

CORPORATE RESPONSIBILITY REPORT 2013

GOLDEN STAR 

OUR MISSION, VISION & VALUES

OUR MISSION IS THE RESPONSIBLE AND PROFITABLE PRODUCTION OF GOLD.

OUR VISION IS TO BUILD A BRAND NAME MINING COMPANY THAT:

- Delivers superior returns to investors
- Values and develops our people
- Is committed to international practices and conduct
- Is a partner of choice for host communities and governments

OUR VALUES ARE:

- Respect, honesty and open communications in all relationships
- Commitment to safety, employee well-being and protection of the environment
- Teamwork and accountability throughout the organization
- Responsible corporate citizenship

PHOTOGRAPHIC CREDITS: NATALIE RAFFIELD, PHILIP MOSTERT, AND THE GSR TEAM

THE FORWARD-LOOKING STATEMENTS MADE IN THIS REPORT ARE BASED ON ASSUMPTIONS AND JUDGMENTS OF MANAGEMENT REGARDING FUTURE EVENTS AND RESULTS. SUCH FORWARD-LOOKING STATEMENTS, INCLUDING BUT NOT LIMITED TO THOSE WITH RESPECT TO RESERVE AND RESOURCE ESTIMATES, COST AND TIMING OF THE DEVELOPMENT OF NEW DEPOSITS, TIMING AND AMOUNT OF ESTIMATED FUTURE PRODUCTION, ESTIMATED COSTS OF FUTURE PRODUCTION, OPERATIONAL CAPABILITIES, AND GOLD PRICE, INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES, AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE COMPANY TO BE MATERIALLY DIFFERENT FROM FORECAST FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. SUCH FACTORS INCLUDE, AMONG OTHERS, THE ACTUAL PRICE OF GOLD, THE ACTUAL RESULTS OF CURRENT EXPLORATION, DEVELOPMENT AND MINING ACTIVITIES AND CHANGES IN PROJECT PARAMETERS AS PLANS CONTINUE TO BE EVALUATED, AS WELL AS THOSE FACTORS DISCLOSED IN THE COMPANY'S FILED DOCUMENTS.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

MESSAGE FROM THE CEO

This report is Golden Star's 8th annual report on corporate responsibility, which summarizes our performance and is our communication on progress for the UN Global Compact.

The year 2013 saw dramatic highs and lows in our business. Despite our focus on 'If it is not safe, do not do it', to my great sadness, John Asare was fatally injured in a mud rush in our underground mine on the 23rd April. Three other team members were rescued from the mud rush, for which I am eternally grateful. The strength of our team to 'be each other's keepers' brought a little light to this tragic day.

Also in April, we celebrated the re-opening of the Prestea Underground Mine with a Grand Durbar attended by hundreds of people including the Paramount Chief Osagyefo, Dr. Kwamina Enimil VI, Divisional Chiefs, and elected representatives. The Western Regional Minister officiated over the event on behalf of the Ghanaian President, his Excellency Mr. John Mahama, and the community rejoiced that the event received showers of blessings.

By May, the dramatic dip in the gold price placed Golden Star, and our industry more



generally, in very challenging times. I am thrilled that, despite these challenges, we continued through the remainder of 2013 with a focus on meeting our production and cost goals, and achieving our standards, whilst making considerable improvements to the sustainability of our business. We completed the entire year without a reportable environmental incident at any operational or exploration site.

Whilst the gold price slowly recovers some lost ground, we remain focused on the 're-sponsible and profitable production of gold'. As I recently discussed with my Ghanaian leadership teams, now more than ever we must remain patient. We have a bounty of future projects, and when the economics become right, we will look to our employees, contractors, regulators, and stakeholder communities to fully support the more rapid advancement of these developments for the benefit of all.

Sam Coetzer

President and Chief Executive Officer

UN GLOBAL COMPACT

The United Nations (UN) Global Compact’s 10 principles on human rights, labour, the environment, and anti-corruption aim to ensure that business benefits economies and societies everywhere. The following tables present our goals and progress for 2013 as well as our goals for 2014.

