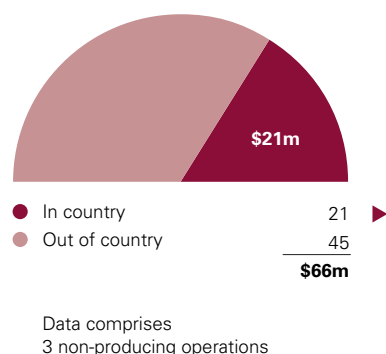
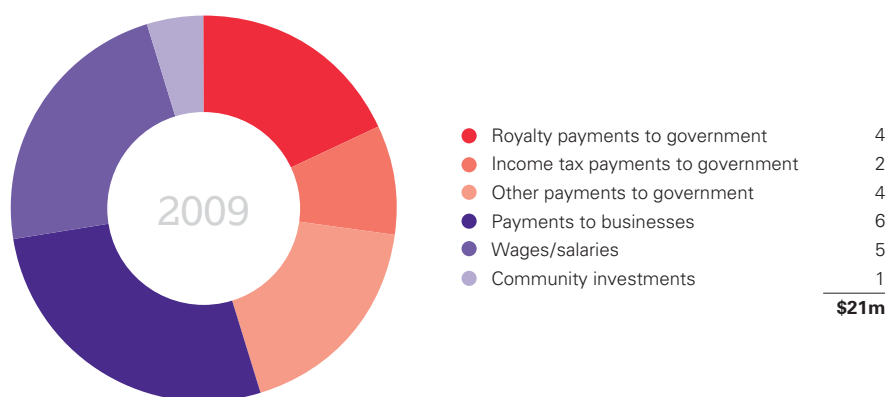


Chart 4b: In country expenditure 2009



Key points

- Among surveyed companies, in country payments were \$66m in 2012 related solely to non-producing operations
- Payments to government represented 35% of in country expenditures in 2012 and almost 47% of expenditures in 2009

“The responsible and sustainable mining and energy sectors are the main financial supporters of the transformation that we are having in Colombia. Only last year you generated a third of the total tax collection. Without your payments we wouldn’t have the possibility of building a fair country, a modern and secure country which is what I and all Colombians want... We support mining and oil investment as long as it is legal and meets two fundamental responsibilities: social and environmental responsibility.”

H.E. President Juan Manuel Santos Calderon, Republic of Colombia, IX Mining and Oil Congress, Cartagena, May, 2013

Democratic Republic of Congo

Country data

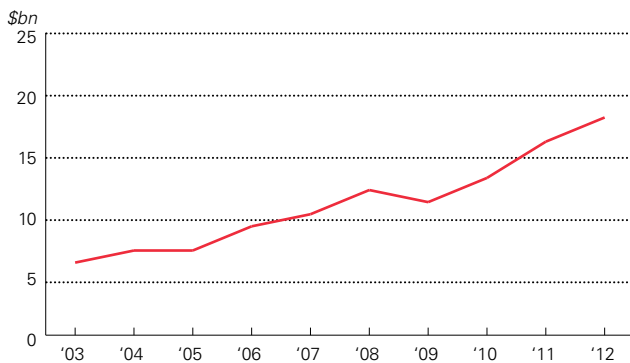
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
26.1	1,400	7.9	22.2

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

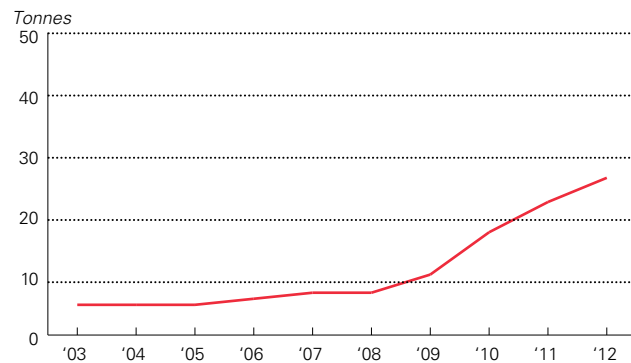


Table 2: Key macro-economic data 2012

	2012
Population (millions)	74.7
GDP per capita (US\$)	237
Total government revenue (US\$bn)	5.4
Public debt (% of GDP)	36.0
Exports (US\$bn)	6.3
Imports (US\$bn)	6.1
Human Development Index	0.30
Income level	Low income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Twangiza, Banro Corp	0.8
No participating mines	

Case study – Stakeholder Engagement

Engagement with stakeholders is key to AngloGold's sustainability strategy in the DRC. Implementing such a strategy from the start of project development allows global best practice to be applied. Training of local people to assume roles currently held by expatriates is under way.

The progress and success of their project relies largely on the successful relocation and resettlement of approximately 1,600 families, making up a total of eight villages located on the existing mine area, to the new Kokiza village. In 2012, 1,208 families were successfully resettled and the mining area vacated and secured. The total project scope has increased, with the number of houses required growing to more than 4,000. Implicit in the relocation exercise is the safety of communities and their schools, along with the relocation of graves. The clearing of bush in the Kokiza extension has continued, and several fields were prepared and handed over to their new owners. Maize has been planted on some 140ha which is being farmed by local communities.

Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
0	0	0	0.0	0.0	1,089

Chart 3a: Total expenditure 2012

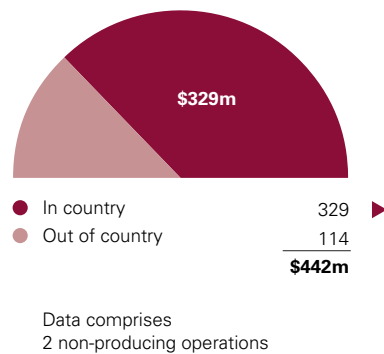


Chart 3b: In country expenditure 2012

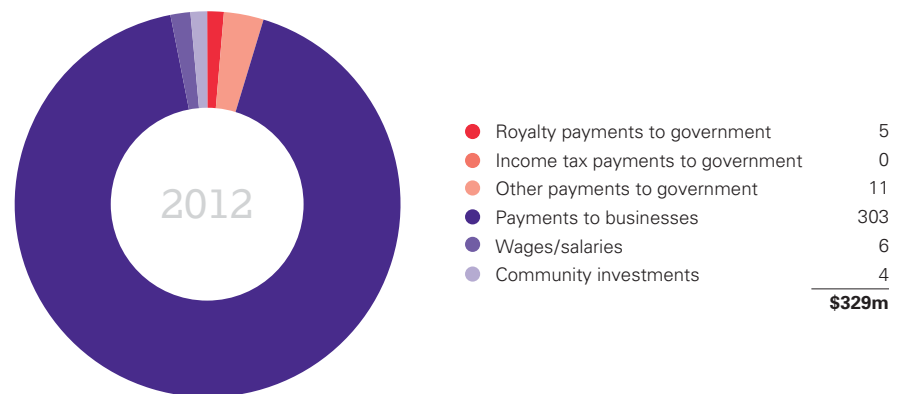


Chart 4a: Total expenditure 2009

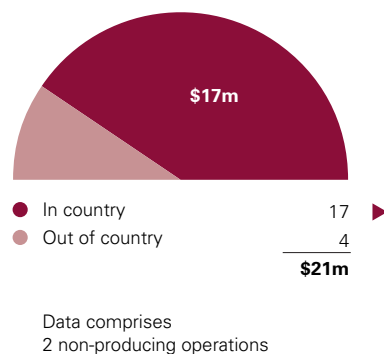
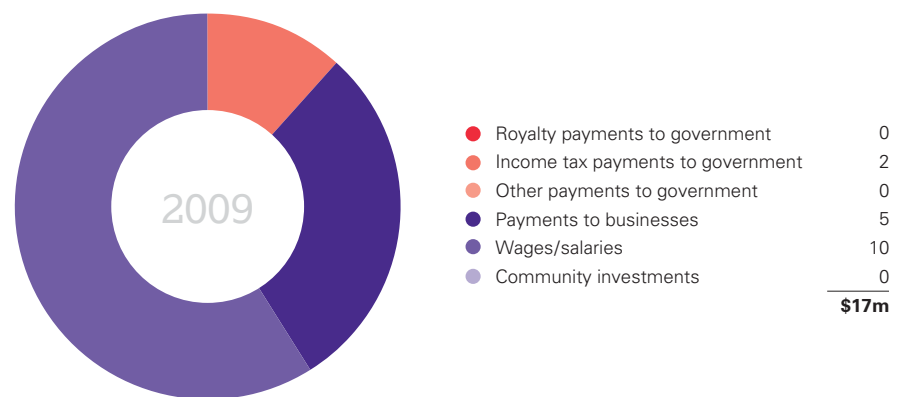


Chart 4b: In country expenditure 2009



Key points

- Among surveyed companies, in country payments were \$329m in 2012 related solely to non-producing operations
- Payments to suppliers and wages/salaries represented over 85% of total in country expenditure in both 2009 and 2012

“The Democratic republic of Congo offers a mining potential that is incomparable in terms of its mineral diversity, quantity and quality. This renowned mineral wealth is a warranty to our country’s future.”

H.E. Martin Kabwelulu, Minister of Mines, Democratic Republic of Congo, Mining Journal, March 2010

Dominican Republic

Country data

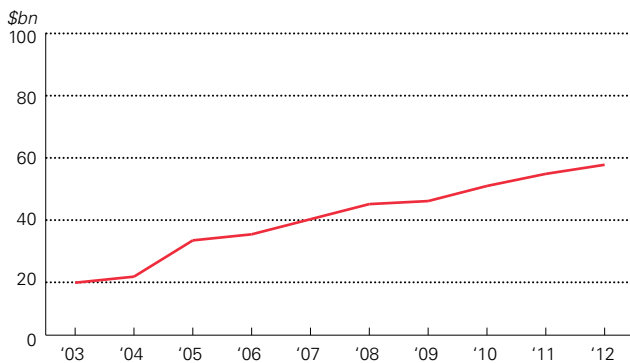
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
4.1	220	0.4	5.4

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

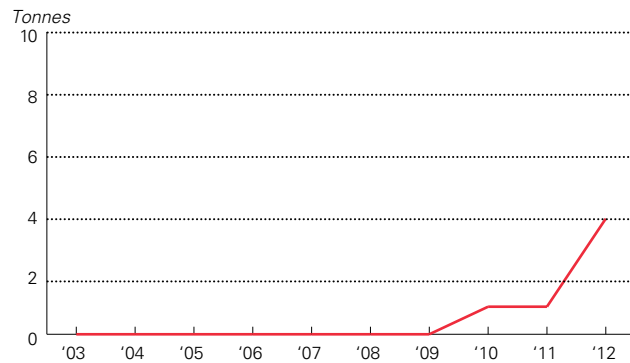


Table 2: Key macro-economic data 2012

	2012
Population (millions)	10.2
GDP per capita (US\$)	5,763
Total government revenue (US\$bn)	8.2
Public debt (% of GDP)	33.5
Exports (US\$bn)	4.1
Imports (US\$bn)	17.5
Human Development Index	0.70
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Pueblo Viejo, Barrick Gold Corp*^	3.5
Cerro de Maimon, Perilya Ltd	0.4
Las Lagunas Tailings, PanTerra Gold Ltd	0.2

* Participating mine in this survey; commercial production started in 2013
 ^ JV between Barrick (60%) and Goldcorp (40%)

Case study – Revenue management/Capacity building

The Piedra Blanca Municipal Development Plan (MDP) is a new model for corporate social responsibility (CSR) spearheaded by Barrick, 60 percent owner of the Pueblo Viejo mine.

Piedra Blanca is one of six MDPs facilitated by the mine in collaboration with municipal governments in nearby communities. The MDPs represent a partnership between government, business and civil society, including the Dominican Federation of Municipalities, the Regional Association of Municipalities of the Southern Cibao Region and the Canadian Embassy. Citizens in these communities participated in public processes to identify, prioritise and develop projects proposed and implemented under the programme. These projects are designed to improve public infrastructure and reduce poverty and unemployment.

The MDPs are a massive undertaking designed to help communities set priorities for how to use mining revenue, as well as develop the capacity to manage and allocate that revenue in a transparent and democratic way. Local municipalities are responsible for development and management of the projects, which both communities and the mine believe is crucial to the success of the MDP programme. The level of engagement with community members has resulted in full local buy-in, in that the plans are developed and therefore 'owned' by the communities and not the company.

Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (2 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
0	0	0	0.0	0.0	5,302

Chart 3a: Total expenditure 2012

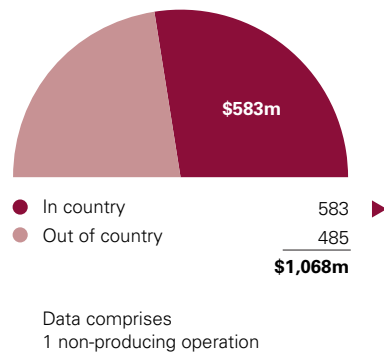


Chart 3b: In country expenditure 2012

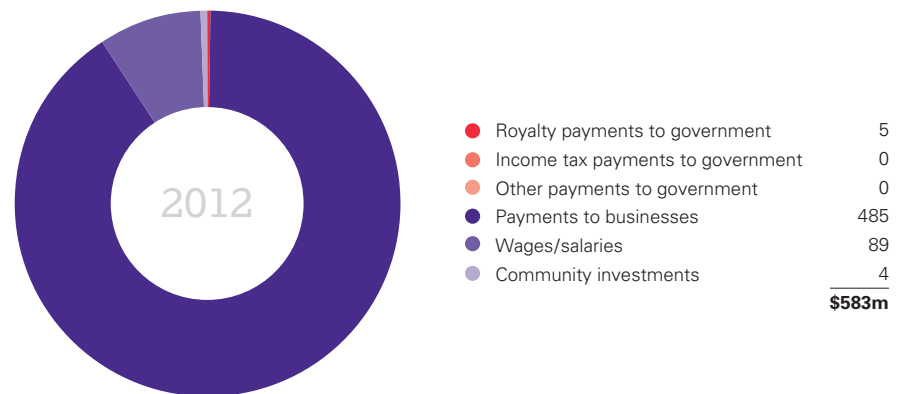


Chart 4a: Total expenditure 2009

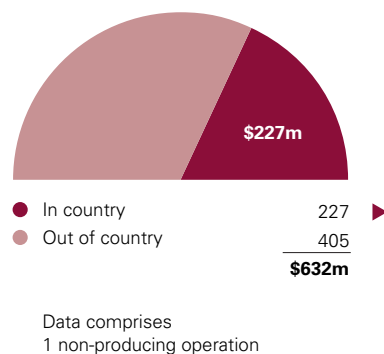
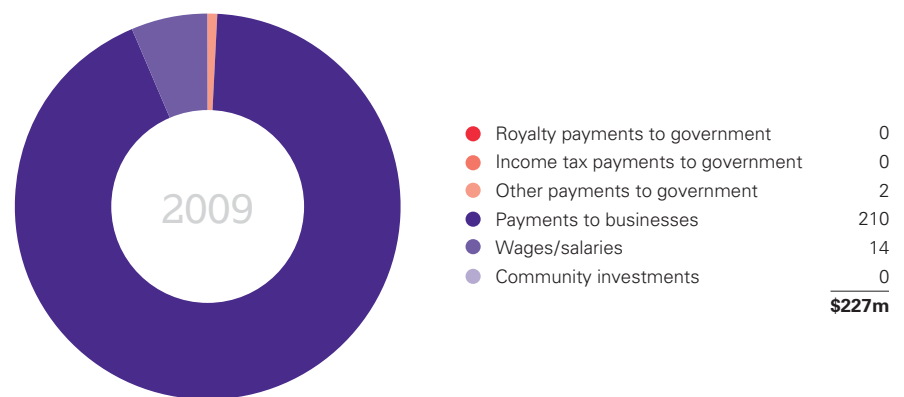


Chart 4b: In country expenditure 2009



Key points

- Among surveyed companies, in country payments were \$583m in 2012 related solely to non-producing operations
- Payments to businesses and wages/salaries represented over 98% of total in country expenditure in both 2009 and 2012

“Mining is an important part of the Dominican Republic economy and we have to support this. Mining in the Dominican Republic has been pretty successful for investors, mining companies and the country.”

Alexander Medina, Director General of Mining, Dominican Republic, Mining Journal, September 2012

Finland

Country data

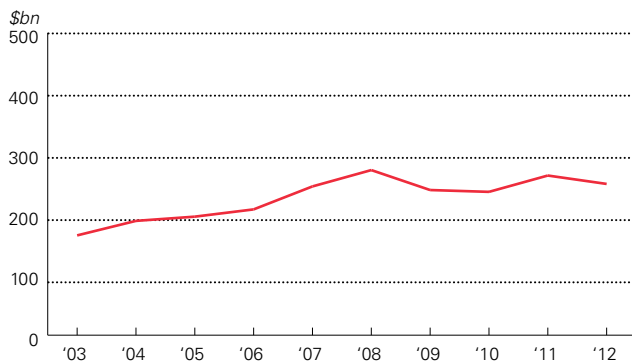
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
8.9	478	0.2	0.7

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

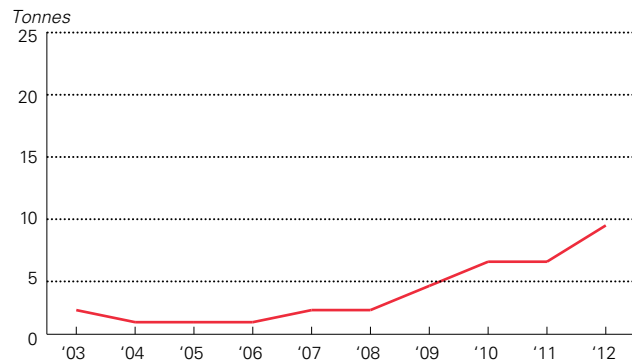


Table 2: Key macro-economic data 2012

	2012
Population (millions)	5.4
GDP per capita (US\$)	46,098
Total government revenue (US\$bn)	133.2
Public debt (% of GDP)	53.3
Exports (US\$bn)	73.1
Imports (US\$bn)	76.6
Human Development Index	0.89
Income level	High income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Kittila, Agnico Eagle Mines Ltd*	5.5
Laiva, Nordic Mines AB	0.9
Pampalo, Endomines AB	0.9
Kevitsa, First Quantum Minerals Ltd	0.2

* Participating mine in this survey



Case study – Community service

Fighting fires and rescuing people injured in traffic accidents isn't a regular 'day at the office' for members of the mine rescue team at Agnico Eagle's Kittilas mine. But on any given day, the team is putting their emergency response skills to the test in real-life emergency situations as members of their local volunteer fire departments. According to Jani Jauhojärvi, Training Coordinator and Head of the Volunteer Fire Department at the Kittila mine: "We want to make a difference in our community but the benefit really goes both ways. By taking on these volunteer roles, our employees are often managing real-life crisis situations, which sharpen their skills and improve their overall level of health and safety preparedness on the job too. Being prepared and teamwork are two of the most essential elements of any solid health and safety programme."

Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
5.3 (2009: n/a)	60	284	0.1	0.4	5,723

Chart 3a: Total expenditure 2012

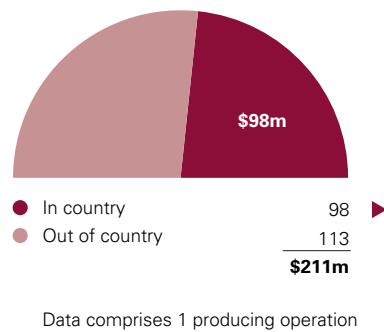


Chart 3b: In country expenditure 2012

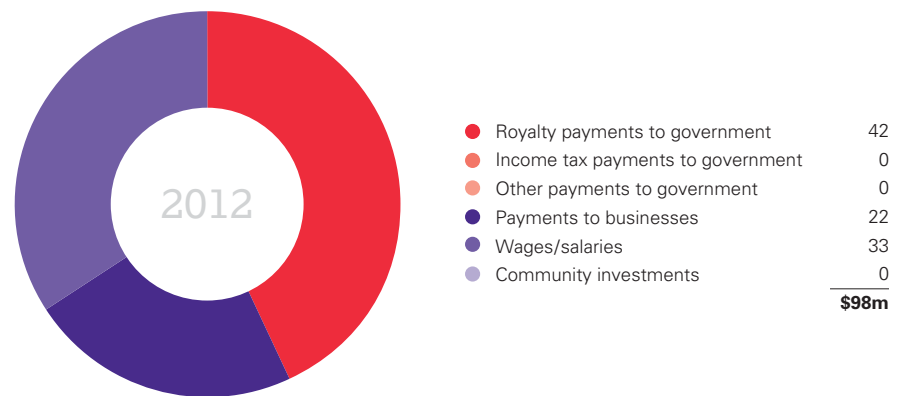


Chart 4a: Total expenditure 2009

Chart 4b: In country expenditure 2009

2009 data unavailable

Key points

- Payments to government represented 43% of in country expenditure in 2012
- Payments to employees in the form of wages and salaries represented 33% of in country expenditure in 2012

“Mining activities impact on regional economies directly through work income and demand for locally based subcontractors and services... For each position generated directly by mining activity, three or four additional jobs are indirectly created. Mining activities will generally lead to a diversification of the regional business structure and may have a positive impact on other business areas through improved services and transport connections and other infrastructure developments.”

Finland’s Mineral Strategy, October 2010

Ghana

Country data

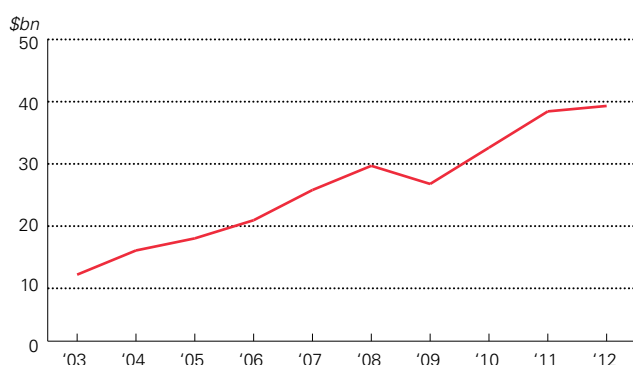
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
95.8	5,141	13.2	42.8

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

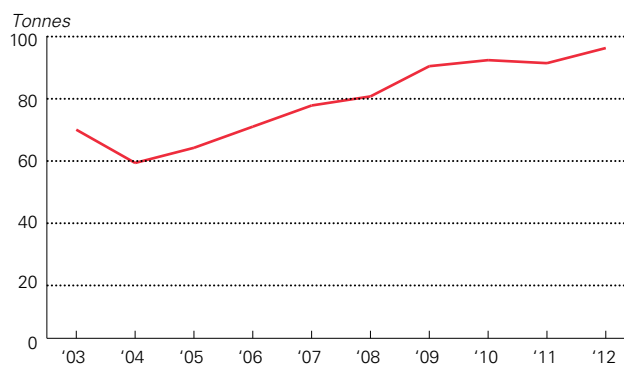


Table 2: Key macro-economic data 2012

	2012
Population (millions)	24.9
GDP per capita (US\$)	1,562
Total government revenue (US\$bn)	7.8
Public debt (% of GDP)	56.5
Exports (US\$bn)	12.0
Imports (US\$bn)	18.0
Human Development Index	0.56
Income level	Lower middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Tarkwa, Gold Fields Ltd*	22.4
Ahafo, Newmont Mining Corp*	17.4
Chirano, Kinross Gold Corp*	9.1
Obuasi, AngloGold Ashanti Ltd*	8.7
Iduapriem, AngloGold Ashanti Ltd*	5.6

* Participating mine in this survey



Case study – Healthcare

Golden Star Resources provides National Health Insurance Scheme coverage for all its Ghanaian employees and their immediate families, as well as providing mine site clinic access for some 5,600 people (employees and their registered family) for 2012. Golden Star Resources has upgraded its local clinics to better provide services to its employees. As part of their corporate responsibility programmes, Golden Star built a health centre at Nsadweso, an Outpatients Department at the Prestea Government Hospital, nurses quarters at Bogoso, a mini-clinic at Brakwaline, and a community health post at Bondaye. Golden Star is a supporter of Project C.U.R.E. (www.projectcure.org), which, since 2003, has delivered 29 containers of medical equipment to Ghana, serving over 18 million people. In partnership with the German aid agency GIZ, Golden Star delivers health and wellbeing programmes to its employees and to its stakeholder communities.

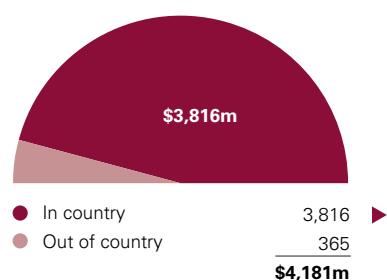
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (5 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
75.2 (2009: 30.7)	78	4,139	10.6	34.5	23,352

Chart 3a: Total expenditure 2012



Data comprises 8 producing operations

Chart 3b: In country expenditure 2012

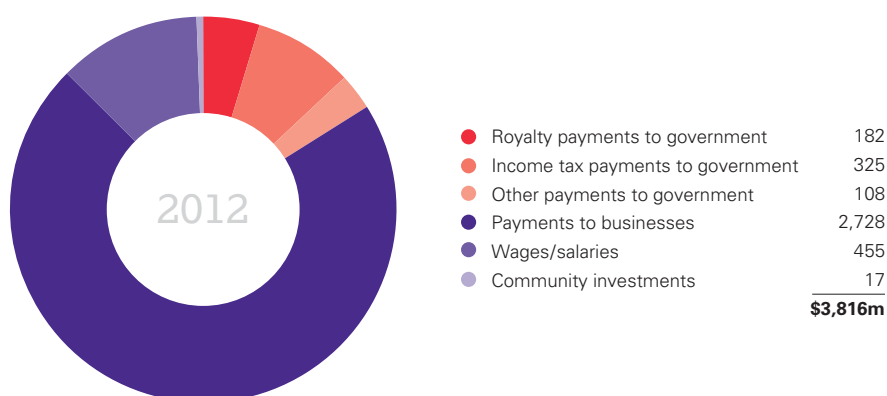
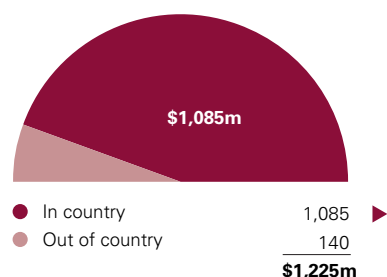
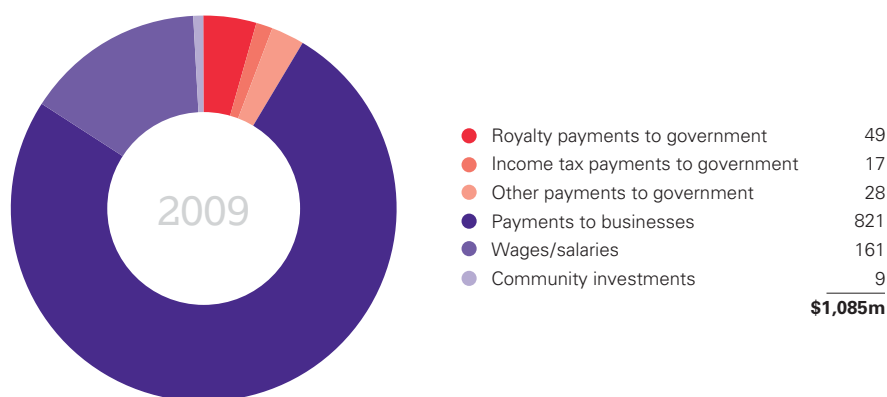


Chart 4a: Total expenditure 2009



Data comprises 5 producing operations

Chart 4b: In country expenditure 2009



Key points

- Of companies surveyed, total gold output increased by 60% between 2009 and 2012 (from 47.0 to 75.2 tonnes) yet expenditure within Ghana more than trebled
- Gold sales from companies surveyed was equivalent to over 30% of national exports in 2012

“Over the past decade the mining sector has consistently been the highest foreign exchange earner. Currently the sector contributes 28% of government revenue. In 2012, export revenues for the minerals sector amounted to over \$5.6bn. Total foreign direct investments in the mining sector from 1983 to 2012 amounted to over \$12.5bn. Gold accounts for greater than 80% of mining revenues and over 40% of total merchandise export earnings for Ghana.”

Hon. Alhaji Inusah Fuseini, Minister for Land and Resources, 25 June 2013, London

Guatemala

Country data

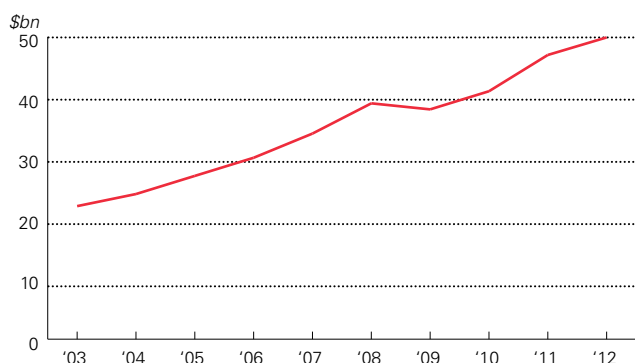
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
6.6	354	0.7	5.0

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

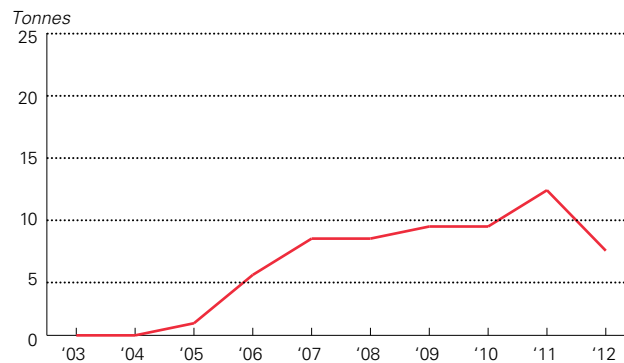


Table 2: Key macro-economic data 2012

	2012
Population (millions)	15.1
GDP per capita (US\$)	3,302
Total government revenue (US\$bn)	5.8
Public debt (% of GDP)	25.1
Exports (US\$bn)	7.1
Imports (US\$bn)	14.9
Human Development Index	0.58
Income level	Lower middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Marlin, Goldcorp Inc*	6.4

* Participating mine in this survey



Case study – Infrastructure development and poverty reduction

Goldcorp's Marlin mine, along with the Citizen's Development Corps, has created the Fundación Sierra Madre – the Sierra Madre Foundation. Its mission is to initiate and implement sustainable, community-based development and capacity-building programmes in the municipalities of San Miguel Ixtahuacán and Sipacapa.

The Fundación has become an important part of the local community. It plays an integral role in building local capacity and promoting economic and community sustainability. The Fundación has been involved in multiple infrastructure developments including:

- more than 100 construction projects including schools, computer labs, recreation halls, sports fields, roads, and improvements to water and sewage systems
- construction and equipping of a community medical centre in San Miguel, complete with medical equipment, examination rooms and two operating rooms
- construction and equipping of vocational classrooms for electrical and automotive mechanical training.

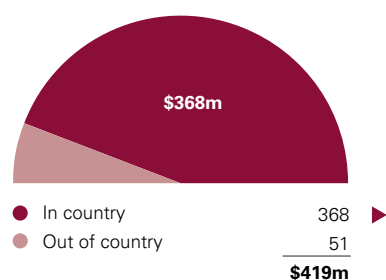
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
6.5 (2009: 8.5)	99	347	0.7	4.9	2,830

Chart 3a: Total expenditure 2012



Data comprises 1 producing and 1 non-producing operations

Chart 3b: In country expenditure 2012

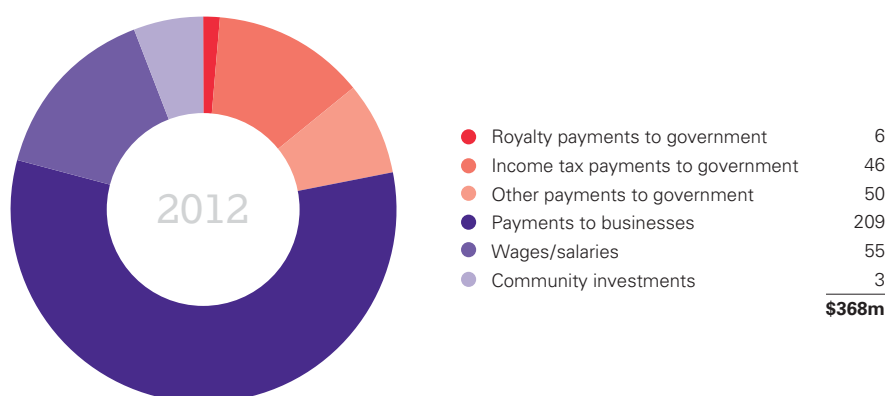
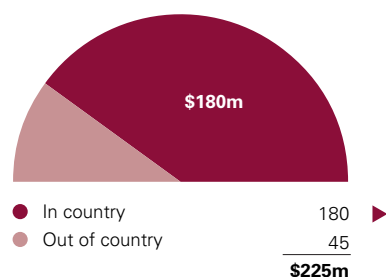
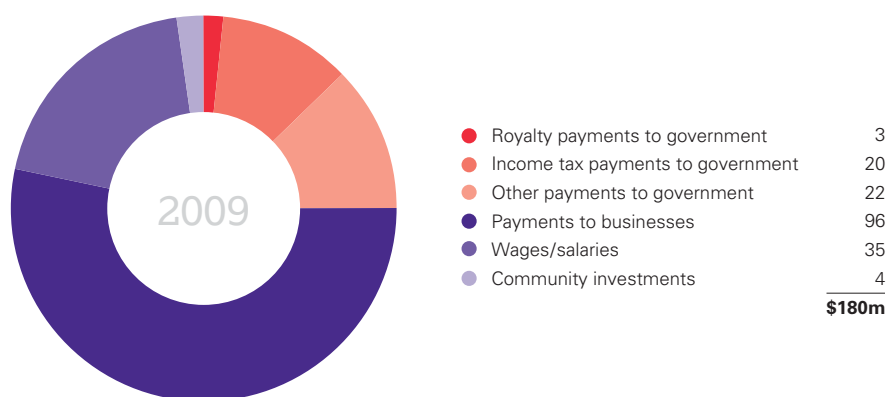


Chart 4a: Total expenditure 2009



Data comprises 1 producing and 1 non-producing operations

Chart 4b: In country expenditure 2009



Key points

- Despite gold output falling 24% from 2009 to 2012 among companies surveyed (from 8.5 to 6.5 tonnes), in country expenditure more than trebled
- Over 80% of total expenditure was incurred in country in both 2009 and 2012

“In the name of the President of the Republic, Otto Pérez Molina, I wish to inform you that our guiding principle is to support the development of the country ... This also means supporting the people who believe in Guatemala, the people who are investing in Guatemala, because the only way of resolving the problems that face us is to create wealth. This is the only way to combat poverty, and we know that the mining sector will help us to combat poverty, help us create wealth and help us increase tax revenues.”

