UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 40-F

[ ] Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934

or

[X] Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended: **December 31, 2017** Commission File Number: **001-35936**

B2Gold Corp.

(Exact name of registrant as specified in its charter)

British Columbia	**1040**	**Not Applicable**
(Province or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code)	(I.R.S. Employer Identification No.)

595 Burrard Street, Suite 3100
Vancouver, British Columbia V7X 1J1
(604) 601-2962
(Address and telephone number of registrant's principal executive offices)

DL Services Inc.
Columbia Center
701 Fifth Avenue, Suite 6100
Seattle, WA 98104-7043
(206) 903-8800
(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class:	Name of Each Exchange On Which Registered:
Common Shares, no par value	**NYSE American LLC**

Securities registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

For annual reports, indicate by check mark the information filed with this form:

[X] Annual Information Form [X] Audited Annual Financial Statements

Indicate the number of outstanding shares of each of the registrant's classes of capital or common stock as of the close of the period covered by the annual report:
As of December 31, 2017, there were 980,932,908 common shares outstanding.

Indicate by check mark whether the Registrant by filing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934 (the "Exchange Act"). If "Yes" is marked, indicate the file number assigned to the Registrant in connection with such Rule.
[ ] Yes 82_____ [X] No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.
[X] Yes [ ] No

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.
Emerging growth company [ ]

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. **[ ]**

EXPLANATORY NOTE

B2Gold Corp. ("we", "us", "our" or the "Company") is a Canadian corporation that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this Annual Report on Form 40-F ("Annual Report") pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in accordance with disclosure requirements in effect in Canada, which are different from those of the United States.

FORWARD LOOKING STATEMENTS

This Annual Report and the Exhibits incorporated by reference herein contain "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and U.S. securities laws, respectively, which may include, but are not limited to, statements with respect to possible events, conditions, acquisitions, or results of operations that are based on assumptions about future conditions and courses of action and include future oriented financial information with respect to prospective results of operations, financial position or cash flows that is presented either as a forecast or a projection, and also include, but are not limited to, statements with respect to our future financial and operating performance and estimates of reserves and resources. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "proposes", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "projects", "intends", "targets", "aims", "anticipates", or "believes" or variations (including negative variations) of such words or phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. As a result, actual actions, events or results may differ materially from those described in the forward-looking statements, and there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended including, without limitation, those referred to in our Annual Information Form (incorporated by reference as Exhibit 99.1 to this Annual Report) under the heading "Risk Factors" and elsewhere.

Although forward-looking statements contained in the Exhibits incorporated by reference into this Annual Report are based upon what our management believes are reasonable assumptions, we cannot assure investors that actual results will be consistent with the forward-looking statements. Our forward-looking statements contained in the Exhibits incorporated by reference into this Annual Report are made as of the respective dates set forth in such Exhibits. In preparing this Annual Report, we have not updated such forward-looking statements to reflect any change in circumstances or in management's beliefs, expectations or opinions that may have occurred prior to the date hereof, and we disclaim any obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated. Accordingly, investors should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

RESOURCE AND RESERVE ESTIMATES

Unless otherwise indicated, all resource and reserve estimates included in the documents incorporated by reference into this Annual Report have been prepared in accordance with Canadian National Instrument 43-101 ("NI 43-101") and the Canadian Institute of Mining and Metallurgy Classification System. NI 43-101 is a rule developed by the Canadian securities administrators, which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the requirements of the United States Securities and Exchange Commission (the "SEC"), and resource information contained in the documents incorporated by reference into this Annual Report may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, the term "resource" does not equate to the term "reserves." Under U.S. standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. The SEC's disclosure standards normally do not permit the inclusion of information concerning "measured mineral resources," "indicated mineral resources" or "inferred mineral resources" or other descriptions of the amount of mineralization in mineral deposits that do not constitute "reserves" by U.S. standards in documents filed with the SEC. U.S. investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "inferred mineral resource" will ever be upgraded to a higher category. Under Canadian rules, estimated "inferred mineral resources" may not form the basis of feasibility or pre-feasibility studies except in rare cases. Investors are cautioned not to assume that all or any part of an "inferred mineral resource" exists or is economically or legally mineable. Further, while NI 43-101 permits companies to disclose economic projections contained in preliminary economic assessments and pre-feasibility studies, which are not based on "reserves", U.S. companies are not normally permitted to disclose economic projections for a mineral property in their SEC filings prior to the establishment of "reserves." Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in-place tonnage and grade without reference to unit measures. The requirements of NI 43-101 for identification of "reserves" are also not the same as those of the SEC, and reserves reported by the Company in compliance with NI 43-101 may not qualify as "reserves" under SEC standards. In addition, the documents incorporated by reference in this Annual Report may include information regarding adjacent or nearby properties on which we have no right to mine. The SEC does not normally allow U.S. companies to include such information in their filings with the SEC. Accordingly, information concerning mineral deposits set forth herein may not be comparable with information made public by companies that report in accordance with United States standards.

DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

We prepare our financial statements, which are filed with this report on Form 40-F, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and are subject to Canadian auditing and auditor independence standards and the standards of the Public Company Accounting Oversight Board (United States). Accordingly, our financial statements may not be comparable to financial statements of the United States companies.

NYSE AMERICAN STATEMENT OF CORPORATE GOVERNANCE DIFFERENCES

As a Canadian corporation listed on the NYSE American LLC (the "NYSE American") and a foreign private issuer under the Exchange Act, we are permitted to follow our home country practice in lieu of certain NYSE American corporate governance standards. In order to claim these exemptions, Section 110 of the NYSE American Company Guide requires us to provide to the NYSE American written certification from independent Canadian counsel that the non-complying practice is not prohibited by Canadian law. In addition, we must disclose the significant differences between our corporate governance practices and those U.S. domestic issuers are required to follow under the NYSE American corporate governance standards. Except as set forth below, we are in compliance with NYSE American corporate governance standards.

Section 123 of the NYSE American Company Guide recommends that the minimum quorum requirement for a meeting of shareholders is 33 1/3 % of the outstanding common shares. In addition, Section 123 requires that an issuer listed on NYSE American state its quorum requirement in its bylaws. We follow Canadian laws with respect to quorum requirements. Our quorum requirement is set forth in our articles, which provide that a quorum for the transaction of business at any meeting of shareholders is two shareholders present in person or represented by proxy who hold at least 5% of the issued common shares entitled to vote at the meeting.

The NYSE American Company Guide requires that the solicitation of proxies and delivery of proxy statements for all shareholder meetings be solicited pursuant to a proxy statement that conforms to the proxy rules of the SEC. We solicit proxies in accordance with the British Columbia Business Corporations Act, applicable Canadian securities laws, including National Instrument 54-101 and National Instrument 51-102, and the rules and policies of the Toronto Stock Exchange, which may differ in certain respects from the proxy rules of the SEC.

The NYSE American Company Guide generally requires a company's compensation committee to consist solely of independent directors. We may from time to time appoint to our compensation committee one or more directors that are not independent, in compliance with applicable Canadian securities regulations and the rules of the Toronto Stock Exchange.

The NYSE American Company Guide requires a listed company to obtain the approval of its shareholders for certain types of securities issuances, including private placements that may result in the issuance of common shares (or securities convertible into common shares) equal to 20% or more of presently outstanding shares for less than the greater of book or market value of the shares. Under Canadian laws and applicable Toronto Stock Exchange rules, shareholder approval is required for certain transactions including private placements or acquisitions where more than 25% of presently outstanding shares are issued or issuable, where securities issued or issuable to insiders exceed 10% in the context of an acquisition, where the transaction results in a change of control or certain related party transactions. We will seek a waiver from NYSE American's shareholder approval requirements in circumstances where the securities issuance does not trigger such a requirement under the British Columbia Business Corporations Act, applicable Canadian securities regulations or the rules of the Toronto Stock Exchange.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, or the portions thereof indicated below, that are filed as exhibits to this Annual Report, are incorporated herein by reference.

- Annual Information Form of the Company for the year ended December 31, 2017;
- Management's Discussion and Analysis of the Company for the year ended December 31, 2017; and
- Audited Annual Consolidated Financial Statements for the year ended December 31, 2017 and notes thereto, together with the report of auditors thereon.

CONTROLS AND PROCEDURES

Information regarding our disclosure controls and procedures, internal control over financial reporting and changes in internal control over financial reporting is included in the Management Discussion and Analysis incorporated herein by reference to Exhibit 99.3, under the heading "Disclosure Controls and Internal Control Over Financial Reporting."

Our independent registered public accounting firm, PricewaterhouseCoopers LLP has audited our management's assessment of our internal control over financial reporting. PricewaterhouseCoopers LLP's report is located with our Audited Annual Consolidated Financial Statements, which are incorporated herein by reference to Exhibit 99.2.

NOTICES PURSUANT TO REGULATION BTR

There were no notices required by Rule 104 of Regulation BTR that the Company sent during the year ended December 31, 2017 concerning any equity security subject to a blackout period under Rule 101 of Regulation BTR.

CODE OF ETHICS

We have adopted a code of business conduct and ethics that applies to all of our directors, officers and employees. On March 13, 2018, our board of directors adopted an amended code of business conduct and ethics for purposes of adding an express commitment to a workplace free from discrimination and harrassment, adding guidelines with respect to the use of company-provided email and internet services and making certain other clarifications and administrative changes. A copy of the amended code of business conduct and ethics is filed as Exhibit 99.23 to this Annual Report on Form 40-F and is posted on our website at *http://www.b2gold.com/corporate/governance/.*

AUDIT COMMITTEE AND AUDITOR INFORMATION

We have a separately-designated standing audit committee established in accordance with section 3(a)(58)(A) of the Exchange Act. The following information is included in the "Audit Committee—Composition of the Audit Committee", "Audit Committee—Pre-Approval Policies and Procedures" and "Audit Committee—External Auditor Service Fees" sections of our Annual Information Form, which are incorporated herein by reference to Exhibit 99.1:

- Information regarding our Audit Committee composition, independence, audit committee financial expert and pre-approval policies and procedures; and
- Information regarding fees billed by our principal accountants for each of the last two fiscal years.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

The following table lists as of December 31, 2017 information with respect to our known contractual obligations.

Payments due by period (in thousands of dollars)

Contractual Obligations	Total	Less than 1 year	1 – 3 years	3 – 5 years	More than 5 years
Convertible Senior Subordinated Notes	267,159	267,159	-	-	-
Revolving Corporate Credit Facility	415,962	22,836	34,234	358,892	-
Equipment Loans/Finance Obligations	92,458	28,696	40,150	23,612	-
Operating Lease Obligations	8,296	3,865	2,894	1,467	70
Purchase Obligations	10,513	10,513	-	-	-
Derivative instruments at fair value	4,952	4,952	-	-	-
Mine restoration provisions (undiscounted)(1)	101,768	1,819	-	19,380	80,569
Employee benefits obligation	15,772	1,087	2,863	4,683	7,139
Other long-term liabilities	4,331	2,516	1,121	-	694
Total	921,211	343,443	81,262	408,034	88,472

(1) We accrue mine restoration provisions over the life of our mining operations and amounts shown are estimated expenditures in the indicated years at their undiscounted values.

We are currently party to certain prepaid sales (in the form of metal sales forward contracts), gold forward and fuel forward contracts and interest rate swap contracts which are described in notes 13 and 14 to the audited annual consolidated financial statements included as Exhibit 99.2.

MINE SAFETY DISCLOSURE

We do not operate any mine in the United States and have no mine safety incidents to report for the year ended December 31, 2017.

UNDERTAKINGS

We undertake to make available, in person or by telephone, representatives to respond to inquiries made by the SEC staff, and to furnish promptly, when requested to do so by the SEC staff, information relating to the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

We have previously filed with the SEC a written consent to service of process and power of attorney on Form F-X. Any change to the name or address of our agent for service shall be communicated promptly to the SEC by amendment to the Form F-X referencing our file number.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Company certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized.

B2GOLD CORP.

/s/ Clive Johnson
Name: Clive Johnson
Title: President and Chief Executive Officer

Date: March 23, 2018

EXHIBIT INDEX

The following documents are being filed with the SEC as exhibits to this Annual Report on Form 40-F.

Exhibit	Description
99.1	Annual Information Form of the Company for the year ended December 31, 2017
99.2	Audited Annual Consolidated Financial Statements for the year ended December 31, 2017 and notes thereto, together with the report of auditors thereon
99.3	Management's Discussion and Analysis of the Company for the year ended December 31, 2017
99.4	Certifications by the Chief Executive Officer pursuant to Rule 13a-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.5	Certifications by the Chief Financial Officer pursuant to Rule 13a-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.6	Certifications by the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.7	Certifications by the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.8	Consent of PricewaterhouseCoopers LLP
99.9	Consent of Sandra Hunter
99.10	Consent of Ken Jones
99.11	Consent of David J.T. Morgan
99.12	Consent of Brian Scott
99.13	Consent of Hermanus Kriel
99.14	Consent of William Lytle
99.15	Consent of Thomas Garagan
99.16	Consent of Glenn Bezuidenhout
99.17	Consent of Guy Wiid
99.18	Consent of Peter Montano
99.19	Consent of Kevin Pemberton
99.20	Consent of Vaughan Chamberlain
99.21	Consent of Ben Parsons
99.22	Consent of John Rajala
99.23	Code of Business Conduct and Ethics
101.INS	XBRL Instance Document

101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document



ANNUAL INFORMATION FORM

of

B2GOLD CORP.

March 23, 2018

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B2GOLD CORP.
ANNUAL INFORMATION FORM

INTRODUCTORY NOTES

Date of Information

In this Annual Information Form ("**Annual Information Form**"), B2Gold Corp., together with its subsidiaries, as the context requires, is referred to as "**we**", "**our**", "**us**", the "**Company**" or "**B2Gold**". All information contained in this Annual Information Form is as at December 31, 2017, unless otherwise stated, being the date of our most recently completed financial year, and the use of the present tense and of the words "is", "are", "current", "currently", "presently", "now" and similar expressions in this Annual Information Form is to be construed as referring to information given as of that date.

Readers are also encouraged to review the Company's annual financial statements and the management's discussion & analysis of the Company for the year ended December 31, 2017.

Cautionary Note Regarding Forward-Looking Information

This Annual Information Form includes certain "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of applicable U.S. securities legislation (collectively "forward-looking statements"), including, but not limited to, projections of future financial and operational performance; statements with respect to future events or future performance; production estimates; anticipated operating and production costs and revenue; estimates of capital expenditures; future demand for and prices of commodities and currencies; estimated mine life of our mines; estimated closure and reclamation costs and statements regarding anticipated exploration, development, construction, production, permitting and other activities on the Company's properties, including: expected grades and sources of ore to be processed in 2018 and expected gold production in 2018 on a consolidated basis and by each property; the projections included in existing technical reports, economic assessments and feasibility studies; anticipated or potential new technical reports and studies, including the potential findings and conclusions thereof; planned exploration and exploration budgets and the results thereof; budgeted costs for 2018 and estimated operating and capital costs for the life of mine of each of the material properties; the expected ratification by the Mali National Assembly of the Fekola Shareholders Agreement and the Share Purchase Agreement in connection with the final ownership of Fekola S.A.; planned relocation efforts of the village of Fadougou and timing of completion thereof; negotiations with the Malian government as to the terms of an escrow account in regards to reclamation and closure of the Fekola Mine; additional drilling extending the Fekola deposit to the north and indicating the potential for large, Fekola-style mineralized zones; completion of follow-up surface trenching and drilling in 2018 at the Masbate Gold Project; the expectation that mining activities at Masbate Gold Project will end in 2023 while stockpile processing will last until 2031; the projected economic life of the Masbate Gold Project mine fleet being sufficient to achieve completion of mining activities in 2023; the potential rescission of Memorandum #1 in respect of a moratorium placed on new mining projects in the Philippines, the continued issuance of permits at existing operations notwithstanding executive order #79 and new DENR policy direction allowing the issuance of the permits necessary to conduct planned satellite pit operations; the potential consolidation of Filminera and VMC's MPSAs and exploration permits in connection with expansion areas of the Masbate Gold Project; the timing of MICC's review of the audit by the DENR in relation to the Masbate Gold Project and the final outcome thereof; in respect of the Ondundu Joint Venture, the focus of exploration on identifying new drill targets outside the main zone and on the Razorback zone; exploration directed towards near-mine brownfields targets and prospective regional targets; ore production from the Wolfshag Pit in 2019 and the expected higher grade open-pit mill feed in the future; successful negotiations for a collective agreement at the Otjikoto Mine; timing of completion of a study to evaluate the potential to expand the El Limon throughput; the new drill information and metallurgical data supporting a resource estimate that will help inform studies as to optimum grind size, capital costs and project economics to re-process historic tailings; planned production being sourced from underground operations at Santa Pancha and the Mercedes Pit; commencement of production from the Jabali Antenna Pit at La Libertad Mine in the third quarter of 2018; successful completion of settlement activities and receipt of the remaining mining permits; planned mining and processing into 2020 at La Libertad Mine; the timing of mine construction at the Kiaka Project; the planned drilling in Burkina Faso to further test the down-plunge potential of the mineralized zone and other new zones of mineralization identified in close proximity to the main Toega zone; discussions with AngloGold regarding AngloGold's planned feasibility study for the Gramalote Project and the potential involvement by the Company thereof; the potential imposition of additional taxes or increase of current tax rates; the potential enactment of new legislation in respect of our foreign operations and their potential impact on the Company; the likelihood of certain terms and conditions being attached to new and renewed mineral licences in Namibia; the adequacy of capital for continued operations, including access to funding under the debt and equity funding facilities described herein and having sufficient liquidity to repay the Notes in full; estimates regarding the outcome of tax audits; the potential to develop and produce from currently non-producing properties and the delivery of ounces under the Prepaid Sales transactions. Estimates of mineral resources and reserves are also forward-looking statements because they constitute projections, based on certain estimates and assumptions, regarding the amount of minerals that may be encountered in the future and/or the anticipated economics of production, should mining occur. All statements in this Annual Information Form that address events or developments that we expect to occur in the future are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as "expect", "plan", "anticipate", "project", "target", "potential", "schedule", "forecast", "budget", "estimate", "intend" or "believe" and similar expressions or their negative connotations, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made.

Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors, many of which are beyond our ability to control, that may cause our actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such factors include, without limitation, assumptions and factors related to the Company's ability to carry on current and future operations, including development and exploration activities; the timing, extent, duration and economic viability of such operations, including any mineral resources or reserves identified thereby; the accuracy and reliability of estimates, projections, forecasts, studies and assessments; the Company's ability to meet or achieve estimates, projections and forecasts; the availability and cost of inputs; the price and market for outputs, including gold; the timely receipt of necessary approvals or permits; the ability to meet current and future obligations; the ability to obtain timely financing on reasonable terms when required; the current and future social, economic and political conditions; other assumptions and factors generally associated with the mining industry; and the risks, uncertainties and other factors referred to in this Annual Information Form under the heading "Risk Factors" and elsewhere herein.

Forward-looking statements are not a guarantee of future performance, and actual results and future events could materially differ from those anticipated in such statements. All of the forward-looking statements contained in this Annual Information Form are qualified by these cautionary statements.

Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking statements, there may be other factors that cause actual results to differ materially from those which are anticipated, estimated, or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. You should not place undue reliance on forward-looking statements. Our forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof, and we expressly disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise, except as may be required by applicable securities laws.

Currency and Exchange Rate Information

Our financial statements are reported in U.S. dollars. A reference in this Annual Information Form to:

- "**C$**" is to the lawful currency of Canada;
- "**N$**" is to the lawful currency of Namibia;
- "**Rand**" is the lawful currency of South Africa;
- "**Córdobas**" is to the lawful currency of Nicaragua;
- "**PHP**" is to the lawful currency of the Philippines;
- "**CFA franc**" is to the lawful currency of Mali and Burkina Faso;

- "**Euro**" is to the lawful currency of the European Union; and
- "**$**" or "**US$**" is to the lawful currency of the United States.

The following table sets forth, for each period indicated, the high and low exchange rates for Canadian dollars expressed in U.S. dollars, the average of such exchange rates during such period, and the exchange rate at the end of such period. These rates are based on the Bank of Canada rate of exchange.

	Fiscal Year Ended December 31,		
	2015	2016	2017
Rate at the end of period	US$0.7225	US$0.7448	US$0.7971
Average rate during period	US$0.7820	US$0.7548	US$0.7708
Highest rate during period	US$0.8527	US$0.7972	US$0.8245
Lowest rate during period	US$0.7148	US$0.6854	US$0.7276

On March 22, 2018, the daily average rate of exchange for one Canadian dollar in United States dollars as reported by the Bank of Canada was C$1.00 = US$0.7747.

Production Results, Technical Information and Cautionary Note for United States Readers

Actual and projected production results presented in this Annual Information Form reflect total production at the mines the Company operates on a 100% basis. As described in this Annual Information Form, we hold less than a 100% interest in certain of our mines.

The disclosure included in this Annual Information Form uses Mineral Reserve and Mineral Resource classification terms that comply with reporting standards in Canada and the Mineral Reserve and Mineral Resource estimates are made in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") Council – Definitions adopted by CIM Council on May 10, 2014 (the " **CIM Standards**"), which were adopted by the Canadian Securities Administrators' ("**CSA**") National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). NI 43-101 is a rule developed by the CSA that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The following definitions are reproduced from the CIM Standards:

A ***Modifying Factor*** or ***Modifying Factors*** are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors**.**

A ***Mineral Resource*** is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

An ***Inferred Mineral Resource*** is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

An ***Indicated Mineral Resource*** is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.

A ***Measured Mineral Resource*** is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.

A ***Mineral Reserve*** is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a pre-feasibility study or feasibility study.

A ***Probable Mineral Reserve*** is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.

A ***Proven Mineral Reserve*** is the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.

Unless otherwise indicated, all of our Mineral Reserves and Mineral Resources included in this Annual Information Form have been prepared in accordance with NI 43-101. Canadian standards for public disclosure of scientific and technical information concerning mineral projects differ significantly from the requirements of U.S. securities laws. In particular, and without limiting the generality of the foregoing, the terms “Mineral Reserve”, “Proven Mineral Reserve” and “Probable Mineral Reserve” are Canadian mining terms as defined in accordance with NI 43-101 and CIM Standards. These definitions differ from the definitions in the United States Securities and Exchange Commission’s (the “**SEC**”) Industry Guide 7 (“**Guide 7**”) under the U.S. Securities Act of 1933, as amended, and therefore may not qualify as reserves under SEC standards. Under Guide 7 standards, a “final” or “bankable” feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority. Under Guide 7 standards, mineralization may not be classified as a “reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made.

In addition, the terms “Mineral Resource”, “Measured Mineral Resource”, “Indicated Mineral Resource” and “Inferred Mineral Resource” are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Accordingly, resource information contained herein may not be comparable to similar information disclosed by U.S. companies. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves or that they can be mined economically or legally. “Inferred Mineral Resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. Historical results or feasibility models presented herein are not guarantees or expectations of future performance. It cannot be assumed that all, or any part, of an Inferred Mineral Resource will ever be upgraded to a higher category. Investors are cautioned not to assume that all or any part of an Inferred Mineral Resource exists or that it can be economically or legally mined. Further, while NI 43-101 permits companies to disclose economic projections contained in pre-feasibility studies and preliminary economic assessments, which are not based on “reserves”, U.S. companies are not normally permitted to disclose economic projections for a mineral property in their SEC filings prior to the establishment of “reserves”. Disclosure of “contained ounces” in a resource is permitted disclosure under Canadian reporting standards; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in-place tonnage and grade without reference to unit measures.

Accordingly, information contained in this Annual Information Form contain descriptions of our mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

The term “Qualified Person” as used in this Annual Information Form means a Qualified Person as that term is defined in NI 43-101.

Except where otherwise disclosed:

- Peter D. Montano, P.E., the Project Director of B2Gold, a qualified person under NI 43-101, has approved the scientific and technical information related to operations matters contained in this Annual Information Form.
- Tom Garagan, Senior Vice President of Exploration of B2Gold, a qualified person under NI 43-101, has approved the scientific and technical information regarding exploration matters contained in this Annual Information Form.
- John Rajala, Vice President of Metallurgy of B2Gold, a qualified person under NI 43-101, has approved El Limon development information contained in this Annual Information Form.

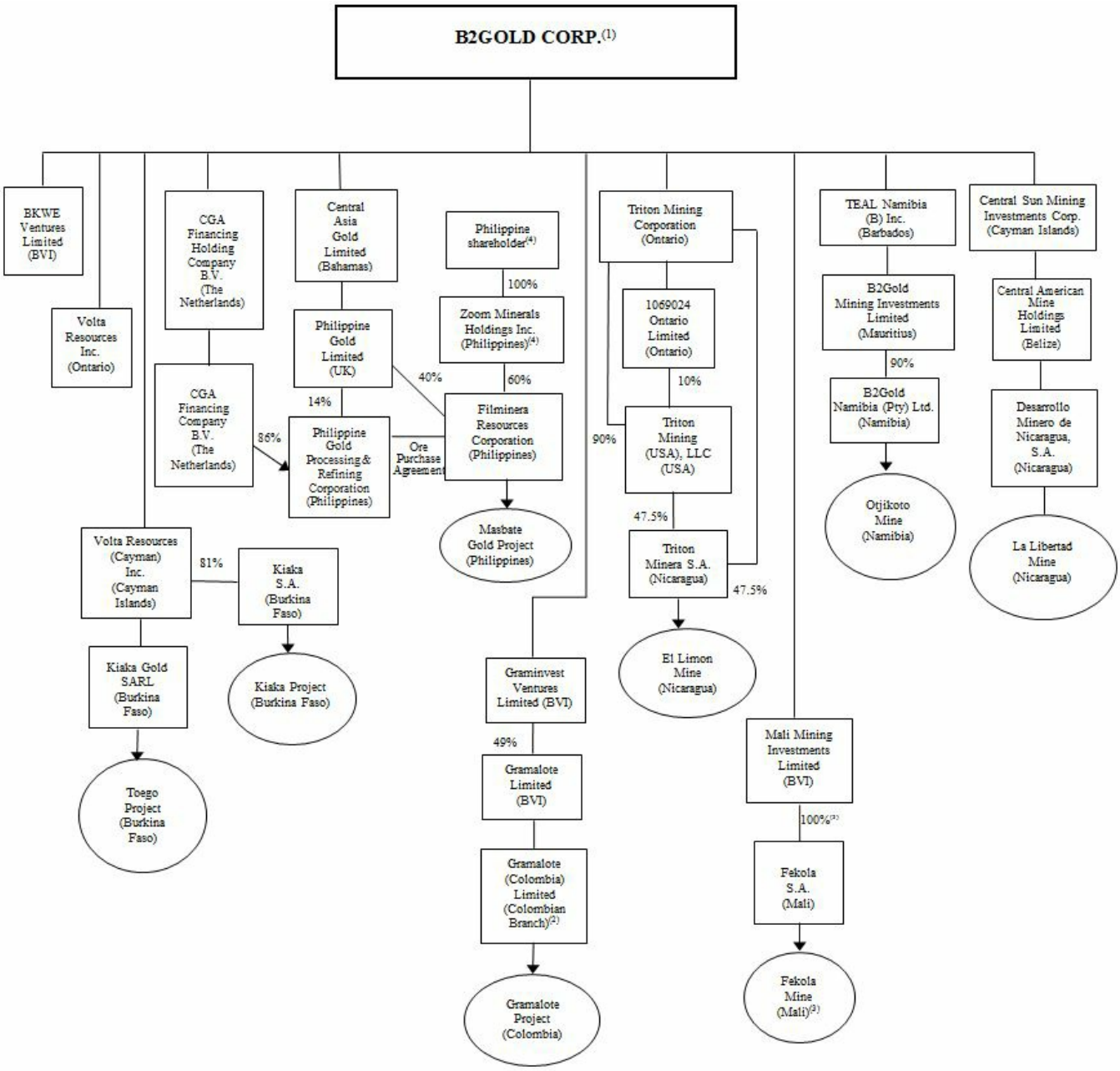
CORPORATE STRUCTURE

Name, Address and Incorporation

We were incorporated under the *Business Corporations Act* (British Columbia) (the "**BCBCA**") on November 30, 2006. Our head office is located at Suite 3100, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia, V7X 1J1 and our registered office is located at 1600-925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

Intercorporate Relationships

A significant portion of our business is carried on through our subsidiaries. A chart showing the names of our material subsidiaries and certain subsidiaries holding an interest in mineral projects the Company considers significant that are described in this Annual Information Form and their respective jurisdiction of incorporation is set out below:



Notes:

(1) All ownership of subsidiaries is 100% unless indicated. Certain subsidiaries are indirectly owned by us through wholly-owned subsidiaries not reflected above.
(2) Colombian branches are not separate legal entities.
(3) As described in "*Material Properties – Fekola Mine – Property Description, Location and Access*", it is anticipated that the State of Mali will have a 20% ownership interest in Fekola S.A., the owner of the Fekola Mine.
(4) Not a subsidiary of B2Gold.

