

SUSTAINABILITY REPORT 2012



EFEMÇUKURU VINEYARD PROJECT, TURKEY

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REPORTING GUIDELINES

This report includes data on the economic, environmental and social performance (known as performance indicators) of our five wholly or majority-owned gold mines and our one wholly owned iron ore mine. We discuss the Greek assets we acquired in 2012 from European Goldfields (EGU), and that are operated by our subsidiary Hellas Gold, as a single group unless noted otherwise. Data for all the assets acquired from EGU are from the acquisition date, February 24, 2012, through year-end 2012. All other data is for the full 2012 calendar year.

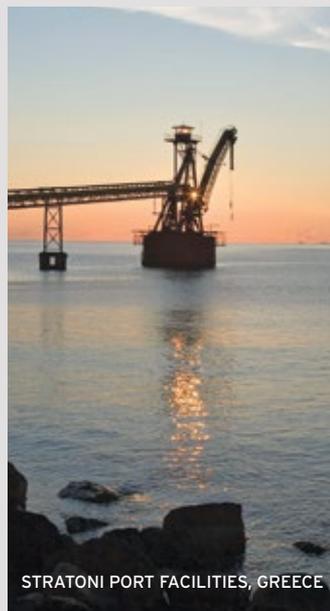
This report complies with the requirements of the Global Reporting Initiative (GRI) G3.1 Guidelines (www.globalreporting.org/resourcelibrary/G3.1-Sustainability-Reporting-Guidelines.pdf). We have assessed this report internally and are confident that it meets the requirements for the GRI Application Level C.

Many of the GRI performance indicators do not yet apply to our exploration, development and construction projects. However, they are incorporated in the discussion and statistics when appropriate. Performance data from our Vancouver head office or other regional offices is not included unless indicated otherwise.

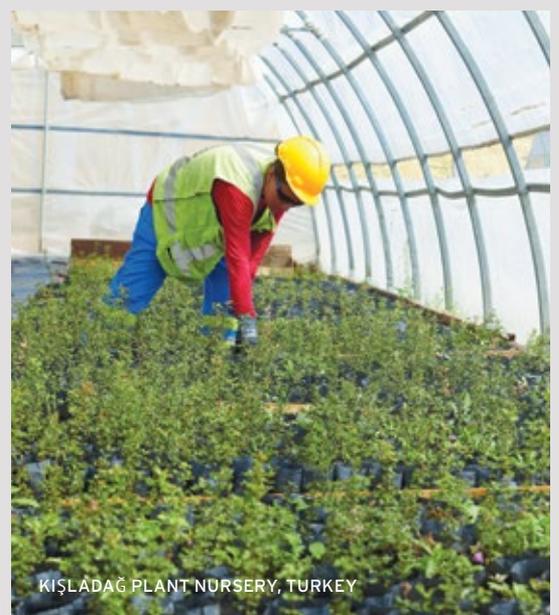
MATERIALITY

The performance indicators included in this report pertain to issues that we believe are material to our stakeholders and operations. We identify material issues based on their relevance to our Corporate Responsibility values and their potential effects on employees, surrounding communities, investors and other interested parties.

► Welcome to Eldorado's second annual Sustainability Report. We are pleased to present our health, safety, environmental and community performance for 2012.



STRATONI PORT FACILITIES, GREECE



KIŞLADAĞ PLANT NURSERY, TURKEY

Our Stakeholders

Eldorado has an inclusive definition of stakeholders that encompasses employees, contractors, suppliers, investors, local community members near our operations, all levels of government in the countries in which we operate and non-governmental organizations (NGOs). We aim to openly and regularly communicate with all of these groups. Company employees, contractors and investors also have multiple modes of communication available to them to voice concerns relating to corruption, environmental impacts and safety.

In 2012, Eldorado's sites held hundreds of formal and informal meetings with local community members and government officials. The most commonly raised topics by local community members were questions about employment opportunities and suggestions for community development projects. Other topics included environmental and tourism concerns.



GOALS FOR 2013

- Zero fatalities
- To reduce our lost-time incident frequency rate by at least 10 percent over the next year
- To improve health, safety and environmental incident prevention through increased communication between all sites by standardizing the software used to collect data
- To improve and standardize tracking for non-lost-time incidents (medical aid, first aid and near misses)
- No significant environmental incidents
- To become certified compliant in the International Cyanide Management Code at our Kışladağ operation, and prepare for pre-audits for certification at Jinfeng, Tanjianshan and White Mountain
- To become ISO 14001 certified for environmental management at Efemçukuru and all of our Hellas Gold sites
- To become OHSAS 18001 certified for safety management at Efemçukuru and Kışladağ
- To improve transparency by continuing to publish annual sustainability reports