Edgar Cristiani, former President of the Congressional Commission on Energy and Mines, July 2012

Guinea

Country data

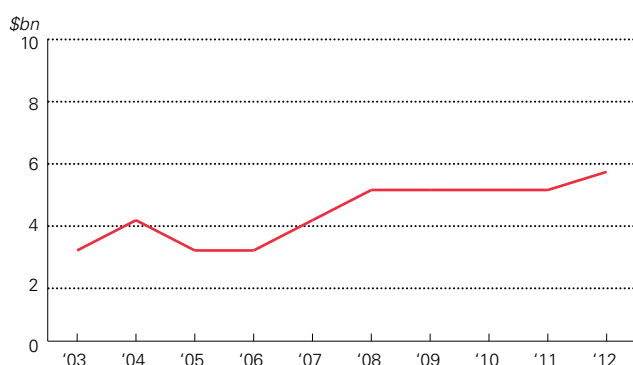
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
18.4	987	17.5	70.5

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

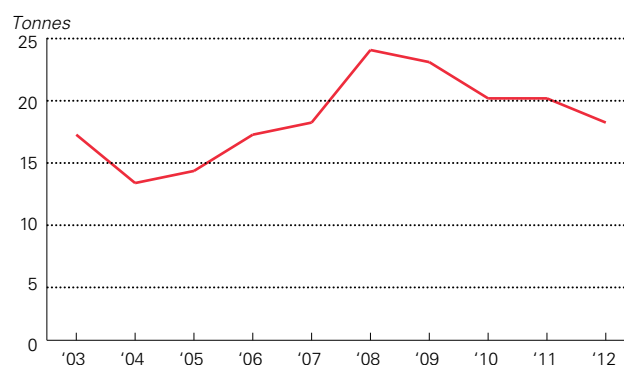


Table 2: Key macro-economic data 2012

	2012
Population (millions)	10.9
GDP per capita (US\$)	519
Total government revenue (US\$bn)	1.3
Public debt (% of GDP)	43.0
Exports (US\$bn)	1.4
Imports (US\$bn)	2.3
Human Development Index	0.36
Income level	Low income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Siguiri, AngloGold Ashanti Ltd*	7.7
Lefa Corridor, Nord Gold NV	5.3
Kiniero, SEMAFO Inc	0.4

* Participating mine in this survey

Case study – Electrification/Infrastructure development

Electrification has featured prominently in the Government of Guinea's efforts to alleviate poverty and promote economic development. However, in 2010 only 18.1% of the population enjoyed access to electricity, with the majority of users concentrated in a few urban centres. In rural areas, electricity supply remains low at an estimated 2%.

With the support of AngloGold Ashanti, significant inroads have been made in extending electricity supply to the town of Siguiri and the nine villages located closest to the mine. Several loans have been extended in order for the Government of Guinea to construct the required power lines and the mine has been providing electricity at cost price to Electricité de Guinée, the parastatal charged with managing electricity supply and distribution, since 2008. Upon completion, the project will have contributed to extending the service to an estimated 80 to 100 000 people. To date, it has also contributed to the development of a large number of small businesses and the creation of numerous jobs.

Rising fuel prices however are constraining the development of the service and constitute a drain on public finances. Recently then, discussions have focused upon AngloGold Ashanti's capacity to purchase power from third party suppliers, thereby supporting the Government efforts to attract outside investors and develop alternative sources, including solar power and hydro-electric.

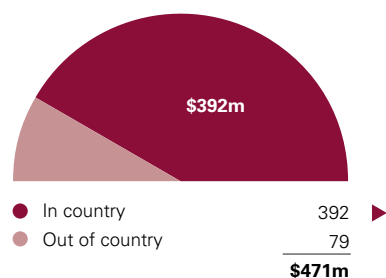
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
7.2 (2009: 9.6)	39	456	8.1	32.6	3,097

Chart 3a: Total expenditure 2012



Data comprises 1 producing operation

Chart 3b: In country expenditure 2012

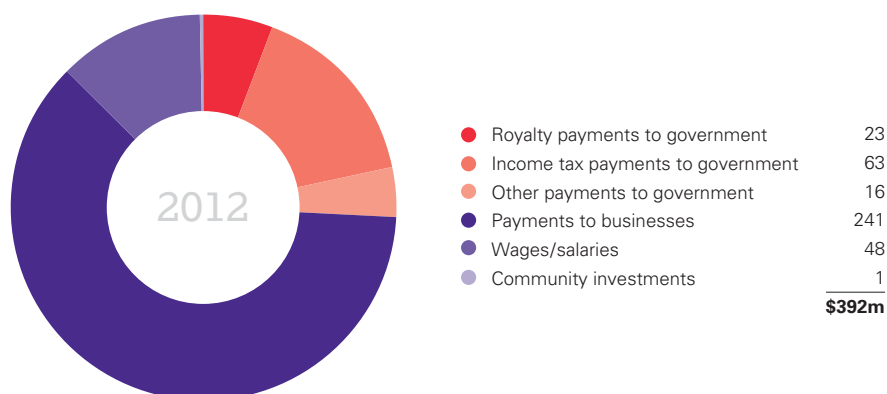
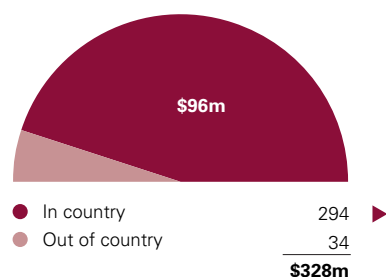
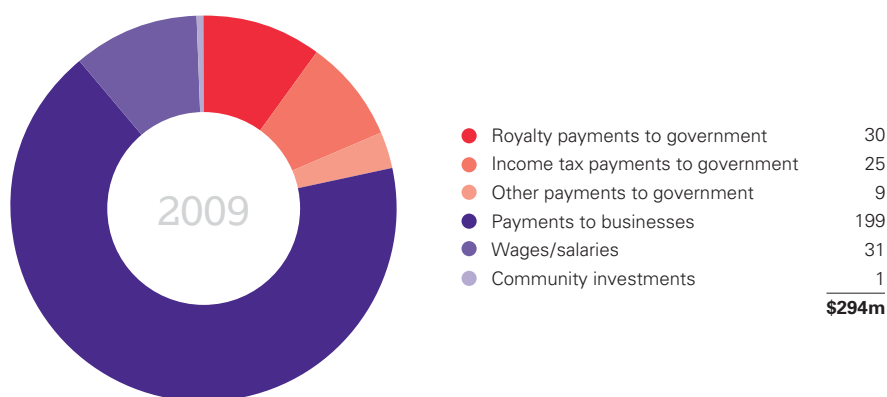


Chart 4a: Total expenditure 2009



Data comprises 1 producing operation

Chart 4b: In country expenditure 2009



Key points

- Payments to suppliers and wages/salaries represented over 70% of total in country expenditure in both 2009 and 2012
- Payments to government from companies surveyed represented almost 8% of total government revenue in 2012

“Guinea’s future rests on sustainable mining sector development which should act as a catalyst for economic growth.”

Mohamed Lamine Fofana, Minister of Mines and Geology, London, 12 June 2013

Indonesia

Country data

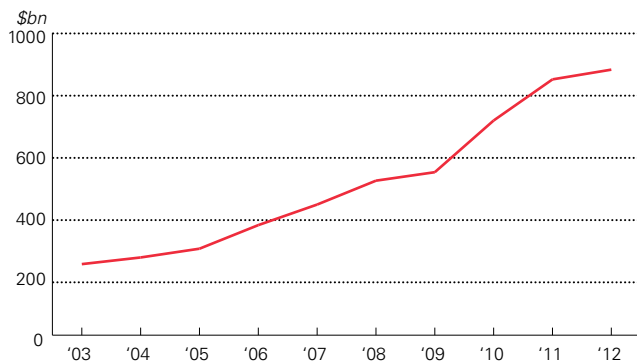
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
89.0	4,776	0.5	2.5

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)



Table 2: Key macro-economic data 2012

	2012
Population (millions)	244.5
GDP per capita (US\$)	3,592
Total government revenue (US\$bn)	156.0
Public debt (% of GDP)	24.0
Exports (US\$bn)	188.5
Imports (US\$bn)	191.0
Human Development Index	0.63
Income level	Lower middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Grasberg, Freeport-McMoRan Copper and Gold Inc	28.3
Gosowong, Newcrest Mining Ltd	13.7
Toka Tindung, Archipelago Resources plc	4.3
Batu Hijau, Newmont Mining Corp*	2.1
Pongkor, Aneka Tambang (Persero) Tbk (Pt)	1.7

* Participating mine in this survey



Case study – Housing/Community infrastructure

Newmont's subsidiary cooperated with the Ministry of People's Housing of the Republic of Indonesia and the Regional Government of West Sumbawa Regency (KSB) to build new houses and improve the quality of inadequate housing for low income citizens in KSB. The projects cover 3,883 houses.

Deputy Minister for People's Self-Funded Housing, Jamil Ansari, said that he would continue calling for large and small companies in Indonesia to channel their CSR funds to support the development of adequate housing. "We are hopeful that West Sumbawa Regency would complete in managing inadequate housing and that other companies in Indonesia can participate and follow PT Newmont Nusa Tenggara (PTNNT) in helping accelerate the improvement of the quality of inadequate housing across Indonesia".

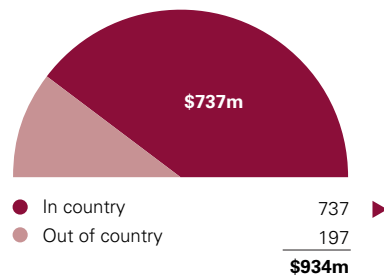
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
2.1 (2009: 7.5)	2	114	0.0	0.1	10,177

Chart 3a: Total expenditure 2012



Data comprises 1 producing and 1 non-producing operations

Chart 3b: In country expenditure 2012

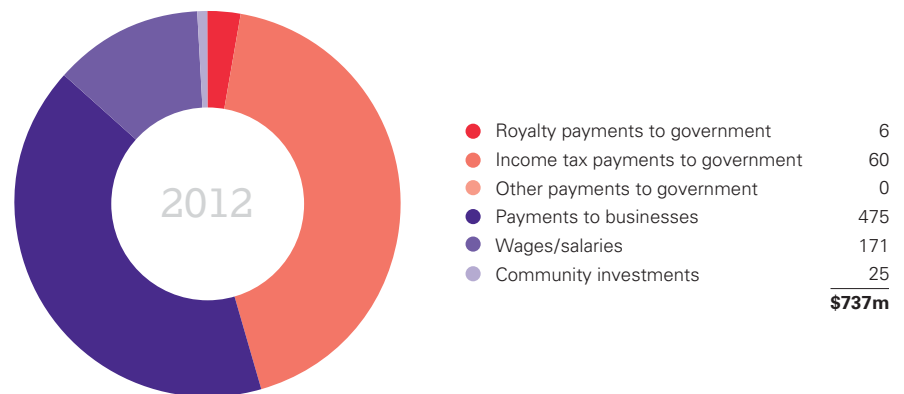
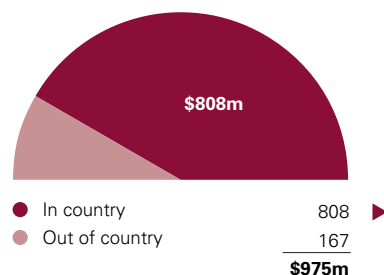


Chart 4a: Total expenditure 2009



Data comprises 1 producing and 1 non-producing operations

Chart 4b: In country expenditure 2009



Key points

- Despite gold output falling more than 70% from 2009 to 2012 among companies surveyed (from 7.5 to 2.1 tonnes), payments to businesses increased by 40% and wages increased by 70%
- Over 75% of total expenditure was incurred in country in both 2009 and 2012

“The mining sector in Indonesia plays an important role not only as a major source of national income but also supports the growth of many areas where mining activities exist as well as creating considerable employment across the country.”

H.E. Purnomo Yusgiantoro, Minister of Energy and Minerals, 14 March 2006

Kyrgyz Republic

Country data

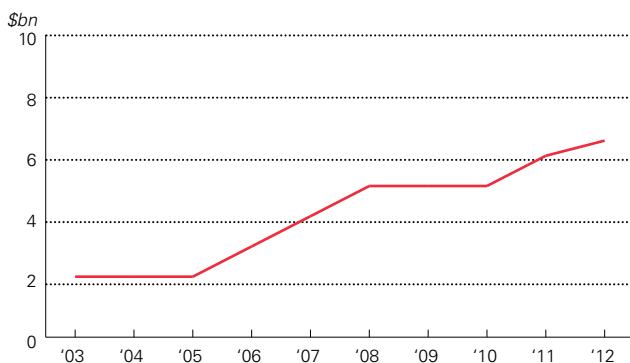
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output	Total gold sales		
Tonnes	US\$m	as % of GDP	as % of national exports
11.3	606	9.4	32.0

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

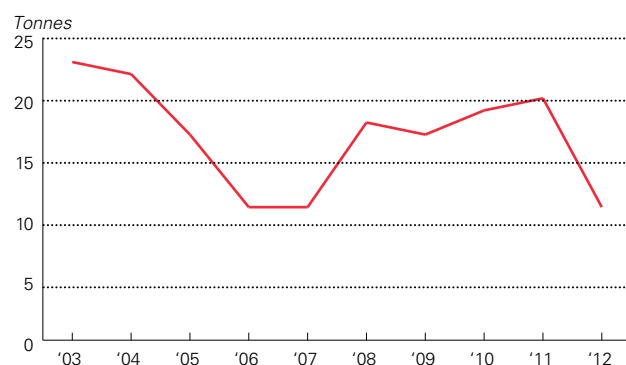


Table 2: Key macro-economic data 2012

	2012
Population (millions)	5.6
GDP per capita (US\$)	1,158
Total government revenue (US\$bn)	2.2
Public debt (% of GDP)	48.9
Exports (US\$bn)	1.9
Imports (US\$bn)	5.4
Human Development Index	0.62
Income level	Low income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Kumtor, Centerra Gold Inc*	9.8

* Participating mine in this survey

Case study – Community development

Centerra and Kumtor Gold Company play a major role in the economic and social development of Kyrgyzstan. One percent of the mines revenue is paid into the Issyk-Kul Development Fund (IKDF) which is designed to fund infrastructure development in the Issyk-Kul region where the mine operates. Since the inception of the Kumtor-funded IKDF, schools, hospitals, clinics, water and road infrastructure and kindergartens have been built or repaired.

In 2012 US\$6 million was spent on the development of small to medium-sized enterprises (SMEs), agricultural sector strengthening, youth and education programmes and environmental projects. In addition, monthly donations are provided to support kindergartens, schools, local sports teams, youth and health programmes.

Centerra and Kumtor have also made significant contributions over the years to two national projects in Kyrgyzstan. In 2011 US\$10 million was provided as a grant through the Ministry of Education to repair schools across the country, and in 2012 US\$21 million was provided through the Ministry of youth, labour and employment to act as seed money for a national micro credit facility. The focus by 'Ala-too Finance' was to alleviate poverty through low interest loans to support the development of agriculture and small businesses.