GENERAL DEVELOPMENT OF THE BUSINESS

We are a Vancouver-based gold producer with five operating mines (one mine in Mali, one mine in Namibia, one mine in the Philippines and two mines in Nicaragua). In addition, we have a portfolio of other evaluation and exploration projects in several countries including Mali, Colombia, Burkina Faso, Finland, Namibia and Nicaragua. Our material mineral properties consist of the following three mines:

- Fekola mine (anticipated 80% ownership), an open pit gold mine located approximately 40 kilometres (" **km**") south of the city of Kéniéba, Mali ("**Fekola Mine**"). As described in "*Material Properties – Fekola Mine*" below, it is anticipated that the State of Mali will have a 20% ownership interest;

- Otjikoto mine (90% ownership), an open pit, and potential underground, gold mine located approximately 300 km north of Windhoek, the capital of Namibia ("**Otjikoto Mine**"); and

- Masbate gold project (ownership as described in " *Material Properties – Masbate Gold Project*" below), an open pit gold mine, located near the northern tip of the island of Masbate, 360 km south-east of Manila, the capital of the Philippines ("**Masbate Gold Project**").

Our other significant assets consist of the following mines and two projects:

- El Limon mine (95% ownership), an underground gold mine located in northwestern Nicaragua, approximately 100 km northwest of Managua, the capital of Nicaragua ("**El Limon Mine**");

- La Libertad mine (100% ownership), an open pit gold mine located 110 km due east of Managua, and 32 km northeast of Juigalpa, Nicaragua ("**La Libertad Mine**");

- Burkina Faso regional projects consisting of the Kiaka and Toega projects (81% ownership), gold projects located 140 km southeast of Ouagadougou, the capital of Burkina Faso ("**Kiaka–Toega Project**"); and

- Gramalote Project (49% ownership), a gold project located 230 km northwest of Bogota, the capital of Colombia (" **Gramalote Project**").

Three Year History

Over the three most recently completed financial years, the significant events described below contributed to the development of our business.

2015 Developments

On February 28, 2015, the Otjikoto Mine achieved commercial production, ahead of schedule.

On May 20, 2015 (as subsequently amended on June 10, 2015, March 11, 2016, May 10, 2016 and July 7, 2017), we entered into a $350 million revolving credit facility with a syndicate of international banks, which replaced the previous $150 million secured credit facility with a syndicate led by Macquarie Bank Limited dated April 12, 2013. The syndicate includes HSBC Bank USA, National Association, which acts as administrative agent and lender, HSBC Securities (USA) Inc., which acts as sole lead arranger and sole bookrunner, and The Bank of Nova Scotia, Société Générale and ING Bank N.V, (together, and with CIBC (defined below), the "**Credit Facility Bank Syndicate**"). On March 14, 2017, the Company received a binding letter of commitment from the Canadian Imperial Bank of Commerce ("**CIBC**") to participate in the revolving credit facility and join the Credit Facility Bank Syndicate.

2016 Developments

On January 11, 2016, we filed a final short form base shelf prospectus (the " **Base Shelf Prospectus**") in each of the provinces of Canada and a corresponding amended shelf registration statement in the United States allowing us to offer up to $300,000,000 of debt securities, warrants, subscription receipts, units or common shares of the Company (the "**Common Shares**"), or any combination thereof, from time to time during a 25-month period, which expired in February 2018.

On March 14, 2016, we received approvals for prepaid sales financing arrangements of up to $120 million from our Credit Facility Bank Syndicate (the "**Prepaid Sales**"). The Prepaid Sales, in the form of metal sales forward contracts, allow us to deliver pre-determined volumes of gold on agreed future delivery dates in exchange for an upfront cash pre-payment ("**Prepaid Amount**"). The Prepaid Sales arrangements have a term of 33 months commencing March 2016, and settlement will be in the form of physical deliveries of unallocated gold from any of our mines in 24 equal monthly installments during 2017 and 2018. Initial Prepaid Sales contracts have been entered into for the delivery of 49,475 ounces of gold in 2017 and 53,791 in 2018, for total cash Prepaid Amount proceeds of $120 million.

On June 8, 2016, the Otjikoto equipment loan facility, entered into on December 4, 2013 (and as amended from time to time) between B2Gold Namibia Minerals (Proprietary) Limited, as borrower, Caterpillar Financial SARL, as arranger, Caterpillar Financial Services Corporation, as original lender, and the Company and B2Gold Namibia (Proprietary) Limited, as guarantors (the "**Otjikoto Equipment Facility**"), was amended to extend the term over which loans may be advanced under the facility to December 31, 2016 and an additional $4.5 million was made available for drawdown. As at December 31, 2017, we had drawn down the full amount currently available under the Otjikoto Equipment Facility.

On August 11, 2016, we entered into an equity distribution agreement (the " **ATM Agreement**") with two placement agents for the sale of Common Shares having up to an aggregate gross offering price of $100 million through "at the market" distributions. The offering of Common Shares under the ATM Agreement (the "**ATM Offering**") was made pursuant to a prospectus supplement (the " **Supplement**") filed in all of the provinces of Canada and incorporated by reference into the Base Shelf Prospectus. During the year ended December 31, 2016, we issued 14.8 million Common Shares at an average price of $3.17 per Common Share for gross proceeds of $47.1 million (net proceeds of $44.2 million after deducting costs associated with the issuance). During the year ended December 31, 2017, no Common Shares were issued under the ATM Agreement. In the second quarter of 2017, we terminated the ATM Agreement.

On September 7, 2016, we entered into a Euro 71.4 million term equipment facility (the " **Fekola Equipment Facility**") with Caterpillar Financial SARL, as mandated lead arranger, and Caterpillar Financial Services Corporation, as original lender. The aggregate principal amount of up to Euro 71.4 million is available to our majority-owned subsidiary, Fekola S.A. to finance or refinance the mining fleet and other mining equipment at our Fekola Mine in Mali. The Fekola Equipment Facility is available for a period that commenced on February 13, 2017 (the "**Financial Close Date**") and ends on the earlier of the day when the Fekola Equipment Facility is fully drawn and 30 months from the Financial Close Date. The Fekola Equipment Facility may be drawn in installments of not less than Euro 5 million, and each such installment shall be treated as a separate equipment loan. The Company is required to maintain a deposit in a debt service reserve account ("**DSRA**") equal at all times to the total of the principal, interest and other payments that become payable over the next six month period. Each equipment loan is repayable in 20 equal quarterly installments. The final repayment date shall be five years from the first disbursement under each equipment loan. The interest rate on each loan is a rate per annum equal to EURIBOR plus a margin of 5.10% . A commitment fee of 1.15% per annum on the undrawn balance of each tranche for the first 24 months after December 7, 2016 and 0.5% thereafter is also due, each payable quarterly. In each case, from October 1, 2017, 0.4167% per annum on the undrawn balance of each tranche is also due. We and our subsidiary, Mali Mining Investments Limited, have guaranteed the Fekola Equipment Facility and security will be given over equipment which has been financed by the Fekola Equipment Facility, related warranty and insurance and over the DSRA. As at December 31, 2017, we had drawn Euro 49.4 million ($54.4 million equivalent) with Euro 22.0 million ($26.4 million equivalent) undrawn.

On September 27, 2016, the Philippine Department of Environment and Natural Resources (" **DENR**") announced the preliminary results of mining audits carried out by the DENR in respect of all metallic mines in the Philippines. As reported by us on February 2, 2017, the DENR announced further results of its mining audit and the Masbate Gold Project was not among the mines announced to be suspended or closed. We believe that we continue to be in compliance with Philippine's laws and regulations. The Philippine Mining Industry Coordinating Council (the "**MICC**"), the oversight committee for DENR plans to commence its review of mines in the Philippines in March 2018.

In December 2016, pursuant to applicable mining law, we formed a new 100% owned subsidiary company, Fekola S.A., which now holds our interest in the Fekola Mine. Under Mali law, we will contribute a 10% free carried interest in Fekola S.A. to the State of Mali. The State of Mali also has the option to purchase an additional 10% of Fekola S.A. which it has confirmed its intent to exercise. We have signed a mining convention in the form required under the 2012 Mining Code (Mali) (the "**2012 Mining Code**") that relates to, among other things, the ownership, permitting, reclamation bond requirements, development, operation and taxation applicable to the Fekola Mine with the State of Mali (the "**Fekola Convention**"). In August 2017, we finalized certain additional agreements with the State of Mali including a shareholder's agreement (the "**Fekola Shareholders Agreement**"), the share purchase agreement pursuant to which the State of Mali exercised the aforementioned additional 10% ownership interest in Fekola S.A. (the "**Share Purchase Agreement**") and an amendment to the Fekola Convention to address and clarify certain issues under the 2012 Mining Code. The Fekola Convention, as amended, will govern the procedural and economic parameters pursuant to which we will operate the Fekola Mine. The Fekola Shareholders Agreement and the Share Purchase Agreement for the purchase of the additional 10% of Fekola S.A. have been finalized and signed by the relevant Malian government ministers and the Malian Council of Ministers, subject to ratification by the Mali National Assembly, which is now expected at their next scheduled sitting in April 2018. Upon such ratification, we will transfer ownership of 20% of Fekola S.A. to the State of Mali. The first non-participating10% of the State of Mali's ownership will entitle it to an annual priority dividend equivalent to 10% of calendar net income of Fekola S.A. The second fully participating 10% of the State of Mali's interest will entitle it to ordinary dividends payable on the same basis as any ordinary dividends declared and payable to us for our 80% interest.

2017 Developments

On February 13, 2017, the Financial Close Date was established under the Fekola Equipment Facility and the first drawdown in the amount of Euro 24.7 million was advanced on February 17, 2017.

In the first half of 2017, we entered into further Prepaid Sales transactions with the Credit Facility Banking Syndicate totalling $30 million for delivery of 25,282 ounces of gold for delivery between January 31 and May 20, 2019.

On May 30, 2017, an amendment to the Otjikoto Equipment Facility was entered into to allow B2Gold Namibia Minerals (Proprietary) Limited to re-borrow up to $6.48 million of the amount previously repaid, which was fully drawn as at December 31, 2017.

On June 1, 2017, our affiliate Filminera Resource Corporation and subsidiary Philippine Gold Processing & Refining Corp. entered into aggregate $17.8 million equipment facilities with Caterpillar Financial Services Philippines, Inc. (together, the "**Masbate Equipment Facility**"). The principal amount is available to finance or refinance the mining fleet and other mining equipment at the Masbate Gold Project in the Philippines. The Masbate Equipment Facility is available for a period that ends on the earlier of the day when the Masbate Equipment Facility is fully drawn and December 31, 2018. The Masbate Equipment Facility may be drawn in installments of not less than $0.5 million, and each such installment shall be treated as a separate equipment loan. Each equipment loan is repayable in 20 equal quarterly installments. The final repayment date shall be five years from the first disbursement under each equipment loan. The interest rate on each loan is a rate per annum equal to LIBOR plus a margin of 3.85% . A commitment fee of 1.15% per annum on the undrawn balance of each tranche is also due, each payable quarterly. We have guaranteed the Masbate Equipment Facility and security is given over the equipment of the borrower which has been financed by the Masbate Equipment Facility. As at December 31, 2017, $8.7 million had been drawn.

On July 7, 2017, we entered into an amended and restated revolving credit facility (the " **Credit Facility**") with the Credit Facility Bank Syndicate to upsize our revolving credit facility to an aggregate amount of $500 million, representing a $75 million increase from the principal amount of $425 million under our previously amended revolving credit facility. The Credit Facility also allows for an accordion feature whereby upon receipt of additional binding commitments, the Credit Facility may be increased to $600 million any time prior to the maturity date. The Credit Facility bears interest on a sliding scale of between LIBOR plus 2.25% to 3.25% based on our consolidated net leverage ratio. Commitment fees for the undrawn portion of the Credit Facility will also be on a similar sliding scale basis of between 0.5% and 0.925% . The term of the Credit Facility is four years, maturing on July 7, 2021. From December 29, 2017 onwards, for such time as the indebtedness outstanding under our existing convertible Notes (defined below) is greater than $100 million, the sliding scale interest will temporarily increase to a sliding scale range of between LIBOR plus 2.5% to 4%. The increase in the sliding scale rate will cease upon the reduction of outstanding indebtedness under the Notes to $100 million or less. In addition, a fee equal to 0.25% of the total Credit Facility shall be payable on December 29, 2017 and every 90 days thereafter until the outstanding indebtedness under the Notes is $100 million or less.

On September 25, 2017, we announced that we completed the construction of the Fekola mill and commenced ore processing at the Fekola Mine, more than three months ahead of schedule and on budget. We also completed a new life-of-mine ("**LoM**") plan for the Fekola deposit that projects higher mill throughput and annual gold production, and lower projected operating costs per ounce and all-in sustaining costs per ounce of gold than the original (4 million tonnes per annum) plan in the optimized Fekola feasibility study. The new LoM plan was completed based on the expanded 5 million tonnes per annum mill throughput and takes into account an early start-up, increased processing throughput and improved open-pit design and scheduling.

On October 7, 2017, the first gold pour at the Fekola Mine occurred, approximately three months ahead of schedule.

On October 23, 2017, Ms. Robin Weisman was appointed to the board of directors of the Company (the " **Board**").

On November 30, 2017, the Fekola mine achieved commercial production, one month ahead of the revised schedule and four months ahead of the schedule announced in the optimized Fekola feasibility study.

In 2017, the MICC voted to rescind the existing Department Administrative Order which bans new open-pit mines in the Philippines (which does not apply to current Masbate operations). They have indicated that the order may be lifted provided that mining laws, rules and regulations are strictly enforced.

In 2017, a detailed capital cost estimate of $25.5 million was completed by Lycopodium, working with the Company's engineering team, for the expansion of the Masbate processing plant to 8 million tonnes per year and the expansion has been approved by the Company.

DESCRIPTION OF THE BUSINESS

General

We are a Vancouver-based gold producer with a strategic focus on acquiring and developing interests in mineral properties with demonstrated potential for hosting economic mineral deposits, with gold deposits as the primary focus. We conduct gold mining operations and exploration and drilling campaigns to define and develop Mineral Resources and Mineral Reserves on our properties with an intention of developing, constructing and operating mines on such properties.

Our corporate objective is to continue growing as a profitable and responsible gold producer through ongoing exploration of our existing projects and accretive acquisitions, irrespective of the gold price.

Principal Product

Our principal product is gold, with gold production forming all of our revenues. There is a global market into which we can sell our gold and, as a result, we are not dependent on a particular purchaser with respect to the sale of the gold that we produce.

Special Skills and Knowledge

Various aspects of our business require specialized skills and knowledge. Such skills and knowledge include the areas of permitting, engineering, geology, metallurgy, logistical planning, implementation of exploration programs, mine construction and development, mine operation, as well as legal compliance, finance and accounting. We have an active recruitment program, have highly qualified management personnel on staff, and believe that persons having the necessary skills are generally available. We have found that we can locate and retain competent employees and consultants in such fields as well as a retention rate of highly skilled employees and we anticipate that we will not have significant difficulty in recruiting other personnel as needed. Training programs are in place for workers who are recruited locally.

Competitive Conditions

The gold exploration and mining business is a competitive business. We compete with numerous other companies and individuals in the search for and the acquisition of quality gold properties, mineral claims, permits, concessions and other mineral interests, as well as recruiting and retaining qualified employees. Our ability to acquire gold properties in the future will depend not only on our ability to develop our present properties, but also on our ability to select and acquire suitable producing properties or prospects for development or mineral exploration.

Cycles

The mineral exploration and development business is subject to mineral price cycles. The marketability of minerals is also affected by worldwide economic cycles.

Employees

Our business is administered principally from our head office in Vancouver, British Columbia, Canada. We also have offices in Managua, Nicaragua; Manila, Philippines; Windhoek, Namibia; Ouagadougou, Burkina Faso; Bamako, Mali; Accra, Ghana; Dakar, Senegal; and Medellin, Colombia. As at the date hereof, we, including our subsidiaries, employ a total of 3,109 permanent employees and 2,283 fixed-term employees for a total of 5,392 employees.

Production at our mining operations is dependent upon the efforts of our employees and our relations with our unionized and non-unionized employees. Some of our employees are represented by labour unions under various collective labour agreements. The collective bargaining agreement covering the workers at the El Limon Mine is effective until August 1, 2018. The collective bargaining agreement covering the workers at La Libertad Mine is effective until December 31, 2019, having signed a renewal in January 2018. The collective bargaining agreement covering the workers at the Otjikoto Mine is negotiated annually, and remains in place until current negotiations are complete.

Fekola currently is not unionized. However, the entire mining industry in Mali is governed by a single union and it is anticipated that the Fekola Mine will ultimately have a union in place. Currently, all labour discussions are managed through employee representatives that are elected during site-wide elections. Labour relations are currently very good at Fekola.

Foreign Operations

Our principal operations and assets are located in Mali, Namibia, the Philippines, Nicaragua, Burkina Faso, Colombia and Finland. Our operations are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary from country to country and include, but are not limited to government regulations (or changes to such regulations) with respect to restrictions on production, export controls, income taxes, expropriation of property, repatriation of profits, environmental legislation, land use, water use, local ownership requirements and land claims of local people, regional and national instability and mine safety. The effect of these factors cannot be accurately predicted. See "*Risk Factors*".

Environmental Protection

Our activities are subject to extensive laws and regulations governing the protection of the environment, natural resources and human health. These laws address, among other things, emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. We are required to obtain governmental permits and, in some instances, provide bonding requirements under federal, state, or provincial air, water quality, and mine reclamation rules and permits. Violations of environmental, health and safety laws are subject to civil sanctions and, in some cases, criminal sanctions, including the suspension or revocation of permits. The failure to comply with environmental laws and regulations or liabilities related to hazardous substance contamination could result in project development delays, material financial impacts or other material impacts to our projects and activities, fines, penalties, lawsuits by the government or private parties, or material capital expenditures.

Additionally, environmental laws in some of the countries in which we operate require that we periodically perform audits and environmental impact studies at our mines. These studies could reveal environmental impacts that would require us to make significant capital outlays or cause material changes or delays in our intended activities.

Our current closure and reclamation cost estimate at La Libertad Mine, El Limon Mine, the Masbate Gold Project, the Otjikoto Mine and the Fekola Mine is approximately US$101.8 million on an undiscounted basis. These estimates are generally based on conceptual level engineering and will be updated periodically to reflect changes in site conditions and the LoM plans.

Environmental, Occupational Health and Safety, and Regulatory

We have adopted environmental and biodiversity policies designed to ensure environmental risks are adequately addressed while committing to environmental protection for all our activities. We have also adopted occupational health and safety policies designed to ensure the protection and promotion of the safety, human health, and welfare of our employees. We have also implemented Health, Safety & Environmental ("**HSE**") Management System Standards and Occupational Health and Safety, Environmental and Biodiversity Performance Standards at the corporate level to provide minimum requirements for the development and implementation of both corporate and site HSE management systems. Our HSE Management System and Performance Standards are based on international standards including compliance with in-country regulations, relevant International Organization for Standardization ("**ISO**") and Occupational Health, Safety and Security (" **OHSAS**") standards, and reliance on the International Finance Corporation ("**IFC**") Performance Standards and international best practices in cases where national regulatory systems are not sufficiently stringent. These management systems enable us to mitigate and manage the potential risks and impacts of our operations.

We implement the HSE management systems and manage HSE performance with dedicated HSE personnel at both the corporate and site levels. In addition, we have in place a Health, Safety, Environment and Social Committee of the Board to assist the Board in overseeing our health, safety, environmental and corporate social responsibility policies and programs, and our health, safety, environmental and corporate social responsibility performance.

The following is a brief summary of HSE management systems in place across our different projects:

- Fekola Mine: With the transition in 2017 from construction to mine operations, the Fekola Mine has begun the formal development of its HSE management system according to the local and national regulatory requirements, as well as the requirements of the corporate HSE Management System and Performance Standards. The HSE management system and performance will be audited by independent experts, with initial baseline audits scheduled for February (HSE Management System Standards) and August (HSE Performance Standards) 2018.

- Masbate Gold Project: Masbate Gold Project has developed and implemented an HSE management system based on our HSE Management System and Performance Standards. The HSE management system and performance includes annual internal auditing of the Masbate Gold Project by independent experts. In addition, the Masbate Gold Project maintains ISO 14001 certification and evaluates its management of cyanide in relation to the International Cyanide Management Code.

- Otjikoto Mine: B2Gold Namibia (Proprietary) Limited (“ **B2Gold Namibia**”) continues to develop and implement a full HSE management system that covers all corporate HSE management systems and performance standards requirements on health, safety, environment, and biodiversity. Otjikoto Mine undergoes annual audits by independent experts.

- El Limon Mine: El Limon Mine continues to develop its HSE management system based on our HSE Management System and Performance Standards led by senior management, the HSE departments, and HSE Management System Coordinators. The HSE management system and performance includes annual auditing of the El Limon Mine by independent experts.

- La Libertad Mine: La Libertad Mine continues to develop its HSE management system based on our HSE Management System and Performance Standards through its internal management system implementation committee. La Libertad Mine undergoes annual audits by independent experts.

- Regional Exploration Projects: Regional exploration projects adhere to the same HSE policies as the rest of our projects, and apply specific standards, procedures, and processes as are relevant and applicable to the specific site.

- Reclamation and Care and Maintenance Sites: Reclamation and care and maintenance sites adhere to the same HSE policies as the rest of our projects, and apply specific standards, procedures, and processes as are relevant and applicable to the site.

In addition, we work with occupational health, safety, and environmental regulatory agencies to ensure that the performance of our operations is at a level that is acceptable to the regulatory authorities. We encourage open dialogue and have prepared procedures for responding to concerns of all entities with respect to HSE issues.

SUMMARY OF MINERAL RESERVE AND MINERAL RESOURCE ESTIMATES

Mineral Reserves are reported from pit designs and underground stope designs based on Measured and Indicated Mineral Resources. Mineral Resources are reported inclusive of those Mineral Resources that have been converted to Mineral Reserves.

Economic parameters such as mining costs, processing costs, metallurgic recoveries and geotechnical considerations have been applied to determine economic viability of the Mineral Reserves based on a gold price of US$1,250 per ounce ("/**oz**"). Mineral Reserves contained in stockpiles that meet the project-specific Mineral Reserve cutoff grades are also included for the Fekola, Masbate and Otjikoto Mines.

Mineral Resources amenable to open pit mining are constrained with conceptual pit shells defined by economic parameters and using a gold price of US$1,400/oz. Mineral Resources amenable to underground mining methods are reported above cutoff grades defined by site operating costs and using a gold price of US$1,400/oz. Gold grades are expressed in grams per tonne of gold ("**g/t Au**").

Except where stated otherwise, Mineral Reserve and Resource estimates for B2Gold's operating mines are reported from B2Gold's Mineral Resource models that have been updated to account for mining depletion, using topographic surfaces as of December 31, 2017 and are reported on an attributable basis (details in Notes).

Probable Mineral Reserves Statement

Mine	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
Fekola	38,660,000	2.35	2,917,000	90,700
Masbate	88,520,000	0.85	2,420,000	75,300
Otjikoto	19,530,000	1.57	985,000	30,600
La Libertad	1,490,000	1.71	82,000	2,500
El Limon	820,000	4.20	110,000	3,400
Total Probable Mineral Reserves (includes stockpiles)			**6,514,000**	**202,600**

Notes:

1. Mineral Reserves have been classified using the CIM Standards. All tonnage, grade and contained metal content estimates have been rounded; rounding may result in apparent summation differences between tonnes, grade, and contained metal content.
2. Fekola Mine: Mineral Reserves are reported on an 80% attributable basis; B2Gold expects that the State of Mali will hold a 20% interest in the Fekola Mine. For further details of B2Gold's interest in the Fekola Mine, see the heading "*Material Properties – Fekola Mine – Property Description, Location and Access*". The Mineral Reserves have an effective date of December 31, 2017. The Qualified Person for the reserve estimate is Peter D. Montano, P.E., who is B2Gold's Project Director. Mineral Reserves are based on a conventional open pit mining method, gold price of US$1,250/oz, metallurgical recovery of 93%, and average operating cost estimates of US$2.65/t mined (mining), US$15.81/t processed (processing) and US$3.13/t processed (general and administrative). Reserve model dilution and ore loss was applied through whole block averaging such that at a 0.8 g/t Au cutoff there is a 2.8% increase in tonnes, a 3.1% reduction in grade and 0.5% reduction in ounces when compared to the Mineral Resource model. An additional 5% dilution and 2% ore loss was applied during pit optimization and scheduling. Mineral Reserves are reported above a cutoff grade of 0.8 g/t Au.
3. Masbate Gold Project: Mineral Reserves are reported on a 100% attributable basis. Pursuant to the ore sales and purchase agreement between Filminera Resources Corporation ("**Filminera**") and Philippine Gold Processing & Refining Corporation (" **PGPRC**"), B2Gold's wholly-owned subsidiary, PGPRC has the right to purchase all ore from the Masbate Gold Project. The Mineral Reserves have an effective date of December 31, 2017. The Qualified Person for the reserve estimate is Kevin Pemberton, P.E., who is B2Gold's Chief Mine Planning Engineer. Mineral Reserves are based on a conventional open pit mining method, gold price of US$1,250/oz, modeled metallurgical recovery (resulting in average LoM metallurgical recoveries by pit that range from 65% to 82%), and operating cost estimates of US$1.50/t-$1.60/t mined (mining), a variable ore differential cost by pit (average cost is US$0.17), US$8.45/t processed (processing) and US$2.50–3.83/t processed (general and administrative). Dilution and ore loss were applied through block averaging such that at a cutoff of 0.49 g/t Au, there is a 7% increase in tonnes, a 6% reduction in grade and no change in ounces when compared to the Mineral Resource model. Mineral Reserves are reported at cutoffs that range from 0.44– 0.52g/t Au.
4. Otjikoto Mine: Mineral Reserves for Otjikoto and Wolfshag are reported on a 90% attributable basis; the remaining 10% interest is held by EVI Mining (Proprietary) Ltd., a Namibian empowerment company ("**EVI**"). The Mineral Reserves have an effective date of December 31, 2017. The Qualified Person for the reserve estimate is Peter Montano, P.E., who is B2Gold's Project Director. Mineral Reserves that will be mined by open pit methods assume a gold price of US$1,250/oz, metallurgical recovery of 98%, and operating cost estimates of US$1.79/t mined (mining), US$12.27/t processed (processing) and US$3.67/t processed (general and administrative). Dilution and ore loss was applied through block averaging such that at a cutoff of 0.45 g/t Au, there is a 1% decrease in tonnes, a 4% reduction in grade and 5% reduction in ounces when compared to the Mineral Resource model. Mineral Reserves are reported at a cutoff of 0.45 g/t Au.