2013 UN GLOBAL COMPACT GOALS AND PROGRESS

GOALS	PROGRESS
REVIEW THE GENERAL HUMAN RIGHTS STANDARDS / PERFORMANCE OF OUR SUPPLIERS AND PROVIDE A REPORT TO THE SUSTAINABILITY COMMITTEE WITH RECOMMENDATIONS	HUMAN RIGHTS DESKTOP REVIEW CONDUCTED FOR TOP 20 SUPPLIERS AND TOP 10 SERVICE PROVIDERS
EXTEND HARASSMENT AND DISCRIMINATION AWARENESS AND PREVENTION TRAINING TO OUR WIDER WORKFORCE	NOT COMPLETED
EXAMINE WAYS IN WHICH BANKING SERVICES CAN BE PROVIDED TO EMPLOYEES WITHOUT SALARIES PAID TO A BANK	IN 2013, 83% OF OUR WORKFORCE (EMPLOYEES AND DIRECT CONTRACTORS) WERE PAID TO A BANK ACCOUNT. ALL GSR EMPLOYEE SALARIES ARE REQUIRED TO BE PAID INTO A BANK ACCOUNT
IMPLEMENT LEAD-INDICATOR CONTROL MEASURES TO FURTHER REDUCE OUR LOST TIME INJURY FREQUENCY RATE (LTIFR)	LEAD INDICATOR MEASURES IMPLEMENTED IN 2013. LTIFR INCREASED TO 0.38.
EXPAND RECYCLING INITIATIVES WITH COMPANIES OWNED BY TRADITIONAL LEADERS, IN LINE WITH EXISTING PRACTICES AT WASSA	REVIEW CONDUCTED. IT WAS DETERMINED THAT CURRENT MARKET WAS NOT CONDUCTIVE TO THIS APPROACH
PROVIDE DETAILED PAYMENT INFORMATION ON A QUARTERLY BASIS TO THE EITI IN GHANA, IN SUPPORT OF THE ANTI-CORRUPTION PROGRAMME	COMPLETED IN 2013. DATA ON PAYMENTS MADE AVAILABLE TO THE EITI AND ARE MADE AVAILABLE IN MONTHLY REPORTS

2014 UN GLOBAL COMPACT GOALS

KEY AREA	GOALS AND OBJECTIVES
HUMAN RIGHTS	CONTINUE TO REVIEW THE GENERAL HUMAN RIGHTS STANDARDS FOR GSR AND OUR SUPPLIERS. PROVIDE AN UPDATED REPORT TO THE SUSTAINABILITY COMMITTEE WITH RECOMMENDATIONS. IMPLEMENT A TRAINING PROGRAMME FOR HUMAN RIGHTS FOR THE GSR SECURITY PERSONNEL
LABOUR STANDARDS	IMPLEMENT LEAD-INDICATOR CONTROL MEASURES AIMING TO FURTHER REDUCE OUR LTIFR PROVIDE AN UPDATED INCIDENT REPORTING STANDARD THAT COVERS THE BUSINESS WITH A VIEW OF PROVIDING A BETTER UNDERSTANDING OF INCIDENTS AND HOW TO FURTHER PROTECT EMPLOYEES AND COMMUNITIES
ENVIRONMENT	FINALIZE THE THIRD-PARTY EVALUATION OF OUR ASSET RETIREMENT OBLIGATIONS (ARO). WORK WITH OPERATIONS TO FULLY UNDERSTAND THE TIMING AND REQUIREMENTS FOR THE ARO
ANTI-CORRUPTION	PROVIDE DETAILED QUARTERLY PAYMENT INFORMATION TO THE EITI IN GHANA, IN SUPPORT OF THE ANTI-CORRUPTION PROGRAMME PROVIDE QUARTERLY INFORMATION TO THE PARTIES THAT SHOULD RECEIVE PAYMENTS AS A RESULT OF OUR ROYALTIES PAID TO THE GOVERNMENT OF GHANA





OUR PEOPLE

At Golden Star, we pride ourselves on the employment that our operations generate for local communities, as well as our contributions to regional and national economies. Despite the dramatic reduction in the price of gold, we value and recognize the efforts that have been made by our team to initiate continuous improvement projects, to maintain morale, and to strengthen our business in the face of adversity.

DID YOU KNOW?

- *Of our 2,317 employees, 98% are Ghanaian.*
- *Nearly half our Ghanaian employees hail from communities that are close to our operations.*
- *Bogoso has comprehensive local hiring conditions forming part of the corporate social responsibility (CSR) agreements signed with communities in 2012.*



EMPOWERING WOMEN

Inaugurated in 2010, the Golden Star Ladies' Clubs were formed by motivated women in our workforce. The club aims to enhance performance and empower our female employees to be advocates for issues concerning women both at work and in the broader community.

Breast cancer is the leading cancer in Ghana. Therefore, in October 2013, the Golden Star Ladies' Clubs recognized Breast Cancer Awareness month by conducting women's health presentations and breast screenings in conjunction with our partners at the Ghana Health Service (GHS) and Deutsche Gesellschaft für Internationale Zusammenarbeit (German Society for International Cooperation - GIZ). The programme was a resounding success with over 580 women from our workforce, their families and communities attending the screenings. Through the month of programmes, our ladies' clubs also raised donations of cash, goods and services of over GH¢ 27,000 in value, including GH¢ 15,000 donated to women's charities.