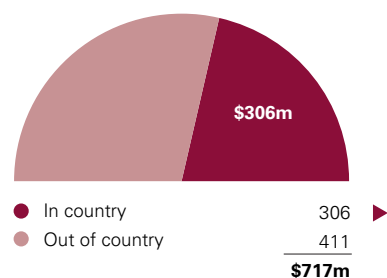
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
9.8 (2009: 15.9)	87	533	8.2	28.1	3,036

Chart 3a: Total expenditure 2012



Data comprises 1 producing operation

Chart 3b: In country expenditure 2012

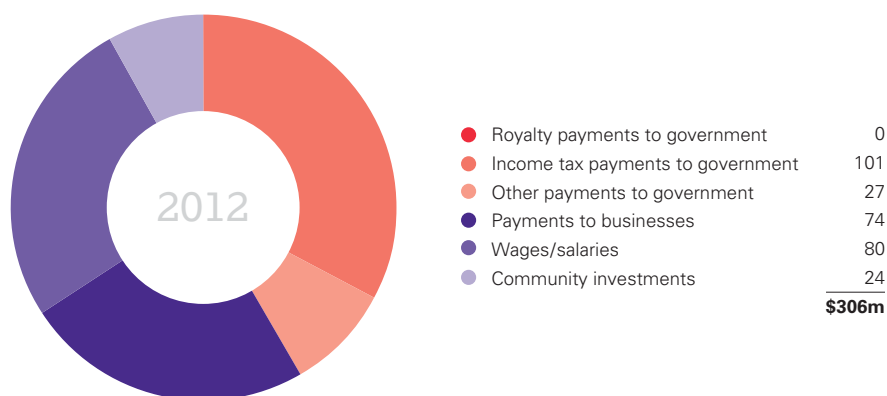
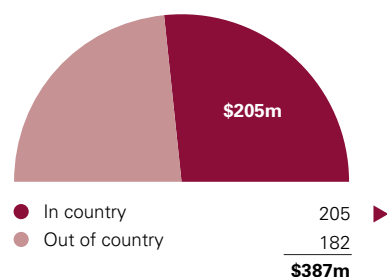
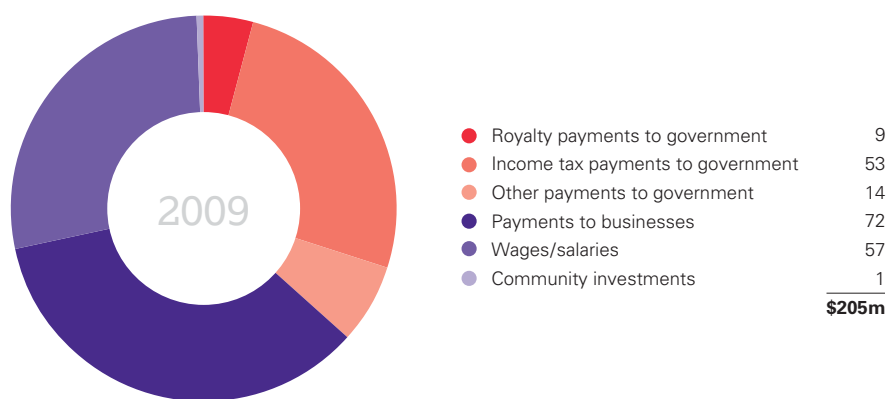


Chart 4a: Total expenditure 2009



Data comprises 1 producing operation

Chart 4b: In country expenditure 2009



Key points

- Payments to government from companies surveyed contributed to over 5% of total government revenue in 2012
- Gold sales from companies surveyed was equivalent to 28% of national exports in 2012

Mali

Country data

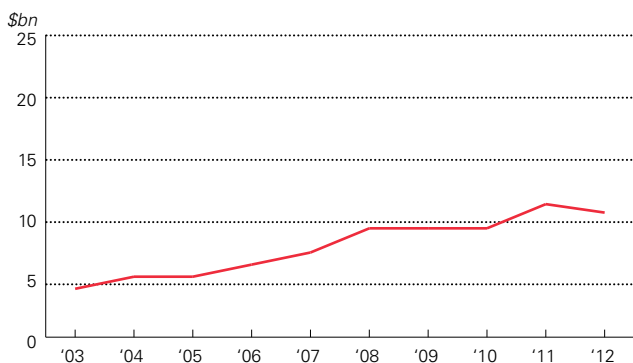
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
50.3	2,699	26.2	93.6

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

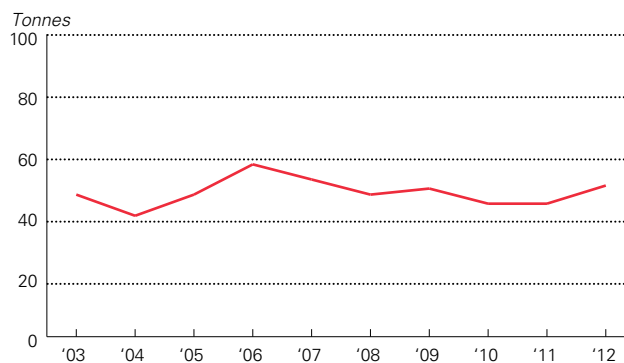


Table 2: Key macro-economic data 2012

	2012
Population (millions)	16.3
GDP per capita (US\$)	631
Total government revenue (US\$bn)	1.8
Public debt (% of GDP)	32.0
Exports (US\$bn)	2.9
Imports (US\$bn)	2.9
Human Development Index	0.34
Income level	Low income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Loulo, Randgold Resources Ltd	15.7
Sadiola, AngloGold Ashanti Ltd*^	7.8
Morila, Randgold Resources Ltd*†	6.3
Syama, Resolute Mining Ltd	4.5
Tabakoto, Endeavour Mining Corp	3.4

* Participating mine in this survey; commercial production started in 2013
 ^ JV between AngloGold Ashanti (41%), IAMGOLD (41%) and the Government of Mali (18%)
 † JV between Randgold (40%), AngloGold Ashanti (40%) and the Government of Mali (20%)



Case study – Vulnerable groups/Livelihoods/ NGO partnerships

AngloGold Ashanti's Seed Assistance Project (ASAP) aims to catalyse development in the region around their Sadiola mine. This aims to protect the livelihoods of poor pastoralist and agro-pastoralist communities in the Kayes region, who are vulnerable following a poor rainy season and a number of poor harvests. Working with Africare, who have considerable experience and expertise in food security intervention, ASAP aims to reduce food insecurity and increase self-sufficiency through improved availability of food and management of the food supply. Activities included gardening, improved seed distribution, construction of grain stores, training in storage techniques and community capacity building via the establishment of community-based Food Security Committees. In the long term, the AngloGold Ashanti and Africare partnership will assist affected communities to better manage very limited food resources, but will also provide tools and techniques to help communities grow more food, ultimately leaving them better equipped to manage future food security challenges.

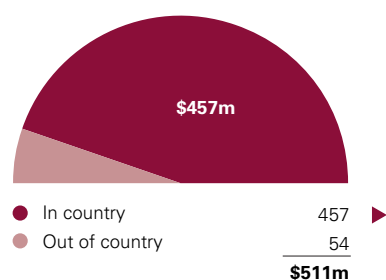
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (2 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
10.6 (2009: 18.5)	21	568	5.5	19.7	1,632

Chart 3a: Total expenditure 2012



Data comprises 3 producing operations

Chart 3b: In country expenditure 2012

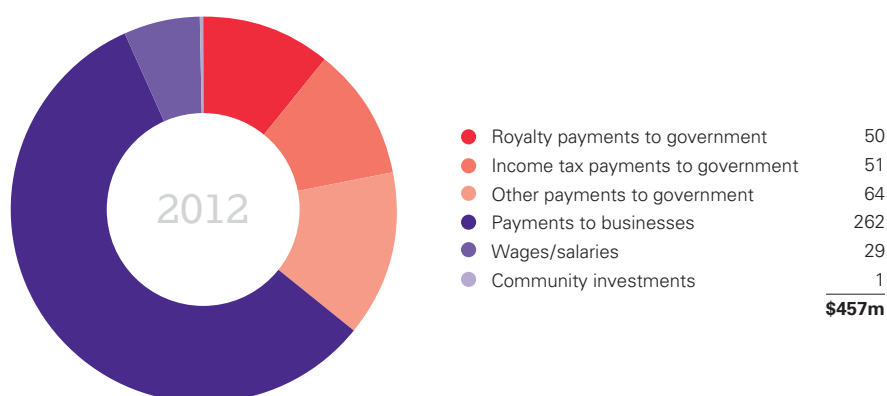
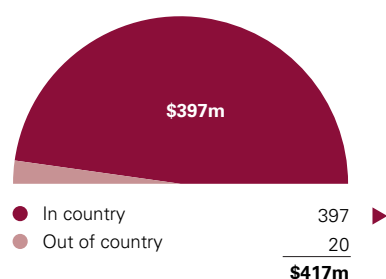
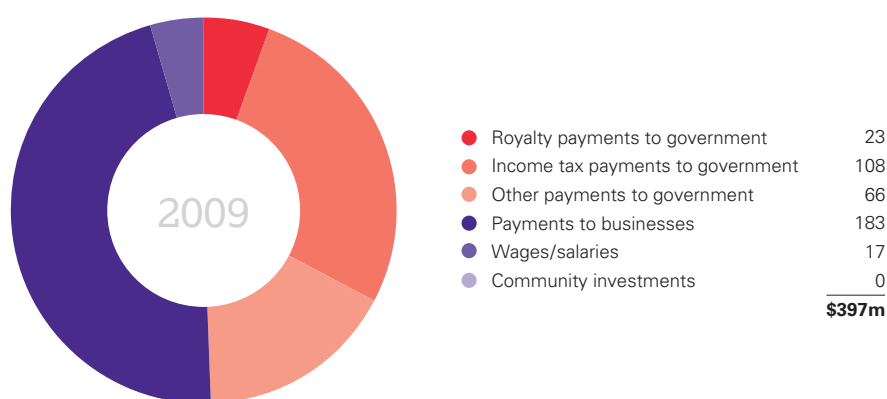


Chart 4a: Total expenditure 2009



Data comprises 3 producing operations

Chart 4b: In country expenditure 2009



Key points

- Payments to government from companies surveyed contributed to over 9% of total government revenue in 2012
- Gold sales from companies surveyed were equivalent to almost 20% of national exports in 2012

“With nine active mines and annual production of about 50 tonnes, Mali now ranks as Africa’s third biggest gold producer. This rank confers on gold the most important position in Mali’s exports. It contributes about 70% to the export revenue of the country and about 8% of the Gross National Product (GNP). The gold mines also contribute to the fight against poverty and unemployment with the creation of more than 9,000 permanent jobs and 12,000 indirect jobs.”

Hon. Dr. Amadou Baba Sy, Minister of Mines, Mali at Nampala gold mine, 26 February 2013

Mauritania

Country data

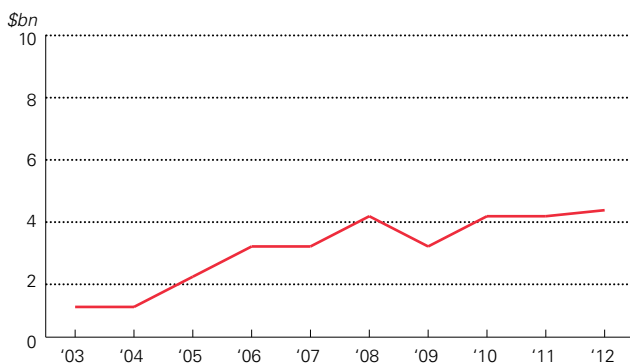
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
8.2	440	10.5	n/a

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

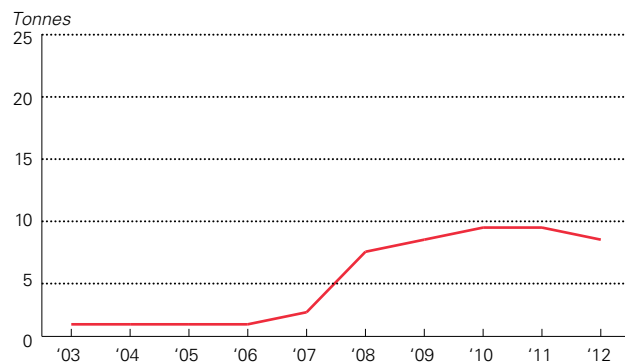


Table 2: Key macro-economic data 2012

	2012
Population (millions)	3.6
GDP per capita (US\$)	1,157
Total government revenue (US\$bn)	1.6
Public debt (% of GDP)	79.7
Exports (US\$bn)	n/a
Imports (US\$bn)	n/a
Human Development Index	0.47
Income level	Low income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Tasiast, Kinross Gold Corp*	5.8
Guelb Moghrein, First Quantum Minerals Ltd	1.9

* Participating mine in this survey

Case study – Local employment/Building skills

At Kinross' Tasiast operation, the company faces the challenge of recruiting and training large numbers of employees when there is a major shortage of skilled mining and construction workers against a backdrop of high youth unemployment.

Of the approximately three million inhabitants of Mauritania, about half participate in the labour force. Only 22% of youth and 56% of all adults over 30 are employed. Gender gaps are also substantial with employment ratios for females half those for males.

To address this challenge, Kinross has implemented a comprehensive human resource strategy, making significant investments in employee training, providing skills-upgrades for the current workforce and establishing training opportunities.

Some of their training initiatives are being conducted in partnership with existing educational institutions and training centres. These focus on providing upgrading opportunities for the current workforce, and development and employment opportunities for new employees. Kinross has also created longer term programmes to increase the academic levels of selected applicants to prepare them for specialised operator training or apprenticeship programmes. Additionally, Kinross has set up a testing and training centre in Nouakchott aimed at providing trade specific training and upgrades to graduates of technical schools.

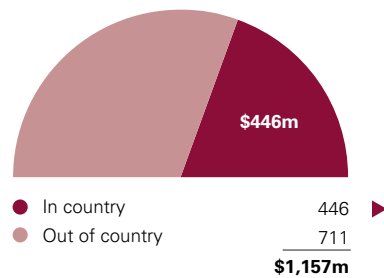
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

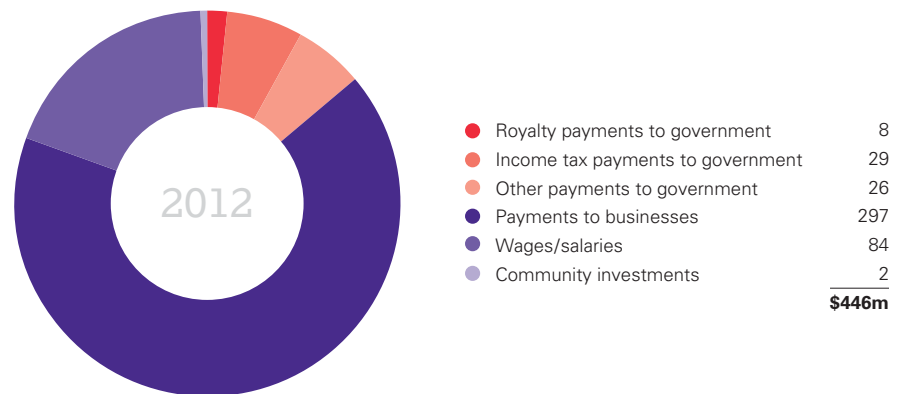
Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
5.8 (2009: n/a)	70	297	7.1	n/a	1,608

Chart 3a: Total expenditure 2012



Data comprises 1 producing operation

Chart 3b: In country expenditure 2012



2009 data unavailable

Key points

- Payments to government from companies surveyed contributed to over 4% of total government revenue in 2012
- Payments to suppliers and wages/salaries represented over 85% of total in country expenditure in 2012

“The government’s main objective in mining is to continue its efforts to support the sector in its role as a vehicle of economic growth and poverty reduction.”

IMF Poverty Reduction Strategy Paper 2011, Islamic Republic of Mauritania

Mexico

Country data

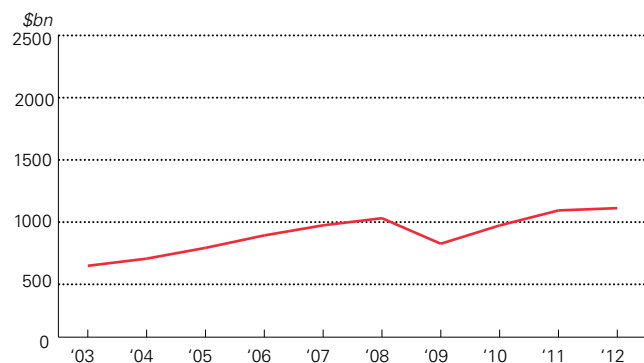
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
95.3	5,114	0.4	1.4

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

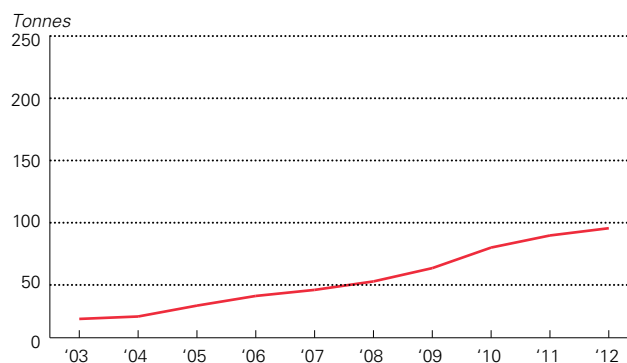


Table 2: Key macro-economic data 2012

	2012
Population (millions)	114.9
GDP per capita (US\$)	10,247
Total government revenue (US\$bn)	277.9
Public debt (% of GDP)	43.5
Exports (US\$bn)	370.9
Imports (US\$bn)	389.3
Human Development Index	0.78
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Penasquito, Goldcorp Inc*	12.8
Los Filos, Goldcorp Inc*	10.6
Herradura, Fresnillo plc	9.8
Pinos Altos, Agnico-Eagle Mines Ltd*	7.3
Mulatos, Alamos Gold Inc*	6.2

* Participating mine in this survey



Case study – Healthcare

Before Alamos Gold's arrival at the Mulatos mine in the Sierra Made mountain range in the State of Sonora, it wasn't uncommon for an injured or ill child to have to be carried for hours over formidable terrain to receive costly medical care many miles away. Today, nearby communities have access to free medical services day or night, all year round. The company supports a clinical programme aimed at promoting health and preventing disease through annual examinations, vaccines and diet intervention. This programme is available to employees, contractors and members of the local community. The company doctor also makes house visits to elderly people in the neighbouring communities of Mulatos and Matarachi.