5. La Libertad Mine: Mineral Reserves are reported on a 100% attributable basis, and have an effective date of December 31, 2017. The Qualified Person for the estimate is Kevin Pemberton, P.E., who is B2Gold's Chief Mine Planning Engineer. Mineral Reserves are based on a conventional open pit mining method, gold price of US$1,250/oz, metallurgical recoveries that range from 90% to 94%, and operating cost estimates of US$2.55/t mined (mining), US$13.93/t processed (processing) and US$4.31/t processed (general and administrative). Dilution and ore loss was applied to the Jabali material through block averaging such that at a cutoff of 0.73 g/t Au, there is a 10% increase in tonnes, a 27% reduction in grade and 20% reduction in ounces when compared to the Mineral Resource model. No dilution is applied to spent-ore. Mineral Reserves are reported at cutoffs that range from 0.62–0.73 g/t Au.

6. El Limon Mine: Mineral Reserves are reported on a 95% attributable basis; the remaining 5% interest is held by Inversiones Mineras S.A. ("**IMISA**"). The Mineral Reserves have an effective date of December 31, 2017. The Qualified Person for the estimate is Kevin Pemberton, P.E., who is B2Gold's Chief Mine Planning Engineer. Mineral Reserves are based on underground long-hole stoping mining methods, gold price of US$1,250/oz, metallurgical recovery of 93.5%, and operating cost estimates of US$67.12– 82.39/t of ore mined (mining), US$24.61/t processed (processing) and US$11.57/t processed (general and administrative). Dilution of 24-37% is applied to most zones in addition to 90% mine recovery for all zones. Mineral Reserves are reported at cutoffs that range from 3.03–3.23 g/t Au.

7. Stockpiles: Mineral Reserves in stockpiled material are reported in the totals for the Masbate, Otjikoto and Fekola mines, and were prepared by mine site personnel at each operation. Ore stockpile balances are derived from mining truck movements to individual stockpiles or detailed surveys, with grade estimated from routine grade control methods. Stockpile cutoffs vary by deposit, from 0.4–0.7 g/t Au.

Measured and Indicated Mineral Resource Statement

Country	Mine or Project	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
Measured					
Burkina Faso	Kiaka	27,310,000	1.09	953,000	29,600
Total Measured Mineral Resources				953,000	29,600
Indicated					
Mali	Fekola	59,170,000	2.08	3,948,000	122,800
Philippines	Masbate	120,430,000	0.88	3,411,000	106,100
Namibia	Otjikoto	35,390,000	1.33	1,513,000	47,100
Nicaragua	La Libertad	2,660,000	2.44	209,000	6,500
	El Limon	2,310,000	5.05	375,000	11,700
Burkina Faso	Kiaka	96,830,000	0.96	2,986,000	92,900
Colombia	Gramalote	79,660,000	0.75	1,926,000	59,900
Total Indicated Mineral Resources (includes stockpiles)				14,368,000	446,900
Measured and Indicated					
Mali	Fekola	59,170,000	2.08	3,948,000	122,800
Philippines	Masbate	120,430,000	0.88	3,411,000	106,100
Namibia	Otjikoto	35,390,000	1.33	1,513,000	47,100
Nicaragua	La Libertad	2,660,000	2.44	209,000	6,500
	El Limon	2,310,000	5.05	375,000	11,700
Burkina Faso	Kiaka	124,140,000	0.99	3,938,000	122,500
Colombia	Gramalote	79,660,000	0.75	1,926,000	59,900
Total Measured and Indicated Mineral Resources 15,321,000 (includes stockpiles)				**15,321,000**	**476,500**

Inferred Mineral Resource Statement

Country	Mine or Project	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
Mali	Fekola	4,190,000	1.69	227,000	7,100
	Anaconda	18,350,000	1.11	652,000	20,300
Philippines	Masbate	7,200,000	0.84	193,000	6,000
Namibia	Otjikoto	4,600,000	1.70	251,000	7,800
Nicaragua	La Libertad	3,170,000	4.42	451,000	14,000
	El Limon	5,920,000	4.85	923,000	28,700
Burkina Faso	Kiaka	27,330,000	0.93	815,000	25,300
	Toega	14,200,000	2.01	916,000	28,500
Colombia	Gramalote	61,330,000	0.52	1,025,000	31,900
Total Inferred Mineral Resources				**5,455,000**	**169,700**

Notes:

1. Mineral Resources have been classified using the CIM Standards. Mineral Resources are reported inclusive of those Mineral Resources that have been modified to Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. All tonnage, grade and contained metal content estimates have been rounded; rounding may result in apparent summation differences between tonnes, grade, and contained metal content.
2. Fekola Mine: Mineral Resources are reported on an 80% attributable basis; B2Gold expects that the State of Mali will hold a 20% interest in the Fekola Mine. For further details of B2Gold's interest in the Fekola Mine, see the heading "*Material Properties – Fekola Mine – Property Description, Location and Access*". The Mineral Resources have an effective date of December 31, 2017. The Qualified Person for the resource estimate is Tom Garagan, P.Geo., who is B2Gold's Senior Vice President, Exploration. The Qualified Person for the stockpile estimate is Peter Montano, P.E., who is B2Gold's Project Director. Mineral Resource estimates assume an open pit mining method, gold price of US$1,400/oz, metallurgical recovery of 93%, and average operating cost estimates of US$2.65/t mined (mining), US$15.81/t processed (processing) and US$3.13/t processed (general and administrative). Mineral Resources are reported at a cutoff of 0.6g/t Au.
3. Anaconda: Mineral Resources are reported on an 85% attributable basis; under the Mali Mining Code (2012), the State of Mali has the right to a 10% free carried interest and has an option to acquire an additional 10% participating interest, and 5% is held by a third party. The Mineral Resources have an effective date of March 22, 2017 and are considered current as of December 31, 2017. The Qualified Person for the resource estimate is Tom Garagan, P.Geo., who is B2Gold's Senior Vice President, Exploration. The Qualified Person for the stockpile estimate is Peter Montano, P.E., who is B2Gold's Project Director. Mineral Resource estimates assume an open pit mining method, gold price of US$1,400/oz, metallurgical recovery of 95%, and average operating cost estimates of US$1.75/t mined (mining), US$8.10/t processed (processing) and US$2.75/t processed (general and administrative). Mineral Resources are reported at a cutoff of 0.35g/t Au.
4. Masbate Gold Project: Mineral Resources are reported on a 100% attributable basis. Pursuant to the ore sales and purchase agreement between Filminera and PGPRC, B2Gold's wholly-owned subsidiary, PGPRC has the right to purchase all ore from the Masbate Gold Project. The Mineral Resources have an effective date of December 31, 2017. The Qualified Person for the resource estimate is Tom Garagan, P.Geo., who is B2Gold's Senior Vice President, Exploration. Mineral Resource estimates assume an open pit mining method, gold price of US$1,400/oz, modeled metallurgical recovery (resulting in average LoM metallurgical recoveries by pit that range from 65% to 82%), and operating cost estimates of US$1.50-$1.60/t mined (mining), a variable ore differential cost by pit (average cost is US$0.17), US$8.45/t processed (processing) and US$2.50–3.83/t processed (general and administrative). Mineral Resources are reported at an average cutoff of 0.43 g/t Au.
5. Otjikoto Mine: Mineral Resources are reported on a 90% attributable basis; the remaining 10% interest is held by EVI. The Mineral Resources have an effective date of December 31, 2017. The Qualified Person for the resource estimate is Tom Garagan, P.Geo., who is B2Gold's Senior Vice President, Exploration. The Qualified Person for the stockpile estimate is Peter Montano, P.E., who is B2Gold's Project Director. Mineral Resource estimates that are amenable to open pit mining methods assume a gold price of US$1,400/oz, metallurgical recovery of 98%, and operating cost estimates of US$1.79/t mined (mining), US$12.27/t processed (processing) and US$3.67/t processed (general and administrative). Mineral Resources that are amenable to open pit mining are reported at a cutoff of 0.40 g/t Au. Mineral Resources that are amenable to underground mining are reported at cutoff of 2.60 g/t Au.
6. La Libertad Mine: Mineral Resources are reported on a 100% attributable basis, and have an effective date of December 31, 2017. The Qualified Person for the estimate is Brian Scott, P.Geo., who is B2Gold's Vice President, Geology and Technical Services. The Mineral Resource estimates amenable to open pit mining assume a gold price of US$1,400/oz, metallurgical recoveries that range from 90% to 94%, and operating cost estimates of US$2.55/t mined (mining), US$13.93/t processed (processing) and US$4.31/t processed (general and administrative). Mineral Resources amenable to open pit mining are reported at cutoffs that range from 0.55– 0.65 g/t Au. Mineral Resources amenable to underground mining are reported at cutoffs that range from 2.0–2.1 g/t Au.
7. El Limon Mine: Mineral Resources are reported on a 95% attributable basis; the remaining 5% interest is held by IMISA. Mineral Resources for El Limon Central have an effective date of January 31, 2018. All other Mineral Resources have an effective date of December 31, 2017. The Qualified Person for El Limon Central estimates is Tom Garagan, P.Geo., B2Gold's Senior Vice President, Exploration. The Qualified Person for the other estimates is Brian Scott, P.Geo., B2Gold's Vice President, Geology and Technical Services. Mineral Resource estimates assume a gold price of US$1,400/oz, metallurgical recovery of 93.5%, and operating cost estimates of US$67.12–82.39/t of ore mined from underground (mining), US$2.22/t of ore mined from open pit (mining), US$24.61/t processed (processing) and US$11.57/t processed (general and administrative). Mineral Resources amenable to underground mining are reported at cutoffs that range from 2.8 –2.9 g/t Au. Mineral Resources amenable to open pit mining are reported at cutoffs that range from 1.1 - 1.2 g/t Au.

8. Kiaka Project: Mineral Resources are reported on an 81% attributable basis; the remaining interest is held by GAMS-Mining F&I Ltd (9%) a Cypriot company, and the Government of Burkina Faso (10%) (including the 10% interest that will be transferred to the Burkina Faso government if the project advances). The Mineral Resource estimate has an effective date of January 8, 2013. The Qualified Person for the estimate is Ben Parsons, MSc, MAusIMM (CP), Principal Consultant for SRK Consulting. Mineral Resources assume an open pit mining method, gold price of US$1,400/oz, metallurgical recovery of 89.8%, and operating cost estimates of US$1.58/t mined (mining), US$11.89/t processed (processing, and general and administrative). Mineral Resources are reported at a cutoff of 0.4 g/t Au.
9. Toega Project: Mineral Resources are reported on an 81% attributable basis; the remaining interest is held by GAMS-Mining F&I Ltd (9%) a Cypriot company, and the Government of Burkina Faso (10%) (including the 10% interest that will be transferred to the Burkina Faso government if the project advances). The Mineral Resource estimate has an effective date of January 8, 2018. The Qualified Person for the estimate is Tom Garagan, P.Geo., who is B2Gold's Senior Vice President, Exploration. Mineral Resources assume an open pit mining method, gold price of US$1,400/oz, metallurgical recovery of 86.2%, and operating cost estimates of US$2.50/t mined (mining), US$10.00/t processed (processing) and US$2.10/t processed (general and administrative). Mineral Resources are reported at a cutoff of 0.6 g/t Au.
10. Gramalote Project: Mineral Resources are reported on a 49% attributable basis; the remaining 51% interest is held by AngloGold Ashanti Limited. Mineral Resources have an effective date of August 31, 2016. The Qualified Person for the estimate is Vaughan Chamberlain, FAusIMM, Senior Vice President, Geology and Metallurgy for AngloGold. Mineral Resources assume an open pit mining method, gold price of US$1,400, metallurgical recovery of 84% for oxide and 95% for sulphide, and operating cost estimates of US$2.30/t mined (mining), US$3.32 for oxide and US$5.71/t for sulphide processed (processing) and US$1.37/t processed (general and administrative). Mineral Resources are reported at cutoffs of 0.13 g/t Au for oxide and 0.17g/t Au for sulphide.
11. Stockpiles: Mineral Resources in stockpiled material are reported in the totals for the Masbate, Otjikoto, and Fekola mines, and were prepared by mine site personnel at each operation. Ore stockpile balances are derived from mining truck movements to individual stockpiles or detailed surveys, with grade estimated from routine grade control methods. Stockpile cut-offs vary by deposit, from 0.25–0.7 g/t Au.

MATERIAL PROPERTIES

Fekola Mine

Certain portions of the following information are derived from and based on the technical report entitled "NI 43-101 Technical Report Feasibility Study on the Fekola Gold Project in Mali" that has an effective date of June 30, 2015, and was prepared by Tom Garagan, P.Geo, William Lytle, P.E, Peter Montano, P.E., Ken Jones, P.E., Sandra Hunter, MAusIMM(CP), and David J. T. Morgan, MIEAust CPEng (the " **Fekola Feasibility Study**") and is based on the assumptions, qualifications and procedures set out therein. For a more detailed overview of the Fekola Mine, please refer to the Fekola Feasibility Study, which is available on SEDAR at www.sedar.com. Information that postdates the Fekola Feasibility Study is provided by the Company.

Property Description, Location, and Access

The Fekola Mine is situated in southwestern Mali, on the border between Mali and Senegal. The Fekola deposit is located about 210 kilometres (" **km**") south of Kayes and approximately 40 km south of the city of Kéniéba, in the Kayes Region. From Bamako, the Malian capital, it is about a 480 km drive along the Millennium Highway to Kéniéba, then 40 km from the Millennium Highway to the mine site. The mine can also be accessed by road from Dakar in Senegal. The mine is serviced by a purpose-built gravel airstrip.

Permit number 0070/PM-RM (the "**Médinandi Exploitation License**"), which has an area of 75 square kilometers (" **km2**") was granted on February 13, 2014, and is valid to February 2044, a 30-year term. The Médinandi Exploitation License was initially held in the name of Songhoi. B2Gold initially acquired a 90% interest in Songhoi through the acquisition of Papillon in October 2014 and purchased the remaining 10% non-controlling interest in Songhoi held by Mani SARL ("**Mani**") through a subsequent transaction in January 2015. B2Gold holds an additional two exploration licences in the Fekola area and four in the southern part of Mali.

Fekola S.A., the new Malian exploitation company, was incorporated on March 17, 2016 and merged with Songhoi in December 2016 to become the holder of the Médinandi Exploitation Licence. The Company will contribute a 10% free carried interest in Fekola S.A. to the State of Mali as required under the 2012 Mining Code. Under the 2012 Mining Code, the State of Mali also has the option to purchase an additional 10% participating interest in Fekola S.A., which it has confirmed its intent to exercise. As a result, it is expected that the State of Mali will hold a 20% interest in Fekola S.A. B2Gold signed the Fekola Convention in the form required under the 2012 Mining Code that relates to, among other things, the ownership, permitting, reclamation bond requirements, development, operation and taxation applicable to the Fekola Mine with the State of Mali. In August 2017, B2Gold finalized certain additional agreements with the State of Mali including the Fekola Shareholders Agreement, Share Purchase Agreement and an amendment to the Fekola Convention to address and clarify certain issues under the 2012 Mining Code. The Fekola Convention, as amended, will govern the procedural and economic parameters pursuant to which B2Gold will operate the Fekola Mine. The Fekola Shareholders Agreement and the Share Purchase Agreement for the purchase of the additional 10% of Fekola S.A. have been finalized and signed by the relevant Malian government ministers and the Malian Council of Ministers, subject to ratification by the Mali National Assembly, which is now expected at their next scheduled sitting in April 2018. Upon such ratification, B2Gold will transfer ownership of 20% of Fekola S.A. to the State of Mali. The first non-participating10% of the State of Mali's ownership will entitle it to an annual priority dividend equivalent to 10% of calendar net income of Fekola S.A. The second fully participating 10% of the State of Mali's interest will entitle it to ordinary dividends payable on the same basis as any ordinary dividends declared and payable to B2Gold for 80% interest.

The State of Mali owns all surface rights in the Fekola Mine area, and no surface rights have been registered to a private entity. There are a number of small villages in the Exploitation License area, but there are currently no known inhabitants in a “no-go” zone, which is the area required for mining operations, infrastructure, and a 500 metre (“**m**”) buffer zone around the active blasting area. Farmers and other inhabitants have previously been relocated and compensation has been paid and there are no expected future payments or liabilities associated with the completed relocation effort. The Company is also relocating the village of Fadougou, located adjacent to the main Fekola pit. While the relocation of the village was not a requirement in the construction permit, after extensive stakeholder engagement with the local population, the Company decided to proceed with it because of the near proximity of the village to the mine site. Relocation will be completed in accordance with a Resettlement Action Plan (“**RAP**”) that was completed by an independent consultant in consultation with all stakeholders. The RAP has been approved by the appropriate Malian authorities and the Company is currently building the new village. It is anticipated that the relocation process will take two years to complete.

A 1.65% royalty is payable to Zoumana Traore SARL.

The financial model in the Fekola Feasibility Study was prepared on a pre-tax basis. The 2012 Mining Code introduced an ad valorem tax applicable to all substances, the taxable basis of which is the square-mine value of extracted substances, exported or not, minus intermediary fees and expenses. The tax rate is based on specified mining groups. Gold and other precious metals are levied at a 3% royalty rate.

Value-added tax (“**VAT**”) is payable in Mali; however, the 2012 Mining Code has a provision that exploitation license holders have a three-year VAT exemption period. Corporate income tax in Mali is 30%. For exploitation license holders, there is a 15-year period from the start of production where the corporate income tax is reduced to 25%.

A new tax has been introduced applying to holders of an exploitation license that produce, in one year, more than 10% of the expected quantity fixed in the annual production program approved by its shareholders' general assembly. This new tax consists of standard taxes and rights applying to operations and results relating to overproduction.

A special tax on certain products (Impôt Spécial sur Certains Produits or "**ISCP**"), calculated on the basis of turnover exclusive of VAT, also applies and is based on the specified mining group assignment. Under the Fekola Convention, the applicable ISCP rate is 3%. Fekola S.A. is also subject to a stamp duty of 0.6% of its revenue.

To the extent known, there are no other significant factors or risks that might affect access or title to, or the right or ability to perform work on, the property, including permitting and environmental liabilities to which the project is subject that are not discussed in this Annual Information Form.

History

A number of companies have completed exploration activities in the general Fekola area, including Société Nationale de Recherches et d'Exploitation des Ressources Minières de Mali, Bureau de Recherches Géologiques et Minières, the Guefest Company, Western African Gold and Exploration S.A., Randgold Resources Ltd., Central African Gold plc ("**Central African**") and Papillon.

The work programs included geological reconnaissance, interpretation of Landsat and aeromagnetic data, regional geological and regolith mapping, ground induced polarization ("**IP**") geophysical surveys, airborne magnetic and electromagnetic (" **EM**") surveys, soil, rock, and termite geochemical sampling, trenching, auger, rotary air blast ("**RAB**"), air core, reverse circulation ("**RC**") and core drilling, Mineral Resource and Mineral Reserve estimates and updates to those estimates, environmental studies to support environmental permit applications, geotechnical and hydrological surveys and water sampling, topographic surveys, metallurgical sampling, upgrading of access roads and the accommodation camp, and mining and technical studies. There are no historical estimates that are relevant to the current Mineral Resources and Mineral Reserves.

Using assumptions and allowances in the 2004 Australasian JORC Code, Papillon completed a scoping-level study in 2012, and a pre-feasibility study in 2013; both studies indicated positive project economics using the assumptions in the studies. B2Gold completed the Fekola Feasibility Study in 2015, and subsequently commenced mine development activities on the Fekola deposit. B2Gold discovered the Anaconda zone in 2014 and announced an initial Mineral Resource estimate for the zone in 2017.

Fekola Mine construction was successfully completed in late September 2017, and the mine achieved commercial production on November 30, 2017, one month ahead of the revised schedule and four months ahead of the original schedule.

There are known zones of artisanal mining activity within the Fekola Mine area.

Geological Setting, Mineralization, and Deposit Types

The Fekola deposit and Anaconda zone are hosted in Birimian Supergroup rocks within the eastern portion of the Paleo-Proterozoic Kédougou–Kéniéba inlier, which covers eastern Senegal and western Mali. They are considered to be examples of orogenic-style gold deposits.

The Fekola deposit is hosted by a moderate to steeply west dipping, folded sequence of marine meta-sediments of the Kofi group. The deposit has been subjected to greenschist facies metamorphism. Gold mineralization is associated with fine-grained disseminated pyrite and local pyrite veinlets. Mineralization has been traced over a strike extent of approximately 1.5 km, to depths of as much as 500 m below surface, and up to 300 m wide. The greatest continuity is observed within a high-grade shoot (>2 g/t Au) which plunges approximately 13° to the north–northwest. Mineralization remains open at depth, down plunge, and to the north.

The Anaconda prospect is hosted by deeply weathered Kofi group meta-sediments and minor intrusive units. It is comprised of several distinct zones that occur as flat-lying to slightly dipping mineralized zones within saprolite and saprock. The combined Anaconda-Adder saprolite zone extends over 4.5 km along strike and up to 500 m wide at Anaconda and up to 200 m wide at Adder. Within these zones, mineralized saprolite varies from several metres to over 40 m thick, with an average true thickness of approximately 13.5 m. Mineralization remains open along strike.

Exploration

Exploration activities completed by the Company include a light detection and ranging survey; regolith and geological mapping; geochemical soil, termite mound, rock chip and grab sampling; ground geophysical surveys (IP, gradient, resistivity, pole–dipole, gravimetric); airborne geophysical surveys (aeromagnetic); and pitting and trenching.

Geochemical sampling was used as a first-pass tool to define areas of gold anomalism. Geophysical data have been used to develop the broad lithological and structural framework for the project area. Pits and trenches were used to provide additional information on areas of gold anomalism and were completed as part of the geotechnical appraisal of the planned plant and tailings storage facility areas.

In addition to the Fekola deposit and Anaconda zone, exploration activities undertaken to date have identified the following prospects:

- New drill results in the upper portion of the Fekola North Extension (formerly Kiwi zone) indicate it is part of the Fekola zone and has significantly extended mineralization down plunge to the north.
- New drill results above the deeper portion of the Fekola North Extension (formerly Fekola Deeps) have intersected wide zones of good-grade mineralization, closer to surface, and up to 600 m north of the Fekola resource pit boundary.
- At Anaconda, several bedrock structures have been identified below the saprolite, which may have weathered to create the extensive zones of saprolite-hosted gold mineralization. These mineralized bedrock structures have the potential to host new additional Fekola-style zones.

B2Gold's current and planned exploration activities are discussed under *Fekola Mine - Exploration, Development, and Production.*

Drilling

Drilling has been completed in support of exploration evaluations, Mineral Resource and Mineral Reserve estimates, mine planning, geotechnical and hydrogeological evaluations, and infrastructure site sterilization (condemnation drilling).

Drilling completed at Fekola includes auger, RAB, aircore, RC, and core drilling methods. Drilling and sampling completed prior to January 2007 are not considered part of the current active database and are not used in support of Mineral Resource estimation. Drilling completed as of December 31, 2017 on the licences in Mali includes 513 core holes (115,590 m), 2,182 RC holes (246,667 m), 2,809 aircore holes (115,165 m), 1,166 RAB holes (24,064 m) and 12,606 auger holes (113,367 m).

Drilling that supports the Fekola Mineral Resource estimates was completed from January 2007 to May 26, 2016. A total of 685 drill holes (131,750 m) were available in the immediate area of the Mineral Resource estimates. There are 211 core holes (62,834 m), 433 RC holes (54,404 m) and 41 holes (14,512 m) that commenced with an RC collar and were completed with core.

The drill hole database cutoff date for the Anaconda Mineral Resource estimates was March 22, 2017. Drilling includes 1,629 aircore drill holes (66,550 metres), 266 RC holes (31,778 metres) and 112 diamond drill core holes (8,720 metres) for a total of 2,007 drill holes (107,048 metres of drilling). Drill core is photographed, logged and recoveries are recorded. For RC and aircore samples, moisture content and sample weight are recorded to ensure adherence to optimum drill recovery practices. Drill hole collar locations are surveyed using global positioning system ("**GPS**") instruments. Down-hole surveys are performed at regular down-hole intervals using Reflex instrumentation. Most of the drill holes at Fekola are drilled at -50º to -55º to the east (N90 E) which intersects the main mineralized zone at a high angle. In general, true thicknesses are 70% to 80% of the sampled length. Drilling at Anaconda is mostly oriented either vertically or -60º to -75º to the east. In general, true thicknesses and down holes thicknesses are similar as drill hole orientation was locally adjusted depending on the orientation of the mineralization.

The 2017 drill program completed the following: auger (3,700 holes for 43,408 m), aircore (694 holes for 32,665 m); RC (428 drill holes for 47,005 m); and core drilling (151 drill holes for 27,691 m). This exploration was conducted on numerous targets in the Fekola Mine, Fekola regional and Mali South areas.

Geologically encouraging and/or economic drill intercepts identified in saprolite or fresh rock from the 2017 drill campaign will be further drill tested in 2018 to determine geometry and grade continuity of these zones. The Fekola North extensions beyond the design pit limits and the exploration for hard rock sources in the Anaconda area will be of primary importance in early 2018.

Sampling, Analysis, and Data Verification

RC and aircore samples are collected at 1 m intervals in plastic bags using a cyclone, and split using a cone or riffle splitter and a three-tier split. Core is typically sampled on 1 m average intervals with breaks at lithological contacts and alteration boundaries. Following splitting with a diamond saw, core samples are organized into shipments and the primary laboratory takes possession of the samples at site and transports them to Bamako for preparation and analysis.