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CHILDREN AT GOLD MOUNTAIN ELEMENTARY SCHOOL NEAR JINFENG, CHINA

2012 Performance

2012 Goals	Status	Comment
Zero fatalities	■ Achieved	We had no work-related fatalities at any of our operations in 2012.
Zero LTIs	■ Not achieved	Eldorado's operations achieved a cumulative lost-time incident frequency rate of 1.75, compared to 2.11 in 2011.
To continue to improve the safety culture in all countries where we have operations	■ In progress	We decreased our overall lost-time incident frequency rate by 17% over the last year. For more information about our safety initiatives, please see the Health & Safety section.
To improve health, safety and environmental incident prevention through increased communication between all sites by standardizing the software used to collect data	■ In progress	In 2012 we started to roll out INX software at our operations to standardize health and safety data collection.
To improve and standardize tracking for non-lost-time incidents (medical aid, first aid and near misses)	■ Partially achieved	All of Eldorado's European and Chinese operations track non-lost-time safety incidents.
No significant environmental incidents	■ Achieved	None of Eldorado's operations had any major environmental incidents in 2012.
To become an International Cyanide Management Code signatory at all of our cyanide-using operations	■ Achieved	We became a signatory to the Cyanide Code on July 30, 2012. We are now in the process of certifying our operations as compliant.
To become ISO 14001 certified for environmental management at Kışladağ	■ Achieved	Kışladağ was certified in the ISO 14001:2004 Environmental Management System on October 23, 2012.
To improve transparency by continuing to publish annual sustainability reports as per the GRI guidelines	■ Achieved	This is Eldorado's second annual sustainability report.

Employees

Eldorado has over 7,000 employees and contractors in six countries. We believe in hiring locally wherever possible, paying competitive wages and helping employees build lifelong skills. We are committed to the creation of a safe work environment that allows our employees to maximize their potential within their chosen careers. Our male and female employees at all projects and operations are paid equal wages for the same jobs.

We strive to maintain an open and transparent environment at all of our operations and projects. In 2012, we had zero employee strikes or lockouts, and no incidents of discrimination were reported. Eldorado has a whistleblower policy open to all employees, officers and directors.



EMPLOYEES AT KIŞLADAĞ, TURKEY

NUMBER OF EMPLOYEES AND CONTRACTORS BY SITE AT 2012 YEAR-END

Site	Employees	Contractors	Total
Ankara Office	94	0	94
Kışladağ	659	332	991
Efemçukuru	390	264	654
Beijing Office	38	0	38
China Exploration	66	0	66
Jinfeng	879	572	1,451
Tanjianshan	437	290	727
White Mountain	576	513	1,089
Eastern Dragon	46	2	48
Belo Horizonte Office	13	12	25
Vila Nova	47	257	304
Tocantinzinho	15	156	171
Athens Office	21	0	21
Skouries	116	55	171
Olympias	197	104	301
Greek Exploration	17	85	102
Stratoni	384	158	542
Perama Hill	48	29	77
Certej	106	3	109
Vancouver Office	43	0	43
Total	4,192	2,832	7,024

ANNUAL EMPLOYEE TURNOVER

Site	Rate of Employees Entering Employment (%)	Rate of Employees Leaving Employment (%)
Kışladağ	12.1	4.6
Efemçukuru	11.3	4.0
Jinfeng	17.3	7.2
Tanjianshan	16.9	11.4
White Mountain	21.9	4.2
Vila Nova*	42.6	34.0
Hellas Gold (Stratoni, Olympias, Skouries)	72.1	15.6
Perama Hill	31.3	0.0
Certej	25.5	8.5
Weighted Average	27.2	8.3

*Employee turnover is higher at Vila Nova due to the high number of short-term contracts in a region that culturally has a low rate of long-term, full-time positions.

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PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

Site	%
Kışladağ*	71.9
Efemçukuru*	61.7
Jinfeng	100.0
Tanjianshan**	7.3
White Mountain	100.0
Vila Nova	100.0
Hellas Gold (Stratoni, Olympias, Skouries)	100.0
Perama Hill	100.0
Certej	100.0
Weighted Average	80.4

*Less than 100% of Kışladağ and Efemçukuru employees are covered by collective bargaining agreements as professional, managerial and administrative staff are not included in these agreements.

** Union membership at Tanjianshan is voluntary; most employees have Individual Bargaining Agreements.



ENVIRONMENTAL TESTING AT KIŞLADAĞ, TURKEY

AVERAGE HOURS OF ANNUAL TRAINING PER EMPLOYEE

Site	Hours
Kışladağ	78.0
Efemçukuru	18.6
Jinfeng	36.9
Tanjianshan	38.0
White Mountain	56.9
Vila Nova	18.8
Hellas Gold (Stratoni, Olympias, Skouries)	7.5
Perama Hill	20.8
Certej	96.4
Weighted Average	40.9

PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE REVIEWS

Site	%
Kışladağ	80.4
Efemçukuru*	9.6
Jinfeng	100.0
Tanjianshan	100.0
White Mountain	88.7
Vila Nova	82.0
Hellas Gold (Stratoni, Olympias, Skouries)	17.7
Perama Hill	2.1
Certej	100.0
Weighted Average	68.9

*As Efemçukuru, Perama Hill and Hellas Gold sites start up, they are reviewed on a site-wide basis rather than per employee.