These achievements would not have been possible without the generous support of our partners, including three of our major suppliers – DHL Global Forwarding, Primus Catering Services and International SOS.

GSSTEP / CYAP AT WASSA

Employment, particularly for the youth (in Ghana this is people from age 18 to 40), continues to be of the foremost concerns of our catchment communities. Established in 2009, the Golden Star Skills Training and Employability Programme (GSSTEP) focuses on building practical skills in a variety of areas, such as masonry, carpentry, and electrical works. The GSSTEP programme enhances the skills available in the local economy by imparting capacities to community members that will last well beyond the life of the mine. To date, there have been 6 programmes with 271 graduates, most whom have been employed on resettlement projects.

Within the broader GSSTEP programme, in 2013, we initiated a Community Youth Apprenticeship Programme (CYAP) at Wassa, which offers selected local residents a one-year attachment within the company. The pilot project enrolled 44 young people (34 male and 10 female) from 15 catchment communities in disciplines ranging from welding and drill rig maintenance, to fixed plant, heavy equipment, and pump operations. As a result of CYAP, local graduates will be better positioned to fill skilled employment vacancies within the company to further boost local hiring.

HEALTH AND SAFETY

At Golden Star, we are committed to safety and employee well-being. A comprehensive two year health and wellbeing plan adopted in 2013 harnessed the expertise of a variety of partners to assist us in realizing our health and wellbeing objectives. The health outcomes have been remarkable, with considerable improvements in fitness for work management, and medical diagnosis and treatment, resulting in improvements in employee productivity and wellbeing.

DID YOU KNOW?

- Our Wassa team achieved 11 million hours LTI free.
- The Bogoso employees achieved 1 year LTI free – almost 5 million hours.
- As at the end of 2013, the 12 month rolling LTIFR for GSR was 0.37, for our contractors was 0.40, and combined was 0.38.

ENHANCED MALARIA DIAGNOSIS

Malaria is the leading cause of mortality in Ghana, particularly among pregnant women and children under five years. It is also one of the most common illnesses affecting our employees, accounting for some 20% of time away from work for illness. As the illness is potentially life-threatening, we have made persistent efforts at malaria prevention and treatment.

In late 2012, with the support of our medical services provider, International SOS, we improved our health management of malaria illness cases by being able to conduct rapid testing at any time, and making available full blood screening for strain diagnosis coupled with strain-targeted treatment. The results of the programme have been exceptionally promising. In 2013, our clinics reported a 62% reduction in malaria cases, from 2,579 in 2012 to 960 in 2013, with a 6% reduction in total time away from work for malaria. Golden Star and International SOS will work to sustain the momentum of the programme in 2014 with a view of continual improvement.

GIZ

Golden Star and GIZ started working together for the benefit of our employees, their families and our stakeholder communities in 2011. We collaborated on a variety of programmes addressing community and work health and wellbeing. The initial employee/community wellbeing programme was launched for our

Wassa catchment communities with prevention-focused health screenings, and training sessions on a variety of health topics as well as pension planning. GIZ has worked to develop a broader strategic alliance between GIZ, the Ghana Health Service (GHS) and large private sector companies in Ghana, including Golden Star.

In late 2013, Golden Star, GIZ, and the GHS launched a health stewardship initiative for the Bogoso stakeholder communities. Central to the project is the strengthening of partnerships and coordination between public, private, and civil society organizations at the community, district, regional, and national levels. As part of Golden Star's contribution to the project, a rural health clinic has been built in the Bogoso area.

Key components of the programme include the provision of basic health services including prevention, testing, and counseling, as well as providing treatment facilities for infectious and non-communicable diseases. A knowledge-building and education campaign on disease-prevention, social protection measures, and debt counseling aims to further improve overall community health and well-being.

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH



DID YOU KNOW?

- Ghana has a 79% immunization coverage, up from 69% in 2003. In the last 3 years, Golden Star has continued to support the national immunization programmes in our catchment communities.
- Under-five mortality rates (per 1,000 live births) in Ghana reduced from 111 in 2003 to 80 in 2008. Our work building community health facilities, providing medical equipment in partnership with Project C.U.R.E., provision of National Health Insurance Scheme (NHIS) registration for over 7,000 people each year and prevention-focussed health screenings (with GIZ) for over 5,500 people to date, contribute to this improvement.