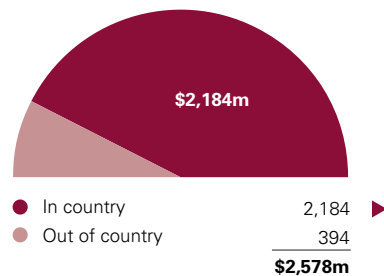
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (5 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
39.0 (2009: 25.8)	41	2,239	0.2	0.6	13,731

Chart 3a: Total expenditure 2012



Data comprises 7 producing and 1 non-producing operations

Chart 3b: In country expenditure 2012

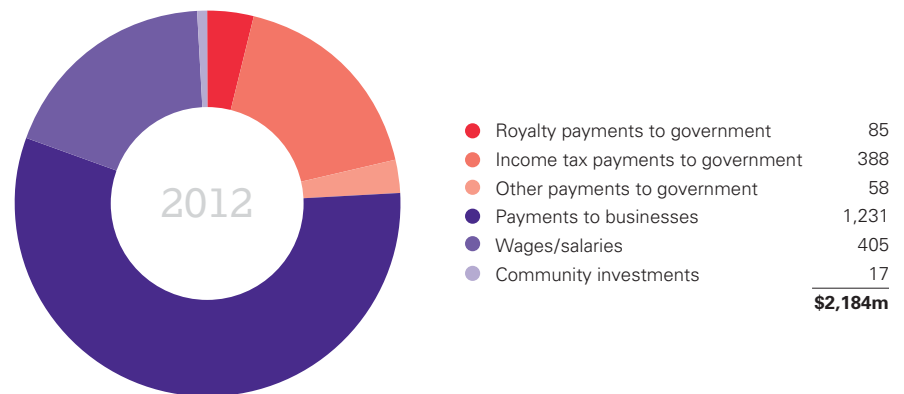
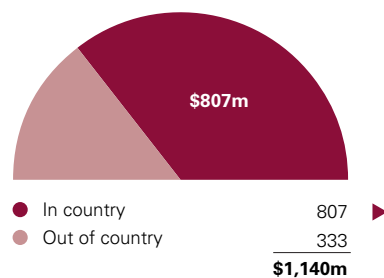
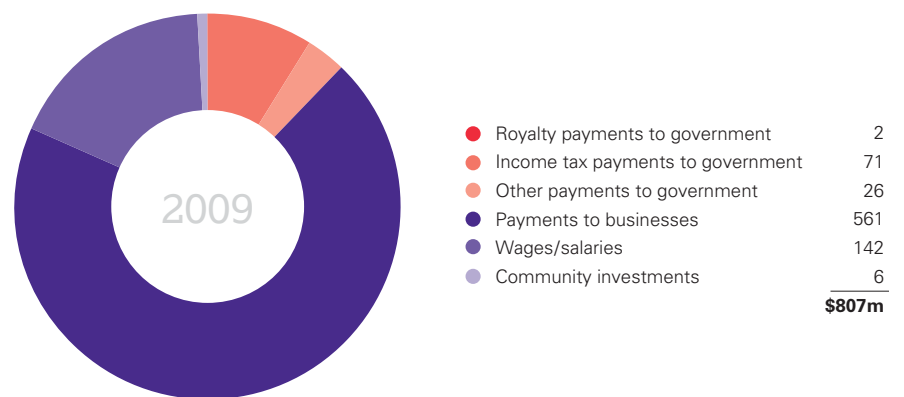


Chart 4a: Total expenditure 2009



Data comprises 6 producing and 3 non-producing operations

Chart 4b: In country expenditure 2009



Key points

- Of companies surveyed, total gold output increased 50% from 2009 to 2012 (from 25.8 to 39.0 tonnes) yet in country expenditure almost trebled (from \$799m to \$2,172m)
- Over 70% of total expenditure was incurred in country in both 2009 and 2012

“Mining is one of the most dynamic sectors of the Mexican economy, this is vouched by the record setting investment of US\$25.2 billion registered through the 2007–2012 period. In 2012, more than 328,000 formal jobs were created by the mining sector. Additionally, it is estimated that 1.6 million jobs were created indirectly. Mining is the fourth income source in the country.”
President of the Mexican Republic Enrique Peña Nieto, National Development Plan 2013–18

Mongolia

Country data

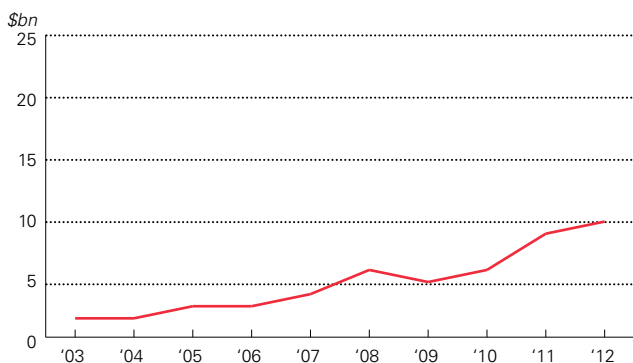
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
12.8	687	6.7	15.7

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

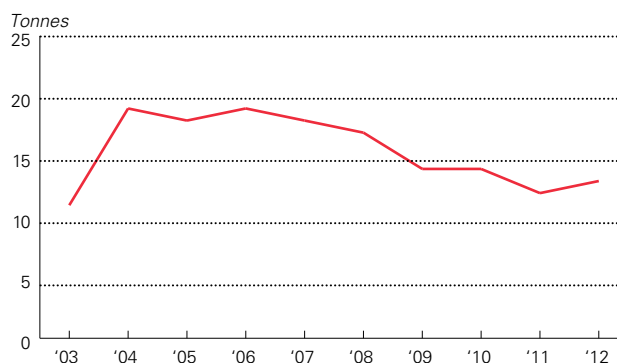


Table 2: Key macro-economic data 2012

	2012
Population (millions)	2.8
GDP per capita (US\$)	3,627
Total government revenue (US\$bn)	3.6
Public debt (% of GDP)	-
Exports (US\$bn)	4.4
Imports (US\$bn)	6.7
Human Development Index	0.68
Income level	Lower middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Boroo, Centerra Gold Inc*	2.2

* Participating mine in this survey



Case study – Community and social development

In 2005 Centerra established a micro credit project aimed at supporting small to medium-sized enterprises (SMEs) in the towns near the operations which has helped more than 1,000 small businesses get established. Community projects to improve water supply and heating systems, build wells and administration buildings, and establish recreational centres for elders and the disabled were also established.

In 2011 the company, in conjunction with local government, began supporting the development of sustainable SMEs in dairy and vegetable production in the village of Tunkhel, near the company's Gatsuert mine. Centerra aided in the formation of a cooperative where local herders received extensive training, and, using modern technology, made and sold local brand products.

Between 2011 and 2012 Centerra funded the construction of a new Maternity Hospital in Ulaanbaatar. The modern, fully equipped six-storey building was commissioned in January 2013. It has 150 beds in total, accommodating 100 women and 50 infants.

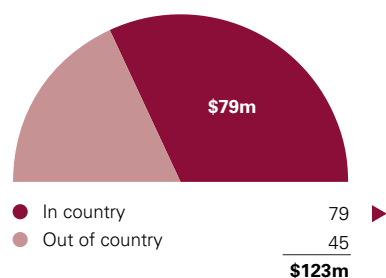
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
2.3 (2009: 5.1)	18	127	1.2	2.9	384

Chart 3a: Total expenditure 2012



Data comprises 1 producing and 1 non-producing operations

Chart 3b: In country expenditure 2012

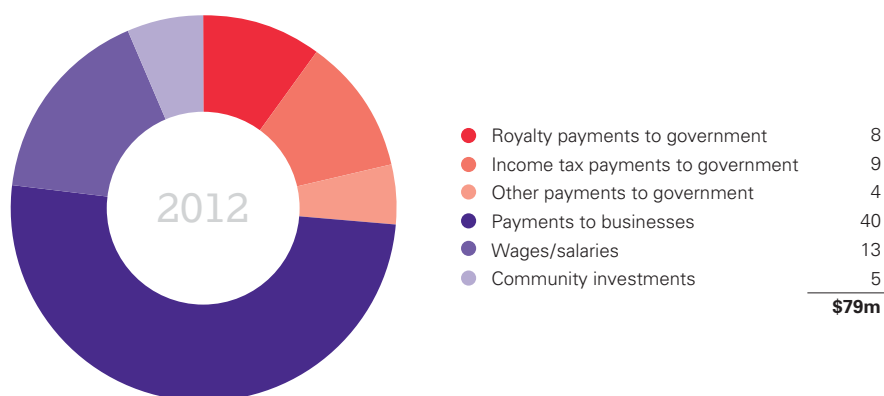
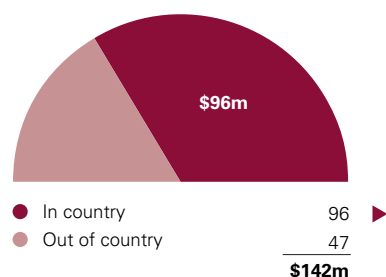
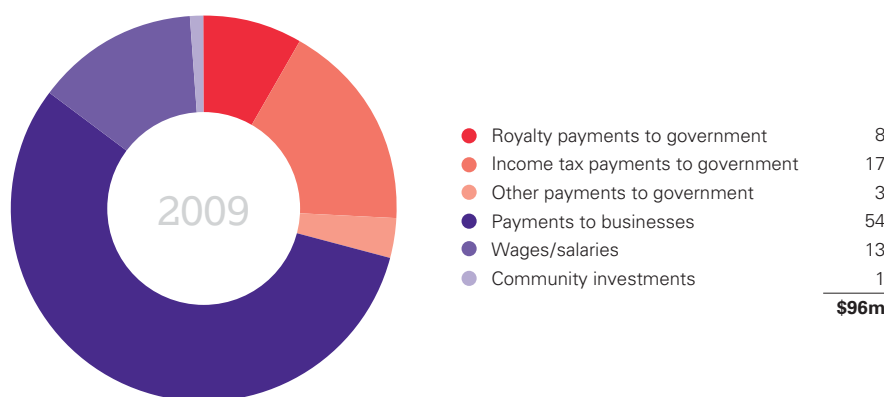


Chart 4a: Total expenditure 2009



Data comprises 1 producing and 1 non-producing operations

Chart 4b: In country expenditure 2009



Key points

- Gold sales from companies surveyed was equivalent to almost 3% of national exports in 2012
- Payments to suppliers represented over 50% of in country expenditures in both 2012 and 2009

“Mongolia is a great nation with a rich history. We are fortunate to have abundant natural resources which offer great growth prospects and a unique opportunity for economic development and social progress. With double digit percentage growth we are one of the world’s fastest developing economies.”

H.E. Albegdorj Tsakhia, President of the Republic of Mongolia, UN General Assembly, New York, 26 September 2013

Namibia

Country data

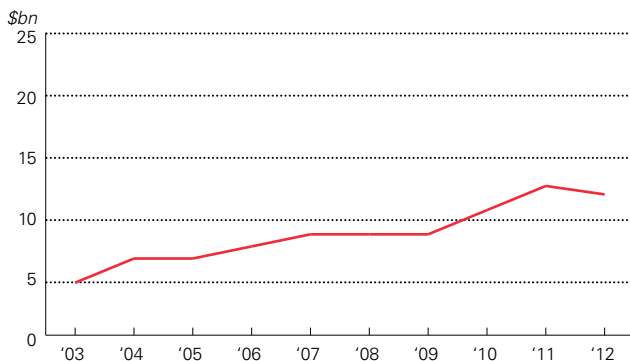
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, USGS, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
2.3	122	1.0	3.0

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

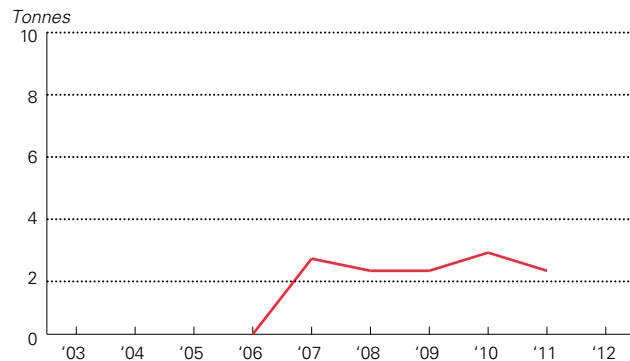


Table 2: Key macro-economic data 2012

	2012
Population (millions)	2.2
GDP per capita (US\$)	5,705
Total government revenue (US\$bn)	4.1
Public debt (% of GDP)	26.6
Exports (US\$bn)	4.1
Imports (US\$bn)	6.8
Human Development Index	0.61
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Navachab, AngloGold Ashanti Ltd*	2.3

* Participating mine in this survey



Case study – HIV and AIDS

The estimated prevalence level at AngloGold's Navachab mine is around 8%. AngloGold Ashanti has committed to fighting the AIDS epidemic and has a programme in place that aims to minimise the risk of HIV & AIDS to its employees and the company by reducing, and ultimately, eliminating new infections, efficiently managing and treating those infected, and supporting those who are AIDS-ill. The provision of voluntary counselling and testing and access to free anti-retroviral therapy (ART), along with the comprehensive prevention and treatment campaigns, has meant that mortality rates have declined, while absenteeism is no longer a problem as the overall health of employees has improved. Employees are trained in more than one task, allowing for job flexibility should they become AIDS-ill. Peer educators from Navachab have also organised community education campaigns, working with existing civil society organisations in the town such as churches.

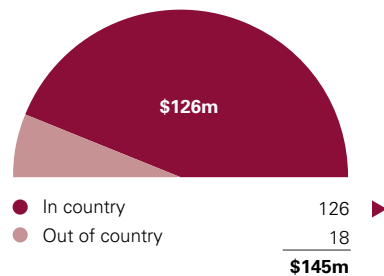
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
2.3 (2009: 2.0)	100	123	1.0	3.0	953

Chart 3a: Total expenditure 2012



Data comprises 1 producing operation

Chart 3b: In country expenditure 2012

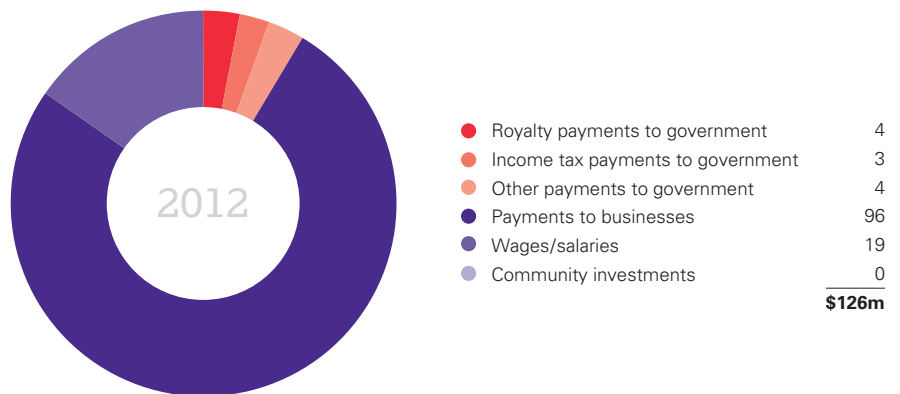
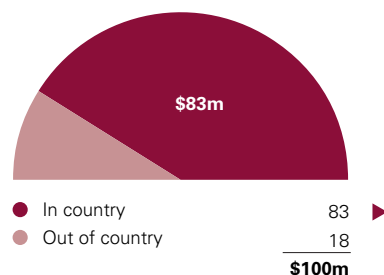
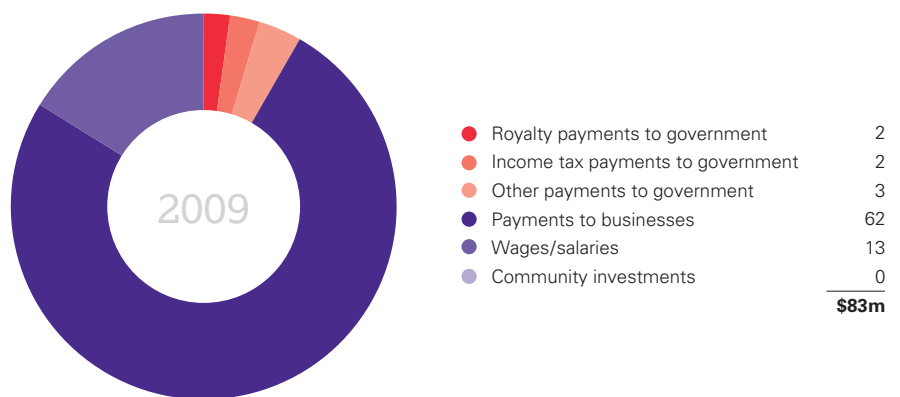


Chart 4a: Total expenditure 2009



Data comprises 1 producing operation

Chart 4b: In country expenditure 2009



Key points

- Over 80% of total expenditure was incurred in country in both 2009 and 2012
- Payments to suppliers and wages/salaries represented over 90% of total in country expenditure in 2012

“It is a great occasion to recognise how much the mining industry continues to contribute to our economy and the importance for us in the Government to continue working together to ensure that the industry continues to grow. In 2012 the mining sector contributed 9.5% to GDP and generated N\$17 billion in export earnings. The acceptance of projects by the local communities must be earned, thus projects must be economically, ecologically and socially beneficial and sustainable.”

The Honorable Isak Katali, Minister of Mines and Energy, Republic of Namibia, Mining Expo and Conference, 22 May 2013

Papua New Guinea

Country data

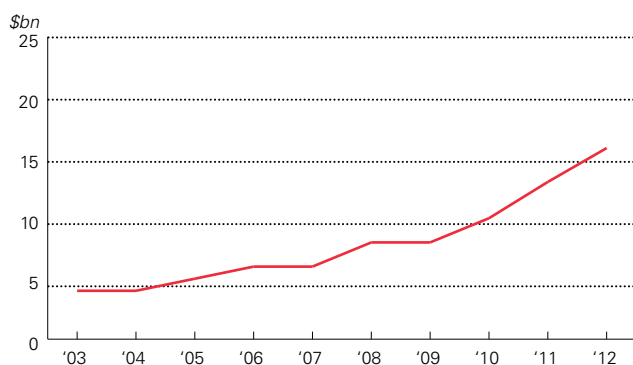
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output	Total gold sales		
Tonnes	US\$m	as % of GDP	as % of national exports
56.5	3,032	19.2	49.5

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

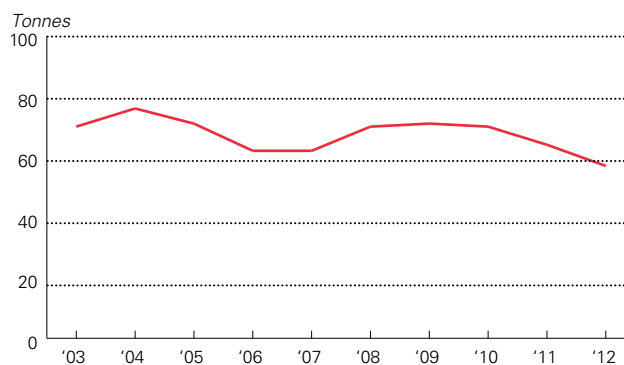


Table 2: Key macro-economic data 2012

	2012
Population (millions)	6.8
GDP per capita (US\$)	2,313
Total government revenue (US\$bn)	4.7
Public debt (% of GDP)	0.0
Exports (US\$bn)	6.1
Imports (US\$bn)	5.5
Human Development Index	0.47
Income level	Lower middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Lihir Island, Newcrest Mining Ltd	18.8
Porgera, Barrick Gold Corp*	14.3
Ok Tedi, PNG Sustainable Development Program Ltd	12.3
Hidden Valley, Newcrest Mining Ltd	5.5
Simberi Island, St Barbara Ltd	2.3

* Participating mine in this survey

Case study – Local economic development

For many people around the world, easy access to banking services is taken for granted, with branches or automated teller machines (ATM) on virtually every street corner.