RATIO OF AVERAGE ENTRY-LEVEL WAGE TO LOCAL MINIMUM WAGE

Site	Ratio
Kışladağ	1.25
Efemçukuru	1.35
Jinfeng	2.54
Tanjianshan	2.31
White Mountain	1.41
Vila Nova	1.24
Hellas Gold (Stratoni, Olympias, Skouries)	1.51
Perama Hill	1.88

HUMAN RIGHTS

At Eldorado, we hold ourselves to the highest human rights standards. We have policies at all of our operations to prevent the use of forced or child labour in our projects and operations. In the communities where we work, we make direct and indirect economic contributions to and invest in community development programs. These programs focus on health, education and enhancing the employment skills of our personnel, and decrease the need for forced or child labour.

Health and Safety

Safety is our first priority. We recognize the effects that an injury or illness have on an employee's family and community, as well as on our operations. We continue to set ambitious health and safety standards at our operations as we work toward our ultimate goal of zero harm. We had no work-related fatalities at any of our sites in 2012.

SAFETY KEY PERFORMANCE INDICATORS (EMPLOYEES AND CONTRACTORS)

Lost-time incidents (LTIs) are any work-related incidents that require an employee or contractor to take time off work; the lost-time incident frequency rate (LTIFR) is the number of incidents per million man-hours worked. Occupational diseases result from workplace exposure to a chemical, physical or biological agent, such as lead poisoning or heatstroke. The lost-day rate is the average number of work days lost per million man-hours worked.

SAFETY KEY PERFORMANCE INDICATORS (EMPLOYEES AND CONTRACTORS)

Site	2011 LTIFR	2012 LTIFR	Occupational Diseases	Lost-Day Rate	Fatalities
Kışladağ	1.85	1.97	0	14.9	0
Efemçukuru	3.70	2.45	0	75.3	0
Jinfeng	1.49	0.81	2	48.6	0
Tanjianshan	1.76	0.00	0	0.00	0
White Mountain	2.09	1.81	0	34.9	0
Eastern Dragon	0.00	0.00	0	0.00	0
Vila Nova	7.00	3.70	0	50.5	0
Stratoni	–	2.76	0	145.0	0
Olympias	–	7.41	0	42.0	0
Skouries	–	7.16	0	196.9	0
Perama Hill	0.00	0.00	0	0.00	0
Certej	–	0.00	0	0.00	0

TRAINING

All of our operations have a strong focus on safety training. We include contractors in our safety training sessions, recognizing that they play a significant role in the safety of our operations. We also conduct regular emergency drills. Each site has an emergency response team, emergency equipment and defined emergency protocols and procedures for various emergency scenarios. Adjacent communities, nearby hospitals, police and fire departments are included in procedures and advised of potential situations that may necessitate their involvement. Our mine emergency response teams are available to nearby communities and are often first responders to external emergencies.

Emergency training includes mine rescue drills, fire drills, CPR and first aid training, and training in hazardous material suits and other safety equipment.

Eldorado has health programs at each site to provide immunizations, checkups and basic medical treatments or services for all employees, contractors and community members. Stringent safety procedures contribute to a reduced likelihood of occupational disease. We also have programs in place to prevent endemic diseases. For example, our

Vila Nova mine uses mosquito spray and netting to prevent malaria. We also train our staff at all operations to recognize the symptoms of relevant endemic diseases to enable earlier diagnosis and treatment.

OHSAS 18001

OHSAS 18001 is a best quality standard for occupational health and safety management systems that we are using or implementing at our sites.

Following a successful audit in October 2012, Hellas Gold's occupational health and safety management system was recertified to OHSAS 18001:2007 in November 2012. This certification is for Stratoni, Olympias, Skouries and Hellas Gold exploration. The management systems cover exploration, preparatory works, mining, beneficiation and trade of mixed sulphide ores and products. The certificate is valid until January 2014.

Efemçukuru and Kışladağ are also working toward OHSAS 18001 certification and both expect to be audited in 2013.