COMMUNITY DEVELOPMENT

Our mines have a finite life. Therefore, to provide the opportunity for longer-term benefits from our operations, we established the Golden Star Development Foundation (GSDF), which is funded with US\$1 for every ounce of gold produced plus 0.1% of pre-tax profit. The GSDF funds a variety of community projects, including health, education, and community infrastructure initiatives that are selected by local Community Mine Consultative Committees (CMCC) that represent our 80,000+ local stakeholders. The CMCCs are made up of local community leaders and they serve as the focal point for our community partnerships allowing communities to select the types of projects they see as important for the development of their communities.



GSDF COMMUNITY CENTRES

In 2013, many of our local communities – through the GSDF and their respective CMCCs – prioritized the development of community infrastructure. Community centres were built at Bondaye, Chujah, and Kwame Niampah in the Bogoso area and Nsadweso and Awunakrom in the Wassa area. Each is equipped with an office, store room, electrical access, and seating. A 300-seat community centre was also built at Pretiat as part of the Awunakrom resettlement project (see Resettlement).

The community centres serve as an important social amenity for local residents as the venue for events such as weddings, engagements, and graduations as well as the location for stakeholder consultation sessions. In 2013, the construction costs for the community centres totaled US\$0.33M.



DID YOU KNOW?

- In Ghana, 86.3% of children complete primary school - up from 80% in 2007. Since 2007, Golden Star has built 6 schools (via the GSDF), provided bussing to school for 7 communities, paid scholarships to over 580 students and subsidised educational expenses for some 3,000 other students each year.
- Community electrification rates increased from 54% in 2007 to 59% in 2009. Through the GSDF, we have provided access to electricity or supported its distribution to residents in Prestea, Mbease Nsuta, and Akyempim (communities with some 40,000 residents), as well as 3 school blocks, a community clinic and our resettlement communities.

PROJECT C.U.R.E.

Through an ongoing partnership with Project C.U.R.E., Golden Star and the GHS continued to distribute medical supplies (valued at approximately US\$0.4M to local communities in 2013). This was all made possible by contributions from the GSDF / CMCCs. Aiming to ensure a focused delivery of medical equipment and supplies, needs assessments were completed by Project C.U.R.E. before the items were shipped. In 2013, some of Golden Star's corporate team in Denver helped to pack the container with the supplies from the Project C.U.R.E. warehouse.

GIZ AND GSOPP COLLABORATION

Golden Star is in the second year of a partnership with GIZ and the Golden Star Oil Palm Plantation (GSOPP), with collaboration from the Ghana Ministry of Health (MoH) and Ministry of Employment and Social Welfare.

With an expected outreach to some 13,500 people in selected stakeholder communities, the combined economic empowerment and wellbeing programme will include a poverty impact assessment, the development of an integrated farming system for oil palm production, and the establishment of farmer-based organizations to act as channels and multipliers. The programme aims to strengthen community self-governing capacity and, ultimately, overall economic sustainability.



HUMAN RIGHTS

As a responsible corporate citizen GSR annually requires its leaders to affirm their commitment to the human rights standards adopted by our business.

HUMAN RIGHTS REVIEW

Achieving business success would not be possible without the contributions of our suppliers and service providers; thus, achieving our sustainability goals is integral to our value chain and our areas of influence.

In 2011 and 2012, we set a UN Global Compact goal to conduct a desktop human rights review of our top suppliers and service providers. The review uncovered few material instances requiring further action by Golden Star. Where instances were uncovered, our Supply Departments have initiated dialogue to gain further information and understanding. No further action was required following this dialogue.

As a result of the review, Golden Star has adopted a variety of management practices to proactively address human rights concerns. Chief among these are:

- *Provision of training for operational sites so that suppliers with annual contracts of over US\$1M are subject to human rights screening;*
- *Developed a "supplier code of conduct";*
- *Reviewed existing GSR grievance mechanisms to ensure that they include human rights concerns;*
- *Incorporated human rights concerns into CMCC meetings; and,*
- *Developed and implemented a communications plan for all GSR business units to communicate the results of the human rights review.*

These steps are in addition to our ongoing commitments to protecting and promoting human rights as well as our human rights goals for 2014.

DID YOU KNOW?

- *In 2013, 85% of the money paid by our Ghanaian operations was paid to Ghanaians or to registered Ghanaian companies.*

ENVIRONMENT

REHABILITATION AND NEXT LAND USE PLANNING

In August 2013, the Executive Director of the Forestry Commission and officials of the Forestry Services Division (FSD) participated in a tour of our operations and our proposed Mampon-Abronye project, which is partially located within the Opon Mansi Forest Reserve – a timber production forest. The visit allowed us to highlight our commitment to sustainable land use and to showcase our extensive expertise in mine-site rehabilitation. By working with government sectors, we continue to ensure that closure planning remains an integral part of all the phases of project development and execution.