For the residents of Porgera, however, this is not the case. But for the first time in 10 years, they now have a bank branch and two ATMs. The long-term relationship between Barrick and the Bank of South Pacific (BSP) contributed to the bank's decision to open its 37th branch. The previous bank branch closed due to the precarious security situation. Barrick asked BSP to consider building a branch with retail services in the Porgera Valley, so that employees and the community at large would enjoy better access to financial services. After careful consideration, BSP decided to go ahead. Formerly, the closest banks were in the provincial capital Wabag (about 75 kilometres away) and Mount Hagen (about 177 kilometres away), both over difficult terrain.

Having a bank branch where residents can make deposits will mean fewer cash transactions thereby helping crime prevention, increasing personal savings and reducing cash in homes. The bank also caters to small businesses, offering access to credit, which will help owners to build their businesses locally.

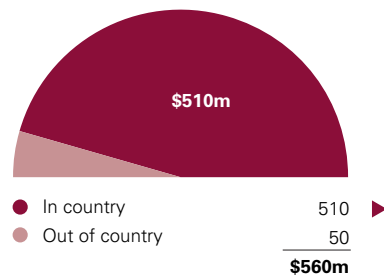
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
13.6 (2009: 17.1)	24	710	4.5	11.6	4,217

Chart 3a: Total expenditure 2012



Data comprises 1 producing operation

Chart 3b: In country expenditure 2012

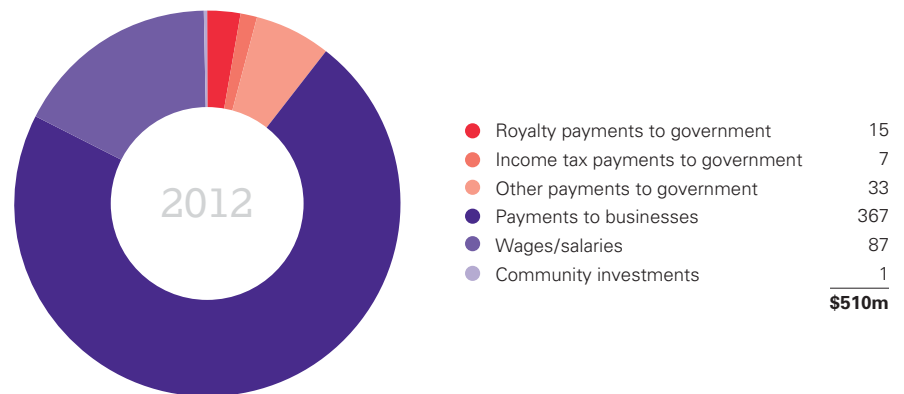
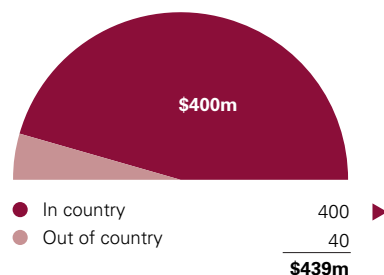
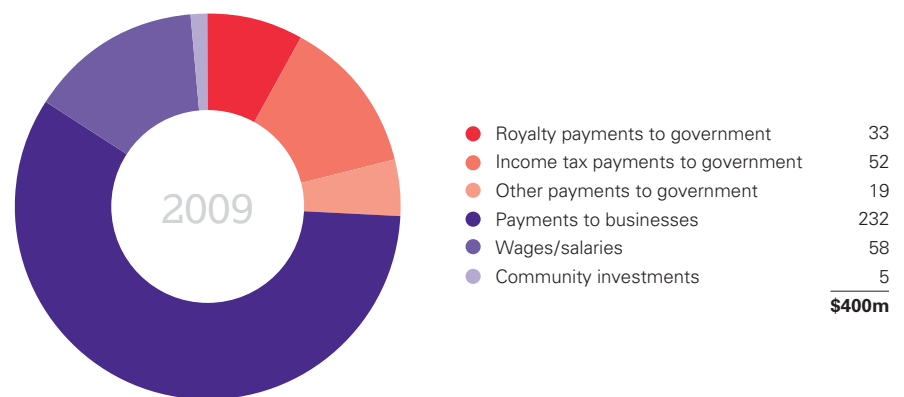


Chart 4a: Total expenditure 2009



Data comprises 1 producing and 1 non-producing operations

Chart 4b: In country expenditure 2009



Key points

- Gold sales from companies surveyed was equivalent to over 10% of national exports in 2012
- Over 90% of total expenditure was incurred in country in both 2009 and 2012

“PNG is a proven mineral estate having hosted numerous world-class mines, operated by major international companies which have a track record for applying some of the highest safety standards in the world in some of the most technically and socially challenging circumstances.”
Hon. Sir Dr. Puka Temu KBE, CMG, MP, Deputy Prime Minister and Minister for Mining, Papua New Guinea, Mining Journal, November 2009

Peru

Country data

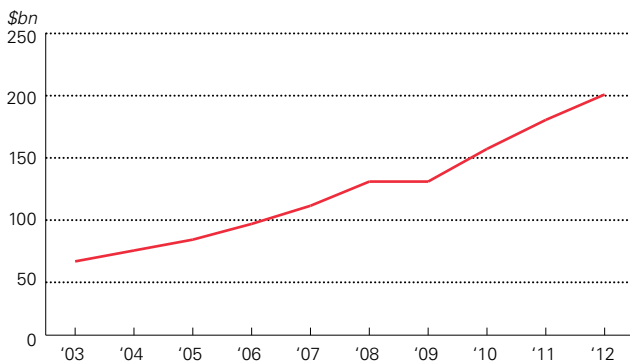
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output	Total gold sales		
Tonnes	US\$m	as % of GDP	as % of national exports
185.0	9,927	5.0	21.8

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

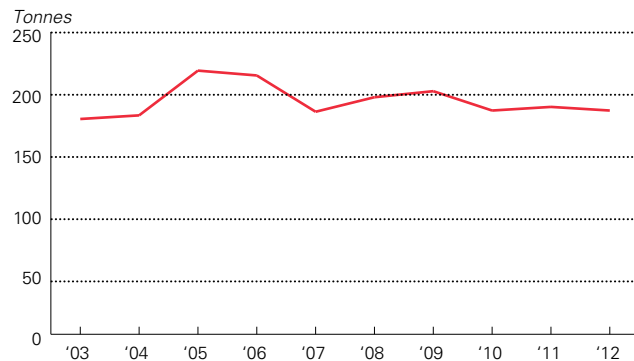


Table 2: Key macro-economic data 2012

	2012
Population (millions)	30.5
GDP per capita (US\$)	6,530
Total government revenue (US\$bn)	43.1
Public debt (% of GDP)	19.8
Exports (US\$bn)	45.6
Imports (US\$bn)	41.1
Human Development Index	0.74
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Yanacocha, Newmont Mining Corp*	41.9
Lagunas Norte, Barrick Gold Corp*	23.5
Orcopampa, Cia De Minas Buenaventura SA	8.1
La Arena, Rio Alto Mining Ltd	6.3
Cerro Corona, Gold Fields Ltd*	5.3

* Participating mine in this survey

Case study – Infrastructure development

Buenaventura's social investment focuses on four areas: (1) infrastructure, (2) administration and water resource management, (3) productive projects and (4) education, health and nutrition. These initiatives are developed in coordination with political, communal and local authorities, and in many cases through public-private alliances so as to give an added boost to the company's interventions.

Infrastructure development is focused on integrating the communities through the construction, maintenance and improvement of roads and rural electrification projects. One of the key projects has been the public-private alliance formed between Buenaventura and other mining companies located in the Lima sierra area, together with the Regional Government of Lima and local governments to finance the resurfacing of the Churin-Oyon road.

In Arequipa, Buenaventura continues to support road surfacing works in the town centre of Orcopampa, as well as in the urban area surrounding the Huancarama-Orcopampa road. In addition, the company is financing the cost of the scoping studies and technical files for three other projects: the water quality and sewage disposal improvement project, the project for integrated management of solid waste and the wastewater treatment plant project. The implementation of these studies will be through public-private alliances made between Buenaventura and the District Municipality of Orcopampa.

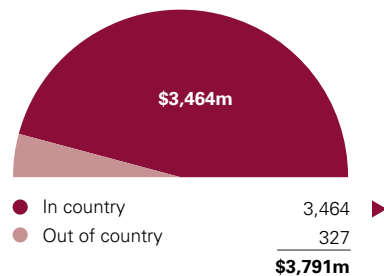
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (3 companies)

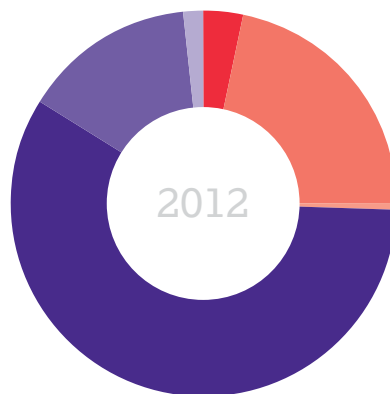
Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
53.7 (2009: 39.8)	29	2,832	1.4	6.2	15,311

Chart 3a: Total expenditure 2012



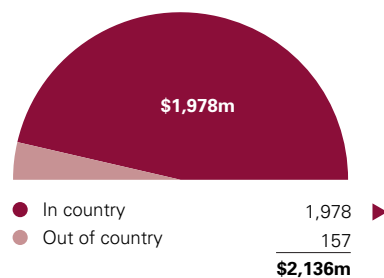
Data comprises 4 producing operations

Chart 3b: In country expenditure 2012



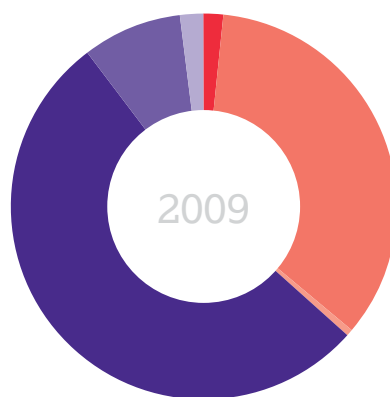
Royalty payments to government	119
Income tax payments to government	753
Other payments to government	19
Payments to businesses	2,022
Wages/salaries	499
Community investments	52
Total	\$3,464m

Chart 4a: Total expenditure 2009



Data comprises 3 producing and 1 non-producing operations

Chart 4b: In country expenditure 2009



Royalty payments to government	38
Income tax payments to government	681
Other payments to government	11
Payments to businesses	1,047
Wages/salaries	165
Community investments	38
Total	\$1,978m

Key points

- Despite gold output falling over 20% from 2009 to 2012 among companies surveyed (from 68.6 to 53.7 tonnes), payments to employees tripled (from \$165m to \$499m)
- Over 90% of total expenditure was incurred in country in both 2009 and 2012

“Peru has been known as the ‘country of gold’ for hundreds of years. It is now the biggest gold producer in Latin America and the sixth largest in the world. The resources generated by mining will be the driving force behind the development of other economic activities in the key regions.”

Minister Jorge Merino Tafur, Minister for Energy and Mining, Republic of Peru, World Gold Council workshop, May 2012

Russia

Country data

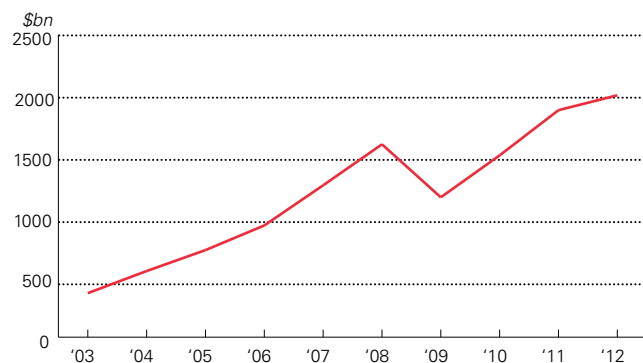
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
230.1	12,347	0.6	2.3

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

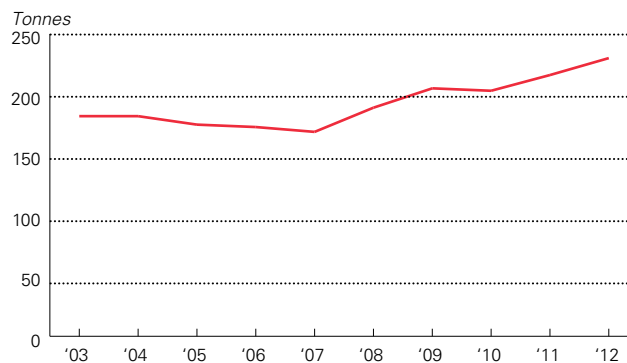


Table 2: Key macro-economic data 2012

	2012
Population (millions)	141.9
GDP per capita (US\$)	14,247
Total government revenue (US\$bn)	748.7
Public debt (% of GDP)	10.9
Exports (US\$bn)	529.3
Imports (US\$bn)	369.0
Human Development Index	0.79
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Olimpiada, Polyus Gold International Ltd	20.3
Kupol, Kinross Gold Corp*	18.0
Blagodatnoye, Polyus Gold International Ltd	12.5
Pioneer, Petropavlovsk plc	10.4
Lena Alluvials, Polyus Gold International Ltd	6.7

* Participating mine in this survey

Case study – Cyanide management/Environment

In December 2009, Kinross' Kupol mine was certified under the International Cyanide Management Code, the first mine in Russia to obtain this certification.

Kupol's transportation group was also certified as fully compliant with the Cyanide Code in November. This certification covers the storage and transportation of cyanide from the Port of Pevek facilities to Kupol by way of a 430 kilometre ice road that is built annually to transport supplies to the Kupol site.

Kinross' Kupol certification demonstrates not only its compliance with Russia's extremely stringent regulatory requirements for the use and transportation of cyanide, but confirmation of its management systems and on-the-ground performance, which include regular training and drills for our cyanide response team.

The Governor of Chukotka applauded Kinross' leadership in protecting the pristine environment of the north-eastern region: "There are a lot of examples when subsoil users, in their pursuit for revenues have caused irrecoverable harm to the environment, especially in regions with untouched nature, such as Chukotka. It is especially pleasant to note that Kinross Gold, apart from gaining profit, is focused on investing in industrial safety. Certification under the International Code is the best acknowledgment of such efforts."

Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (2 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
18.0 (2009: 29.3)	8	910	0.0	0.2	1,258

Chart 3a: Total expenditure 2012

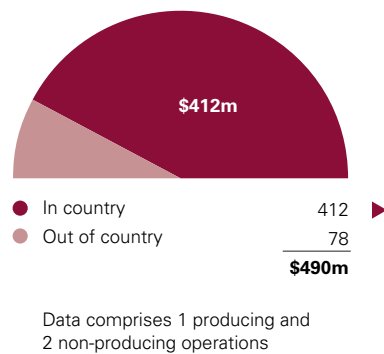


Chart 3b: In country expenditure 2012

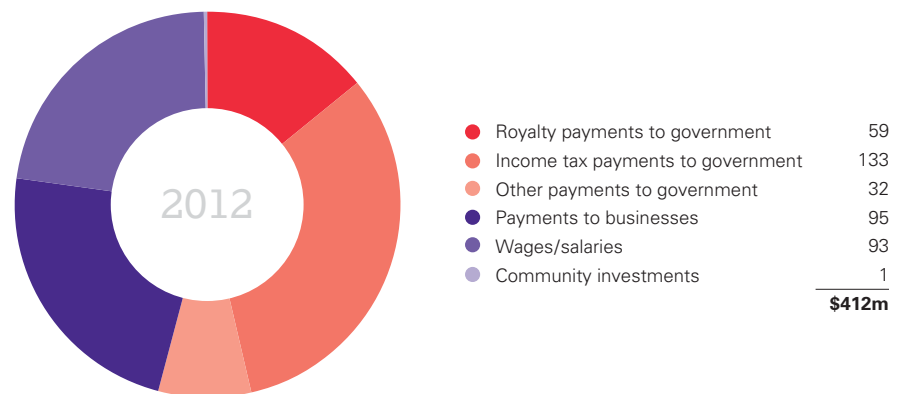


Chart 4a: Total expenditure 2009

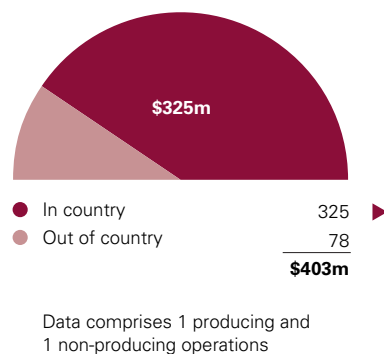
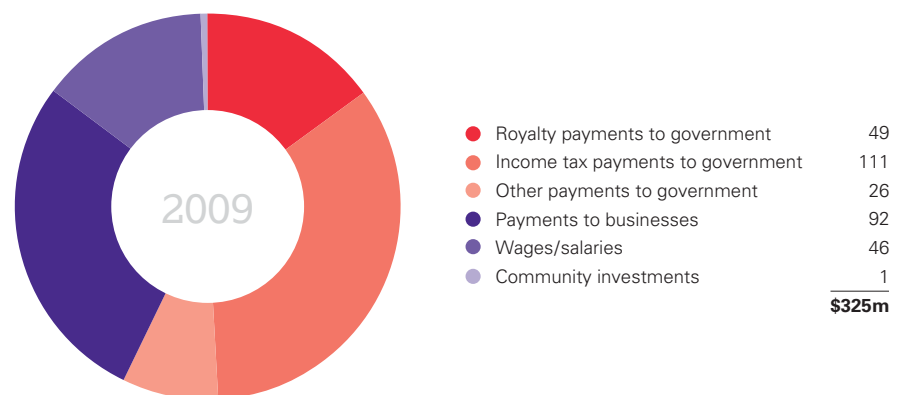


Chart 4b: In country expenditure 2009



Key points

- Despite gold output falling 39% from 2009 to 2012 among companies surveyed (from 29.3 to 18.0 tonnes), payments to employees doubled (from \$46m to \$93m)
- Over 80% of total expenditure was incurred in country in both 2009 and 2012

“Gold mining in Russia has always had a special significance, occupied a special position... Our country is one of the leaders in the mining of gold ... Clearly there is a gap between our potential and the real situation. Today Russia already has a significant influence on the global market for this metal. And in future....I am convinced, Russia has all it needs to considerably strengthen its position.”