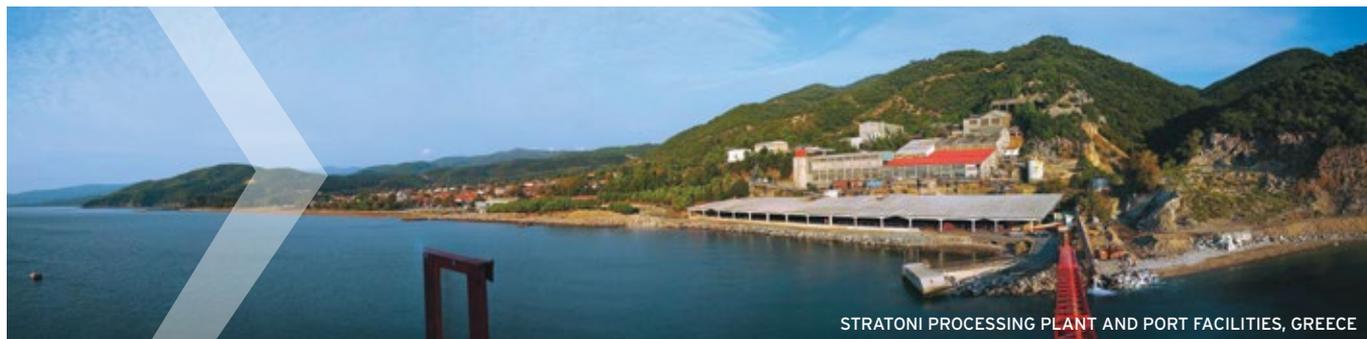
For more information about OHSAS 18001, please visit: www.ohsas-18001-occupational-health-and-safety.com.



TOTAL HEALTH, SAFETY AND ENVIRONMENTAL TRAINING

Site	Man-Hours
Kışladağ	21,478
Efemçukuru	9,603
Jinfeng	12,268
Tanjianshan	1,649
White Mountain	27,964
Vila Nova	8,688
Hellas Gold (Stratoni, Olympias, Skouries)	4,208

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STRATONI PROCESSING PLANT AND PORT FACILITIES, GREECE

Environment

We aim to minimize the potential environmental impacts of our operations. Over the past two decades, Eldorado has proven its ability to safely develop, operate and decommission complex mining projects internationally while minimizing the environmental impact of our activities. We have built four mines in three countries over a seven-year period with no significant environmental incidents.

In line with regulations and our own operating standards, Eldorado maintains strict monitoring and management of water (surface, ground, potable and sea), air (dust and air emissions), soils, noise, mining wastes and biodiversity throughout the life of our mining operations. Our operations are also regularly audited by independent government, academic and community groups to ensure each site is operating within environmental limits.

PERMITTING

Eldorado adheres to strict safety and environmental regulations in each of the regions where it operates. These include conducting a full Environmental Impact Assessment/ Environmental Impact Statement (EIA/EIS) before receiving a permit to operate. The EIA/EIS includes a detailed closure and full rehabilitation plan. We also complete studies on environmental parameters such as biodiversity, water (surface, ground, potable and sea), air (dust and air emissions), soils, noise and mining wastes. These parameters are used throughout operation and closure to ensure mitigation programs are effective.

WATER

Water is a valuable resource and we are dedicated to conserving and managing it effectively. At our operations with less access to water, we have programs in place to recycle as much water as possible. At our Jinfeng, White Mountain, Efemçukuru and Hellas Gold operations, we have more water than is needed for processing and we must drain this water from the mining areas. When excess water is discharged, it is treated at our water treatment plants and tested for quality control before being released.

The water we use at our sites comes from a variety of sources. Surface water is drawn from rivers, lakes and areas where water naturally collects above ground. Groundwater is drawn from wells or from below ground and includes the water we drain from mining areas. Municipal water comes from municipal

WATER USE AT EACH OPERATION (THOUSANDS OF CUBIC METRES)

Site	Groundwater	Surface Water	Municipal Water	Recycled	Reused	Total Withdrawn
Kışladağ	757.7	0.0	0.0	18,535.3	0.0	757.7
Efemçukuru	230.0	0.0	3.0	396.7	400.0	233.0
Jinfeng	0.0	1,815.4	0.0	2,203.6	0.0	1,815.4
Tanjianshan	0.0	736.5	0.0	0.0	687.5	736.5
White Mountain	1,072.5	0.0	0.0	251.5	1,796.7	1,072.5
Hellas Gold (Stratoni, Olympias, Skouries)	4,911.1	0.0	24.0	26.4	2,417.6	4,935.0
Vila Nova	17.0	21.2	0.0	0.0	1,296.0	38.2

water supply systems. Reused water is recirculated water from our operations, processes or offices without treatment. Recycled water is also recirculated, but is treated prior to recirculation. Discharged water is treated and then discharged into natural sources.

WATER EFFICIENCY (CUBIC METRES PER OUNCE OF GOLD PRODUCED)

Site	m ³ /oz
Kışladağ	2.62
Efemçukuru (includes pre-commercial production)	3.33
Jinfeng	16.83
Tanjianshan	6.66
White Mountain	3.11

DISCHARGED WATER AT EACH OPERATION (THOUSANDS OF CUBIC METRES)

Site	Total Discharged
Kışladağ	43.8
Efemçukuru	126.7
Jinfeng	432.2
Tanjianshan	0.0
White Mountain	820.9
Hellas Gold (Stratoni, Olympias, Skouries)	4,509.3
Vila Nova	0.0

ENERGY

Most of Eldorado's direct energy comes from fossil fuel and electricity. We recognize that emissions from energy use can have environmental impacts. Energy is also one of the key cost factors at our operations. We strive to reduce the energy used at each site by identifying, evaluating and implementing energy-efficient processes. For example, at Kışladağ we are in the process of switching over to an electric vehicle fleet to reduce emissions and save on energy costs.