The primary assay laboratory for 2017 was SGS Bamako in Mali. Since July 2017, Bureau Veritias, Abidjan, Cote D'Ivoire (" **BV Abidjan**") has been used as an alternate primary laboratory, due to high sample volumes. The Fekola Mine laboratory was also employed for non-critical samples. SGS Bamako serves as the umpire/secondary laboratory for the BV Abidjan and the minesite laboratory samples. BV Abidjan serves as the umpire/secondary laboratory for SGS Bamako samples. Currently there are no commercial mineral laboratories that are fully accredited under ISO17025 in West Africa. SGS advised that SGS Bamako is currently being assessed by the South African National Accreditation System under ISO17025. Samples selected for multi-element analysis are shipped through BV Abidjan to Bureau Veritas/Acme Vancouver. Bureau Veritas advised that BV Abidjan is currently operating using protocols that are in line with ISO9001 and ISO17025 requirements, and that the accreditation process for the laboratory has been initiated. The SGS and BV Abidjan laboratories are independent of B2Gold and its predecessors.

Samples are dried, crushed to 75% passing 2 millimetres (" **mm**"), and pulverized to 85% passing 75 µm. Gold analysis at SGS consists of a 50 g fire assay with an atomic absorption spectrometer ("**AAS**") and/or gravimetric finish, a method which is within industry norms. Bureau Veritas/ACME uses an aqua regia digest, with an inductively-coupled plasma finish for the multi-element analyses.

Density determinations are performed by site personnel on whole core samples, using the water displacement method. There are currently 18,465 density measurements, of which 11,057 density measurements were completed in 2017.

Quality assurance and quality control (" **QA/QC**") measures include regular insertion of certified reference, field duplicate and blank sample materials prior to submission of samples to the laboratory to monitor laboratory accuracy and precision and sampling sequencing and precision. QA/QC sample insertion rates are 1:35 for standards and blanks. QA/QC data are reviewed on a continuous basis. Data imported into the project database are subject to validation, which includes checks on surveys, collar co-ordinates, lithology data, and assay data. The checks are appropriate, and consistent with industry norms.

Sample security measures practiced include moving RC samples and core from the drill site to the Fekola camp yard at the end of each drill shift, and tracking sample shipments using industry-standard procedures. B2Gold is of the opinion that the core storage is secure because the Fekola camp is remote, access is strictly controlled and a B2Gold (previously Papillon) representative has always been present in the camp.

No material issues with the project database including sampling protocols, flowsheets, check analysis program or data storage have been identified to date from the checks performed. The project database is acceptable for use in Mineral Resource and Mineral Reserve estimation, and can be used to support mine planning.

Mineral Processing and Metallurgical Testing

Metallurgical test work has been primarily performed by SGS Canada in Lakefield, Ontario (" **SGS Lakefield**"). SGS Lakefield is accredited to the requirements of ISO/IEC 17025 for relevant mineralogical, geochemical and trade mineral tests conducted for the Fekola Feasibility Study. Additional testing facilities involved in the study include BBA (leach optimization study), FLSmidth (thickener testing) and Jenike and Johanson (ore flow properties for the stockpile reclaim system design).

Completed test work included comminution tests; materials handling properties studies; mineralogical studies; metallurgical composite head analyses, gravity recoverable gold analyses; comparisons of whole ore and carbon-in-leach ("**CIL**") methods; evaluations of leach performances; cyanide destruction test work; and evaluation of engineering data, including testing of oxygen uptake, slurry rheology, carbon kinetics and thickener settling rate.

Based on analysis of results the following conclusions can be drawn from the metallurgical and comminution test work programs:

- The Fekola deposit is classified as hard to very hard competency with above average grinding energy requirements and is moderate to highly abrasive. The ore is amenable to primary crushing followed by a semi-autogenous grind ("**SAG**") mill and ball mill grinding circuit with pebble crushing ("**SABC**").
- Fekola ore is predominantly "free milling", not "preg robbing" and is amenable to gold extraction by conventional cyanidation.
- A gravity separation circuit is not warranted for the Fekola deposit. Instead, a carbon column adsorption circuit was included to recover dissolved gold leached in the grinding circuit to facilitate early recovery of gold, particularly during high gold head grade periods.
- The optimum leaching conditions identified are 24 hour cyanidation with 350 ppm sodium cyanide (" **NaCN**"), initial lead nitrate addition of 100 g/t, pH 10.3–10.5, dissolved oxygen levels of ~15 ppm and a pulp density of 45% solids. The addition of lead nitrate and dissolved oxygen levels of 15 ppm is found to be beneficial in leach kinetics and overall recovery. Anticipated lime and cyanide addition rates are moderate.
- The ore typically yields good recoveries (87% to 97%). Test work results show a logarithmic relationship between the measured gold head grade and resulting gold extraction under optimised leach conditions at a grind size of 75 micrometers ("**µm**"). A grind optimisation study was updated to evaluate the effect of grind size on project economics. The evaluation compared gold revenue against operating and capital expenditure for the grind sizes considered. A grind size (P80) of 75 µm is considered to be the economic optimum for the Fekola Mine.
- Based on the absence of any preg robbing characteristics and very good adsorption properties, a whole ore leach/carbon-in-pulp ("**CIP**") circuit has been selected for the Fekola process flowsheet. There were no deleterious elements in any of the Fekola samples evaluated in the metallurgical test program which negatively affect gold recovery.
- The cyanidation tailings responded well to cyanide destruction treatment using the SO_2/Air process.

The ore has a thickener specific settling rate of 0.3 square metres per tonne per day for both the leach and tailings thickener duties.

At a gold head grade of 2.50 g/t Au, the predicted gold extraction is 93.7%, and the estimated plant gold recovery is 92.7% .

On the Anaconda saprolite project two master composites and 28 variability samples were collected in 2017 and sent to SGS Labs in Lakefield, Ontario, Canada for leach optimization and recovery test work. Results from that testwork indicate an average gold recovery of 95.3% can be achieved using conventional leach/CIP technology. The Anaconda process flowsheet would be similar at Fekola's, except the front end of the Anaconda plant would implement a sizer and a ball mill for size reduction prior to gold extraction in the leach circuit. SO2/Air cyanide destruction was also evaluated in the Anaconda metallurgical test program and worked very well for cyanide removal from CIP tailings. The cyanide destruction product would be thickened similar to Fekola prior to disposal in a lined storage impoundment.

Mineral Resource and Mineral Reserve Estimates

Mineral Resources

Fekola Deposit

The Mineral Resource estimate for Fekola was built using implicitly-modeled mineralization domains set at four nominal grade thresholds. The overall interpretation and dimensions of the mineralization domains were controlled by the lithology model, regional folding, faulting, and shear zones. Assays were capped by mineralization and regolith domains (fresh rock or saprolite) prior to compositing to 3 m downhole intervals. An average density across all mineralization domains was used for tonnage estimates.

Regolith surfaces for base of overburden and base of saprolite (includes laterite and saprock) were also modeled. Most (>97%) of the Mineral Resource is hosted in fresh rock.

Gold grades were estimated using ordinary kriging ("**OK**") using hard boundaries for each mineralization domain. Block grade estimates were validated by visual comparison to composite grades, comparison of global block statistics to the nearest-neighbour ("**NN**") model, swath plots to check for local bias, comparison to the previously reported mineral resource estimate and comparison to change-of-support distributions.

Indicated Mineral Resource classification is supported by an approximate drill spacing of 40 x 40 m and Inferred Mineral Resource classification is supported by an approximate drill spacing of 80 x 80 m.

Mineral Resources are confined within pit shells that used a gold price of $1,400/oz, and reported above an average gold cutoff grade of 0.6 g/t Au. The Mineral Resource pit shells were run using the same costs, recovery, and pit slope assumptions as those used to constrain the Mineral Reserve estimates.

Anaconda Zone

The Mineral Resource estimates for the Anaconda zone are based on modeled surfaces of the bases of laterite, saprolite and saprock using detailed drill hole logging of weathering intensity and lithology. Mineralization zones at nominal grade thresholds of 0.2 g/t gold and 0.6 g/t gold were built in three dimensions ("**3D**") and used to control the gold grade estimates.

Assays were capped at different levels by grade shell and for laterite with capping applied prior to compositing to 2 m lengths. Block model gold grades were estimated using OK with hard boundaries at the mineralization zone contacts. Densities based on dry bulk measurements made at site were applied to laterite, saprolite and saprock.

Inferred Mineral Resources are supported by a nominal drill hole spacing of 80 x 80 m with 90% of the resource drilled to 40 x 40 m drill spacing.

The block model estimates were validated by visual comparison to composite grades, comparison of global block statistics to the NN model and swath plots by domain to check for local bias. Mineral Resource estimates for the Fekola deposit and Anaconda zone are reported from B2Gold's Mineral Resource models within economically-constrained pit shells.

The Mineral Resource estimate for Fekola accounts for mining depletion as of December 31, 2017 and 2018 budgeted costs. It is considered current and has an effective date as of December 31, 2017. The Mineral Resource estimate for the Anaconda zone was effective as of March 22, 2017 and is current as of December 31, 2017.

Fekola Indicated Mineral Resources Statement

Area	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
Fekola	56,610,000	2.04	3,719,000	115,700
ROM Stockpiles	2,550,000	2.79	229,000	7,100
Total Indicated	59,170,000	2.08	3,948,000	122,800

Fekola and Anaconda Inferred Mineral Resources Statement

Area	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
Fekola	4,190,000	1.69	227,000	7,100
Anaconda	18,350,000	1.11	652,000	20,300
Total Inferred	22,530,000	1.22	879,000	27,300

Notes:

1. Mineral Resources have been classified using the CIM Standards. Mineral Resources are reported inclusive of those Mineral Resources that have been modified to Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
2. All tonnage, grade and contained metal content estimates have been rounded; rounding may result in apparent summation differences between tonnes, grade, and contained metal content.
3. For Fekola, Mineral Resources are reported on an 80% attributable basis; B2Gold expects that the State of Mali will hold a 20% interest in the Fekola Mine. For further details of B2Gold's interest in the Fekola Mine, see the heading "*Material Properties – Fekola Mine – Property Description, Location and Access*".
4. For Anaconda, Mineral Resources are reported on an 85% attributable basis; under the Mali Mining Code (2012), the State of Mali has the right to a 10% free carried interest and has an option to acquire an additional 10% participating interest, and 5% is held by a third party.
5. The Qualified Person for the resource estimate is Tom Garagan, P.Geo., who is B2Gold's Senior Vice President, Exploration.
6. The Qualified Person for the stockpile estimate is Peter Montano, P.E., who is B2Gold's Project Director.
7. Mineral Resource estimates for Fekola and Anaconda assume an open pit mining method and a gold price of US$1,400/oz, For Fekola, a metallurgical recovery of 93%, and average operating cost estimates of US$2.65/t mined (mining), US$15.81/t processed (processing) and US$3.13/t processed (general and administrative) were used for pit shell generation. For Anaconda, a metallurgical recovery of 95%, and average operating cost estimates of US$1.75/t mined (mining), US$8.10/t processed (processing) and US$2.75/t processed (general and administrative) were used for pit shell generation.
8. Mineral Resources are reported at a cutoff of 0.6 g/t Au for Fekola and at a cutoff of 0.35 g/t Au for Anaconda.

Mineral Reserves

Indicated Mineral Resources were converted to Probable Mineral Reserves based on the August 2016 resource model update, following consideration of the following modifying factors.

Reserve model dilution and ore loss were applied through whole block averaging such that at a 0.8 g/t Au cutoff there is a 2.8% increase in tonnes, a 3.1% reduction in grade and 0.5% reduction in ounces when compared to the Mineral Resource model. An additional waste dilution factor of 5% and ore recovery factor of 98% was applied globally to the block model. The mining cost estimates include grade control drilling and sampling costs to achieve sufficient data resolution for the delineation of the ore outlines. The owner mining cost estimates were derived from the initial mining equipment productivity and cost estimates, then adjusted based on Fekola operating costs and longer-term cost data for similar B2Gold projects. The average mining cost reported for the optimal pit shell is $2.65 per tonne ("**t**") mined. Processing costs for the optimal shell were $15.81/t, and general and administration costs were $3.13/t. The optimization included taxes, royalties, and stamp duties totalling 8.25% . During review of the pit optimization results a $1,100/oz gold optimum shell was selected as the design basis for the ultimate pit.

The ultimate pit and internal phase designs are based on the optimum shells and are constrained by geotechnical parameters, minimum mining widths, and other operational parameters. Mineral Reserves include stockpiled ore as accounted for by mine staff and are based on grade control estimations and surveyed stockpile volumes.

The Mineral Reserve estimate for Fekola accounts for mining depletion as of December 31, 2017 and 2018 budgeted costs. It is considered current and has an effective date as of December 31, 2017, and has been modified from the Indicated Mineral Resources. No Proven Mineral Reserves have been reported.

Fekola Probable Mineral Reserves Statement

Area	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
Open Pit	36,100,000	2.32	2,687,000	83,600
Stockpiles	2,550,000	2.79	229,000	7,100
Total Probable	38,660,000	2.35	2,917,000	90,700

Notes:

1. Mineral Reserves have been classified using the CIM Standards.
2. All tonnage, grade and contained metal content estimates have been rounded; rounding may result in apparent summation differences between tonnes, grade, and contained metal content.
3. Mineral Reserves are reported on an 80% attributable basis; B2Gold expects that the State of Mali will hold a 20% interest in the Fekola Mine. For further details of B2Gold's interest in the Fekola Mine, see the heading "*Material Properties – Fekola Mine – Property Description, Location and Access*".
4. The Qualified Person for the reserve estimate is Peter D. Montano, P.E., who is B2Gold's Project Director.
5. Mineral Reserves are based on a conventional open pit mining method, gold price of US$1,250/oz, metallurgical recovery of 93%, and average operating cost estimates of US$2.65/t mined (mining), US$15.81/t processed (processing) and US$3.13/t processed (general and administrative).
6. Reserve model dilution and ore loss was applied through whole block averaging such that at a 0.8 g/t Au cutoff there is a 2.8% increase in tonnes, a 3.1% reduction in grade and 0.5% reduction in ounces when compared to the Mineral Resource model. An additional 5% dilution and 2% ore loss was applied during pit optimization and scheduling.
7. Mineral Reserves are reported above a cutoff grade of 0.8 g/t Au.

Except as disclosed elsewhere in this Annual Information Form, there are no undisclosed metallurgical, environmental, permitting, legal, title, taxation, socio-economic, marketing, political and other issues that the Company is aware of that may reasonably be expected to materially affect the Mineral Resources and Mineral Reserves estimates for the Fekola Mine.

Mining Operations

Fekola Mine is a conventional open pit owner-operated mine and plant. Higher-grade material is sent to the plant and lower-grade material is stockpiled which will be processed later in the mine life. The mine plan assumes a mine life of approximately 10 years (including 2018). The ultimate pit is planned for development in a sequence of seven pit phases. The ultimate pit will be approximately 2 km long, 800 m wide and 320 m deep, with an overall strip ratio (waste to ore) of 4.9 to 1. Overall pit slopes vary by geotechnical domain, between 34 and 41 degrees.

In addition to increasing project value, the staged pit development will also mitigate the geological, geotechnical and economic risks for the project considering the 2 km length of the open pit. The design of the future pit stages during the operations, especially the last two stages with higher production cost per ounce, may be adjusted progressively depending on operational experience, exposed ground conditions, and changes in economic conditions.

The base case mine production schedule adopted in 2017 involves the movement of 32 Mtpa material to sustain processing of 5 Mtpa. High-, medium-, and low-grade ore will be blended throughout the mine life, with high- and medium-grade ore being prioritized to increase produced ounces and project value.

The mining operations are scheduled to work 330 days a year, to allow for downtime and reduced productivity during the rainy season, although it is assumed that mining operations will take place under wet conditions with borehole and in-pit de-watering programs in place. The equipment fleet is conventional for the industry (90 t capacity rigid haul trucks and 200 t class excavators) and will provide relative flexibility in the utilisation as up to three pit stages will be mined simultaneously to mine waste and ore at different levels. The mill feed ore will be transported from open pits to the run-of-mine ("**ROM**") pad for direct tipping or stockpiling. It is currently assumed that up to 75% of the ROM feed may need to be stockpiled to regulate the mine production and crusher feed rates.

A single waste rock storage facility (" **WRSF**") was constructed to the west of the open pit, and suitable mine waste was used for the annual tailings storage facility ("**TSF**") raises to the northeast of the pit. Location considerations were based on minimising haulage, surface water drainage and area availability. An overall slope angle of 18° was used in the design of the WRSF faces with 5 m berms located at 10 m vertical intervals.

Processing and Recovery Operations

Design assumptions were based on the metallurgical test work described under *"Mineral Processing and Metallurgical Testing"* above. The optimum leaching conditions identified were 24 hour cyanidation with 350 ppm NaCN, initial lead nitrate addition of 100 g/t, pH 10.3 to 10.5, dissolved oxygen levels of ~15 ppm and a pulp density of 45% solids (w/w). The addition of lead nitrate and dissolved oxygen levels of 15 ppm was found to be beneficial in leach kinetics and overall recovery. The ore typically yields good recoveries (87% to 97%). At a gold head grade of 2.50 g Au/t the estimated plant gold recovery is 92.7% .

The mill will use a conventional flowsheet, consisting of single stage primary crushing; a SABC grinding circuit; leach feed thickening with thickener overflow treated through a carbon in column circuit; leaching followed by CIP adsorption; elution and gold recovery to doré; and cyanide destruction, tailings thickening and disposal circuits. The primary gyratory crusher and a SABC grinding circuit include a ball mill in closed circuit with cyclones to achieve the final product size. The cyclone overflow stream will flow by gravity to two linear trash screens operating in parallel ahead of a leach thickener. Sodium cyanide is added to the SAG mill feed to start the gold leaching process. The leach thickener overflow solution is pumped to carbon columns to recover gold already dissolved in the grinding circuit. The thickened slurry is pumped to a leach circuit and then additional sodium cyanide along with lead nitrate and oxygen are added for further gold leaching. A CIP circuit will adsorb dissolved gold onto activated carbon. A pressure Zadra elution circuit will be used to recover gold from loaded carbon to produce doré. A cyanide destruction circuit using SO2 and air will reduce the weak acid dissociable cyanide level in the tailings stream to an environmentally acceptable level. The tailings stream will be thickened to recover water before being pumped to the TSF. Key consumables will include reagents, water, and air services.

The originally-designed processing facility was sized to treat 4 Mtpa of ore at an average head grade of 2.5 g/t Au. All major unit operations and equipment were sized with a 25% design margin to allow for future expansion capacity with minimal additional capital expenditure. On August 2, 2016, the Company decided to proceed with the mill expansion to achieve a 5 Mtpa processing throughput as part of the initial construction, and approved an $18 million expansion budget. With this additional capital investment, the Fekola mill expansion was commissioned in conjunction with the main plant.

Infrastructure, Permitting, and Compliance Activities

Infrastructure constructed on site includes the process plant, TSF, accommodation camp, roads, airstrip, mine services area, open pit, ore stockpiles and WRSFs.

Power supply to the site is from a combination heavy fuel oil and diesel-fueled power station that is located adjacent to the process plant. The power station has been sized to accommodate a maximum demand power draw of 29.4 megawatts ("**MW**").

The TSF is located to the north of the process plant and pit, and adjacent to the eastern WRSF. As designed, the TSF will store a total of 62 million tonnes ("**Mt**") of tailings over 12 stages, with a stage lift performed every year in the dry season.

The Fekola pit footprint is in an existing natural drainage course, with an upstream catchment of 9 km ^{2}, which is diverted around the pit. The site surface water management system is designed to prevent runoff from events up to and inclusive of a 24-hour, 1-in-100 year recurrence interval storm event from entering the pit. Water for the Fekola Mine is sourced from pit groundwater, surface water (direct precipitation and rainfall runoff), dedicated bore holes for potable water use at both the process plant and the accommodation camp, and water pumps at the Falémé River in the event that site water quantity or quality requirements are not met as anticipated by the pit dewatering bore holes and surface water (direct precipitation and run-off) storage.

An Environmental and Social Impact Assessment (" **ESIA**") was completed for the Fekola Mine in 2013 and approved by the Ministry of Environment and Sanitation on April 29, 2013. In 2015, subsequent to the completion of the Fekola Feasibility Study, the 2013 ESIA was updated to fill gaps identified in the previous 2013 ESIA, to reflect improvements and modifications to the Fekola Mine design and to align the assessment with international standards. As part of the ESIA and ESIA update, a detailed assessment of potential environmental and social impacts from the development of the Fekola Mine was conducted. Following the implementation of proposed mitigation measures and under normal operating conditions, identified potential impacts are not estimated to cause significant long-term, adverse impacts on receptors or the receiving environment.

A mining permit was granted on February 13, 2014, and the Company has all required approvals and permits to operate the Fekola Mine.

The estimated rehabilitation and closure costs for the Fekola Mine are approximately US$24.7 million over the life of the mine. In this regard, an escrow account will be funded by Fekola S.A. on a unit of production basis to be used for reclamation and closure purposes of the Fekola Mine. B2Gold is currently in negotiations with the Malian government as to the specifics of the terms and conditions of use of this escrow account.

Capital and Operating Costs

Capital Costs

Capital costs are based on operational experience, feasibility study results, and life of mine projections. The table below presents the 2018 budgeted costs and estimated costs for the life of mine, including 2018.

Sustaining Capital Estimate

Area	2018 Budget (US$ million)	LoM Estimated Cost including 2018 (US$ million)
Site General and Infrastructure	5.00	52.00
Mining and Processing	20.70	37.30
Closure and Rehabilitation	—	24.70
Total	**25.65**	**114.00**

Note: Totals may not sum due to rounding. The projected LoM for the Fekola Mine is approximately eight years of mining and 10 years of processing, including 2018.

Capital cost estimates include mining fleet replacement, major rebuilds, and tailings storage facility stage raises.

Operating Costs

Budgeted 2018 and estimated life of mine operating costs are provided in the table below.

Operating Cost Forecast*

Area	Units	2018 Budget	LoM Estimated Cost including 2018
Mining	US$/t mined	1.92	2.65
Processing	US$/t processed	15.68	15.81
Site General	US$/t processed	6.41	3.13

*Note: The projected LoM for the Fekola Mine is approximately eight years of mining and 10 years of processing, including 2018. Operating costs include all mining, processing and general and administration costs including pre-stripping.

The cost estimates are based on the Company's current budget and LoM plans for the Fekola Mine, under the assumptions listed above. Costs in subsequent years may vary significantly from the 2018 budget and LoM cost estimates as a result of current or future year non-recurring expenditures, changes to input cost and exchange rates, and changes to B2Gold's current operations and/or production plans. B2Gold's current LoM plan is based on existing Mineral Reserves. B2Gold conducts ongoing exploration and analysis at B2Gold's operating mines to improve project value, which may change the capital and operating costs in the future.

Exploration, Development, and Production

Exploration activities in 2017 focused primarily on defining the saprolite-hosted mineralization at the Anaconda deposit, and drilling north of the Fekola Mineral Reserves pit to define near surface and at depth mineralization on the Fekola North Extension target area.

Exploration on the licenses in Mali has budgeted expenditures of $15.1 million, focusing on the Fekola North Extension zone and sulphide targets below the Anaconda saprolite. The 2018 budget for Mali envisions completing 20,000 m of diamond drilling, 48,000 m of RC drilling, 22,000 m of aircore drilling and 8,500 m of auger drilling. Positive drill results from the Company's 2017 exploration program at the Fekola area indicate that the main Fekola deposit, with additional drilling, could extend significantly to the north. In addition, drilling below the extensive saprolite resource at the Anaconda, Adder and Mamba zones has discovered three, well mineralized bedrock (sulphide) zones, indicating the potential for large, Fekola-style mineralized zones.

On September 25, 2017, the Company announced that it had completed construction of the Fekola mill on budget and commenced ore processing at the Fekola Mine, more than three months ahead of the original schedule. The first gold pour at the Fekola Mine was achieved on October 7, 2017. On November 30, 2017, the Fekola Mine achieved commercial production, one month ahead of the revised schedule and four months ahead of the original schedule. Throughput ran above nameplate capacity during the 30-day test period (on average) with significantly better than expected plant availability, mill feed grades, and recoveries. Gold production from the Fekola Mine in 2017, in which B2Gold expects to hold an 80% interest, was 111,450 ounces (including 79,243 ounces of pre-commercial production). In the fourth quarter of 2017, the Fekola Mine produced 105,110 ounces of gold (including 72,903 ounces of pre-commercial production).

The Fekola Mine is expected to produce in total between 400,000 and 410,000 ounces of gold in 2018, the first full year of production, from a total of 5.0 million tonnes of ore at an average grade of 2.69 g/t and metallurgical recovery of 92.7% .

Masbate Gold Project

Certain portions of the following information are derived from and based on the technical report entitled "Masbate Gold Operation, Republic of the Philippines, NI 43-101 Technical Report on Operations" that has an effective date of December 31, 2016, and was prepared by Tom Garagan, P. Geo., Ken Jones, P.E., Kevin Pemberton, P.E. and John Rajala, P.E. (the " **Masbate Technical Report**") and is based on the assumptions, qualifications and procedures set out therein. For a more detailed overview of the Masbate Gold Project, please refer to the Masbate Technical Report, which is available on SEDAR at www.sedar.com. Information that post-dates the Masbate Technical Report is provided by the Company.

Property Description, Location, and Access

The Masbate Gold Project is located in Masbate Island in the Republic of the Philippines. The mine is situated about 360 km southeast of Manila, the capital of the Philippines, within the municipality of Aroroy, Masbate Province, Region V. The mine site can be accessed by a commercial airline service, which flies daily to Masbate City; from there it is a 70 km drive on a partially-sealed road to the mine site. The mine is equipped with a barge loading jetty where heavy equipment and consumables are delivered and offloaded.

Filminera holds 29 patented mineral claims, four mineral production sharing agreements (" **MPSAs**"), and one exploration permit (" **EP**"). Collectively these patented claims, MPSAs, and EP cover an area of about 7,152 hectares ("**ha**"). Expiry dates for the Filminera-held MPSAs range from 2022–2035. One additional MPSA is held in the name of Vicar Mining Corporation ("**VMC**"). The majority of the Mineral Resources and Mineral Reserves occur on the patented mineral claims that have perpetual rights with no expiry date. There are also a number of MPSA and EP applications, with the MPSA applications covering about 1,356 ha, and the EP applications an additional 7,484 ha, approximately.

B2Gold holds its project interest through indirectly-owned subsidiaries. B2Gold has a 40% interest in Filminera and a 100% interest in PGPRC. The remaining 60% interest in Filminera is held by a Philippines-registered company, Zoom Mineral Holdings Inc. ("**Zoom**"). Filminera owns the majority of the Masbate Gold Project tenements and is responsible for the mining, environmental, social and community relations on the Masbate Gold Project site. PGPRC developed and owns the process plant on the island of Masbate and is responsible for the sale of all gold. PGPRC and Filminera have a contractual relationship, which includes PGPRC purchasing all of the ore production from Filminera at a price equal to the cost for the ore plus a predetermined percentage, while maintaining joint financial and legal liability for the social and environmental obligations under Filipino laws.

Filminera holds the surface rights to all current open pits, WRSFs and stockpiles, the Masbate process plant, TSF and associated infrastructure facilities, such as the causeway, port, airstrip, and housing areas. Additional surface rights will need to be acquired in the areas where the satellite pits are planned.