Vladimir Putin, President of the Russian Federation, November 2005

South Africa

Country data

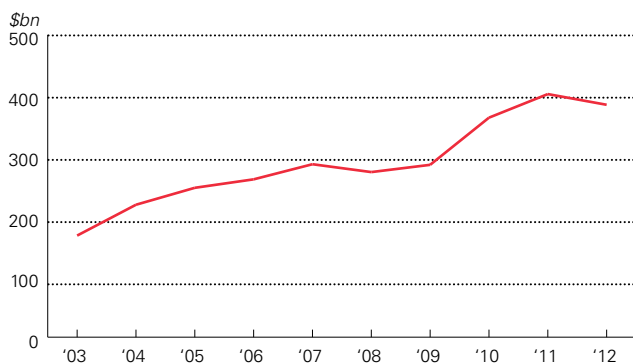
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
177.8	9,541	2.5	10.9

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

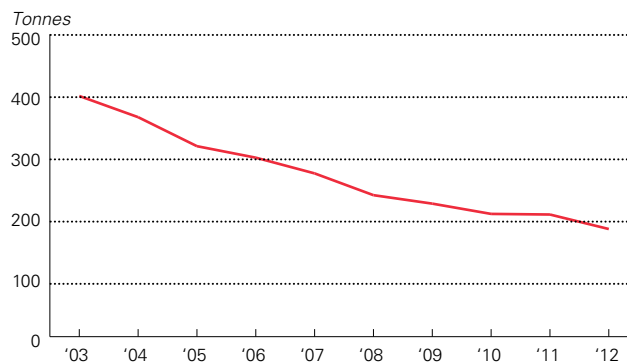


Table 2: Key macro-economic data 2012

	2012
Population (millions)	51.2
GDP per capita (US\$)	7,507
Total government revenue (US\$bn)	107.3
Public debt (% of GDP)	42.3
Exports (US\$bn)	87.4
Imports (US\$bn)	124.2
Human Development Index	0.63
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Kloof/Driefontein Complex, Sibanye Gold Ltd	29.1
Mponeng, AngloGold Ashanti Ltd*	12.6
South Deep, Gold Fields Ltd*	8.4
TauTona, AngloGold Ashanti Ltd*	5.9
Kusasaletu, Harmony Gold Mining Co Ltd	5.6

* Participating mine in this survey



Case study – Community engagement

Gold Fields places a strong focus on establishing and maintaining constructive, consultative and cooperative stakeholder relations. This includes regular and formalised engagement with central and local government, traditional community leaders, informal community groups, NGOs, organised labour and local businesses. The operational continuity of its mines relies on a strong social licence to operate from local communities – and, by extension, their host governments.

In 2012, Gold Fields adopted a new Sustainable Development Forum approach with communities around its operations. South Deep at that time had already started leveraging on existing consultative forums to engage with local communities on issues of common interest. The South Deep Community Trust was established in 2010 following the empowerment transaction entered into by Gold Fields and has to date received around R12 million in dividends. These proceeds will be allocated to sustainable community driven projects which take cognisance of social development priorities in the communities, identified through grassroots communication with community members.

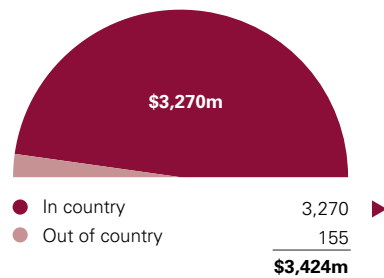
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (2 companies)

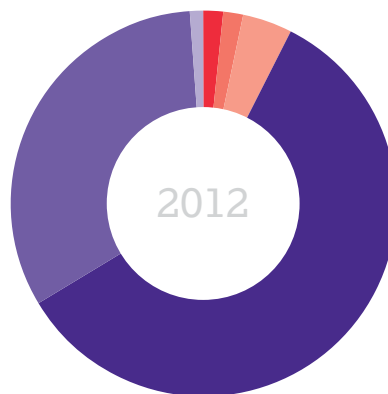
Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
46.2 (2009: 55.7)	26	2,463	0.6	2.8	37,726

Chart 3a: Total expenditure 2012



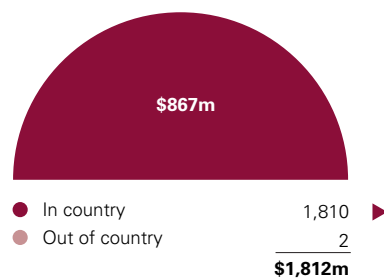
Data comprises 7 producing operations

Chart 3b: In country expenditure 2012



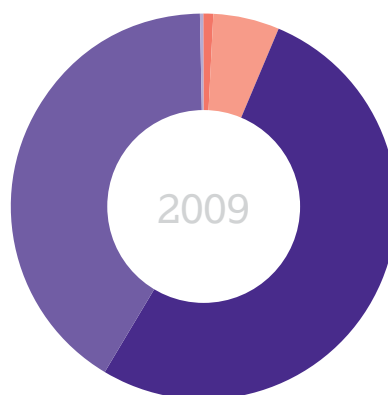
Royalty payments to government	58
Income tax payments to government	56
Other payments to government	137
Payments to businesses	1,922
Wages/salaries	1,065
Community investments	32
Total	\$3,270m

Chart 4a: Total expenditure 2009



Data comprises 7 producing operations

Chart 4b: In country expenditure 2009



Royalty payments to government	2
Income tax payments to government	18
Other payments to government	98
Payments to businesses	943
Wages/salaries	746
Community investments	3
Total	\$1,810m

Key points

- Gold sales from companies surveyed was equivalent to almost 3% of national exports in 2012
- Over 95% of total expenditure was incurred in country in both 2009 and 2012

“Mining has been a key feature of this country’s economy for more than 130 years. It remains the cornerstone, even though it is now smaller, relative to the size of the overall economy.”

President Jacob Zuma, President of the Republic of South Africa, 30 May 2013

Suriname

Country data

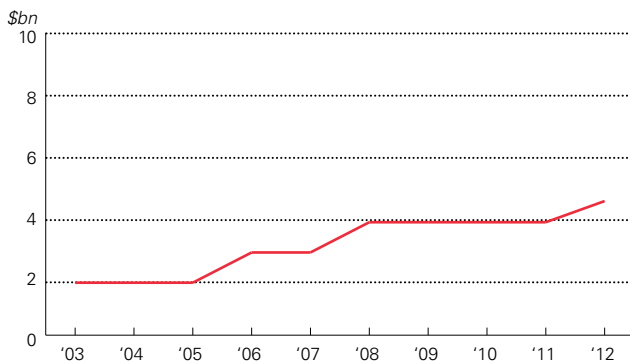
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
19.9	1,068	22.5	42.3

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

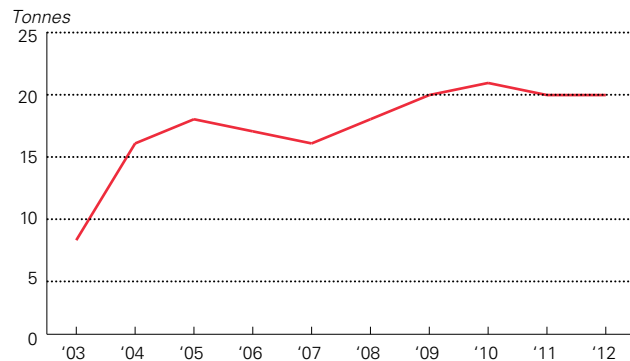


Table 2: Key macro-economic data 2012

	2012
Population (millions)	0.5
GDP per capita (US\$)	8,686
Total government revenue (US\$bn)	1.3
Public debt (% of GDP)	20.5
Exports (US\$bn)	2.5
Imports (US\$bn)	1.8
Human Development Index	0.68
Income level	Upper middle income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Rosebel, IAMGOLD Corp*	12.5

* Participating mine in this survey

Case study – Local economic development

IAMGOLD's Rosebel mine is located in the remote interior of Suriname, where the local population struggles to find regular work.

The Asigrón Agriculture project involves a group of farmers who supply organic fruits and vegetables to local residents and the mine. With support from IAMGOLD, they embarked on an improvement plan that involved sharing one large field consisting of individual plots (rather than having 30 plots scattered around the village), installing an irrigation system and shared infrastructure, and creating a nursery for seedlings. Since implementation, the field has provided stable income for 30 households.

The Company has also spearheaded the Nieuw Koffiekamp poultry project, which produces eggs for commercial sale. What started as an IAMGOLD community development project has now evolved into a self-sustaining business. To support the project's growth, IAMGOLD provided funding to significantly expand the size of the chicken coops, purchase a minivan to make deliveries, and install water tanks and a distribution system. The company also signed a supply agreement to give the business a steady market for its products. Today, the business supplies Rosebel with 240 trays of eggs per week, meeting roughly 60% of IAMGOLD's total needs at a price that is competitive and enables the business to earn a profit.

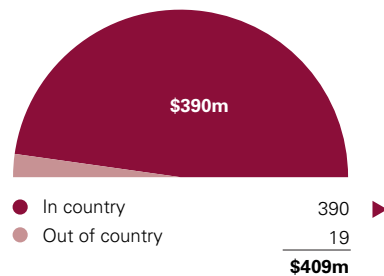
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (1 company)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
12.2 (2009: 11.9)	61	655	13.8	25.9	1,449

Chart 3a: Total expenditure 2012



Data comprises 1 producing operation

Chart 3b: In country expenditure 2012

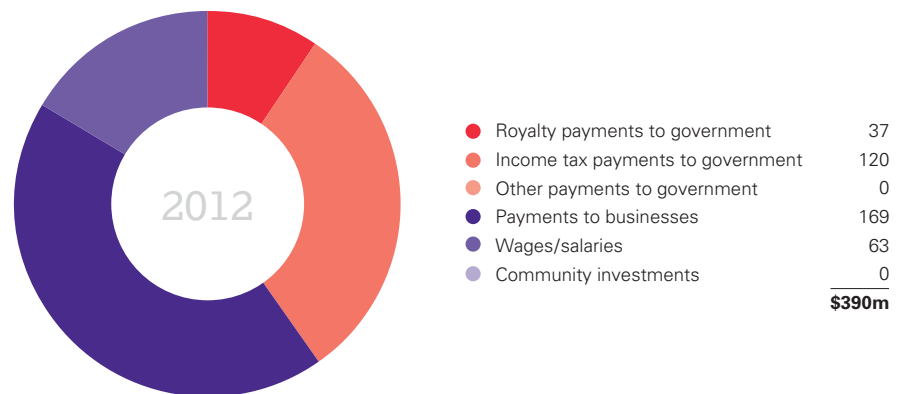
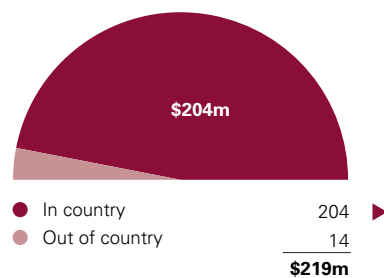
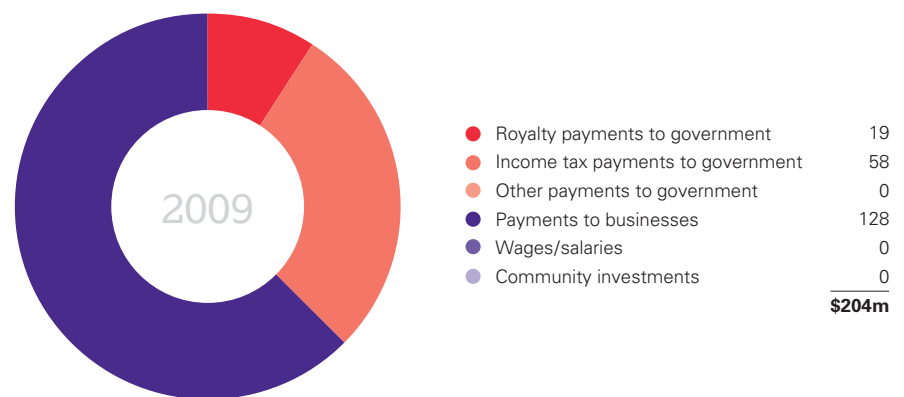


Chart 4a: Total expenditure 2009



Data comprises 1 producing operation

Chart 4b: In country expenditure 2009



Key points

- Gold sales from companies surveyed was equivalent to over 25% of national exports in 2012
- Payments to government from companies surveyed contributed to 12% of total government revenue in 2012

“Mining is the mainstay of the Surinamese economy, especially in terms of export earnings... Around 12% of GDP in 2009 came from mining, which is still a growing sector.”
Government Investment Guide to Suriname, ‘Where Business Equals Quality of Life’ 2011

Tanzania

Country data

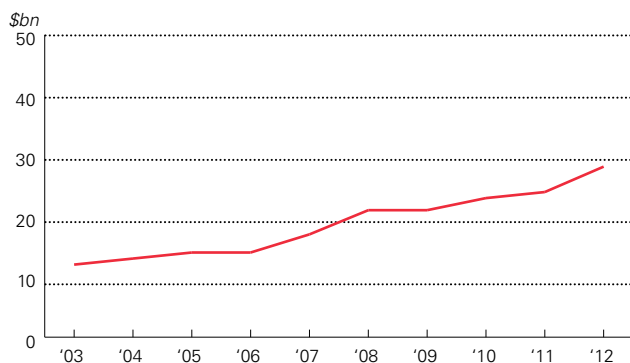
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
49.1	2,635	9.3	40.6

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

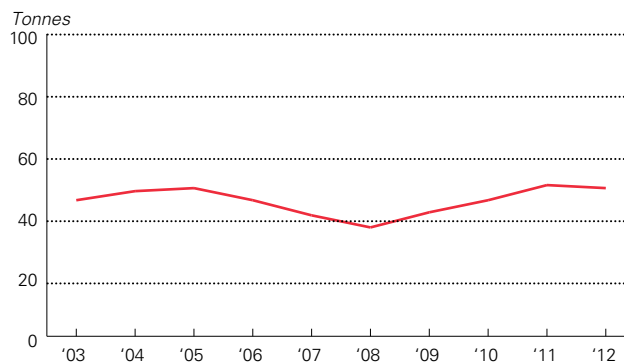


Table 2: Key macro-economic data 2012

	2012
Population (millions)	47.1
GDP per capita (US\$)	599
Total government revenue (US\$bn)	6.2
Public debt (% of GDP)	41.4
Exports (US\$bn)	6.5
Imports (US\$bn)	11.3
Human Development Index	0.48
Income level	Low income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Geita, AngloGold Ashanti Ltd*	16.5
Bulyanhulu, African Barrick Gold plc*	7.3
North Mara, African Barrick Gold plc*	6.0
Buzwagi, African Barrick Gold plc*	5.2
Golden Pride, Resolute Mining Ltd	3.6

* Participating mine in this survey

Case study – Community development

African Barrick Gold's Community Relations teams work closely with host communities to create and implement integrated development programmes that take local priorities, concerns and needs into account, and focus on long-term sustainable development. African Barrick's operations seek to tackle the ongoing challenges of poverty, illegal activities and inadequate social service provision, working closely with local government authorities as well as a broad range of development partners.

At the North Mara mine, the execution of Village Benefit Agreements with all seven villages surrounding the mine during 2012 represented a significant step in the agreement and identification of key social legacy issues with these communities. The initial investment under these agreements was estimated at US\$8.5 million over the first three years, with a similar financial commitment estimated for full implementation of the agreements over a second three-year period.

The form of investment in each of the villages differs, but includes the development of school infrastructure, improvements in access to water supply, the upgrading of the Sungu-Sungu Clinic, so that it may qualify for ongoing government hospital funding, rehabilitation of village offices, and improvements to road and electricity supply infrastructure.

Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (2 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
35.9 (2009: 29.7)	73	1,939	6.9	29.9	13,648

Chart 3a: Total expenditure 2012

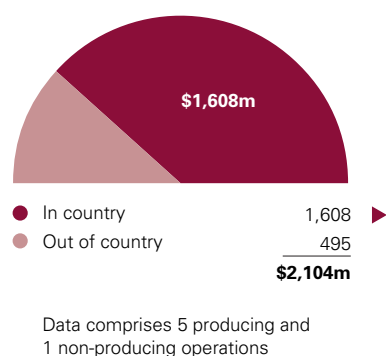


Chart 3b: In country expenditure 2012

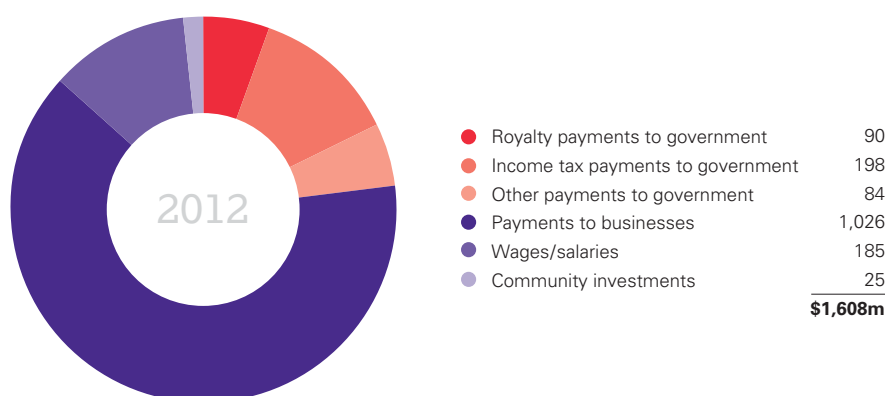


Chart 4a: Total expenditure 2009

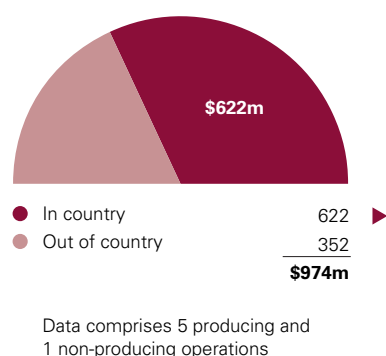
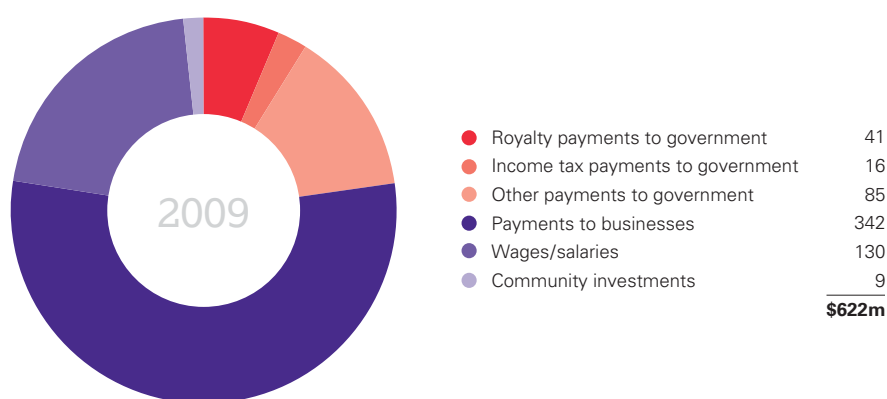


Chart 4b: In country expenditure 2009



Key points

- Of companies surveyed, total gold output increased 21% from 2009 to 2012 (from 29.7 to 35.9 tonnes) yet payments to suppliers trebled from \$342m to \$1,026m
- Gold sales from companies surveyed was equivalent to 30% of national exports in 2012

“Tanzania is richly endowed with natural resources such as minerals, gas, forestry, fishing etc. So far exploitation of minerals, particularly gold and gemstones as well as natural gas, is the most significant of them all. At an average growth rate of 12.4 percent for the past decade, mining is one of the fastest growing sectors of the Tanzanian economy... Mining, therefore, is a critically important sector for Tanzania’s economic prosperity, now and in the future.”

H. E. President Jakaya Kikwete, EITI Conference, Paris, March 2011.

Country data

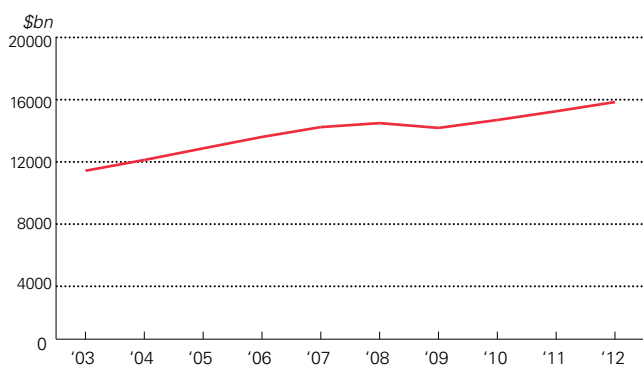
Source: IFS, IMF, SNL Metal Economics Group, TR GFMS, UNDP, World Bank

Table 1: National data 2012

Gold output Tonnes	Total gold sales		
	US\$m	as % of GDP	as % of national exports
231.3	12,411	0.1	0.8

Macro-economic data

Chart 1: Gross domestic product (US\$bn)



Total gold production

Chart 2: Total gold production (tonnes)

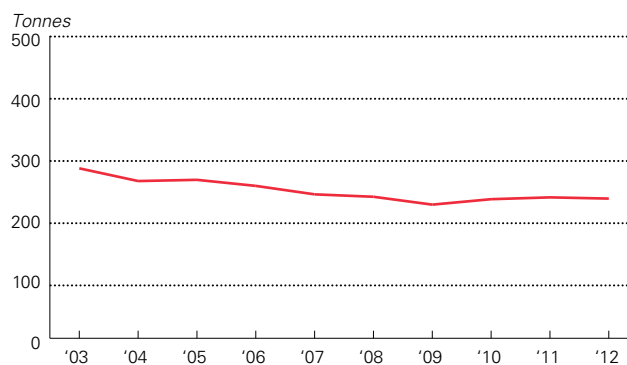


Table 2: Key macro-economic data 2012

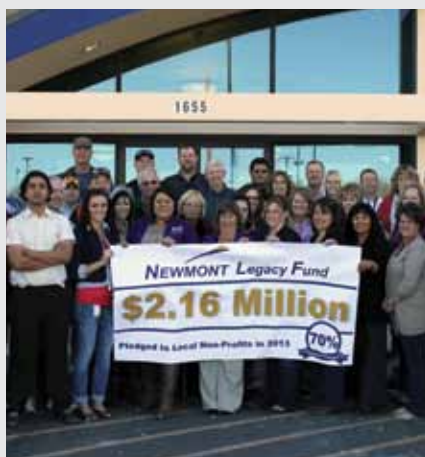
	2012
Population (millions)	314.2
GDP per capita (US\$)	49,922
Total government revenue (US\$bn)	4,980.8
Public debt (% of GDP)	106.5
Exports (US\$bn)	1,545.7
Imports (US\$bn)	2,335.5
Human Development Index	0.94
Income level	High income

Table 3: Production at major gold mines 2012

Major gold mines	Tonnes
Nevada Operations, Newmont Mining Corp*	54.4
Cortez, Barrick Gold Corp*	42.6
Goldstrike, Barrick Gold Corp*	36.5
Round Mountain, Kinross Gold Corp*^	11.5
Fort Knox, Kinross Gold Corp*	11.2

* Participating mine in this survey

^ JV between Kinross (50%) and Barrick (50%)



Case study – Community development

Newmont has been an active partner in rural northern Nevada's effort to take charge of its future through investments in social services, educational institutions and skills development programmes which are laying a sustainable foundation for the long-term economic, environmental and social viability of local communities. The company and its employees have been long-standing supporters of the community and local charities through their 'Legacy Fund'. This fund was established to create a more strategic and long-term community investment programme. Employees can give directly to local non-profits that address existing social service needs or to an endowment fund that will help sustain our communities after mining operations cease.

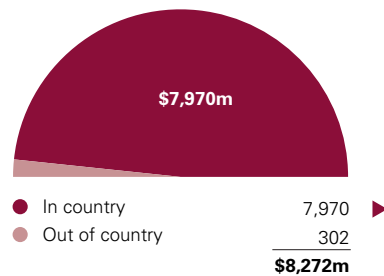
Survey data

Source: Company survey data

Table 4: Consolidated survey data 2012 (6 companies)

Gold output		Gold sales			Number of employees and contractors
Tonnes	as % of national output	US\$m	as % of GDP	as % of national exports	
192.8 (2009: 113.9)	83	10,210	0.1	0.7	16,182

Chart 3a: Total expenditure 2012



Data comprises 17 producing and 12 non-producing operations

Chart 3b: In country expenditure 2012

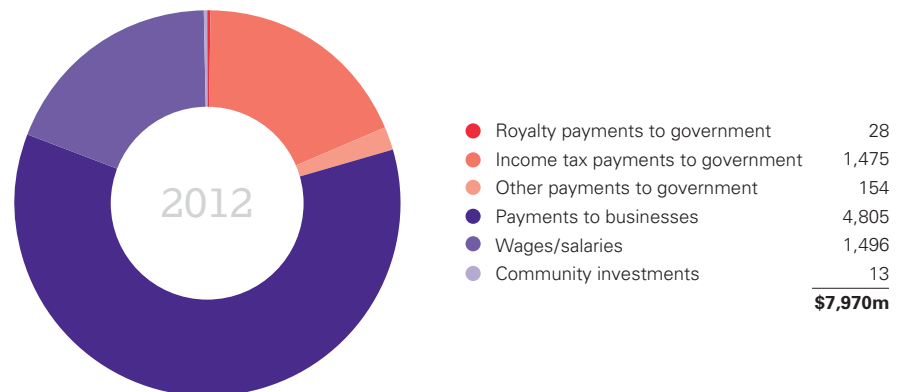
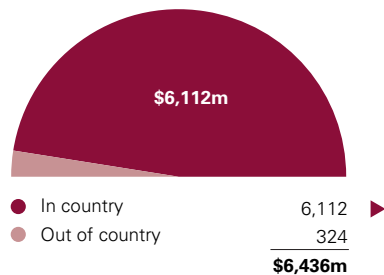
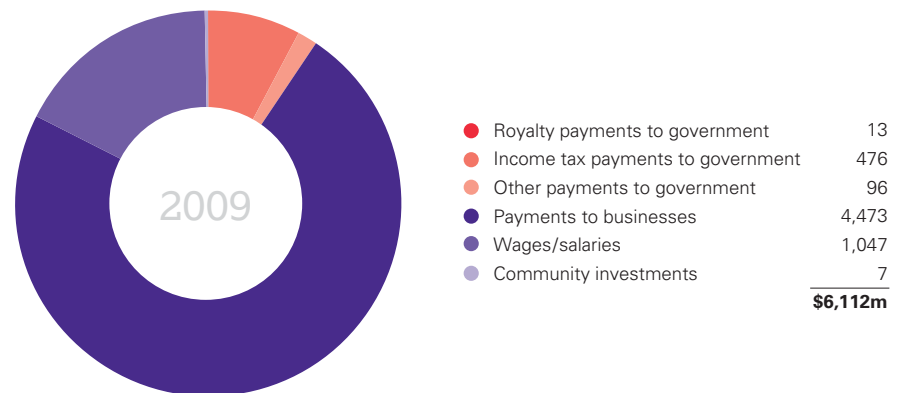


Chart 4a: Total expenditure 2009



Data comprises 17 producing and 12 non-producing operations

Chart 4b: In country expenditure 2009



Key points

- Over 95% of total expenditure was incurred in country in both 2009 and 2012
- Payments to suppliers and wages/salaries represented 79% of total in country expenditure in 2012 and 90% of total in country expenditure in 2009

“Our public lands also provide a consistently reliable source of natural resources that fuel our national economy. In northern Nevada, mining is a way of life. Although Nevada was well known for silver during the 19th century, miners working in the Silver State now produce almost 80 percent of the gold in the United States, much of which comes from public lands.”
Senator Harry Reid of Nevada, 23 September 2011

Disclosures

General

One tonne (metric ton) = 32,151 troy ounces
One troy ounce = 31.103 grammes

Country data

Sources:

IMF – for data on Gross Domestic Product, Population, Gross Domestic Product per capita, government revenue, government gross debt

International Financial Statistics – for data on Exports and Imports

TR GFMS – for data on total gold production (with the exception of Namibia where source is USGS for 2007 to 2011 and AngloGold Ashanti data is used for total sales in 2012)

SNL Metal Economics Groups – for data on major gold mines

The United Nations Development Programme (UNDP) – Human Development Index

The World Bank – Income level

The value of total gold sales in 2012 has been calculated by multiplying the total annual gold output by the average price of gold in 2012, based on the average of PM fix of the London gold market (\$1,668.98 per troy ounce).

Survey data

Gold production data sourced from member companies of the World Gold Council may be different to data sourced from TR GFMS and SNL Metal Economics Group. This may be due to the reporting boundary and the unit reported. As one example of potential discrepancies, SNL Metal Economics Group data is on gold produced; companies completing the survey were asked to report on gold sold.

Participating companies did not report production or sales data for non-operational sites. There are some instances where mines may have produced some gold before being in operational status. For example, with regard to the Dominican Republic, SNL Metal Economics Group reported that the Pueblo Viejo mine produced 3.5 tonnes of gold in 2012. However this mine only achieved commercial production status in January 2013.

When the report refers to 'companies', this refers to member companies of the World Gold Council, each of which is listed on international financial markets. When the report refers to 'producing and non-producing operations', this refers to individual mine sites (in production, pre-production and post-production phases) and development projects. It should be noted that some of these 'producing and non-producing operations' may be subsidiary companies of the listed company.

'In country' refers to payments made to suppliers, employees and contractors who are located in the specified country. No analysis has been undertaken to determine how much of these payments remain in the specified country.

The term 'expenditure' has been used to include payments to governments, payments to suppliers, payments to employees and contractors (in the form of wages and salaries) and community investments. The term 'total expenditure' has been used to include all expenditures as listed above and payments to providers of capital. Payments to providers of capital have only been analysed at the global level and not on a country-by-country basis.

Appendix

Companies and producing operations included in this survey (2012)

Country	Companies participating in survey	Producing operations included in survey
Argentina	AngloGold Ashanti, Barrick, Goldcorp	Alumbrera, Cerro Vanguardia, Veladero
Australia	AngloGold Ashanti, Barrick, Gold Fields, New Gold, Newmont	Agnew, Boddington, Cowal, Darlot, Granny Smith, Jundee, Kanowna, KCGM, Lawlers, Peak, Plutonic, St. Ives, Sunrise Dam, Tanami
Brazil	AngloGold Ashanti, Kinross	AGA Mineracao, Paracatu, Serra Grande
Burkina Faso	IAMGOLD	Essakane
Canada	Agnico Eagle, Barrick, Centerra, Goldcorp, IAMGOLD, New Gold, Newmont	Hemlo, Lapa, LaRonde, Meadowbank, Musselwhite, New Afton, Porcupine, Red Lake
Chile	Barrick, Goldcorp, Kinross	La Coipa, Maricunga
China	AngloGold Ashanti, Eldorado Gold	Jinfeng, Tanjianshan, White Mountain
Colombia	AngloGold Ashanti	Not Applicable
Democratic Republic of Congo	AngloGold Ashanti	Not Applicable
Dominican Republic	Barrick, Goldcorp	Not Applicable
Finland	Agnico Eagle	Kittilä
Ghana	AngloGold Ashanti, Gold Fields, Golden Star, Kinross, Newmont	Ahafo, Bogoso, Chirano, Damang, Iduapriem, Obuasi, Tarkwa, Wassa
Guatemala	Goldcorp	Marlin
Guinea	AngloGold Ashanti	Siguiri
Indonesia	Newmont	Batu Hijau
Kyrgyz Republic	Centerra	Kumtor
Mali	AngloGold Ashanti, IAMGOLD	Morila, Sadiola, Yatela
Mauritania	Kinross	Tasiast
Mexico	Agnico Eagle, Alamos, Goldcorp, New Gold, Primero	Cerro San Pedro, El Sauzal, Los Filos, Mulos, Peñasquito, Pinos Alto, San Dimas
Mongolia	Centerra	Boroo
Namibia	AngloGold Ashanti	Navachab
Papua New Guinea	Barrick	Porgera
Peru	Barrick, Gold Fields, Newmont	Cerro Corona, Lagunas Norte, Pierina, Yanacocha
Russia	Centerra, Kinross	Kupol
South Africa	AngloGold Ashanti, Gold Fields	Great Noligwa, Kopanang, Moab Khotsong, Mponeng, Savuka, South Deep, TauTona
Suriname	IAMGOLD	Rosebel
Tanzania	African Barrick, AngloGold Ashanti	Bulyanhulu, Buzwagi, Geita, North Mara, Tulawaka
USA	AngloGold Ashanti, Barrick, Goldcorp, Kinross, New Gold, Newmont	Bald Mountain, Carlin, Cortez, Cripple Creek & Victor, Fort Knox, Golden Sunlight, Goldstrike, Kettle River-Buckhorn, Marigold, Mesquite, Midas, Phoenix, Round Mountain, Ruby Hill, Turquoise Ridge, Twin Creeks, Wharf



Pulps used to produce this paper are Elemental Chlorine Free (ECF).

The paper mill and printer are accredited to ISO 14001 environmental standards.