In 2012, we began reporting our energy emissions to the Carbon Disclosure Project. By tracking this information on an annual basis, we are in a better position to assess where we can most effectively decrease our energy use.

Our on-site equipment uses gasoline, diesel, liquefied propane gas and coal as fuel. These fuels for on-site stationary and mobile combustion make up our Scope 1 energy use. Purchased electricity, which is reported as Scope 2 energy use, is used for powering plants and buildings.

SCOPE 1 ENERGY USE AT EACH OPERATION (GIGAJOULES)

Site	GJ
Kışladağ	592,951
Efemçukuru	45,082
Jinfeng	85,559
Tanjianshan	178,354
White Mountain	201,010
Hellas Gold (Stratoni, Olympias, Skouries)	54,650
Vila Nova	88,647

SCOPE 2 ENERGY USE AT EACH OPERATION (GIGAJOULES)

Site	GJ
Kışladağ	280,595
Efemçukuru	133,562
Jinfeng	537,196
Tanjianshan	310,675
White Mountain	214,262
Hellas Gold (Stratoni, Olympias, Skouries)	99,072
Vila Nova	0

ENERGY EFFICIENCY (GIGAJOULES PER OUNCE OF GOLD PRODUCED; SCOPES 1 AND 2)

Site	GJ/oz
Kışladağ	3.02
Efemçukuru (includes pre-commercial production)	1.84
Jinfeng	5.77
Tanjianshan	4.42
White Mountain	5.14



TANJIANSHAN WATER TREATMENT PLANT, CHINA

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MATERIALS USED AT EACH OPERATION (TONNES)

Site	Cyanide	Lime	Carbon	Hydrochloric Acid	Sulphuric Acid	Sodium Hydroxide
Kışladağ	5,536	65,200	88	434	0	1,406
Efemçukuru	0	6	0	0	415	0
Jinfeng	1,004	14,858	25	135	3,927	132
Tanjianshan	637	3,681	28	120	0	32
White Mountain	924	962	24	73	0	1,801

MATERIALS USED IN GOLD PRODUCTION

Cyanide

Cyanide is used safely in many industries around the world. In gold mining, cyanide is used to dissolve gold in order to separate it from the ore.

Protective measures are taken at each of our sites to ensure worker and environmental safety. These include:

- providing employees with extensive training in safe handling procedures,
- ensuring that appropriate personal protective equipment is worn in all areas in which cyanide is in use, and
- covering ponds containing cyanide with plastic balls to deter birds.

The Cyanide Code, developed by the International Cyanide Management Institute (ICMI), outlines best practices for handling cyanide from production to disposal. In 2012, Eldorado applied for Code certification for all of its mines where cyanide is used in producing gold doré. We are now in the process of having our operations certified as compliant.

Lime

In gold mining, lime is added to the cyanide solution to keep it at a safe pH level. Contact with lime can cause skin and eye irritation. The policies and procedures in place at each operation for dealing with cyanide, such as training, safe handling procedures and the use of appropriate personal protective equipment, also protect employees from lime.

Carbon

Activated carbon does not pose health risks to workers. It is used to extract the gold and cyanide compound from slurry, after which the gold is stripped from the carbon and the carbon is reused.

Hydrochloric Acid

Diluted hydrochloric acid is used to remove impurities from activated carbon before recirculation. Hydrochloric acid is an irritant. Employees who work with the acid are trained in safe handling procedures and required to use personal protective equipment.

Sulphuric Acid

Sulphuric acid is used at Jinfeng in the BIOX process and at Efemçukuru to modify the pH of the float circuit. Tanjianshan converts gas from the roaster into sulphuric acid and sells it, a process that eliminates toxic air emissions resulting from the roasting. Measures such as training, safe handling procedures and the use of appropriate personal protective equipment are in place to protect employees.

Sodium Hydroxide

We use sodium hydroxide to modify the pH to an appropriate level for stripping gold from carbon and electro-winning. Kışladağ uses sodium hydroxide to increase the pH of the solution being processed through the ADR (Adsorption Desorption Regeneration) plant to decrease the adsorption of copper onto the carbon. White Mountain also uses sodium hydroxide to pre-condition the ore prior to leaching, which improves

recovery on the ore-containing sulphide material. Sodium hydroxide is an irritant and employees working with this chemical are trained in safe handling procedures and required to use personal protective equipment.

WASTE

Mining waste at our operations is mostly waste rock, overburden and tailings. Some overburden and rock can pose a potential toxicity risk to the environment. When a risk is identified, we carefully plan how and where the rock is placed. We store our tailings on designated lined pads if necessary and take steps during rehabilitation to ensure any residual toxins will not cause any environmental effects. When tailings do not pose a toxicity risk, as is the case at Efemçukuru, Jinfeng, Olympias and Stratoni, they will be partially recycled for mine backfill.