There is no royalty payable on the Masbate Gold Project; however, a 4% excise tax on gross gold and silver sales is now payable on a quarterly basis to the Philippine government under the MPSA regulatory framework, and a 1.5% tax is payable on operating costs as a required expenditure for the social development of host communities.

Filminera has an interest in the Pajo property through an Operating Agreement with VMC, which holds an approved MPSA that covers an area of approximately 786 ha and expires in 2030. Filminera has the right, at its expense, to explore and, if warranted, develop and operate any mine in the Pajo property. VMC would receive a royalty share equivalent to 2% of the gross receipts (less certain expenses) of the mineral products realized from the MPSA.

To the extent known, there are no other significant factors or risks that might affect access or title to, or the right or ability to perform work on, the property, including permitting and environmental liabilities to which the project is subject that are not discussed in this Annual Information Form.

History

A number of companies have completed exploration activities in the general Masbate area, including Atlas Consolidated Mining & Development Corporation ("**Atlas**"), Philippines Gold PLC (formerly London Fiduciary Trust), Thistle Mining Inc., CGA Mining Limited (" **CGA**"), and B2Gold. Filminera became the in-country operating entity for the Masbate mine in 1997. A number of companies have held an interest in Filminera since that date; most recently, the interest is ultimately held by B2Gold.

Work programs completed have included geological mapping, mapping of artisanal workings, geochemical sampling (stream sediment, rock chip, grab, channel and trench, and soil auger), helicopter geophysical surveys (magnetics and radiometrics), an orientation IP survey, core and RC drilling, metallurgical test work, environmental studies, and mining and technical studies.

Early mining activity was halted by the advent of World War II. Atlas undertook open pit and underground mining operations from 1980 to 1994, and reportedly produced about 1.4 million ounces ("**Moz**") Au. CGA recommenced mining from open pit sources in 2009, and open pit mining is ongoing.

Artisanal miners have also been active in the Masbate Gold Project area; production from these sources is unknown.

Geological Setting, Mineralization, and Deposit Types

Masbate is considered to be an example of a low sulphidation epithermal deposit.

The Masbate gold deposits that are currently being mined are centred on a 5 km to 7 km wide northwest- to southeast-oriented mineralised volcanic block which is bounded by two interpreted north-west trending fault zones. The mineralizing system being exploited in the open pit operations has a strike length of about 10 km, from Balete in the south to Pajo in the north. Mineralization has been tested to about 300 m depth.

The principal host rock to the gold mineralisation is a fractured andesitic–dacitic, tuffaceous agglomerate. Mineralisation occurs within quartz veins and associated altered and quartz-stockwork wall rocks and breccias. Gold is typically hosted in grey to white crystalline to chalcedonic quartz and is frequently associated with pyrite, marcasite, and minor amounts of chalcopyrite and sphalerite. High-grade veins are generally narrow (<1 m) but some may reach 20 m in width, while sheeted zones with stockworks can reach as much 75 m in width.

Exploration

Exploration activities completed by Filminera include geological mapping, pit mapping, stream sediment, rock chip, grab, channel and trench, and soil auger sampling.

Filminera continues to focus active exploration on a combination of near mine "brownfields" targets as well as testing several regional targets. In 2017 B2Gold completed 123 diamond drill holes for 13,800 m and 29 RC holes for 3,900 m. Most of the drilling completed in 2017 focused on testing areas of Inferred Mineral Resources below active pits with the objective of upgrading the resource confidence classification at the operating Colorado and Main Vein open pits, thereby potentially supporting deepening or expansion of the Mineral Reserves pit.

In addition, 99 trenches were completed in 2017, evaluating over a dozen regional targets. Positive results from regional drilling and trenching activities in 2017 will be followed up by the 2018 exploration program.

Surface trenching and sampling on several regional targets generated sufficient interest to warrant follow-up surface trenching and drilling that will be carried out in 2018.

Drilling

The current exploration drill hole database, as of December 31, 2017 contains 3,764 core and RC drill holes totalling 445,598 m. Completed drilling in 2017 consisted of 123 core holes (13,817 m) and 29 RC holes (3,912 m).

The Mineral Resource estimate is based on data from RC and core exploration surface and underground drill holes, exploration trenches, and RC grade control drill holes. The exploration drill hole database cutoff date for the Mineral Resource estimate was May 13, 2017 and the grade control database cutoff was May 5, 2017. Data used includes a total of 3,249 core and RC drill holes (394,948 m) and 468 trenches (16,133 m) from the exploration database and 81,869 holes (1,374,384 m) from the grade control RC drilling database.

All core to date has been photographed as a record. RC chips and core are logged for geological and geotechnical information. Geological information collected includes lithologies, alteration types, vein percentages, sulphides and sulphide content, and structure. Geotechnical information collected includes weathering condition, type of structures, joint spacing, joint condition, and type of joint filling (e.g. gouge, mylonite, breccia, or vein). Core recoveries are recorded.

Methods used to survey drill hole collar locations have included theodolite, total station, and GPS instruments. Down-hole surveys have been performed at regular down-hole intervals using a number of different instrument types, including Tropari, Ausmine, Eastman, Proshot and Reflex instrumentation.

Due to the subvertical dip of most mineralized zones, the majority of the drill holes intersected them at low angles. As a result, the mineralized thickness observed in drill holes does not correspond to the true thickness, which should be determined on a case-by-case basis.

Drilling completed in the first six months of 2017 was incorporated into the mid-year resource model update for Masbate that is used by the operations group for long-range planning. The majority of this 2017 drilling focused on the Colorado and Main Vein deposits to provide support for upgrading Inferred Mineral Resources to Indicated, and/or to provide additional confidence in areas that exhibited grade variability. Drilling completed in 2017 allowed B2Gold to increase B2Gold's Mineral Resources in the Pajo, Colorado and Main Vein areas. Other targets, such as Montana, Panique, and Binstar, had slightly smaller resources due to the effect of drilling and adjustments made for small-miner activity.

Sampling, Analysis, and Data Verification

Depending on the drill program and drill type, sample lengths have varied from 1–1.5 m. Current sampling is typically conducted on 1 m intervals for RC, core and grade control drilling. Core is cut in half using a rock saw. RC samples are riffle split and sampled using a rig-mounted Metzke cone splitter.

Sample preparation has used crush and pulverization criteria that were in line with industry norms at the time. Current protocols are crushing to 75% passing -2 mm and pulverising to 85% passing 75 µm.

Sample preparation and analytical laboratories used have included the following independent laboratories: McPhar Laboratories (accredited to ISO 9001:2000 for selected techniques), SGS Philippines (unknown), SGS Taiwan (ISO 9001 and ISO/IEC 17025), SGS Masbate (not accredited), Intertek, Manila (ISO/IEC 17025), and ACME/Bureau Veritas Vancouver (ISO/IEC 17025). The early sampling campaigns used the Atlas laboratory in Cebu, and the Masbate onsite mine laboratory, neither of which were accredited or independent.

Gold assay methods have included AAS and fire assays, and these methods are still in use. The detection limit is 0.01 g/t Au at SGS Masbate and 0.005 g/t Au at Intertek, Manila. SGS Masbate served as the primary laboratory in 2017. About 80% of the 2017 assays were performed by SGS Masbate. The balance of the 2017 assays is from Intertek, Manila. ACME/Bureau Veritas Vancouver was used for umpire assays.

In total, the exploration department has collected 5,555 density measurements using a range of techniques, including water immersion, waxed sample water immersion, direct measurement of whole core and direct measurement of half core. Of that total, 1,571 density measurements were completed in 2017.

Modern QA/QC programs have been in place since at least 2000, and include submission of blank, standard reference and duplicate materials. Current insertion rates are approximately one standard, one duplicate, and one blank for each of the 39 samples submitted.

Data imported into the project database are subject to validation, which includes checks on surveys, collar coordinates, lithology data, and assay data. The checks are considered to be appropriate, and consistent with industry norms.

Sample security practices were in line with industry norms prevailing at the time the sample was collected. Samples are currently stored in a secure facility prior to being shipped to the preparation and analytical laboratories.

A reasonable level of verification has been completed during the work conducted to date, and no material issues would have been left unidentified from the verification programs undertaken. No problems with the database, sampling protocols, flowsheets, check analysis program, or data storage were identified that were sufficient to preclude the use of the database for estimation purposes.

Mineral Processing and Metallurgical Testing

Metallurgical test work was performed by Atlas prior to commencing operations, and in support of feasibility studies that were undertaken in 1998 and 2006 respectively. These studies supported that the Masbate ores were amenable to conventional cyanidation processes.

At the request of B2Gold, SGS Minerals Services undertook a metallurgical variability test program from 2013–2015 to examine the response of samples from a number of mineralized zones to cyanide leaching using the CIL process. Additional test work was conducted to sufficiently characterize ores to be processed through the plant between 2015 and 2020, and for the LoM. The metallurgical test work completed to date is based on samples that adequately represent the variability of the proposed mine plan.

Average LoM gold recoveries are based on a block model generated using data from metallurgical testing, grade, material type, and other parameters. Recovery within the Mineral Reserve pits ranges from 65% to 82%. Stockpiled materials are assigned an average metallurgical recovery of 75% for mine planning purposes.

There are no known deleterious elements that incur penalties in the doré. There are also no known elements in the material to be treated that may cause plant processing issues.

Mineral Resource and Mineral Reserve Estimates

Mineral Resources

Mineralization domains including vein and halo (stockwork), voids and backfilled historic mining shapes, oxidation surfaces, metallurgical recovery domains, and topographic surfaces were modeled as 3D solids or surfaces as appropriate and applied to the block model.

Grade capping, ranging from 4–30 g/t Au was applied by domain prior to compositing to 3 m intervals. In rare cases, local capping is also used to restrict individual samples that may have undue influence after the domain cap is applied.

Average densities based on measurements done at site were applied to the block for insitu zones by oxidation state. Assumed densities were applied to historically mined-out workings, eluvial/alluvial deposits, and modern and historic dumps.

Estimation is completed for five types of domains; vein, halo (stockwork), surficial (eluvial/alluvial), dump, and mined-out/void/backfilled stopes. For each domain type, estimation is completed using OK, inverse distance weighting to the second power ("**ID2**") and NN interpolation methods. For the halo domains, estimation is also completed using indicator kriging ("**IK**"), consisting of a single indicator at 0.35 g/t Au. For the final grade estimate, for halo domains, the IK value is used, and for all other domain types the grades estimated from OK are used.

Block model grades were validated by visual comparison to composite grades, swath plots to check for local bias and global domain checks comparing NN estimates at zero Au cutoff grade. Overall, the block grade estimates reasonably match the input data.

The Indicated Mineral Resource classification for vein-coded blocks is supported by an approximate drill spacing of 40 x 40 m and the Inferred Mineral Resource classification for vein-coded blocks is supported by an approximate drill spacing of 100 x 100 m. For stockwork/halo zones, the Indicated drill hole spacing is approximately 25 x 25 m and for Inferred it is approximately 40 x 40 m. All stockpiles were classified as Indicated, and surficial deposits (eluvial/alluvial) were assigned the Inferred confidence category.

Mineral Resources are confined within pit shells that used a gold price of $1,400/oz, and reported above an average gold cutoff grade of 0.426 g/t Au. The Mineral Resource pit shells were run using the same costs, recovery, and pit slope assumptions as those used to constrain the Mineral Reserve estimates.

The Mineral Resource estimate for Masbate accounts for mining depletion as of December 31, 2017 and 2018 budgeted costs. It is considered current and has an effective date as of December 31, 2017. No Measured Mineral Resources were estimated.

Masbate Indicated Mineral Resources Statement

Area	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
South	71,440,000	0.97	2,226,000	69,200
North	17,710,000	1.05	600,000	18,700
ROM Stockpile	620,000	1.12	22,000	700
LG Stockpile	30,650,000	0.57	562,000	17,500
Total	**120,430,000**	**0.88**	**3,411,000**	**106,100**

Masbate Inferred Mineral Resources Statement

Area	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
South	4,850,000	0.87	136,000	4,200
North	2,350,000	0.76	58,000	1,800
Total	**7,200,000**	**0.84**	**193,000**	**6,000**

Notes:

1. Mineral Resources have been classified using the CIM Standards. Mineral Resources are reported inclusive of those Mineral Resources that have been modified to Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

2. All tonnage, grade and contained metal content estimates have been rounded; rounding may result in apparent summation differences between tonnes, grade, and contained metal content.

3. Mineral Resources are reported on a 100% attributable basis. Pursuant to the ore sales and purchase agreement between Filminera and PGPRC, B2Gold's wholly-owned subsidiary, PGPRC has the right to purchase all ore from the Masbate Gold Project.

4. The Qualified Person for the resource estimate is Tom Garagan, P.Geo., who is B2Gold's Senior Vice President, Exploration.

5. The Qualified Person for the stockpile estimate is Kevin Pemberton, P.E., who is B2Gold's Chief Mine Planning Engineer.

6. Mineral Resource estimates assume an open pit mining method, gold price of US$1,400/oz, modeled metallurgical recovery (resulting in average LoM metallurgical recoveries by pit that range from 65% to 82%), and operating cost estimates of US$1.50- $1.60/t mined (mining), a variable ore mining differential cost by pit (average cost is US$0.17), US$8.45/t processed (processing) and US$2.50–3.83/t processed (general and administrative).

7. Mineral Resources are reported at an average cutoff of 0.43 g/t Au.

8. North and South designations refer to locations north and south of the Guinobatan River, respectively.

Mineral Reserves

An economic analysis was completed on the Mineral Resource block model to establish an estimate of economically extractable Mineral Reserves. Dilution, ore loss and metallurgical recovery factors were applied to the Mineral Resource model to create a diluted Mineral Reserve model which includes "recoverable" grade estimates.

Open pit optimization was completed on the recoverable grade estimates in the Mineral Reserve block model using commercially-available optimization software using physical and economic parameters including geotechnical characteristics, pit wall and ramp designs, pit access elevations, and mining and processing costs. Only blocks classified as Indicated Mineral Resources were included in the pit optimizations. The economic parameters used for open pit optimization were used to create cutoff grades for reporting of Mineral Reserves. Final pit designs were completed by personnel at the mine site.

Mineral Reserves include stockpiled ore which is derived by mine staff from detailed survey pickup for volume calculation of individual stockpiles, with grade estimated from grade control. Mineral Reserves are contained within six main open pits with the Main Vein and Colorado pits being the largest.

The Mineral Reserve Estimate for Masbate accounts for mining depletion as of December 31, 2017 and 2018 budgeted costs. It is considered current and has an effective date as of December 31, 2017. Mineral Reserve estimates for the Masbate Gold Project have been modified from the Indicated Mineral Resources. No Proven Mineral Reserves have been reported.

Probable Mineral Reserves Statement

Area	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
South	45,720,000	0.97	1,424,000	44,300
North	11,520,000	1.11	411,000	12,800
ROM Stockpile	620,000	1.12	22,000	700
LG Stockpile	30,650,000	0.57	562,000	17,500
Total	**88,520,000**	**0.85**	**2,420,000**	**75,300**

Notes:

1. Mineral Reserves have been classified using the CIM Standards.
2. All tonnage, grade and contained metal content estimates have been rounded; rounding may result in apparent summation differences between tonnes, grade, and contained metal content.
3. Mineral Reserves are reported on a 100% attributable basis. Pursuant to the ore sales and purchase agreement between Filminera and PGPRC, B2Gold's wholly-owned subsidiary, PGPRC has the right to purchase all ore from the Masbate Gold Project.
4. The Qualified Person for the reserve estimate is Kevin Pemberton, P.E., who is B2Gold's Chief Mine Planning Engineer.
5. Mineral Reserve estimates assume an open pit mining method, gold price of US$1,250/oz, modeled metallurgical recovery (resulting in average LoM metallurgical recoveries by pit that range from 65% to 82%), and operating cost estimates of US$1.50/t to $1.60/t mined (mining), a variable ore mining differential cost by pit (average cost is US$0.17), US$8.45/t processed (processing) and US$2.50–3.83/t processed (general and administrative).
6. Dilution and ore loss were applied through block averaging such that at a cut-off of 0.49 g/t Au, there is a 7% increase in tonnes, a 6% reduction in grade and no change in ounces when compared to the Mineral Resource model.
7. Mineral Reserves are reported at cutoffs that range from 0.44–0.52 g/t Au.
8. North and South designations refer to locations north and south of the Guinobatan River, respectively.

Except as disclosed elsewhere in this Annual Information Form, there are no undisclosed metallurgical, environmental, permitting, legal, title, taxation, socio-economic, marketing, political and other issues that the Company is aware of that may reasonably be expected to materially affect the Mineral Resources and Mineral Reserves estimates for the Masbate Gold Project.

Mining Operations

The mine is a conventional open pit operation. Mining activities will end in 2023 while stockpile processing will last until 2031. The mine plan assumes that all necessary permits will be granted in support of the mining operations, and that all the required surface rights can be obtained. The open pit mining sequence involves grade control drilling; drill and blast operations; and excavation and hauling of materials to the process plant ROM pad, temporary low-grade ore stockpiles or WRSF. Mining operations are conducted under an owner-operator model, and activities are scheduled on a 24-hour, seven days per week basis.

Information derived from geotechnical and exploration drilling carried out at the various deposits, together with hydrogeological assessments (where available) and subsequent wall stability analyses and assessments, have been used to prepare “base case” wall design parameters at the feasibility level, which are considered suitable for use for mining purposes. The pit slope design recommendations were provided for the operation by third-party consultants George, Orr and Associates.

Hydrogeological assessments have been performed for the Main Vein, Colorado and Montana open pits. Water management practices envisage use of depressurization holes where necessary, and the potential use of vibrating wire piezometers. No hydrogeological information is currently available for the areas of the satellite pits, and the projected mine plans for these areas should allow for wall depressurisation drilling.

An average of 34 Mtpa of ore and waste will be mined from six different open pits.

The mining and support equipment fleet was expanded in 2017 and is currently capable of annual total movement of 35 Mtpa, to meet the rate proposed in the LoM plan. Under the current Mineral Reserve assumptions, the mine fleet units have a projected economic life sufficient to achieve the completion of mining activities in 2023.

Processing and Recovery Operations

The process plant is a conventional CIL type facility consisting of primary crushing, two-stage SAG/ball mill grinding with pebble crushing, leaching, carbon adsorption; elution, electrowinning and smelting gold recovery stages; and a cyanide detoxification stage treating process plant tails before disposal in a TSF. Material is ground to 150 µm, and the leach residence time is 28 hours.

Materials handling within the plant consists of 13 conveyor belts that are used to transport ore from the primary and supplementary crushing plants to the grinding and classification area. A 2.1 km long, 630 mm operative diameter high-density polyethylene tailings line runs from the process plant to the TSF.

The plant underwent an upgrade to 6.5 Mtpa in 2016. Currently, using the hardest ore types, the plant can treat 6.5 Mtpa consistently for the LoM. If softer ores are milled, the plant can reach 6.8 Mtpa. During 2017, a study to expand the plant to 8 Mtpa capacity by 2019 was undertaken and the expansion was approved. This expansion primarily consists of adding a third ball mill and upgrading the existing crushing circuit. No addition to the mining fleet is required as the additional feed will come from the lower-grade material that is currently in the mine plan and scheduled to be stockpiled.

The primary source of process water (85%) is from the tailings dam. The remaining 15% of requirements is provided by water sourced from a weir constructed on the Guinobatan River. Power is generated from the minesite power house which operates on an n+2 configuration (four duty generators, two standby generators), which is a safeguard to ensure that an uninterruptable power supply is always available.

No market studies are currently relevant as Masbate is an operating mine producing a readily-saleable commodity in the form of doré. Doré produced by PGPRC typically contains 60% Au and 40% Ag and is exported to Switzerland.

Infrastructure, Permitting, and Compliance Activities

The mine area is fully serviced with roads that currently connect the open pit mines, process plant area, and accommodations areas. The mine airstrip is suitable for daylight operations and is used to transport critical personnel and spare parts. The causeway at Port Barrera is used for barge transport of heavy equipment, reagents (lime, cyanide), bulk materials, spare parts, and other oversized items. A 30 MW heavy fuel oil fueled power plant provides power to the operations.

The TSF was formed by cross-valley type earth fill embankments. The Stage 10 lift from 51 metres Reduced Level (" **mRL**") to 54 mRL is scheduled to be commissioned in early 2018. Construction to a final height of 71 mRL will be achieved by a continuation of progressive uplifts (Stage 11 to Stage 16) and will require the addition of several additional saddle dams and incorporation of the existing division dam into the main body of the TSF.

Water storage and water management is currently performed through construction and progressive improvement of sediment ponds, silt traps, silt fence, drainage systems, re-vegetation works and appropriate bund walls along haul/access roads, and operations of a number of water storage weirs.

Filminera's environmental protection and management programs have been carried out since the commencement of operations. This was guided by the conditions stipulated in the issued Environmental Compliance Certificate ("**ECC**") and outlined/described in the approved Environmental Protection and Enhancement Program ("**EPEP**"), including the Environmental Impact Assessment ("**EIA**") documents of the Masbate Gold Project to meet all the necessary regulatory and company standards. For PGPRC, in 2018 under its Mineral Processing Permit ("**MPP**") that company has its own EPEP based on conditions stipulated in the same ECC and related documents of the Masbate Gold Project.

Environmental risk assessments, together with a formal environmental audit and review of ECC conditions are also performed periodically through initiatives by Filminera. Independent consultants have also been used to externally validate environmental compliance and program implementation.

Filminera has maintained ISO14001 certification since 2016, and has implemented various environmental monitoring programs, construction/installation of environmental control measures and other initiatives; ISO certification status is maintained on an ongoing basis.

Filminera maintains a comprehensive listing of permitting requirements and key operational documents. The key permits are the MPSAs.

Renewal of permitting and operational documents is an ongoing process for the Company, depending on the circumstances of the operation and individual permit requirements.

Filminera also holds a mineral processing permit, and two additional permits, a Special Forest Land Use Permit and Special Land Use Permit were granted for infrastructure construction and operation outside the MPSA areas, including TSF, WRSFs, and airstrip. Additional permits will be required in support of mining operations at the planned satellite open pits. Permitting activities are underway when the following regulations were issued:

1. Department Memorandum Order 2016-1 dated July 8, 2016 (" **Memorandum #1**") - the DENR issued a moratorium on the approval of all new mining projects including acceptance, processing and/or approval of applications for mining permits. Memorandum #1 was issued in connection with the audit of existing mines in the Philippines conducted by the DENR in 2016. In a Memorandum dated December 22, 2017 ("**Memorandum #2**"), the DENR clarified that the following activities are not covered by the moratorium:

    a. Increase of tailings storage facility;

    b. Enhancement/modification of the existing mining operations, including its processing to attain maximum production efficiency; and

    c. Increase in the extraction rate and/or production capacity within the same area covered by the existing ECC.

2. Executive Order #79 ("**EO#79**") issued on July 6, 2012 - provides that no new MPSAs shall be entered into until legislation rationalizing revenue sharing is in effect. In 2017, a law was passed increasing the government share in the MPSA (the excise tax) from 2% to 4%.

In view of Memorandum #2 which clarified the moratorium and the new legislation increasing the government share, a new DENR policy direction is expected soon that will allow the issuance of the permits necessary to conduct planned satellite pit operations.

In line with existing DENR policies, Filminera is also seeking to consolidate its and VMC's MPSAs and exploration permits to qualify the planned and future satellite pits as expansion areas of the Masbate Gold Project. Documentations are in the process of being completed to expand the contract area under one consolidated MPSA.

The community relations group is responsible for the establishment and strengthening of relationships with the various stakeholders to obtain and maintain social acceptability of the operations in the area. Stakeholders include the residents of the host and neighboring communities, local government units (provincial, municipal and barangays), national and regional government agencies, media groups, various churches, non-governmental organisations ("**NGOs"**), educational institutions, and the Philippine National Police and Military.

Closure costs, including a 10-year post-closure monitoring program, are estimated at approximately $19.1 million. These costs are revised annually as part of the mine restoration provision of the Company.

Capital and Operating Costs

Capital Costs

Sustaining capital costs are based on operational experience and LoM projections. The table below presents the 2018 budgeted costs and the estimated capital costs for the LoM, including 2018.

Sustaining Capital Cost Estimate *

Area	**2018 Budget (US$ million)**	**LoM Estimated Cost including 2018 (US$ million)**
Site General and Infrastructure	5.1	5.1
Mining and Processing	36.6	100.1
Closure and Rehabilitation	0.8	19.1
Land Acquisition	4.5	18.7
Total	**46.8**	**142.9**

*Note: Totals may not sum due to rounding. The projected LoM for the Masbate Gold Project is approximately six years of mining and approximately 14 years of processing. The capital costs include tailings dam expansions, and standard sustaining costs for mining, processing and general and administration costs for the 14 years of mine life. They also include the expansion fleet for the mine and power expansion in the process plant. Total includes US$25.5 million for plant expansion.

Operating Costs

Budgeted 2018, and estimated LoM operating costs are provided in the table below.

Operating Cost Forecast*

Area	Units	2018 Budget (US$)	LoM Estimated including 2018 (US$)
Mining	US$/t mined	1.23	1.59
Processing	US$/t processed	9.42	9.48
Site General	US$/t processed	3.83	3.25

*Note: Costs are variable depending on whether ore is classified as low-grade or high-grade, and whether the mill feed is classified as oxide or fresh (primary). Costs are based on whether the material being processed is stockpiled or insitu material. The projected LoM for the Masbate Gold Project is approximately six years of mining and approximately 14 years of processing. Operating costs include all mining, processing and general and administration costs including pre-stripping. A variable ore differential haul cost, averaging US$0.17, is also applied.

The capital cost estimates and operating cost estimates in the tables above are based on the Company's current estimates and mine plan for the Masbate Gold Project. Costs in subsequent years may vary significantly from 2018 and LoM cost estimates as a result of, among other things, current or future non-recurring expenditures, changes to input costs and exchange rates and changes to B2Gold's current mining operations or mine plan. The current mine plan for the Masbate Gold Project is based on existing Mineral Reserves. Ongoing exploration and analyses at operating mines are conducted with a view to identifying new Mineral Resources and upgrading existing Mineral Resources to higher confidence levels and potentially into new Mineral Reserves. If new Mineral Reserves are successfully identified it may alter the current mine plan and potentially extend the mine life.

Exploration, Development, and Production

Filminera exploration on the Masbate Gold Project in 2018 has a budget of approximately $5.1 million, directed to both brownfields infill drilling and testing regional targets for potential near-surface open pit material or higher-grade underground targets.

The Masbate Gold Project produced 202,468 ounces of gold in 2017, the second-highest annual production for the mine (only slightly below its annual production record of 206,224 ounces of gold, achieved in the prior year). Masbate's 2017 gold production exceeded the upper end of both its revised and original production guidance ranges by 9% (or 17,468 ounces). The higher production was due to better than expected recoveries and grades, mainly driven by significantly higher than budgeted oxide ore tonnage from the Colorado Pit.

Gold production at the Masbate Gold Project in 2018 is expected to be between 180,000 and 190,000 ounces, primarily from the higher grade Main Vein pit. Masbate is budgeted to process a total of 6.8 million tonnes of ore at an average grade of 1.26 g/t and metallurgical recovery of 65.9% . The increase in grade and decrease in recovery versus 2017 is due to the change in ore source from the Colorado oxide ore (lower grade and higher recovery) to the Main Vein ore (higher grade and lower recovery).