The field inspection included tours of rehabilitated pits and waste dumps, and focused on

backfilled pits, as the proposed Mampon pit would be completely backfilled to facilitate the return of the forest area to future forest / timber production. At the Mampon-Abronye project area, the visitors met with the elders and people of the communities, and visited the exploration drilling sites in the area.

The Executive Director and his team were impressed and remarked that some of Golden Star's backfilled pits exhibited forest tree growth as good as that of the forest reserves.

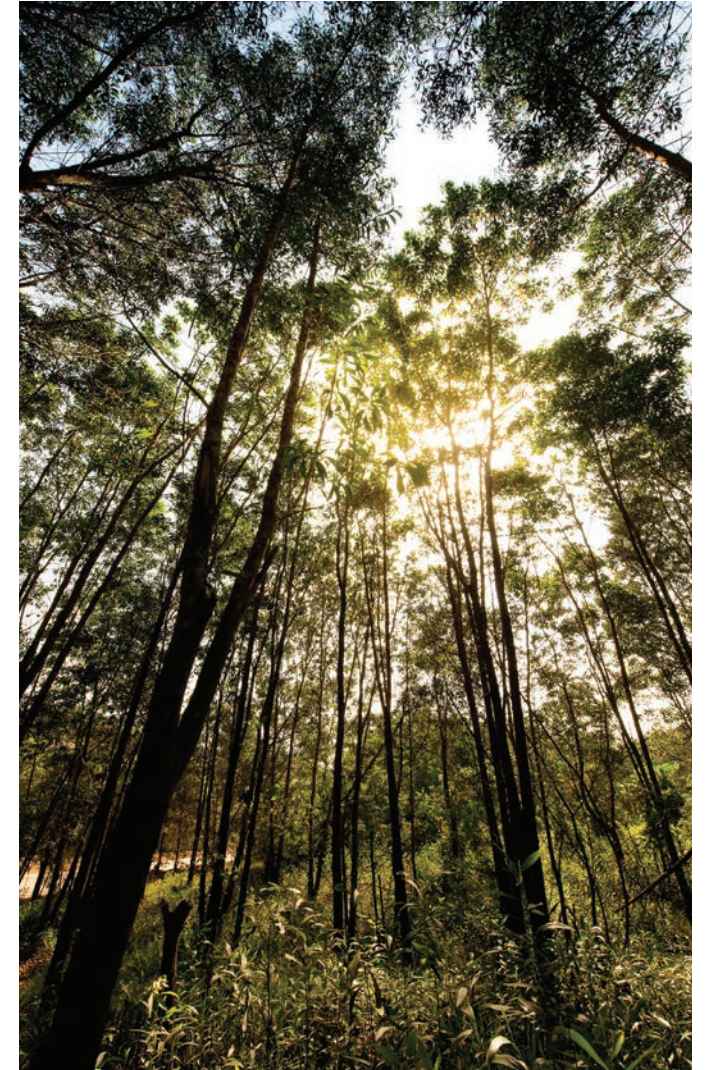
To further this collaboration, the FSD, with the support of the Ghana Wildlife Service, conducted an inventory analysis of the proposed project area, to independently validate the Bogoso environmental impact assessment studies.

SUSTAINABILITY OF LAND USES

In November, Bogoso was privileged to host a visit by the Honourable Minister for Environment, Science and Technology, as he toured mines in the Western Region. During the visit, the Minister took a helicopter flight over the Bogoso and Prestea concessions to observe Bogoso's operations and rehabilitation areas, and to observe first-hand the extensive impact of galamsey (artisanal small-scale) miners.

In a widely-broadcasted media address following the inspection, the Minister noted that illegal mining was "an organized crime that must be eliminated in order to protect the environment." He noted that galamsey could have a long-term, adverse effect on the country's economy if nothing was done about it. He also called for support from traditional leaders to stamp out galamsey.

During his presentation, the Minister commended Golden Star for introducing an alternative livelihood project for the miners and urged them to take advantage of the project.



DID YOU KNOW?

- *The percentage of the Ghanaian rural population with access to water supply increased to 80% in 2011, from 73% in 2007. Golden Star has provided water supplies and water services that now supply more than 30,000 households.*

RESETTLEMENT

Over the last several years, Golden Star has carried out multiple resettlement projects in conjunction with our partners. At the local level, this includes negotiation teams and committees, traditional authorities, District Assemblies and, crucially, local residents themselves. At the national level, this includes the Land Valuation Board, the Inspectorate Division of the Minerals Commission, and the Environmental Protection Agency. These partnerships help to promote an inclusive and transparent process for all parties.