ENVIRONMENTAL MANAGEMENT

Potential environmental incidents and their impacts are identified and assessed as part of the baseline studies completed in the EIA/EIS process. Risk mitigation of the identified scenarios is then factored into the mine design, using appropriate technologies and equipment to best minimize potential incidents.

All of Eldorado's operations have a comprehensive environmental emergency management plan. Each site has a response team trained in scenario response methods, including communication guidelines to involve relevant external groups.

WASTE AT EACH OPERATION (TONNES)

Site	Overburden	Waste Rock	Tailings/Sludges
Kışladağ	16,942	20,937,550	0
Efemçukuru	0	90,852	279,163
Jinfeng	613,205	13,369,468	1,382,450
Tanjianshan	0	1,517,604	1,061,425
White Mountain	0	1,168,706	1,796,838
Hellas Gold (Stratoni, Olympias, Skouries)	0	141,973	208,373
Vila Nova	0	3,291,711	86,644

ISO 14001

ISO 14001 is an international standard for best practice in environmental management systems. Kışladağ was certified on October 23, 2012.

Efemçukuru will apply for ISO 14001 certification in 2013, as will our Greek operations under our subsidiary, Hellas Gold. The goal is to include all activities (exploration, construction, mining, beneficiation and waste management) at all Hellas Gold sites.

For more information about ISO 14001, please visit: www.iso.org/iso/home/standards/management-standards/iso14000.htm

Cyanide Code

In July 2012, all of Eldorado's cyanide-using gold operations became signatory to the International Cyanide

Management Code. The Code is a set of standards for cyanide production, transportation, storage, use and disposal. We plan to have our sites work toward undergoing pre-audits and to have Kışladağ certified compliant by the end of the year. By becoming Code signatories, we aim to ensure that all of our operations are using the world's best practices for cyanide use.

For more information about the Cyanide Code, please visit: www.cyanidecode.org. For more information about the use of cyanide in mining, please visit: www.gold.org/about_gold/sustainability/environmental

MINE CLOSURE AND RECLAMATION

At Eldorado, we are committed to restoring those areas that are no longer needed for mining use. All of our operations have closure plans.

ADDITIONAL LAND DISTURBED OR REHABILITATED AT EACH OPERATION IN 2012 (HECTARES)

Site	Land Disturbed in 2012	Land Rehabilitated in 2012
Kışladağ	90.5	6.6
Efemçukuru	0.0	0.0
Jinfeng	27.8	6.0
Tanjianshan	0.0	0.0
White Mountain	0.1	3.3
Vila Nova	3.5	0.3
Hellas Gold (Stratoni, Skouries, Olympias)	21.0	0.3



REHABILITATION OF THE OLYMPIAS VALLEY, GREECE

OLYMPIAS TAILINGS REHABILITATION

As part of our environmental commitment, we are conducting one of the largest environmental rehabilitation projects currently ongoing in Greece. We are cleaning up more than 2.4 million tonnes of tailings from previous mining activities in the Olympias Valley. Over the next three years, we will gradually rehabilitate 26.5 hectares of land. In cooperation with the Forestry and Natural Environment Department of Aristotle University in Thessaloniki, we are conducting in-situ pilot planting tests. The area will eventually be replanted with native species grown in our nursery, and returned to the community in a natural greenfield state.

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Community

Eldorado works closely with the communities neighbouring our areas of operation. We believe in building positive, mutually beneficial relationships with local communities throughout the life cycle of our operations.

Eldorado begins stakeholder engagement during the exploration stage, guided by the UN principles of Free, Prior and Informed Consent. We respect the right of every person to voice their opinion in a safe, legal and responsible manner and recognize that different parties have different views.

Eldorado operates in full compliance with the regulations in place at each of the regions where we operate. Like our host communities, our top priorities are the safety of our people and our responsibility to the environment. In the project stage we conduct a full EIA/EIS before receiving a permit to operate. Preparing the EIA/EIS requires significant

engagement with local communities, municipalities and government – engagement that is ongoing throughout the mine's life cycle.

BENEFITS TO LOCAL COMMUNITIES

Mining operations provide tangible benefits to local communities and national economies. Eldorado invests billions of dollars in projects around the world, generating thousands of direct and indirect jobs in local communities. Issues around employment are the most commonly raised topics at our meetings with community members and representatives. Host governments also benefit from various taxes, including corporate tax, payroll and social contribution taxes, and royalties throughout the life of our projects.

Eldorado is also directly involved in community improvement. Through consultation with local stakeholders, we select projects that improve the livelihood of local communities – such as investing in infrastructure, education and health – both during and beyond the life of the mines.

EXAMPLES OF LOCAL INITIATIVES

In 2012, Eldorado spent over US\$7.4 million on community development programs. Some of our initiatives are outlined below.