Otjikoto Mine

Certain portions of the following information are derived from and based on the technical report entitled "NI 43-101 Technical Report Feasibility Study: Otjikoto Gold Project, Province of Otjozondjupa, Republic of Namibia" dated February 25, 2013 prepared by, among others, the following Qualified Persons: William Lytle, P.E., Tom Garagan, P.Geo., Hermanus Kriel, Pr.Eng., Glenn Bezuidenhout, Pr.Eng., FSAIMM and Guy Wiid, Pr.Eng., (the "**Otjikoto Feasibility Study**") and is based on the assumptions, qualifications and procedures set out therein. For a more detailed overview of the Otjikoto Mine, please refer to the Otjikoto Feasibility Study, which is available on SEDAR at www.sedar.com. Information that post-dates the Otjikoto Feasibility Study is provided by the Company.

Property Description, Location, and Access

The Otjikoto Mine is located in the north-central part of the Republic of Namibia. It is situated approximately 300 km north of Windhoek, the country's capital, within the Otjozondjupa Region. The Otjikoto Mine can be accessed off the main B1 road, a primary paved road, from the towns of Otjiwarongo or Otavi located approximately 70 km to the southwest and 50 km to the northwest of the Otjikoto Mine respectively.

Mining Licence ("**ML**") 169, covering an area of 6,933.99 ha, was granted for a 20-year term, expiring in December, 2032. It can be renewed for further periods not exceeding 15-year terms for each such renewal period. Maintaining ML169 requires payment of an annual fee of N$10,000 and filing of bi-annual environmental reports with the Ministry of Environment and Tourism ("**MET**"), development of a work program, environmental compliance, commitment to seek local suppliers for fuel and lubricants, approval of the product take-off agreement, and payment of taxes by permanent employees in Namibia. Surrounding ML169 is an Exclusive Prospecting Licence ("**EPL**") 2410 that is currently in good standing until its expiry on September 14, 2018 and can be renewed by the Ministry of Mines and Energy. EPL 2410 has a total area of 47,534.0467 ha. Maintaining EPL 2410 requires payment of an annual fee of N$5,000 and filing of quarterly exploration reports with the Ministry of Mines and Energy ("**MME**") and bi-annual environmental reports with the MET. Exploration is conducted under the terms of an Environmental Clearance Certificate issued by the MET on August 15, 2016 and remains in good standing for a period of three years. B2Gold Namibia holds one additional EPL in the Otjikoto area currently in good standing and has several others EPLs currently in the renewal and/or under new application process in Namibia.

B2Gold Namibia, the holder of the Otjikoto Mine, is 90% owned, indirectly, by B2Gold and 10% by EVI.

B2Gold has purchased and consolidated a number of farms into B2Gold Namibia Property (Proprietary) Limited (" **B2Gold Namibia Property**"), including the Wolfshag, Otjikoto, Gerhardshausen, Okaputa Nord I, and Erhardtshof farms. B2Gold holds the surface rights through these farms, and all mine infrastructure and the mine itself are situated within property owned by B2Gold Namibia Property. No additional surface rights are required to support B2Gold's mining operations.

The *Agricultural and Commercial Land Reform Act* levies a land tax; the rates of such land tax is determinable on nationality, size of the farm, activities and number of farms by a particular owner as determined by the applicable Ministry of Land Reform.

The *Namibian Minerals Act* levies a royalty of 3% on the net sales of gold and silver. A VAT of 15% applies to domestic goods and services and 16.5% to imported goods and services. A refund on the 15% VAT on domestic goods and services is available. The Income Tax Amendment Act, 2015 which, under section 35B inserted into the Income Tax Act, 1981, has introduced a 10% withholding tax on interest payable to non-resident lenders.

The *Export Levy Act* levies an export levy of 1% on the commercial value of the invoice for gold bullion exported.

To the extent known there are no other significant factors or risks that might affect access or title to, or the right or ability to perform work on, the property, including permitting and environmental liabilities to which the project is subject that are not discussed in this Annual Information Form.

History

All of the early exploration activity from the 1960s to the late 1990s focused on base metals. Companies involved included Kennecott Exploration, Falconbridge, Tsumeb Corporation, Anglo American, and Gold Fields Prospecting. However, only a limited portion of the current licenses were held and explored by these companies.

Due to the thickness of cover material, the primary exploration tool was geophysics. Completed surveys included ground magnetics, IP, time domain EM, controlled source audio magnetotellurics, natural source audio magnetotellurics, and frequency domain EM.

During 1998–1999, B2Gold Namibia, under its previous name, Avdale Namibia (Proprietary) Limited which was originally incorporated as a subsidiary of Anglo American, drill tested an intense 9 km long linear magnetic feature centered on the Otjikoto farm, and observed visible gold at the base of some RAB drill holes. Work conducted since the discovery is described under "*Otjikoto Mine – Exploration*".

There is no known gold or base metals production prior to B2Gold's development of the mine. Several small-scale amethyst quarries are present on the property but not in the immediate area of the main deposit. There are no historical estimates that are relevant to the current Mineral Resources and Mineral Reserves.

Geological Setting, Mineralization, and Deposit Types

The Otjikoto deposit is located within the Damara Mobile Belt, within the northern portion of the northeasterly striking "Intracratonic Branch" of the belt. It is considered to be an example of an orogenic-style gold deposit.

The Otjikoto area is predominantly underlain by lithologies belonging to the Neoproterozoic Swakop Group. The Okonguarri Formation hosts the gold mineralization and is overlain and underlain by glacial diamictite horizons of the Ghaub and Chuos Formations, respectively. The Okonguarri Formation consists primarily of thick units of dark grey carbonaceous marble, biotite-schist, graphitic schist and calc-silicate horizons. The schist units are derived from semi-pelitic, pelitic, marl and psammitic units in a turbiditic sedimentary package. The rocks in the Otjikoto area have experienced at least three phases of moderate to tight folding and some thrust faulting. They have also been affected by extensive metasomatism, followed by prograde regional metamorphism that has reached upper greenschist to lower amphibolite facies.

Mineralization in the main Otjikoto deposit is hosted by a north–northeast striking sheeted sulphide (+ magnetite)–quartz + carbonate vein system that has a strike length of about 2.3 km, and extends at depth to at least 475 m below surface. The gold occurs in a series of thin (commonly <10 cm) sheeted veins in the Upper and Middle Okonguarri Formation. The veins and associated mineralization form a series of en-echelon zones oriented at approximately 010–020° north–northeast and plunging at 10–15° (average 12°) to the south–southwest. Gold occurs within the vein system as coarse native gold particles that can vary from 5–400 µm, averaging about 100µm in size. Mineralization remains open down plunge as presently tested.

Mineralization in the adjacent Wolfshag deposit occurs as a series of south–southwest-plunging shoots of mineralization coincident with the hinge zones of the tight folding of several marble and metasedimentary horizons. Mineralization is associated with generally concordant (bedding parallel) vein zones that are principally hosted within an altered meta-sandstone unit. Wolfshag mineralization occurs as calcite–pyrite veins with minor magnetite and pyrrhotite. The mineralized zone is about 1.6 km long, and has been followed with drilling for about 1,750 m down plunge to a depth of 650 m below surface. The upper shoot (called the WA zone) containing the highest grades and the majority of the mineralization is associated with a fold nose. Gold mineralization generally decreases outward from the fold nose along more favourable strata in the limbs of the fold. Individual veins vary in true thickness from a few millimetres to as much as a metre, with vein zones having a true thickness that varies from 20 m in the fold nose of the WA shoot to a few metres along the limbs. The Wolfshag zone remains open at depth down plunge to the southwest.

Exploration

Exploration activities completed by the Company include geological mapping, geochemical soil sampling, airborne geophysical surveys (Aster satellite imagery, electromagnetics, magnetics and radiometrics), and ground geophysical surveys (magnetics, IP).

In 2017, exploration in Namibia focused on several targets proximal to the mine site and drill testing the Ondundu joint venture (" **JV**") prospect. A total of 68 diamond drill holes for 15,758 m and 155 RAB holes for 4,619 m were completed.

B2Gold's current and planned exploration activities are discussed under " *Otjikoto Mine - Exploration, Development, and Production".*

Drilling

Drilling has been completed in support of exploration evaluations, Mineral Resource and Mineral Reserve estimates, mine planning, geotechnical and hydrogeological evaluations, and infrastructure site sterilization (condemnation drilling). Drilling as of December 31, 2017 on all projects in Namibia includes 1,446 core holes (299,102 m), 509 RC holes (46,876 m) and 1,747 RAB holes (36,573.5 m).

For the 2015 Otjikoto Mineral Resource model that remains the current resource model, a total of 1,451 core and RC drill holes (248,206 m) were completed between 1999 and October 30, 2015. Of the total, drill holes with assays available include 878 core holes (201,083 m) and 437 RC holes (37,088 m) for a total of 1,315 drill holes (238,171 m). Drill holes with no assays available (geological logging was used for stratigraphic models) include 125 core (9,211 m) and 11 (825 m) RC holes for a total of 136 drill holes (10,036 m). Subsequent to the 2015 Mineral Resource estimate database closeout date, Otjikoto drilling has included 89 core holes (20,419 m), 29 RC holes (5,325 m) and 372 RAB holes (7,385 m).

Sieved RAB samples, RC chips, and core are logged. Core is photographed, and recoveries are recorded. Drill hole collar locations are surveyed by a contract professional land surveyor. Down-hole surveys are performed at regular down-hole intervals using Reflex Ez-shot instrumentation.

For the March 2017 Wolfshag Mineral Resource model, a total of 330 core and RC drill holes were used (92,325 m). Of the total, drill holes with assays available include 293 core holes (86,113 m) and 4 RC holes (255 m) for a total of 297 drill holes (86,368 m). Drill holes with no assays available (geological logging was used for stratigraphic models) include 32 core (5,885 m) and 1 (72 m) RC hole for a total of 33 drill holes (5,956 m).

Fifteen (15) core holes were drilled in Otjikoto in 2017 (3,650 m). Ondundu drilling includes 53 core holes (12,107 m) and 155 RAB holes (4,619 m). Drilling completed in 2017 on all projects in Namibia includes 68 core holes (15,758 m) and 155 RAB holes (4,619 m).

Drilling in 2017 supports follow-up down plunge drilling on both the Otjikoto and Wolfshag deposits that remain open at depth to the south-southwest.

On the Ondundu Joint Venture, exploration will focus on identifying new drill targets outside the main zone and possibly drilling down plunge on the main Razorback zone.

Sampling, Analysis, and Data Verification

RC samples are collected at 1 m intervals in plastic bags using a cyclone, and split at the drill site using a riffle splitter. Two sample splits are initially produced. A portion of one sample is used for logging purposes. The split samples are transported to the core yard, where they are further split to produce an assay sample, a field duplicate, and a reference sample. Initially, core was typically sampled at 1 m intervals, with a minimum 30–40 cm sample. In 2012, the protocol was changed such that sampling respected the geology. Not all core is sampled. The mineralized zones and a shoulder 3–5 m above and below the mineralized zones are sampled continuously.

However, in narrow mineralized zones that are separated by more than 3 m of waste material, a gap in the sampling is allowed.

For current exploration programs, ALS Minerals ("**ALS**") Swakopmund or ALS Johannesburg is used for sample preparation, ALS Johannesburg for primary analysis and Bureau Vertitas, Swakopmund, Namibia as the check laboratory. All laboratories have accreditations for selected analytical techniques and are independent of the Company.

Sample preparation consists of drying, crushing to -2 mm, and pulverizing to 106 µm. Gold grades are determined using a screen fire assay methodology with either an atomic absorption ("**AA**") (<10ppm gold) or gravimetric finish (>10 ppm gold). In addition to gold assays, a multi-element suite of 22 elements can be requested for exploration assays. The most frequently-used multi-element analytical techniques include inductively-coupled plasma mass spectrometry ("**ICP-MS**"), inductively-coupled plasma atomic emission spectroscopy ("**ICP-AES**") and X-ray fluorescence. Sulphur and carbon are also assayed for, using either a LECO or similar carbon and sulphur analyzer.

Density determinations are performed by site personnel on RC and whole core samples using either the water displacement method or pycnometer testing. There is currently a total of 29,464 density measurements.

QA/QC measures include regular insertion of certified reference material, field duplicate and blank sample materials prior to submission of samples to the laboratory to monitor laboratory accuracy and precision and sampling sequencing and precision. QA/QC sample insertion rates are typically at the rate of 1:20, but can be at 1:38 for selected sample types. QA/QC data are reviewed on a continuous basis.

Sample security measures practiced included moving of RC samples and core from the drill site to the secure B2Gold core yard in Otjiwarongo. Sample shipments are tracked using industry-standard procedures. B2Gold is of the opinion that the core storage is secure because access to the Otjiwarongo core yard is strictly controlled and a B2Gold representative has always been present in the core yard.

Data imported into the project database are subject to validation, which includes checks on surveys, collar coordinates, lithology data, and assay data. The checks are appropriate, and consistent with industry norms. No material issues with the project database including sampling protocols, flowsheets, check analysis program or data storage have been identified to date from the checks performed. The project database is acceptable for use in Mineral Resource and Mineral Reserve estimation, and can be used to support mine planning. The project database is acceptable for use in Mineral Resource and Mineral Reserve estimation.

Mineral Processing and Metallurgical Testing

Metallurgical test work has been primarily performed by SGS Lakefield. Additional testing facilities included Jenike & Johanson (materials handling), Rocklab (unconfined compressive strength tests), CANMET (leach optimization), and FLS-Knelson (gravity concentration and intensive leach tests).

Completed test work included materials handling, comminution, unconfined compressive strength tests, chemical composition and mineralogy, leach and gravity tests, leach optimization, leach variability tests, carbon adsorption test work and modelling, cyanide destruction test work, gravity concentration and intensive leach test work, sedimentation and rheological tests, bench scale sedimentation tests, and environmental and geotechnical testing.

Based on analysis of results the following conclusions can be drawn from the test work programs:

- The variation in head grade between metallurgical composites is an indication of the presence of coarse nugget gold in the samples. Base metal assays were low, and levels of mercury, organic carbon, arsenic, antimony and bismuth were such that they would not present metallurgical processing issues.
- Overall gravity circuit gold recoveries for the three metallurgical recovery composites were very good, ranging from 94.8% to 98.3%.
- The optimized leach tests indicated high gold recovery for all ore types.
- No preg-robbing was noted in the composites.
- 85^{th} percentile grindability data were used for sizing the grinding circuit and to select the mill power and SAG and ball mill to satisfy plant throughput requirements for both the SAG mill/ball mill and SABC circuit configurations.

- Gravity concentrate intensive leach tests for two of the composites indicated a gold recovery of 99.7% and 99.9% respectively after 48 hours of leaching. The third composite returned +99.9% recovery after 80 hours of leaching.
- A mill grind of 80% passing 75 µm (200 mesh) was selected as the design basis.
- Flocculant screening showed that an anionic polyacrylamide flocculant with a high molecular weight and medium charge density produced the best settling rates and overflow clarity for all ore types.
- SO_2/Air cyanide destruction produced acceptable results that met weak acid dissociable cyanide targets.

No deleterious elements are present in the doré.

Mineral Resource and Mineral Reserve Estimates

Mineral Resources

Otjikoto Model

Interpretations of mineralized zones were created using logged lithology, vein percent, sulphide abundance and gold grade at a nominal 0.3 g/t Au threshold. Mineralized zones were divided into eight different stratigraphic/structural domains. Assays were capped prior to compositing at 2 m intervals. The mean densities of whole core samples by major rock type, weathering, and mineralization state were applied to the block model.

A lithology model was created by interpolating an indicator using ID2 for the major rock types. Wireframe models of oxidation/weathering were applied to the block model. Metallurgical domains were defined by oxidation state and dominant sulphide composition, and a polygon “cookie-cutter” was used to code the block model with these domains.

OK was used to estimate lower grades within the 0.3 g/t shell, and IK consisting of a single indicator at a threshold of 0.8 –0.9 g/t Au was used to estimate the higher-grade portion of the deposit. Block grade estimates were validated by visual comparison to composite grades, comparison of global block statistics to the NN model, swath plots to check for local bias and comparisons to global change-of-support-adjusted distributions.

Drill spacing up to 25 x 50 m is categorized as Indicated Resources, and drill spacing beyond Indicated and up to 100 x 100 m is categorized as Inferred. No Measured Mineral Resources were estimated.

Wolfshag Model

Mineralized zones were created using lithology, vein percent, sulphide abundance and a nominal 0.2 g/t Au threshold. Internal to this, a high-grade zone associated with higher percent veining was created at a nominal 2 g/t Au threshold. There are five stacked domains at Wolfshag named WA to WE, from top to bottom. Assays were capped by domain and low- and high-grade subdomains prior to compositing to 3 m lengths. Mean densities by major rock type, weathering, and mineralization state were applied to the block model. A lithology model was created from detailed 3D geological interpretations of thrusts and marble units.

Grade was interpolated into the block model using OK with hard boundaries between major domains and grade shells. Block estimates were validated by visual comparison to composites, comparison of global block statistics to declustered means, swath plots to check for local bias and global change-of-support distributions were compared to block model grade–tonnage distributions.

For mineralization amenable to open pit mining, blocks within areas of 25 x 50 m or closer drill spacing were categorized as Indicated. Blocks within 50 x 50 m were categorized as Inferred. For underground resource reporting, blocks within 25 x 25 m spaced drilling were categorized as Indicated and areas with drill spacing up to 50 x 100 m were categorized as Inferred. No Measured Mineral Resources were estimated.

Otjikoto and Wolfshag Reporting

The Otjikoto and Wolfshag models were combined prior to pit optimization. Reasonable prospects of eventual economic extraction were assessed by reporting Mineral Resources within a US$1,400/oz Au pit shell. Mineral Resource pit shells were run using the same costs, metallurgical recovery, and pit slope assumptions as those used to constrain the Mineral Reserve estimates. Mineral resources amenable to underground mining at Wolfshag are reported outside the open pit resource estimate and above a cutoff grade of 2.6 g/t Au.

The Mineral Resource estimate for Otjikoto accounts for mining depletion as of December 31, 2017 and 2018 budgeted costs. It is considered current and has an effective date as of December 31, 2017. No Measured Mineral Resources were estimated.

Otjikoto Indicated Mineral Resources Statement

Area	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
Otjikoto Open Pit	23,460,000	1.11	840,000	26,100
Wolfshag Open Pit	5,740,000	2.97	549,000	17,100
Wolfshag Underground	170,000	4.87	27,000	800
ROM Stockpile	820,000	0.89	24,000	700
LG Stockpile	5,200,000	0.44	74,000	2,300
Total	**35,390,000**	**1.33**	**1,513,000**	**47,100**

Otjikoto Inferred Mineral Resources Statement

Area	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
Otjikoto Open Pit	2,030,000	0.64	42,000	1,300
Wolfshag Open Pit	1,600,000	0.64	33,000	1,000
Wolfshag Underground	970,000	5.64	176,000	5,500
Total	**4,600,000**	**1.70**	**251,000**	**7,800**

Notes:

1. Mineral Resources have been classified using the CIM Standards. Mineral Resources are reported inclusive of those Mineral Resources that have been modified to Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
2. All tonnage, grade and contained metal content estimates have been rounded; rounding may result in apparent summation differences between tonnes, grade, and contained metal content.
3. Mineral Resources are reported on a 90% attributable basis; the remaining 10% interest is held by EVI.
4. The Qualified Person for the resource estimate is Tom Garagan, P.Geo., who is B2Gold's Senior Vice President, Exploration.
5. The Qualified Person for the stockpile estimate is Peter Montano, P.E., who is B2Gold's Project Director.
6. Mineral Resource estimates that are amenable to open pit mining methods assume a gold price of US$1,400/oz, metallurgical recovery of 98%, and operating cost estimates of US$1.79/t mined (mining), US$12.27/t processed (processing) and US$3.67/t processed (general and administrative).
7. Mineral Resources that are amenable to open pit mining are reported at a cutoff of 0.40g/t Au. Mineral Resources that are amenable to underground mining are reported at cutoff of 2.6 g/t Au.

Mineral Reserves

Indicated Mineral Resources were converted to Probable Mineral Reserves following consideration of relevant modifying factors and an optimized open pit design. After process upgrades the mill throughput has been increased to 3.3 Mtpa. The metal price assumption was US$1,250/oz, dilution and ore loss were applied through whole block averaging such that both are variable by block, and process recoveries were 98% based on operational results. Operating costs assumed $1.79/t mined for mining costs, US$12.27/t ore for processing costs, and general and administrative costs of US$3.67/t processed.

The Mineral Reserve estimate for Otjikoto accounts for mining depletion as of December 31, 2017 and 2018 budgeted costs. It is considered current and has an effective date as of December 31, 2017. Mineral Reserve estimates for the Otjikoto Mine have been modified from the Indicated Mineral Resources. No Proven Mineral Reserves have been reported.

Probable Mineral Reserves Statement

Area	Tonnes (t)	Gold Grade (g/t Au)	Contained Gold Ounces (oz)	Contained Gold Kilograms (kg)
Otjikoto	14,420,000	1.27	589,000	18,300
Wolfshag	4,290,000	2.70	372,000	11,600
Stockpiles	820,000	0.89	24,000	700
Total	**19,530,000**	**1.57**	**985,000**	**30,600**

Notes:

1. Mineral Reserves have been classified using the CIM Standards.
2. All tonnage, grade and contained metal content estimates have been rounded; rounding may result in apparent summation differences between tonnes, grade, and contained metal content.
3. Mineral Reserves are reported on a 90% attributable basis; the remaining 10% interest is held by EVI.
4. The Qualified Person for the reserve estimate is Peter Montano, P.E., who is B2Gold's Project Director.
5. Mineral Reserves that will be mined by open pit methods assume a gold price of US$1,250/oz, metallurgical recovery of 98%, and operating cost estimates of US$1.79/t mined (mining), US$12.27/t processed (processing) and US$3.67/t processed (general and administrative).
6. Dilution and ore loss was applied through block averaging such that at a cutoff of 0.45 g/t Au, there is a 1% decrease in tonnes, a 4% reduction in grade and 5% reduction in ounces when compared to the Mineral Resource model.
7. Mineral Reserves are reported at a cutoff of 0.45 g/t Au.

Except as disclosed elsewhere in this Annual Information Form, there are no undisclosed metallurgical, environmental, permitting, legal, title, taxation, socio-economic, marketing, political and other issues that the Company is aware of that may reasonably be expected to materially affect the Mineral Resources and Mineral Reserves estimates for the Otjikoto Mine.

Mining Operations

The Otjikoto Mine is an owner-operated conventional open pit operation, with higher-grade material sent to the plant, and lower-grade material stockpiled until the end of the mine life. The mine plan assumes an active mining life of seven years, and a stockpiling strategy is practiced to achieve a processing life of 9 years. The high-grade (>0.6 g/t Au) and low-grade (0.25 –0.60 g/t Au) stockpiles will be processed in years 4–9 including three years of operations after active open pit mining ceases. The Otjikoto ultimate pit is planned for development in a sequence of four pit phases (phase one is complete), and the Wolfshag ultimate pit is planned for four pit phases. The Otjikoto ultimate pit will be approximately 2.0 km long, 585 m wide, and 245 m deep, and the Wolfshag ultimate pit will be approximately 1.3 km long, 820 m wide, and 260 m deep.

Pit slopes vary by geotechnical domain, with overall slope angles ranging from 35–45º. Bench heights also vary by geotechnical domain, from 10–20 m. Reserve model dilution and ore loss were applied through whole block averaging such that both dilution and ore losses are variable. A nominal ramp and road width of 27 m, including drainage and safety windrow, was used for dual lane truck operation in the mine design. A ramp gradient of up to 1 in 10 (10%) was used. The last five mine levels will be single-lane, with a practical design width of 16 m. Surface haul roads are 27 m wide.

The base case mine production schedule involves the movement of 35 to 38 Mtpa from a combination of the Otjikoto and Wolfshag open pits, and a total of 260 Mt over the active mining period 2018 through 2025.

The mining operations are scheduled to work 365 days a year, with reduced production rates during the rainy season. The planned equipment fleet is based on 90 t capacity haul trucks that are conventional for the industry, providing relative flexibility in the utilisation as several pit stages will be mined simultaneously to mine waste and ore at different levels. The mill feed ore will be transported from open pits to the ROM pad for direct tipping or stockpiling. It is assumed that up to 75% of the ROM feed will be stockpiled to regulate the mine production and crusher feed rates.

A large WRSF has been constructed west of the Otjikoto and Wolfshag open pits. Location considerations were based on minimizing haulage, surface water drainage and area availability. An overall slope angle of 18° was used in the design of the waste dump faces with 5 m berms located at 10 m vertical intervals.

Processing and Recovery Operations

Design assumptions were based on the metallurgical test work described above. The mill design is based on a gravity/whole ore leach flowsheet with a nominal treatment rate of 2.5 Mtpa, and a plant availability of 94%. A 25% design factor was included to facilitate a future expansion. This expansion was completed in 2015, and the current mill throughput rate is 3.3 Mtpa. The average recovery for 2016 was 98.1% and long-term assumptions are 98%.

The mill uses a conventional flowsheet whereby gold is recovered by gravity concentration/intensive leaching and by a cyanide leach/CIP process for treatment of gravity tailings. The process flowsheet consists of: crushing; grinding; gravity concentration and intensive cyanidation; cyanide leaching of gravity tailings; CIP; cyanide destruction; tailings disposal; acid wash and elution; electrowinning and gold room; carbon regeneration; reagents make-up and distribution; and air services and plant water services.

Infrastructure, Permitting, and Compliance Activities

The infrastructure established at Otjikoto is described in the Otjikoto Feasibility Study, and includes the process plant, TSF, accommodation camp, roads, airstrip, mine services area, open pits, stockpiles, and WRSFs.

The process plant processes 3.3 Mtpa and deposits tailings in the TSF using the upstream method. The TSF is designed to contain at least 36 Mt of tailings.

All water falling directly on the industrial areas (contact water) or otherwise in contact with the mining operations (water within the open pit, water return, and storm water from the TSF) is captured, stored, and used in the mining and processing facilities. The storm water dam is designed to hold all water falling on the processing facility terrace during a 24-hour, 1:50 year rainfall event. Two water storage dams have been constructed. One is the reclaim process water dam, which receives water from the TSF and supplies this water to the process plant; the second is the pit dewatering dam that provides water for dust suppression and mineral processing. The mining facility surface water control structures are adjusted on an annual basis to account for the current open pit, WRSF, and road arrangement.

Power is produced on site by heavy fuel oil generators that supply 15 MW (plus backup units and load balancing capability) to the processing plant and other facilities.

Materials and consumables are transported to site via the B1 national highway. Within the mine, gravel or dirt roads are used for internal site access.

An ESIA that included an Environmental Management Plan and Mine Closure Framework was completed for the Otjikoto pit. B2Gold Namibia received environmental clearance for the Wolfshag open pit operations on January 26, 2015, based on an EIA.

