

GUIDANCE NOTE ON NON-GAAP METRICS – ALL-IN SUSTAINING COSTS AND ALL-IN COSTS

		US \$ / gold ounces sold
On-Site Mining Costs (on a sales basis)	Income Statement	(a)
On-Site General & Administrative costs	Income Statement	(b)
Royalties & Production Taxes	Income Statement	(c)
Realised Gains/Losses on Hedges due to operating costs	Income Statement	(d)
Community Costs related to current operations	Income Statement	(e)
Permitting Costs related to current operations	Income Statement	(f)
3 rd party smelting, refining and transport costs	Income Statement	(g)
Non-Cash Remuneration (Site-Based)	Income Statement	(h)
Stock-piles / product inventory write down	Income Statement	(i)
Operational Stripping Costs	Income Statement	(j)
By-Product Credits	Income Statement	(k) <i>Note: this will be a credit</i>
<i>Sub-Total (Adjusted Operating Costs)</i>		(l) = (a) + (b) + (c) + (d) + (e) + (f) + (g) + (h) + (i) + (j) + (k)
Corporate General & Administrative costs (including share-based remuneration)	Income Statement	(m)
Reclamation & remediation – accretion & amortisation (operating sites)	Income Statement	(n)
Exploration and study costs (sustaining)	Income Statement	(o)
Capital exploration (sustaining)	Cash Flow	(p)
Capitalised stripping & underground mine development (sustaining)	Cash Flow	(q)
Capital expenditure (sustaining)	Cash Flow	(r)
All-in Sustaining Costs		(s) = (l) + (m) + (n) + (o) + (p) + (q) + (r)
Community Costs <u>not</u> related to current operations	Income Statement	(t)
Permitting Costs <u>not</u> related to current operations	Income Statement	(u)
Reclamation and remediation costs <u>not</u> related to current operations	Income Statement	(v)
Exploration and study costs (non-sustaining)	Income Statement	(w)
Capital exploration (non-sustaining)	Cash Flow	(x)
Capitalised stripping & underground mine development (non-sustaining)	Cash Flow	(y)
Capital expenditure (non-sustaining)	Cash Flow	(z)
All-in Costs		= (s) + (t) + (u) + (v) + (w) + (x) + (y) + (z)

Notes:

1. All companies using this guidance are encouraged to disclose both their all-in sustaining costs and all-in costs and reconcile these metrics to their GAAP reporting. It is not expected that companies will disclose all individual cost items.

The use of the sub-total (adjusted operating costs) may be helpful for certain companies in providing reconciliation to historical metrics but it is not expected that all companies will provide disclosure at this level. The sub-total (adjusted operating costs) metric may not be directly comparable across companies, for example, because of differences between IFRS and US GAAP.

2. It is recognised that accretion related to asset retirement obligations (“ARO”) and amortisation of the ARO assets for reclamation and remediation do not reflect annual cash outflows but these accounting calculations are considered to be more representative of the periodic costs of reclamation and remediation.
3. Non-sustaining costs are those costs incurred at new operations and costs related to ‘major projects’ at existing operations where these projects will materially increase production. Companies need to publicly disclose those operations and ‘major projects’ which are considered non-sustaining. All other costs related to existing operations are considered sustaining.
4. Costs should be reported on the same basis as sales (i.e. if sales figures are reported on a consolidated basis, costs should be reported on a consolidated basis; if sales figures are reported on an attributable basis, costs should be reported on an attributable basis).
5. Costs Excluded

The following costs are excluded from the guidance:

- Income tax.
- Working capital (except for adjustments to inventory on a sales basis).
- All financing charges (including capitalised interest).
- Costs related to business combinations, asset acquisitions and asset disposals.
- Items needed to normalise earnings, for example impairments on non-current assets and one-time material severance charges. Costs related to any of the listed line-items used to calculate all-in costs in the above table should not be excluded.