All of our resettlement projects are aligned with applicable Ghanaian laws as well as the International Finance Corporation (IFC) Performance Standard 5 on involuntary resettlement. This means that we seek to avoid, or at least minimise, adverse social and economic impacts, and seek to enhance the positive impacts of our intervention, which very often leads to large improvements in the lives of local residents.

TOGBEKROM

To allow for the development of a new tailings storage facility for our Wassa operation, resettlement activities for the Togbekrom group of hamlets were initiated in 2010 for the over 750 inhabitants. The resettlement site, adjacent to Ateiku, was constructed as a modern-style community with over 260 structures, a local road network, and community infrastructure,

including a market centre, early childhood education centre, community centre, and police station. The 215 houses were equipped with electricity and toilets. A mechanized water system was also installed to serve the community.

The completed project, with construction costs of approximately US\$23M, further enhances our development model of successful collaboration with our local partners as it continues to demonstrate what can be achieved when we work together with our stakeholder communities towards a common goal.

AWUNAKROM

The community of Awunakrom is located close to our Dabokrom / Father Brown open-pit operations. Following the successful negotiation of a partial resettlement project in May 2012, some 19 households were resettled to a new location at Pretiat. The project, with total costs of some US\$3.8M, included construction of community infrastructure, a market, early childhood development centre, 300-seat community centre, and a water closet toilet facility with a centralized biogas digester. Relocation and resettlement packages, and a skills training and sustainable livelihoods programme completed the resettlement project.

DUMASI

The Dumasi community is located approximately 4 km north of our Bogoso processing facilities and atop the largest undeveloped ore body on Bogoso's concession. Negotiations to resettle the community commenced in 2007, and in 2013, under the guidance of the Dumasi Resettlement Negotiation Team, we were pleased to reach a negotiated resettlement agreement acceptable to all stakeholders.

To accommodate the 2,500 residents, over 800 houses equipped with toilets, electricity, and kitchens will be required. The details of the new houses were substantially agreed with individual compound owners in the latter half of 2013. Preliminary earthworks and construction activities have started at the new site.

PRESTEA PROJECTS

The Prestea Projects Resettlement Action Plan (RAP), which was submitted to the Prestea Huni-Valley District Assembly in November 2012, was developed to minimise potential negative effects on the people affected by the Bogoso Prestea Underground Mine and Prestea South projects. In accordance with the IFC Performance Standard 5, Golden Star works to avoid the need for resettlement. For the Prestea Projects, we designed project areas to avoid structures for which Bogoso is not the legal tenant, and located infrastructure in disturbed areas. As part of our collaboration to formalize the artisanal

and small scale mining business, we ceded a portion of the highly prospective Prestea surface concession back to the Government of Ghana. The Minerals Commission has now established the area for legal small scale mining.

The preferred site for the construction of the proposed raise bore / hoisting shaft for the Prestea Underground Mine falls at the current location of the Prestea Goldfields International School. Therefore, a nine member school relocation negotiation committee, comprising representatives from the Prestea Huni-Valley District Assembly, Ghana Education Service, Prestea Goldfields International School Board, the Himan - Prestea community, and GSPL, was formed and inaugurated on 22nd January 2013 by the District Chief Executive of Prestea Huni-Valley District. The mandate of the committee is to reach a signed negotiated relocation agreement for the school that is acceptable to all represented parties.



ANTI-CORRUPTION

Golden Star strives to maintain the highest standards of transparency and professional integrity. We believe that all aspects of our business should be conducted in an honest, ethical, and transparent manner in accordance with all applicable laws and regulations.

Our participation in the Ghana Extractive Industries Transparency Initiative (EITI) exemplifies our commitments to anti-corruption efforts. In 2011 and 2012, we set a goal of providing records of our quarterly payments to government, and we are pleased to have achieved this goal for both years.

At the end of 2013, the Traditional authorities, stools, and District Assemblies were informed by letter of the estimated royalties that would be payable to them based on gold production and the location of that production. The allocations according to the legislation are provided in the following tables, in addition to our payments to the government.



DID YOU KNOW?

- Ghana has sustained an economic growth rate of 5-7% over two decades, and continued poverty reduction from 39.5% in 1999 to 28.5% in 2006. Golden Star, to date, has made payments to the Government of Ghana amounting to over US\$298M.
- In 2013, over US\$437M was paid to Ghanaians or Ghanaian registered companies by our Ghanaian operations.