B2Gold holds all required permits to conduct the open pit operations.

Closure and reclamation costs are estimated and updated annually. Closure and reclamation costs at the end of 2017 were estimated at US$15.9 million on an undiscounted basis.

Capital and Operating Costs

Capital Costs

Sustaining capital costs are based on operational experience and LoM projections. The table below presents the 2018 budgeted costs and the estimated capital costs for the LoM, including 2018.

Sustaining Capital Cost Estimate *

Area	**2018 Budget (US$ million)**	**LoM Estimated including 2018 (US$ million)**
Site General and Infrastructure	2.8	11.7
Mining and Processing	15.5	50.2
Closure and Rehabilitation	—	15.9
Total	**18.3**	**77.8**

*Note: Totals may not sum due to rounding. The projected LoM for the Otjikoto Mine is seven years of mining and 9 years of processing, including 2018. Capital costs include mining fleet replacement and rebuilds, closure costs, and standard rebuild and other capital projects for mining, processing, and site general costs. Deferred stripping costs are excluded.

Operating Costs

Budgeted 2018 and estimated LoM operating costs are provided in the table below.

Operating Cost Forecast *

Area	**Units**	**2018 Budget**	**LoM Estimated (including 2018)**
Mining	US$/t mined	1.65	1.79
Processing	US$/t processed	12.27	11.44
Site General	US$/t processed	3.67	3.41

*Note: The projected LoM for the Otjikoto Mine is seven years of mining and 9 years of processing, including 2018. Operating costs include all mining, processing and site general costs including pre-stripping and development.

The capital cost estimates and operating cost estimates in the tables above are based on the Company's current estimates and mine plan for the Otjikoto Mine. B2Gold's costs in subsequent years may vary significantly from B2Gold's 2018 and LoM cost estimates as a result of, among other things, current or future non-recurring expenditures, changes to input costs and exchange rates and changes to B2Gold's current mining operations or mine plan. B2Gold's current mine plan for the Otjikoto Mine is based on existing Mineral Reserves. B2Gold conducts ongoing exploration and analyses at B2Gold's operating mines with a view to identifying new Mineral Resources and upgrading existing Mineral Resources to higher confidence levels and potentially into new Mineral Reserves. If new Mineral Reserves are successfully identified it may alter the current mine plan and potentially extend the mine life.

Exploration, Development, and Production

The 2017 exploration program included drill testing several targets close to the Otjikoto mine site to evaluate both open pit and underground potential targets. Additional drill was also completed on the Ondundu JV project located 250 km to the west of the Otjikoto Mine site.

The exploration budget for 2018 in Namibia is US$5.1 million, and will be directed towards near-mine brownfields targets and prospective regional targets.

The Otjikoto Mine, in which B2Gold holds a 90% interest, had a record year in 2017, producing an annual record of 191,534 ounces of gold which exceeded the upper end of its revised production guidance range by 6% (or 11,534 ounces) and the top end of its original production guidance range by 9% (or 16,534 ounces). Otjikoto's performance in 2017 was mainly the result of better than expected high-grade ore tonnage from the Wolfshag Phase 1 Pit and higher than expected mill throughput.

The Otjikoto Mine is expected to produce between 160,000 and 170,000 ounces of gold in 2018, primarily from the Otjikoto Pit. In 2018, Otjikoto is budgeted to process a total of 3.3 million tonnes of ore at an average grade of 1.59 g/t and process recovery of 98%. The slight drop in grade versus 2017 is due to a negligible amount of Wolfshag ore being mined in 2018 as phase 2 of the Wolfshag Pit is being developed. Ore production is planned to resume from the Wolfshag Pit in 2019 and is expected to provide higher grade open-pit mill feed in the future.

OTHER PROPERTIES

El Limon Mine

The El Limon Mine is located in northwestern Nicaragua approximately 100 km northwest of Managua, the capital of Nicaragua. B2Gold holds an indirect 95% interest in Triton Minera S.A. ("**Triton**"), the mine operator. The remaining 5% of Triton is held by IMISA.

The El Limon Mine is within the 12,000 ha "Mina El Limon" mineral concession that has a term of 25 years expiring in April 2027. There are, in addition, three exploration-stage mineral concessions, Bonete-Limon, San Antonio and Villanueva 2, which collectively cover a total of 7,200 ha. Each mineral concession under the Nicaraguan Mining Code is subject to an agreement issued by the government of Nicaragua that includes the rights to explore, develop, mine, extract, export and sell the mineral commodities found and produced from the concession. All of the permits required for exploration, mining and milling activities are in place for the El Limon Mine apart from El Limon Central which is discussed below. Escalating annual surface taxes are payable to the Nicaraguan government for the Mina El Limon mineral concession.

International Royalty Corporation, a subsidiary of Royal Gold, Inc., holds a 3% net smelter return royalty on gold production from the El Limon Mine and certain other concessions. The revenue from the El Limon Mine is also subject to a 3% ad valorem tax on gold production payable to the Government of Nicaragua, which is considered a deductible expense for purposes of computing corporate income tax. Net profit is defined as the excess of gross revenue (being all revenue received from the operation by Triton Mining (USA), LLC of its business) over expenses (being specified as costs incurred and charged as expenses by Triton Mining (USA), LLC arising from its business, including working capital and operating expenses, royalties paid, borrowing costs, taxes and general sales and administrative expenses).

The 2017 exploration program at the El Limon Mine focused on the newly-discovered El Limon Central area. A total of 188 drill holes (34,400 m) were completed on several targets; however, the El Limon Central structure became the primary focus of drill activities. On February 23, 2018, the Company announced a positive initial open-pit Inferred Mineral Resource at the El Limon Central zone, of 5,130,000 tonnes at a grade of 4.92 g/t of gold containing 812,000 ounces of gold (on a 100% basis). The vein system remains open to depth and along strike. Inferred Mineral Resources are amenable to open-pit mining methods and are reported within a pit shell run using a gold price of US$1,400/oz, an average gold recovery of 83.8% (based on preliminary metallurgical testwork) and recent El Limon mine operating costs. The El Limon Central zone, at its closest location, is approximately 150 m from the El Limon mill facility, extending southeast and northwest, adjacent to existing plant and administrative infrastructure. Historical records indicate that parts of the El Limon Central zone had been mined underground in past decades. B2Gold's recent exploration work indicates the underground mining was much more limited than previously thought. B2Gold is currently conducting additional metallurgical testing on the Limon Central mineralized zones and a study to evaluate the potential to expand the El Limon throughput. The study is expected by mid-2018. The permitting process for El Limon Central area is advancing and an environmental impact statement was submitted to the Department of Natural Resources (MARENA) in February of 2018.

In 2017, an initial study was completed regarding the potential re-processing of the old tailings at El Limon. Based on historic mill and drilling records, the tailings contain a target for further exploration estimated to contain 9 million to 11 million tonnes with a potential gold grade of 0.80 g/t to 1.0 g/t. This potential quantity and grade is conceptual in nature and there has been insufficient exploration to define mineral resources and it is uncertain if additional exploration will result in the target for further exploration being delineated as a mineral resource. An ongoing drill program is underway to test grade variability within the historic tailings, collect samples for metallurgical testing, and provide updated specific gravity data. The new 2017-2018 drill information and metallurgical data will be used to support a resource estimate that will help inform studies as to what the optimum grind size, capital costs and project economics could be to re-process the historic tailings. The resource drilling program comprises approximately 240 holes ranging from 15-25 m depth for about 3,600 m total drilling, based on a 50 x 50 m drill spacing. The metallurgical sampling program will comprise about 600 m drilled in about 95 holes to provide material for master composites and spatial variability samples that SGS Lakefield, Canada will study. B2Gold has a budget of US $450,000 to complete the resource definition drilling and metallurgical work. The concept is to regrind the old tailings to a much finer grind size, process them through a new CIP plant and place the tailings in a new lined tailings storage facility.

In 2017 the El Limon Mine, in which B2Gold holds a 95% interest, produced 42,776 gold ounces. Mill recovery was 94.1% .

In 2018, the El Limon Mine is budgeted to process 0.5 million tonnes of ore at an average grade of 3.96 g/t gold with gold recoveries averaging 94%. Most of the planned production will be sourced from underground operations at Santa Pancha with about a quarter of the production from the Mercedes Pit. The mining permit for the Mercedes Pit was recently received and development of the pit has commenced.

The Company plans to undertake sustaining capital expenditures at the El Limon Mine totalling $15.3 million in 2018, of which $6.1 million relates to underground development at Santa Pancha. Non-sustaining capital costs are budgeted to total $2.8 million.

Closure and reclamation costs are estimated and updated annually. Closure and reclamation costs at the end of 2017 were estimated at US$15.7 million on an undiscounted basis.

La Libertad Mine

La Libertad Mine is located in the La Libertad–Santo Domingo Region of the Department of Chontales in Central Nicaragua. The mine is situated approximately 110 km due east of Managua, the capital city of Nicaragua and 32 km northeast of Juigalpa, the capital city of the Department of Chontales.

B2Gold holds 100 % of the La Libertad exploitation concession, covering an area of 10,950 ha, which was granted by Ministerial Decree No. 032-RN-MC/94 (the "**Ministerial Decree**") for a 40-year term, expiring in 2034. B2Gold also holds 100% of the Buenaventura and Cerro Quiroz exploration concessions, which are contiguous with the La Libertad exploitation concession and cover a total of 4,600 ha.

The Ministerial Decree requires that B2Gold pays surface taxes on a semi-annual basis, and pays a net 3.0% royalty on gross production revenues (ad valorem tax) to the government of Nicaragua.

B2Gold operates through its subsidiary, Desarrollo Minero de Nicaragua S.A. (" **Desminic**"). Desminic holds 100% of the La Libertad exploitation concession and the Buenaventura exploration concession. The Cerro Quiroz exploration concession is 100% held by the Company through its subsidiary, Cerro Quiroz Gold S.A.

The 2017 exploration program at the Libertad Mine included geological mapping, rock chip, stream sediment and auger sampling, trench sampling and drilling. A total of 160 core holes (21,771 m) were completed for exploration, infill, geotechnical, or condemnation purposes at Cuernos de Oro, Calvario, Chamarro, Cosmatillo, Jabali Antena, Minerva, Mojon, San Juan, Santa Julia, Tope, and Volcan.

In 2017 the La Libertad Mine produced 82,337 ounces of gold, with a mill recovery of 93.8% .

In 2018 the La Libertad Mine is budgeted to produce between 115,000 and 120,000 ounces of gold. La Libertad's production forecast assumes that production will start from the Jabali Antenna Pit in the third quarter of 2018 (dependent upon the successful completion of resettlement activities and receipt of the remaining mining permits).

In 2018, La Libertad is budgeted to process a total of 2.3 million tonnes of ore at an average grade of 1.76 g/t and process recovery of 94%. The significant increase in grade versus 2017 is due to anticipated mining the high-grade Jabali Antenna, San Diego and San Juan pits, augmented by production from the Mojon and Jabali West underground mines.

Sustaining capital costs for La Libertad are planned to total $28.5 million, mainly for pre-stripping and underground development/infrastructure. Non-sustaining capital costs are budgeted to total $2 million.

Closure and reclamation costs are estimated and updated annually. Closure and reclamation costs at the end of 2017 were estimated at US$24.2 million on an undiscounted basis.

Current plans at La Libertad include mining and processing into 2020, with a combination of mineral reserves and mineral resources. The Company has a successful track record of converting its mineral resources to reserves, and exploration for additional mineral targets continues. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Burkina Faso Regional Projects (Kiaka–Toega)

The Kiaka Project is located in south–central Burkina Faso in the regional province of Boulgou and Zoundweogo, approximately 140 km southeast of the capital Ouagadougou. Access consists of 100 km of paved road from Ouagadougou to Manga, followed by 40 km of gravel road to the exploration camp. The Toega Project is located approximately 50km north of the Kiaka Project and is accessed via the Ouagadougou-Koupela paved road, followed by a gravel road to the exploration camp.

Burkina Faso adopted a new Mining Code which was published at the official gazette (*Journal Officiel*) on October 29, 2015. The Mining Code includes increases in corporate income tax , to 27.5% and an additional 1% tax for a Local Development Fund and a preferred dividend for the State.

The Kiaka Project is hosted within an exploitation licence issued on July 8, 2016 (the " **Kiaka Licence**") that is 5,402 ha in extent. The Kiaka Licence is held by Kiaka S.A., a Burkinabe company that is 81% owned by us (indirectly through our subsidiary Volta Resources Cayman (Inc.)), 9% owned by GAMS–Mining F&I Ltd., a Cypriot company, and 10% owned by the Government of Burkina Faso. A condition of the Kiaka Licence grant is that mine construction at the Kiaka Project is completed within two years of the issuance date which is in July 2018, a timeframe that the Company does not expect to meet. Subject to payment of relevant duties, a two-year suspension of the Kiaka Licence can be applied for on the basis that a project is not viable under ambient conditions, as evidenced by an economic study. The Burkina Faso Mining Code provides for two additional two-year suspensions which can be applied for by the Kiaka Licence holder that, if granted, can delay the period for construction to a total maximum of six years.

In addition to the Kiaka Licence B2Gold holds five exploration permits in the Kiaka area, which comprise the Kiaka Regional Project, including the Toega project, and five permits in other areas of Burkina Faso, for a total of 2,001.82 km^2. All exploration permits were renewed in 2017 with expiry in 2026.

To meet the construction requirements of the Kiaka Licence, Kiaka S.A. must apply for, or be granted (by order (*arrêté*)), a construction permit by the Ministry of Mines, which it currently does not have. If it obtains or receives a construction permit, certain customs duty and tax exonerations will apply for a period of two years after the issuance of the construction permit order (*arrêté*). If construction is not completed within two years of issuance of the construction permit, the exonerations will no longer be valid for the period beyond the two years. However, if at least 50% of construction has been completed during the two-year period, the Company may apply for an extension of the exonerations for an additional year. If granted, full exonerations will apply for the additional year. Pending completion of further economic analysis of the Kiaka Project, the Company has no current plans to apply for a construction permit at this time.

In 2017, 66 core holes (19,378 m), 14 RC drill holes (2,475 m), and eight RC collar/core tail drill holes (2,002 m) were completed to better define the limits of the new zones of gold mineralization at the Toega prospect, and to explore the immediate area for additional mineralization. In late 2017, RC hole NKRC039 intercepted a new zone of mineralization (3.24 g/t gold over 22.2 m) west of the current resource pit boundary. This new area will be a target of follow-up drilling in 2018.

On February 22, 2018 the Company announced an initial Inferred Mineral Resource on the Toega project of 17,530,000 tonnes of 2.01 g/t gold, containing 1,130,000 gold ounces (on a 100% basis) within an economically-constrained pit shell using a US$1,400/oz gold price, an average gold recovery of 86.2 % (based on preliminary metallurgic testwork) and operating costs based on other B2Gold mining operations. The Toega mineralized zone now extends 1,200 m along strike, and is up to 430 m wide and up to 400 m deep. The Toega mineralized zone remains open along strike and to the north–northeast, and down dip and possibly to the west-northwest.

In 2018 B2Gold plans to spend US$9.9 million in Burkina Faso on a combined 37,000 metres of planned RC and diamond drill hole drilling to further test the down-plunge potential of the mineralized zone and other new zones of mineralization identified in close proximity to the main Toega zone.

Gramalote Project

The Gramalote Project is located approximately 230 km northwest of the Colombian capital of Bogota and approximately 80 km northeast of Medellin, the regional capital of the Department of Antioquia. As at December 31, 2017, AngloGold Ashanti Limited ("**AngloGold**") and B2Gold have a 51% and 49% interest, respectively, in the Gramalote property. AngloGold is the manager of the joint venture project.

Gramalote is an intrusive-hosted, structurally-controlled stockwork gold and silver deposit with mineralization associated with three specific types of quartz veining.

The Gramalote Project area is covered by six contiguous claim blocks totalling 27,599 ha. The claims presently include five registered concession contracts totaling 25,306 ha and one exploration license totaling 2,293 ha. The claims are registered in the name of Gramalote (Colombia) Limited, the Colombian branch of Gramalote Limited that has been formed to hold the Gramalote mineral claims. Once in production, state royalties on the gold and silver will be payable at approximately 3.2% of the gross metal value at the plant site.

Total expenditures in 2017 were US$27.6 million and work focused on finishing key pre-feasibility (" **PFS**") activities including the conversion of Inferred Mineral Resources to Indicated Mineral Resources at Gramalote Central, modifying the EIA study, maintaining support within the community, and value-enhancing engineering work, including optimizing mine planning and earthworks and metallurgical studies. During 2017, AngloGold finished an internal enhanced PFS study using the South African SAMREC code criteria that evaluated a large-scale open pit mining operation, a conventional SAG/ball mill circuit, flotation and leaching of both sulphide and oxide ore, and gold recovery.

In 2017, the Company, in conjunction with AngloGold, advanced the Gramalote Project to the pre-feasibility study stage. The Company is currently in discussions with AngloGold to determine what the next steps for the Gramalote Project are, including if applicable, an appropriate work program and budget to maintain the Gramalote Project in good standing while the Company and AngloGold consider their respective options.

RISK FACTORS

The exploration, development and mining of natural resources are highly speculative in nature and are subject to significant risks. The risk factors noted below do not necessarily comprise all risks faced by us. Additional risks and uncertainties not presently known to us or that we currently consider immaterial may also impair our business, operations and future prospects. If any of the following risks actually occur, our business may be harmed and our financial condition and results of operations may suffer significantly.

Risks related to our business

1. COMMODITY, CURRENCY AND MARKET RISKS

Changes in the price of gold and other metals in the world markets, which can fluctuate widely, significantly affect the profitability of our operations, our financial condition and our ability to develop new mines.

The profitability of our operations is significantly affected by changes in the market price of gold and other mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond our control, including: interest rates; the rate and anticipated rate of inflation; world supply of mineral commodities; consumption patterns; purchases and sales of gold by central banks; forward sales by producers; production costs; demand from the jewelry industry; speculative activities; stability of exchange rates; the relative strength of the U.S. dollar and other currencies; changes in international investment patterns; monetary systems; and political and economic events.

The price of gold increased by approximately 12.87% over the most recently completed fiscal year, with an increase in the price from $1,148.65/oz on January 3, 2017 to $1,296.50/oz on December 29, 2017. Current and future price declines could cause commercial production or the development of new mines to be impracticable or unpredictable. If gold prices decline significantly, or decline for an extended period of time, we might not be able to continue our operations, develop our properties, or fulfill our obligations under our permits and licenses, or under our agreements with our partners. This could result in us losing our interest in some or all of our properties, or being forced to cease operations or development activities or to abandon or sell properties, which could have a negative effect on our profitability and cash flow.

Fluctuations in the price and availability of infrastructure and energy and other commodities could impact our profitability and development of projects.

Mining, processing, development and exploration activities depend on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Our inability to secure adequate water and power resources as well as other events outside of our control, such as unusual or infrequent weather phenomena, sabotage, terrorism, community, or government or other interference in the maintenance or provision of such infrastructure, or failure to maintain or extend such infrastructure, could adversely affect our operations, financial condition and results of operations.

Profitability is affected by the market prices and availability of commodities that we use or consume for our operations and development projects. Prices for commodities like diesel fuel, electricity, steel, concrete, and chemicals (including cyanide) can be volatile, and changes can be material, occur over short periods of time and be affected by factors beyond our control. Our operations use a significant amount of energy and depend on suppliers to meet those needs. Higher costs for such required commodities and construction materials, or tighter supplies, can affect the timing and cost of our development projects, and we may decide that it is not economically feasible to continue some or all of our commercial production and development activities, which could have an adverse effect on our profitability.

Higher worldwide demand for critical resources like input commodities, drilling equipment, tires and skilled labour could affect our ability to acquire them and lead to delays in delivery and unanticipated cost increases, which could have an effect on our operating costs, capital expenditures and production schedules.

Fluctuations in foreign currency exchange rates could materially affect our business, financial condition, results of operations and liquidity.

Our assets and operations are located in Canada, the Philippines, Namibia, Nicaragua, Mali, Burkina Faso, Colombia and Finland. We also have gold forward contracts denominated in the South African Rand. As a result, we have foreign currency exposure with respect to items not denominated in U.S. dollars. The three main types of foreign exchange risk we face can be categorized as follows:

- Transaction exposure: our operations sell commodities and incur costs in different currencies. This creates exposure at the operational level, which may affect our profitability as exchange rates fluctuate;
- Exposure to currency risk: we are exposed to currency risk through a portion of the following assets and liabilities denominated in currencies other than the U.S. dollar: cash and cash equivalents, trade and other receivables, trade and other payables, reclamation and closure costs obligations, warrants and gross balance exposure; and
- Translation exposure: our functional and reporting currency is U.S. dollars. Our other operations may have assets and liabilities denominated in currencies other than the U.S. dollar, with translation foreign exchange gains and losses included from these balances in the determination of profit or loss. Therefore, as the exchange rates between the Canadian dollar, Nicaraguan Córdoba, Philippine peso, Colombian peso, Namibian dollar, West African CFA franc (which is pegged to the Euro), South African Rand and the Euro fluctuate against the United States dollar, we will experience foreign exchange gains and losses, which can have a significant impact on our consolidated operating results. The exchange rate between the Córdoba and the United States dollar varies according to a pattern set by the Nicaraguan Central Bank. The Córdoba has been annually devalued versus the United States dollar by means of a crawling peg mechanism, which currently stands at approximately 5%.

As a result, fluctuations in currency exchange rates could significantly affect our business, financial condition, results of operations and liquidity.

Market price of our Common Shares.

Our Common Shares are publicly traded and are subject to various factors that have historically made our Common Share price volatile. The market price of our Common Shares has experienced, and may continue to experience, significant volatility, which may result in losses to investors. The market price of our Common Shares may increase or decrease in response to a number of events and factors, including as a result of the risk factors described herein.

In addition, the global stock markets and prices for mining company shares have experienced volatility that often has been unrelated to the operating performance of such companies. These market and industry fluctuations may adversely affect the market price of our Common Shares, regardless of our operating performance.

2. PRODUCTION, MINING, AND OPERATING RISKS

Mining is inherently dangerous and subject to conditions or events beyond our control, including problems related to weather and climate in remote areas in which certain of our operations are located, which could have a material adverse effect on our business, and mineral exploration is speculative and uncertain.

Mining operations generally involve a high degree of risk. Our operations are subject to all the hazards and risks normally encountered in the production of gold, including: unusual and unexpected geologic formations; seismic activity; rock bursts; cave-ins or slides; flooding; pit wall failure; periodic interruption due to inclement or hazardous weather conditions; and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, personal injury or death, damage to property, environmental damage and possible legal liability. Milling operations are subject to hazards such as fire, equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

Certain of our operations are located in remote areas and are affected by adverse climate issues, resulting in technical challenges for conducting both geological exploration and mining operations. Although we benefit from modern mining technology, we may sometimes be unable to overcome problems related to weather and climate either expeditiously or at a commercially reasonable cost, which could have a material adverse effect on our business, results of operations and financial condition.

Our failure to achieve production, cost and other estimates could have a material adverse effect on our future cash flows, profitability, results of operations and financial condition.

This Annual Information Form and our other public disclosure contains guidance and estimates of future production, operating costs, capital costs and other economic and financial measures with respect to our existing mines and certain of our exploration and development stage projects. The estimates can change or we may be unable to achieve them. Actual production, costs, returns and other economic and financial performance may vary from the estimates depending on a variety of factors, many of which are not within our control. These factors include, but are not limited to: actual ore mined varying from estimates of grade, tonnage, dilution, and metallurgical and other characteristics; short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades from those planned; mine failures, slope failures or equipment failures; accidents; natural phenomena such as inclement weather conditions, floods, droughts, rock slides and earthquakes; encountering unusual or unexpected geological conditions; changes in power costs and potential power shortages; exchange rate and commodity price fluctuations; price changes or shortages of principal supplies needed for operations, including explosives, fuels, water and equipment parts; labour shortages or strikes; litigation; regional or national instability, insurrection, civil war or acts of terrorism; suspensions or closures imposed by governmental authorities; civil disobedience and protests; failure to comply with applicable regulations or new restrictions or regulations imposed by governmental or regulatory authorities; permitting or licensing issues; shipping interruptions or delays; or other risks described herein.

Mineral exploration and development involves significant risks and uncertainties, which could have a material adverse effect on our business, results of operations and financial condition.

Our business plans and projections rely significantly on the planned development of our non-producing properties. The development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing mines and no assurance can be given that minerals will be discovered in sufficient quantities or having sufficient grade to justify commercial operations or that funds required for development can be obtained on a timely basis. Major expenses may be required to locate and establish Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs we or any of our joint venture partners plan will result in a profitable commercial mining operation.

Properties not yet in production, starting production or slated for expansion, are subject to higher risks as new mining operations often experience unexpected problems during the start-up phase, and production delays and cost adjustments can often happen. Further, feasibility studies contain project-specific estimates of future production, which are based on a variety of factors and assumptions. There is no assurance that such estimates will be achieved and the failure to achieve production or cost estimates or material increases in costs could have a material adverse effect on our future cash flows, profitability, results of operations and financial condition and our share price.

In addition, developments are prone to material cost overruns versus budget. The capital expenditures and time required to develop new mines including building mining and processing facilities for new properties are considerable and changes in cost or construction schedules can significantly increase both the time and capital required to build the mine. The project development schedules are also dependent on obtaining the governmental approvals and permits necessary for the operation of a mine which is often beyond our control. It is not unusual in the mining industry for new mining operations to experience unexpected problems during the start-up phase, resulting in delays and requiring more capital than anticipated. There is no assurance that there will be sufficient availability of funds to finance construction and development activities, particularly if unexpected problems arise.

Other risks associated with mineral exploration and development include but are not limited to: the availability and costs of skilled labour and the ability of key contractors to perform services in the manner contracted for; unanticipated changes in grade and tonnage of ore to be mined and processed; unanticipated adverse geotechnical and geological conditions; incorrect data on which engineering assumptions are made; potential increases in construction and operating costs due to shortages of and/or changes in the cost of fuel, power, materials, security and supplies; adequate access to the site and unanticipated transportation costs or disruptions; potential opposition or obstruction from non-governmental organizations, environmental groups or local groups which may delay or prevent development activities; equipment failures; natural phenomena; exchange rate and commodity price fluctuations; high rates of inflation; civil disobedience, protests and acts of civil unrest or terrorism; applicable taxes and restrictions or regulations imposed by governmental or regulatory authorities or other changes in the regulatory environments; and other risks associated with mining described herein.

The combination of these factors may result in our inability to develop our non-producing properties, to achieve or maintain historical or estimated production, revenue or cost levels, or to receive an adequate return on invested capital, which could have a material adverse effect on our business results of operations and financial condition.

Undue reliance should not be placed on estimates of Mineral Reserves and Mineral Resources, since these estimates are subject to numerous uncertainties. Our actual Mineral Reserves could be lower than Mineral Reserve estimates and Mineral Resources may never be converted into Mineral Reserves, which could adversely affect our operating results and financial condition.

We must continually replace and expand our Mineral Reserves and any necessary associated surface rights as our mines produce gold. The LoM estimates for each of our operating mines are based on our best estimates in respect of Mineral Reserves and Mineral Resources given the information available to us and may not be correct.