Turkey

- At Kışladağ, we work closely with Uşak province to improve its infrastructure and to support health and education programs. Eldorado's largest donation in 2012 was funding the construction of a new building for Uşak University. We also funded the construction of a new wedding hall in a local village and donated an ambulance to Ulubey Hospital.
- Our largest community initiative at Efemçukuru is the vineyard project, where we employ up to 30 local villagers as permanent and temporary employees in the management of over 20 hectares of wine and table grapes. Our first commercial production of wine is expected in 2013. We are working with the community and grape marketing agents to secure the best prices for local table grapes.
- Also at Efemçukuru, we are supporting the education of local villagers. Our contribution goes towards building improvements, uniforms, school supplies and providing school services. When we began the education project in 2004 there was one high school graduate from the local villages, and no students attending a post-secondary institution. In 2012, there were 30 high school graduates and four students attending university. Many of these high school graduates are now working at Efemçukuru.



CHILDREN AT VILA NOVA VILLAGE SCHOOL, BRAZIL

Greece

- In Greece, our community investments are focused on municipal infrastructure projects. In the summer of 2012, we also funded and coordinated a restoration program of a cultural monument in time for a related celebration. We hired local contractors for the program, further supporting the municipal economy.

China

- As part of our five-year agreement with the provincial government, Eldorado sets aside a minimum of US\$200,000 each year to donate to charity projects in Qinghai province, the location of our Tanjianshan mine. In 2012, one of Tanjianshan's community projects was aimed at improving doctors' and nurses' skills. We donated money to the Dachaidan People's Hospital as part of a three-year program to provide improved medical training for hospital staff.
- White Mountain is unique in being located very close to a city. The mine is seven kilometres away from Baishan, where we are investing in an agricultural project to create sustainable income for locals beyond the life of the mine. We 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 the mine employees and contractors and in a local market.
- White Mountain has committed resources to developing and constructing a brick factory, and it coordinates an employee training program for locals. In the fall of 2012, to ensure the safety of commuting staff and villagers, Eldorado worked with the local municipality to install 70 solar lights along the main road.



GEOLOGISTS WORKING NEAR CERTEJ, ROMANIA

- At Jinfeng, we provide health, infrastructure and education support for the neighbouring communities. In 2012, Jinfeng completed a project to design and construct an extensive network of roads in one of the local villages.
- Our Vancouver Office has worked in partnership with the Educating Rural Girls in China Project since 2011. We provide financial support for the project, which enabled them to expand to Qinghai Province in 2011 and Guizhou Province in 2012 to sponsor female university students from our rural mine regions.

Brazil

- In partnership with the city of Porto Grande, we constructed a large medical emergency unit in the village of Vila Nova that includes designated spaces for medical assessments, treatments, immunizations and dental work.
- At the Vila Nova Village School, we donated school supplies and provided emergency maintenance for the school buildings.

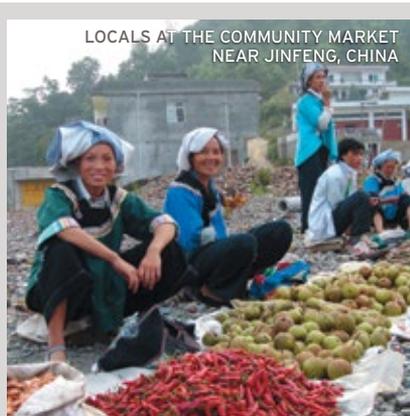
Romania

- At our Certej project, we have built excellent relationships with local communities. We are supporting an after-school program in which students can receive free tutoring and other educational and support services.

VALUE OF CHARITABLE DONATIONS AND COMMUNITY DEVELOPMENT SPENDING (IN THOUSANDS)

Site	US\$
Kışladağ	1,828.5
Efemçukuru	307.7
Jinfeng	213.9
Tanjianshan	249.3
White Mountain	372.1
Vila Nova	118.5
Hellas Gold (Stratoni, Olympias, Skouries)	4,038.7
Perama Hill	114.2
Certej	190.0
Total	7,432.9

Sustainability Report 2012



LOCALS AT THE COMMUNITY MARKET NEAR JINFENG, CHINA

JINFENG STAKEHOLDER PARTNERSHIP

In April 2012, Jinfeng founded its own cooperation program, consisting of a four-part coalition, based on our successful program at White Mountain. The Jinfeng meetings include representatives from the mine, local community, county and provincial government. These meetings allow each party to discuss potential areas of concern, suggest community improvement projects and promote mutually beneficial relationships between the communities, the government and Jinfeng. Since the establishment of the cooperation program, 15 meetings have taken place and Jinfeng has had no disputes with local communities, compared to 11 disputes (six of which were land-related) in 2011.

COMMUNITY RELATIONS

Building open and respectful relationships with local community members is the foundation of our community relations. We feel that we have excellent relations with, and support from, our host communities. Unfortunately, differences of opinion occasionally arise. In these instances, Eldorado is committed to resolving issues in an equitable manner to find a solution that is acceptable to all involved groups.