ROYALTIES (BOGOSO)

NO.	ENTITY	SUB-ENTITY	AMOUNT IN US\$				
			2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 TOTAL
Bogo-	OASL	OASL OVERHEAD	40,322	28,504	23,215	21,179	119,221
	TRADITIONAL AUTHORITIES	BOGOSO TRADITIONAL AUTHORITY	30,771	33,794	33,742	32,800	131,109
		HIMAN TRADITIONAL AUTHORITY	3,602	207	380	-	4,190
		BOGOSO / BEPPO TRADITIONAL AUTHORITY (NOT YET DEFINED)	6,854	17,618	14,469	18,837	57,780
		ADAAMANSO TRADITIONAL AUTHORITY	8,605	7,530	10,756	8,224	35,117
		TOTAL	49,834	59,151	59,348	59,862	228,197
	STOOL LANDS	BOGOSO TRADITIONAL AUTHORITY	50,944	42,098	42,177	41,001	176,222
		HIMAN TRADITIONAL AUTHORITY	5,964	258	475	-	6,698
		BOGOSO / BEPPO TRADITIONAL AUTHORITY (NOT YET DEFINED)	11,348	21,948	18,086	23,547	74,930
		ADAAMANSO TRADITIONAL AUTHORITY	14,246	9,381	13,445	10,280	47,354
		TOTAL	82,504	73,686	74,185	74,828	305,205
	DISTRICT	PRESTEA HUNI-VALLEY DISTRICT ASSEMBLY	115,524	138,873	121,195	136,948	512,542
		AMENFI EAST DISTRICT ASSEMBLY	21,250	23,793	42,011	27,674	115,001
		TOTAL	137,045	162,667	163,207	164,622	627,543
		TOTAL OF 10%	309,706	324,010	319,956	326,493	1,280,167

TABLE CONTINUED ON NEXT PAGE...

ROYALTIES (WASSA)

NO.	ENTITY	SUB-ENTITY	AMOUNT IN US\$				
WASSA			2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 TOTAL
	OASL	OASL OVERHEAD	70,742	69,316	58,141	68,244	266,443
	TRADITIONAL AUTHORITIES	WASSA FIASE	38,289	23,102	27,441	56,741	145,575
		MPOHOR	44,523	50,833	38,606	33,048	167,011
		AHANTA	44,523	50,833	38,606	33,048	167,011
		TOTAL	127,336	124,769	104,654	122,839	479,599
	STOOL LANDS	MAMPONSO	47,862	28,878	34,302	70,926	181,969
		MPOHOR	55,653	63,541	48,257	41,311	208,764
		MANSO	-	-	-	-	-
		PRETSEA	55,653	63,541	48,257	41,311	208,764
		TOTAL	159,170	155,962	130,817	153,549	599,498
	DISTRICT ASSEMBLIES	MPOHOR WASSA EAST	105,297	63,532	75,464	156,038	400,332
		TARKWA NSUAEM	122,438	139,792	106,167	90,884	459,282
		AHANTA WEST	122,438	139,792	106,167	90,884	459,282
		TOTAL	350,174	343,117	287,798	337,807	1,318,897
		TOTAL OF 10%	707,422	693,165	581,411	682,440	2,664,439

GOVERNMENT PAYMENTS

		2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 TOTAL	LIFE TO DATE (AS AT END 2013)
BOGOSO	PAYE	1,170,169	937,299	726,279	842,420	3,676,168	19,810,604
	SSNIT	528,080	509,474	494,191	471,598	2,003,344	11,142,237
	VAT	1,012,759	1,006,388	1,269,148	1,013,812	4,302,108	22,719,869
	IMPORT DUTIES	262,765	995,919	800,719	253,277	2,312,682	9,540,729
	ROYALTIES	4,032,201	2,850,446	2,321,527	2,717,923	11,922,099	57,427,962
	FEES, PERMITS, LICENSES	94,709	30,913	16,011	172,122	313,757	1,281,605
	WITHOLDING TAX	424,541	421,289	278,490	247,495	1,371,817	10,334,155
	STAMP DUTIES	-	12,433	35,402	7,654	55,490	756,014
	TOTAL	7,525,227	6,764,164	5,941,771	5,726,305	25,957,469	133,013,179
WASSA	PAYE	1,020,359	777,563	618,726	944,063	3,360,713	13,969,119
	SSNIT	457,948	373,786	382,901	388,960	1,603,596	8,403,201
	VAT	854,101	759,342	613,885	599,761	2,827,090	36,376,418
	CORPORATE TAX	8,286,389	4,757,234	84,280	10,365,000	23,492,903	23,492,903
	IMPORT DUTIES	518,985	317,173	244,959	297,412	1,378,529	3,988,087
	ROYALTIES	3,690,257	3,444,301	2,755,506	2,829,630	12,719,695	56,247,850
	FEES, PERMITS, LICENSES	72,835	46,138	47,751	26,021	192,746	1,016,505
	WITHOLDING TAX	387,237	698,260	902,916	991,672	2,980,087	14,485,344
	STAMP DUTIES	0	-	-	-	-	349,490
	NATIONAL STABLIZATION LEVY	0	-	-	-	-	7,084,585
	TOTAL	15,288,113	11,173,801	5,650,927	16,442,522	48,555,363	165,413,506

YEAR AT A GLANCE

OUR PEOPLE

<i>METRIC</i>	<i>2012</i>	<i>2013</i>	
# OF EMPLOYEES	2,044	2,317	–
# OF THIRD-PARTY CONTRACTOR EMPLOYEES	448	316	–
# OF GSOPP CONTRACTOR EMPLOYEES	260	245	√
% OF WORKFORCE FROM WESTERN REGION	52	58.6	√
% OF WORKFORCE FROM LOCAL COMMUNITIES	48	45.3	–
# OF HSEC SPECIALIST PERSONNEL	147	127	–
WAGES PAID	US\$54M	US\$54M	–
TOTAL HOURS OF TRAINING PROVIDED	102,440	155,492	√
EXPENDITURE ON TRAINING	US\$0.76M	US\$0.78M	–
# OF EMPLOYEE EDUCATION SCHEME PARTICIPANTS	20	16	–
# OF WOMEN EMPLOYED	159	155	–
% OF WORKFORCE THAT ARE WOMEN	8	6.7	–
% OF WORKFORCE BELONGING TO A UNION	98	98	–

√ = IMPROVEMENT X = NEEDS IMPROVEMENT – = SAME

HEALTH AND SAFETY

<i>METRIC</i>	<i>2012</i>	<i>2013</i>	
FATALITIES	3	1	X
# OF HSE AUDITS	26	43	√
LTIFR	0.24	0.38	X
# OF HAZARD INSPECTIONS	396	414	√

√ = IMPROVEMENT X = NEEDS IMPROVEMENT – = SAME

ENVIRONMENT

<i>METRIC</i>	<i>2012</i>	<i>2013</i>	
ML OF WATER ABSTRACTED	532,489	465,034	√
ML OF WATER RELEASED	867,794	995,620	√
ML OF WATER RECYCLED	3,689,510	4,503,570	√
% OF WATER SAMPLES IN EPA COMPLIANCE	98	98	–
LITRES OF WASTE OIL RECYCLED	320,397	313,721	–
HA OF LAND BEING REHABILITATED	124	104	X
TOTAL ENVIRONMENTAL EXPENDITURE	US\$4.8M	US\$4.4M	–
MWH OF ELECTRICITY CONSUMED	272,022	254,632	–
DIESEL CONSUMPTION	37.5ML	38.8ML	X
% OF BLASTS IN COMPLIANCE WITH MONITORING PROGRAMME	100	100	√
% OF BLASTS IN COMPLIANCE WITH NOISE LIMITS	100	100	√
% OF BLASTS IN COMPLIANCE WITH VIBRATION LIMITS	95	96	X

*ML = MEGA-LITRES

√ = IMPROVEMENT X = NEEDS IMPROVEMENT – = SAME

COMMUNITY RELATIONS

<i>METRIC</i>	<i>2012</i>	<i>2013</i>	
# OF FORMAL CONSULTATIONS	263	314	√
CONSULTATION PARTICIPANTS	4,464	6,020	√
# OF COMMUNITY MINE CONSULTATIVE COMMITTEE MEETINGS	169	153	–
# OF COMMUNITY COMPLAINTS	106	69	√
GSDF CONTRIBUTIONS	US\$0.38M	US\$0.33M	–
GSDF CONTRIBUTIONS TO DATE	US\$2.3M	US\$2.36M	–

√ = IMPROVEMENT X = NEEDS IMPROVEMENT – = SAME

CORPORATE GOVERNANCE

METRIC	2012	2013	
# OF ENVIRONMENT INSPECTIONS	52	115	√
% OF JOBS LET TO TENDER	50	38	X
# OF SOLE SOURCED CONTRACTS	77	58	√
% OF STAFF ACKNOWLEDGING SUSTAINABILITY POLICIES	90	100	√





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