In 2012, we had three land-related disputes at our operations:

- At our Skouries project in Greece, the use of forest land for mining was challenged. We are conducting our site clearance activities according to valid permits received from the Greek state.
- Also at Skouries, we face the opposition of a vocal minority who are protesting the development of our project. We believe that the majority of the population in the area where our projects are located is supportive and that the population is benefitting economically from our investment. We are working to improve communication with external stakeholders about how we operate according to stringent health, safety, environmental and engineering standards and regulations.
- At Vila Nova, we have been in negotiations with a settler in the mine area since 2011 regarding compensation for previous improvements.

At Kışladağ, four households were relocated in 2012 as we move forward with the expansion project. These families willingly moved into the Uşak city centre and some family members are employed by the Kışladağ mine.

Glossary

Collective Bargaining Agreement

Collective bargaining agreements are between the company and workers' organizations, such as trade unions.

Discharged Water

Discharged water is used by a mine, and is then collected, treated and released back into a water body.

Endemic Diseases

Endemic diseases are those that occur frequently in a given area, such as malaria in Brazil.

Environmental Impact Assessment/ Environmental Impact Statement EIA/EIS

An EIA/EIS is a study done on an intended project area in the pre-construction phase as part of the permitting process. The EIA/EIS extensively covers many environmental aspects, such as air and water quality and the flora and fauna in the area. This data is used throughout the mine life and rehabilitation to gauge the effect of the mine and the remedial measures on the environment.

Free, Prior and Informed Consent (FPIC)

FPIC is a set of United Nations guidelines outlining the rights of locals and indigenous peoples. It promotes the rights of locals to have input regarding plans in all lifecycle stages, in a timely manner and free from coercion.

Global Reporting Initiative (GRI)

The GRI is a widely used voluntary framework that seeks to improve transparency through sustainability reporting.

Groundwater

Groundwater is collected from underground sources, including wells and water pumped from underground mines.

Incidents of Discrimination

Eldorado defines incidents of discrimination as any treatment of a person in an unethical matter. It can include the promotion or denial of promotion or benefits for reasons other than personal merit, or the harassment of employees due to cultural differences.

International Cyanide Management Code (The Cyanide Code)

The Cyanide Code covers best practices for managing cyanide in all stages of its lifecycle and was created specifically by the International Cyanide Management Institute (ICMI) for the gold mining industry. Companies can become signatory to the Code as a company or on a mine-by-mine basis.

International Organization for Standardization (ISO); ISO 14001

ISO 14001 is a set of voluntary standards for environmental management best practices.

Lost-Day Rate

The lost-day rate is the number of workdays lost due to LTIs per million man-hours worked.

Lost-Time Incident (LTI)

A lost-time incident is a workplace accident in which an employee or contractor sustains an injury that results in an inability to work for one or more work days or shifts.

Lost-Time Incident Frequency Rate (LTIFR)

The lost-time incident frequency rate is the number of LTIs per million man-hours worked.

Municipal Water

Municipal water is drawn from a municipal source.

Non-Lost-Time Incidents

A non-lost-time incident is an accident in which an employee or contractor is injured but does not require time off work. This includes restricted work, work transfers, medical aid, first aid and near misses.

Occupational Diseases

Occupational diseases are illnesses caused by workplace exposure to physical, chemical or mental agents. For example, occupational diseases can include stress-related diseases, illness due to prolonged proximity to toxic chemicals or heatstroke.

OHSAS 18001

OHSAS is a set of voluntary standards for occupational health and safety management best practices.

Overburden

Overburden is material that is removed from the surface of the deposit and stored for subsequent rehabilitation.

Recycled Water

Recycled water has been used in a task and is treated and then recirculated for use in other tasks.

Reused Water

Reused water has been used in a task and recirculated for use in other tasks without treatment.

Scope 1 Energy Use

Scope 1 energy use includes fuel relating to scope 1 emissions. This includes fuel used on site in both stationary and mobile equipment.

Scope 2 Energy Use

Scope 2 energy use includes purchased energy relating to scope 2 emissions. This includes electricity, heating, cooling and steam.

Significant Environmental Incident

We define a significant environmental incident as one in which the effects have medium- to long-term or permanent impact. A significant environmental spill cannot be readily contained and remedied.

Social Impact Assessment (SIA)

SIAs are done in conjunction with EIAs prior to beginning construction in a new area as part of the permitting process. Potentially affected communities are surveyed to determine the effects the mine could have on the local residents. Considerations include the population, current labour situation, local concerns and risk assessment.

Surface Water

Surface water is collected from any naturally occurring above-ground water source, such as oceans, lakes, rivers and streams.

Tailings and Sludges

Tailings and sludges are waste residues that result from ore processing.

Waste Rock

Waste rock is material that is mined in the process of ore extraction.

Withdrawn Water

Withdrawn water is the cumulative amount of water used from external sources. This includes surface, ground, rain and municipal water. Water efficiency is calculated from withdrawn water.