Actual ore mined may vary from estimates of grade, tonnage, dilution and metallurgical and other characteristics and there is no assurance that the indicated level of recovery will be realized or that Mineral Reserves could be mined or processed profitably. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond our control. Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Short-term operating factors relating to the Mineral Reserves, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may cause the mining operation to be unprofitable in any particular accounting period. In addition, there can be no assurance that gold recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

In addition, fluctuation in gold prices, results of drilling, metallurgical testing and production, increases in capital and operating costs, including the cost of labour, equipment, fuel and other required inputs and the evaluation of mine plans after the date of any estimate may require revision of such estimate. Any material reductions in estimates of Mineral Reserves and Mineral Resources, or of our ability to extract these Mineral Reserves, could have a material adverse effect on our results of operations and financial condition.

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Due to uncertainty that may attach to Inferred Mineral Resources, Inferred Mineral Resources may not be upgraded to Measured and Indicated Mineral Resources or Proven and Probable Reserves as a result of continued exploration. Our projections regarding continuing operations and production at La Libertad Mine beyond Mineral Reserves are based on the assumption that we will be able to mine certain Mineral Resources, including Inferred Resources, that have not been classified as Mineral Reserves. Inferred Mineral Resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves and there is no certainty that such projections will be realized. Although the Company has been successful in converting Mineral Resources to Mineral Reserves in the past, there is no certainty of converting Mineral Resources to Mineral Reserves and it may not be successful in the future.

We may be unable to identify appropriate acquisition targets or complete desirable acquisitions, and we may be unsuccessful in integrating businesses and assets that we have acquired or may acquire in the future.

As part of our business strategy, we have sought and will continue to seek new operating and development opportunities in the mining industry. In pursuit of such opportunities, we may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into B2Gold. There can be no assurance that we can complete any acquisition or business arrangement that we pursue, or are pursuing, on favorable terms, if at all, or that any acquisitions or business arrangements completed will ultimately benefit our business.

Acquisitions are accompanied by risks, such as a significant decline in the relevant metal price after we commit to complete an acquisition on certain terms; the quality of the mineral deposit acquired proving to be lower than expected; the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of our ongoing business; the inability of management to realize anticipated synergies and maximize our financial and strategic position; the failure to maintain uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; and the potential for unknown or unanticipated liabilities associated with acquired assets and businesses, including tax, environmental or other liabilities. There can be no assurance that acquired businesses or assets will be profitable, that we will be able to integrate the acquired businesses or assets successfully or that we will identify all potential liabilities during the course of due diligence. Any of these factors could have a material adverse effect on our business, expansion, results of operations and financial condition.

We may be unable to compete successfully with other mining companies.

The mining industry is intensely competitive in all of its phases, and we compete with many companies possessing greater financial resources and technical facilities than us with respect to the discovery and acquisition of interests in mineral properties, and the recruitment and retention of qualified employees and other persons to carry out our mineral production and exploration activities. Competition in the mining industry could adversely affect our prospects for mineral exploration and development in the future, which could have a material adverse effect on our revenues, operations and financial condition.

We are subject to litigation risks which could have a material adverse effect on our business, results of operations and financial position.

All industries, including the mining industry, are subject to legal claims, with and without merit. We are, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. In addition, companies like ours that have experienced volatility in their share price have been subjected to class action securities litigation by shareholders. Defense and settlement costs can be substantial, even for claims that are without merit. Due to the inherent uncertainty of the litigation process, the litigation process could take away from management time and effort and the resolution of any particular legal proceeding to which we may become subject could have a material adverse effect on our business, results of operations and financial position.

Furthermore, in the event of a dispute arising from our activities, we may be subject to the exclusive jurisdiction of courts or arbitral proceedings outside of North America or may not be successful in subjecting persons to the jurisdiction of courts in North America, either of which could unexpectedly and adversely affect the outcome of a dispute.

Failures of information systems or information security threats.

We have entered into agreements with third parties for hardware, software, telecommunications and other information technology (" **IT**") services in connection with our operations. Our operations depend, in part, on how well B2Gold and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, computer viruses, vandalism and theft. Our operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses, which may adversely impact our reputation and results of operations.

Although to date we have not experienced any known material losses relating to cyber-attacks or other information security breaches, there can be no assurance that it will not incur such losses in the future. As cyber threats continue to evolve, we may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

3. RISKS IN FOREIGN OPERATIONS

Our operations across several different countries subject us to various political, economic and other risks that could negatively impact our operations and financial condition.

Our exploration, development and production activities are conducted in various countries, including Nicaragua, the Philippines, Namibia, Mali, Burkina Faso and Colombia and, as such, our operations are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary from country to country and include, but are not limited to, the existence or possibility of political or economic instability; conflict; terrorism; hostage taking; military repression; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; war or civil unrest; expropriation and nationalization; uncertainty as to the outcome of any litigation in foreign jurisdictions; uncertainty as to enforcement of local laws; environmental controls and permitting; restrictions on the use of land and natural resources; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; changes in taxation laws or policies; restrictions on foreign exchange and repatriation; corruption; unstable legal systems; changing political conditions; changes in mining and social policies; social unrest on account of poverty or unequal income distribution; “black economic empowerment” or local ownership legislation; currency controls and governmental regulations that favor or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or require equity participation by local citizens; and other risks arising out of foreign sovereignty issues.

We have interests in exploration and development properties that are located in developing countries, including Nicaragua, the Philippines, Namibia, Mali, Burkina Faso and Colombia and our mineral exploration and mining activities may be affected in varying degrees by political instability and governmental legislation and regulations relating to foreign investment and the mining industry. Many of these countries have experienced, or are currently experiencing, varying degrees of civil unrest and instability. Changes, if any, in mining or investment laws or policies, political attitude or the level of stability in such countries may adversely affect our operations or profitability.

Our projects in the following jurisdictions are subject to certain additional risks:

(a) Mali

In recent years, Mali has been through a period of political instability. In March 2012, Mali was subject to an attempted coup d’état that resulted in the temporary suspension of the constitution, the partial closing of the borders and the general disruption of business activities in the country. Since that time there have been periods of conflict, attacks by insurgents and acts of terrorism. In July 2016, Mali extended the country’s state of emergency after a series of deadly attacks. There can be no assurance that the political or security situation will not disrupt our ability to continue gold production from our Fekola Mine. Furthermore, there can be no assurance that the political and security situation in Mali will not have a material adverse effect on our operations and financial condition.

We finalized negotiating certain matters with the State of Mali and executed several documents with regards to the Fekola Project including: (i) the Fekola Shareholders Agreement, and (ii) the Share Purchase Agreement, which are both subject to ratification by the Mali National Assembly, expected in April 2018. There is no certainty as to the outcome of these matters and until these matters are settled and the Fekola Shareholders Agreement and the Share Purchase Agreement are ratified, we do not have certainty on the ultimate State of Mali’s ownership interest in Fekola S.A. and certain other requirements that will apply to the Fekola Mine. The Government of Mali may adopt a new mining code in the future, the timing and full details of which are unknown at this time. While the Company believes that this would not affect its operations at Fekola, as the Company’s interest in the Fekola Mine is governed by the Fekola Convention which has been finalized and is enforceable and includes stabilization provisions which provide that the Fekola Mine is subject to the present 2012 Mining Code for the duration of its operations, the implications of any adoption of a new mining code on the Company’s operations in Mali is unknown at this time.

(b) Namibia

Namibia is a member of the Southern African Customs Union (" **SACU**"), which provides for a common external tariff and guarantees free movement of goods between its member states. A high proportion of Namibia's trade is conducted with SACU members and, in its 2018 budget, the Namibian Ministry of Finance stated that a significant risk for revenue growth is the projected reduction of SACU revenue. The Namibian Government is highly dependent on SACU revenue, but Namibia's share of the SACU revenue is expected to decline in the foreseeable future, as a result of which the Namibian government may be compelled to introduce additional taxes or increase current tax rates, which could have a material adverse effect on our business.

In 2015, Namibia released a first version, and in 2016, Namibia released a second version of the so-called Namibia Equitable Economic Empowerment Framework bill (the "**NEEEF Bill**"), a controversial bill which proposed, in effect, the forced transfer of 25% of the shares or economic interest in any business enterprise conducting business in Namibia to certain designated persons, being persons of colour, women and disabled persons. Whilst the NEEEF Bill contained various controversial provisions which may render it unconstitutional, the NEEEF Bill caused considerable uncertainty in the Namibian business community and the investor community, on account of which it is still under discussion and revision. As of March 2018, the President of Namibia has announced that it is the Government's intention to further consult and finalise the NEEEF Bill in the parliamentary sessions of 2018, but it is not clear if and when the NEEEF Bill will become law, and in any event, there would need to be regulations to be operative. As it is only a bill, it is entirely speculative at this time to determine the extent to which the NEEEF Bill would affect B2Gold Namibia in practice.

In 2016, the Namibian parliament passed a new investment law termed the Namibia Investment Promotion Act, 2016, which has not yet come into force. If it should become law, the Namibia Investment Promotion Act, 2016 would materially change the legal basis on which foreign investments are to be made, maintained and withdrawn from Namibia. In essence, the law provides not only for reservation of certain businesses to Namibians, but also requires the approval of the Minister of Industrialisation, Trade and SME Development prior to making an investment, when expanding an investment and when disinvesting, on essentially a discretionary basis. The law also abolishes the recourse of foreign investors to international tribunals by insisting that any disputes be exclusively dealt with under Namibian law and by the Namibian courts. The Namibia Investment Promotion Act, 2016, should it come into force, may be expected to have a negative effect on investor security and new investments into Namibia. In the absence of regulations or guidelines with respect to the approval process, it is entirely at the discretion of the Minister to determine what type of foreign investments, disinvestments or changes to current investments will be allowed, and it is entirely speculative at this time to determine the extent to which the Namibia Investment Promotion Act, 2016 would affect B2Gold Namibia in practice. As of March 2018, the Namibia Investment Promotion Act, 2016 has not yet come into operation, and it is expected that further revisions of this law will take place in 2018.

(c) Philippines

The Constitution of the Philippines provides that all natural resources are owned by the State which may enter into a coproduction, joint venture or production sharing agreement with citizens of the Philippines or corporations or associations whose capital is at least 60% owned by Philippine citizens. Commonwealth Act No. 108, as amended (the "**Anti-Dummy Act**"), provides penalties for, among others: (a) Filipinos who permit aliens to use them as nominees or dummies so that the aliens could enjoy privileges otherwise reserved for Filipinos or Filipino corporations, and (b) aliens or foreigners who profit from the adoption of these dummy relationships. It also penalizes the act of falsely simulating the existence of minimum stock or capital as owned by citizens of the Philippines or any other country in cases in which a constitutional or legal provision requires that before a corporation or association may exercise or enjoy a right, franchise or privilege, not less than a certain percentage of its capital must be owned by such citizens.

The Anti-Dummy Act likewise prohibits aliens from intervening in the management, operation, administration or control of nationalized business or enterprises, whether as officers, employees or labourers, with or without remuneration, except that aliens may take part in technical aspects only, provided (a) no Filipino can do such technical work, and (b) it is with express authority from the Secretary of Justice. The Anti-Dummy Act also allows the election of aliens as members of the boards of directors or the governing bodies of corporations or associations engaged in partially nationalised activities in proportion to their allowable participation or share in the capital of such entities. Although we believe our structure complies with all Philippine regulations, there is a risk that, given the limited precedents to date in the country, it could be changed or challenged. Our failure to comply with Philippines regulations could have a material adverse effect on our business, operations and financial condition.

(d) Nicaragua

On July 6, 2017, The Nicaraguan government published and adopted Law No. 953 which created a government mining company called ENIMINAS. ENIMINAS' main objective is to explore and exploit mineral resources in accordance with Law No. 387 by participating in joint ventures or other types of agreements with third parties or mining companies interested in exploring and exploiting national reserved areas. The impact of such law is unknown at this time.

(e) Burkina Faso

The new mining code adopted by Burkina Faso in July 2015 introduced changes to the mining legislation, including changes affecting taxation, licensing, the requirement to pay a preferred dividend to the state, requirements for employments of local personnel or contractors and other benefits to be provided to local residents. The Kiaka Licence requires mine construction at the Kiaka Project to be completed within two years of the issuance date, a timeframe that the Company will not be able to meet. Subject to payment of relevant duties, a two-year suspension of the Kiaka Licence can be applied for on the basis that a project is not viable under ambient conditions, as evidenced by an economic study. The Burkina Faso Mining Code provides for two additional two-year suspensions which can therefore delay the period for construction to a total of six years. If all of the suspension periods have been exhausted, the government has the right to withdraw the Kiaka Licence. There can be no assurance that the Company will be granted the suspensions for extending the time frame to complete mine construction.

We may encounter conflicts with small scale miners in certain countries which could have a material adverse effect on our operations.

Certain of our exploration and development properties, including the Masbate Gold Project and La Libertad Mine, are subject to significant small scale and artisanal mining activity. The number of artisanal miners has increased as the price of gold has increased. There is a risk of conflict with the small scale miners which could materially adversely affect our operations. Further development of our mining activities may require the relocation and physical resettlement of artisanal miners and development plans may be impacted as a result. Any delays as a result of potential relocation or resettlement could negatively impact us and may result in additional expenses or prevent further development.

Small scale artisanal miners may use sodium cyanide or mercury which are toxic materials. Should an artisanal miner's sodium cyanide or mercury leak or otherwise be discharged into our mineral properties, we may become subject to liability for clean-up work that may not be insured. Related clean-up work may have a material adverse effect on our operations.

Small scale miners have been operating in Aroroy, Masbate Province since 1979 without obtaining a valid mining or processing permits issued by the government. Some of these mining and processing operations are within the property of Filminera, and there has been evidence of contamination from tailing and effluent discharges within the Masbate property boundary. Although Filminera is not legally liable for their contamination, Filminera has attempted to limit the activities of these miners and inform the public about the risk of contamination. In line with attempts to limit and control their activities, Filminera, in coordination with the local and national governments, began a process to enter into agreements with small scale miners. The agreements will require the formation of local cooperatives to legally apply for mining and processing permits and work on some areas of our mineral tenements that are not suitable for large scale mining and limited to a definite period of time. There is also a natural conflict in objectives between small scale miners and Filminera, as the small scale miners have no legal rights to mine and are keen to access as much ore as possible. In contrast, Filminera has a stated position of allowing some level of activity; however, Filminera requires it to be contained to nominated areas only and subject to the law governing small scale mining in the country. Accordingly, there are risks that conflict can arise that could materially adversely affect the operations of Filminera.

In Nicaragua, there is a long history of small scale miner activity throughout the country. Nicaraguan law provides that 1% of a mining concession be available for artisanal (non-mechanized) activity. At La Libertad, we have executed several agreements with local cooperatives. Formerly, we processed a portion of their output from areas that were mutually agreed upon. However, this scenario has changed due to the establishment of an unaffiliated small process facility that specializes in processing artisanal miner ore. Aside from work organized as cooperatives, there is also independent artisanal mining being carried out. Artisanal miner issues are managed by a specific specialized group at La Libertad Mine, and the focus has been to ensure that we and artisanal miners coexist within the concession.

4. COMPLIANCE AND REGULATORY RISKS

Our operations are subject to stringent laws and regulations, which could significantly limit our ability to conduct our business.

Our activities are subject to stringent laws and regulations governing, among other things, prospecting, development and production; imports and exports; taxes; labour standards, occupational health and mine safety; mineral tenure, land title and land use; water and air quality regulations; protection of endangered and protected species; social legislation; and other matters.

Compliance with these laws may require significant expenditures. If we are unable to comply fully, we may be subject to enforcement actions or other liabilities (including orders issued by regulatory or judicial authorities causing operations to cease, be suspended or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions) or our image may be harmed, all of which could materially affect our operating costs, delay or curtail our operations or cause us to be unable to obtain or maintain required permits. There can be no assurance that we have been or will be at all times in compliance with all applicable laws regulations, that compliance will not be challenged or that the costs of complying with current and future laws and regulations will not materially or adversely affect our business, operations or results.

New laws and regulations, amendments to existing laws and regulations or administrative interpretation, or more stringent enforcement of existing laws and regulations, whether in response to changes in the political or social environment we operate in or otherwise, could have a material and adverse effect on our future cash flow, results of operations and financial condition.

Mineral rights or surface rights to our properties could be challenged, and, if successful, such challenges could have a material adverse effect on our production and results of operations.

Our ability to carry out successful mineral exploration and development activities and mining operations will depend on a number of factors including compliance with our obligations with respect to acquiring and maintaining title to our interest in certain properties. The acquisition of title to mineral properties is a very detailed and time-consuming process. No guarantee can be given that we will be in a position to comply with all such conditions and obligations, or to require third parties to comply with their obligations with respect to such properties. Furthermore, while it is common practice that permits and licenses may be renewed, extended or transferred into other forms of licenses appropriate for ongoing operations, no guarantee can be given that a renewal, extension or a transfer will be granted to us or, if they are granted, that we will be in a position to comply with all conditions that are imposed. A number of our interests are the subject of pending applications to register assignments, extend the term, and increase the area or to convert licenses to concession contracts and there is no assurance that such applications will be approved as submitted.

The interests in our properties may not be free from defects or the material contracts between us and the entities owned or controlled by a foreign government may be unilaterally altered or revoked. There can be no assurances that our rights and title interests will not be revoked or significantly altered to our detriment. There can be no assurances that our rights and title interests will not be challenged or impugned by third parties. Our interests in properties may be subject to prior unregistered liens, agreements, claims or transfers and title may be affected by, among other things, undetected defects or governmental actions.

We are subject to taxation in several different jurisdictions, and adverse changes to the taxation laws of such jurisdictions or unanticipated tax consequences of corporate reorganizations, could have a material adverse effect on our profitability.

We are subject to the taxation laws of a number of different jurisdictions. These taxation laws are complicated and subject to changes and are subject to review and assessment in the ordinary course. Any such changes in taxation law or reviews and assessments could result in higher taxes being payable by us, which could adversely affect our profitability. Taxes may also adversely affect our ability to repatriate earnings and otherwise deploy our assets.

In addition, we have recently completed and may complete in the future, corporate reorganizations and reorganizations of the entities holding our projects. In the event that such reorganizations result in the imposition of an unanticipated tax or penalty, it may have a material adverse effect on our business. We may also be subject to ongoing tax audits from time to time. Adverse results of such tax audits may have a negative effect on the business of the Company.

We require licenses, permits and approvals from various governmental authorities to conduct our operations, the failure to obtain or loss of which could have a material adverse effect on our business.

Our mining operations in the Philippines, Mali, Namibia and Nicaragua, and our various exploration and development projects are subject to receiving and maintaining licenses, permits and approvals from appropriate governmental authorities. Although our mining operations currently have all required licenses, permits and approvals that we believe are necessary for operations as currently conducted, no assurance can be provided that we will be able to maintain and renew such permits or obtain any other permits that may be required.

In Namibia, any new mineral licences or renewals of existing mineral licences may be subject to certain terms and conditions relating to “Namibianisation” (i.e. transferring a portion (commonly 5%)) of the shareholding in the respective licence holder to Namibian citizens or Namibian controlled companies, as well as undertaking social welfare or community upliftment obligations, specifically in respect of the poor, women and youth in Namibia. It may also be subject to the licence holder appointing a certain percentage of its management (currently 20%) from Namibian citizens, specifically also persons of colour, women or disabled persons. While we understand that such terms and conditions do not currently apply to ML 169 in respect of the Otjikoto Project, although it is not entirely clear, they may be applicable to renewals of EPL’s and ML’s in the future as well as any new grants of mineral licences to B2Gold.

Laws and Regulations in the Philippines may affect the Company’s ability to secure additional permits necessary for the planned new pit operations at the Masbate Gold Project.

EO#79 issued on July 6, 2012 provides that no new MPSAs shall be entered into until new legislation rationalizing revenue sharing is in effect. Pursuant to Memorandum#1, the DENR issued a moratorium on the approval of all new mining projects including acceptance, processing, and/or approval of applications for mining permits and environmental compliance certificates. We understand that Memorandum #1 will remain in force until it is formally terminated. We also understand that Memorandum #1 was issued in connection with the audit of existing mines in the Philippines conducted by the DENR in 2016 and anticipate that it will be rescinded once such audit is completed; however, there is no assurance when or if such rescission may occur. EO#79 provides that the DENR can continue to grant EPs. The Philippines Mines and Geosciences Bureau has also indicated that it will continue to issue permits at our existing mine operations notwithstanding EO#79 or Memorandum #1, since these are not new MPSAs or new mining projects. Therefore, we do not expect Memorandum #1 and EO#79 to affect the permits necessary to conduct our planned new pit operations.

There have in the past been challenges to permits that were temporarily successful and delays in the renewal of certain permits. There is no assurance that delays will not occur in connection with obtaining necessary renewals of authorizations for existing operations, additional licenses, permits and approvals for future operations, or additional licenses, permits and approvals associated with new legislation. An inability to obtain or conduct our mining operations pursuant to applicable authorizations would materially reduce our production and cash flow and could undermine our profitability.

We are subject to risks relating to environmental regulations and our properties may be subject to environmental hazards, which may have a material adverse effect on our business, operations and financial condition.

Our operations are subject to local laws and regulations regarding environmental matters, including, without limitation, the renewal of environmental clearance certificates, the use or abstraction of water, land use and reclamation, air quality and the discharge of mining wastes and materials. Any changes in these laws could affect our operations and economics. Environmental laws and regulations change frequently, and the implementation of new, or the modification of existing, laws or regulations could harm us. We cannot predict how agencies or courts in foreign countries will interpret existing laws and regulations or the effect that these adoptions and interpretations may have on our business or financial condition.

We may be required to make significant expenditures to comply with governmental laws and regulations. Any significant mining operations will have some environmental impact, including land and habitat impact, arising from the use of land for mining and related activities, and certain impact on water resources near the project sites, resulting from water use, rock disposal and drainage run-off. We may also acquire properties with known or undiscovered environmental risks. Any claim against or indemnification from the entity from whom we have acquired such properties may not be adequate to pay all the fines, penalties and costs (such as clean-up and restoration costs) incurred related to such properties.

Some of our properties have been used for mining and related operations for many years before we acquired them and were acquired as is or with assumed environmental liabilities from previous owners or operators. We have been required to address contamination at our properties in the past and may need to continue to do so in the future, either for existing environmental conditions or for leaks or discharges that may arise from our ongoing operations or other contingencies. Contamination from hazardous substances, either at our own properties or other locations for which we may be responsible, may subject us to liability for the investigation or remediation of contamination, as well as for claims seeking to recover for related property damage, personal injury or damage to natural resources. The occurrence of any of these adverse events could have a material adverse effect on our future growth, results of operations and financial position.

Production at certain of our mines involves the use of sodium cyanide, which is a toxic material. Should sodium cyanide leak or otherwise be discharged from the containment system, we may become subject to liability for cleanup work that may not be insured. While appropriate steps will be taken to prevent discharge of pollutants into the ground water and the environment, we may become subject to liability for hazards that we may not be insured against and such liability could be material.

While we believe we do not currently have any material unrecognized risks under environmental obligations, exploration, development and mining activities may give rise in the future to significant liabilities on our part to the government and third parties and may require us to incur substantial costs of remediation. Additionally, we do not maintain insurance against environmental risks. As a result, any claims against us may result in liabilities that we will not be able to afford, resulting in the failure of our business.

In some jurisdictions, forms of financial assurance are required as security for reclamation activities. The cost of our reclamation activities may materially exceed our provisions for them, or regulatory developments or changes in the assessment of conditions at closed operations may cause these costs to vary substantially, from prior estimates of reclamation liabilities. For instance, the estimated rehabilitation and closure costs for the Fekola Mine are approximately US$24.7 million over the life of the mine.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration operations may be required to compensate those suffering loss or damage by reason of the exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws. Amendments to current laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on us and cause increases in expenditures and costs or require abandonment or delays in developing new mining properties.

Our operations are associated with the emission of 'greenhouse gases'. Ongoing international negotiations which aim to limit greenhouse gas emissions may result in the introduction of new regulations, and may have an adverse impact on our operations.

An adverse outcome of the DENR audit could have a materially adverse effect on the Company's business and operations in the Philippines.

As described under the heading "*General Development of the Business – Three Year History* ", the Company's Masbate Gold Project was subject to an audit by the DENR. While the Company believes it has comprehensively responded to the issues raised in the audit, the final outcome of the audit has not been determined. Enforcement action, such as a suspension of operations or significant penalties, may have a material and adverse effect on our business, operations, production estimates and financial condition. As of this time, the Company has not received any notice of suspension or closure and is not among those announced as subject to suspension or closure.

We are subject to various anti-corruption laws and regulations and our failure to comply with such laws and regulations may have a material adverse impact on our business, financial condition and results of operations.

We are subject to various U.S., Canadian and foreign anti-corruption laws and regulations such as the Canadian Corruption of Foreign Public Officials Act. In general, these laws prohibit a company and its employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. According to Transparency International, Nicaragua, the Philippines, Namibia and Mali are perceived as having fairly high levels of corruption relative to Canada. We cannot predict the nature, scope or effect of future regulatory requirements to which our operations might be subject or the manner in which existing laws might be administered or interpreted. Failure by the Company or its predecessors to comply with the applicable legislation and other similar foreign laws could expose us and our senior management to civil and/or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could materially and adversely affect our business, financial condition and results of operations. Likewise, any investigation of any alleged violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on our business, financial condition and results of operations.

We may fail to maintain the adequacy of internal control over financial reporting as required by the Sarbanes-Oxley Act .

Our Common Shares are registered under the U.S. Securities Exchange Act of 1934, as amended, and listed on the NYSE American and, accordingly, we are subject to the reporting and other requirements of the U.S. federal securities laws that apply to foreign private issuers, including the requirement to maintain effective internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act ("**SOX**"). SOX requires management to do an annual assessment of our internal controls over financial reporting, and for our external auditors to conduct an independent assessment of their effectiveness.

Our internal controls over financial reporting may not be adequate, or we may not be able to maintain them as required by SOX. We also may not be able to maintain effective internal controls over financial reporting on an ongoing basis, if standards are modified, supplemented or amended from time to time.

If we do not satisfy the SOX requirements on an ongoing and timely basis, investors could lose confidence in the reliability of our financial statements, and this could harm our business and have a negative effect on the trading price of our Common Shares or the market value of our other securities.

5. FINANCIAL RISKS

The Company may be unable to generate sufficient cash to service its debt, the terms of the agreements governing its debt may restrict the Company's current or future operations and the indebtedness may have a material adverse effect on the Company's financial condition and results of operations.

The Company's ability to make scheduled payments on the Credit Facility and any other indebtedness will depend on its financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond its control. If the Company's cash flows and capital resources are insufficient to fund its debt service obligations, the Company could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance the Company's indebtedness, including indebtedness under the Credit Facility. The Company may not be able to effect any such alternative measures on commercially reasonable terms or at all and, even if successful, those alternatives may not allow the Company to meet its scheduled debt service obligations.

In addition, a breach of the covenants, including the financial covenants under the Credit Facility or the Company's other debt instruments from time to time could result in an event of default under the applicable indebtedness. Such a default may allow the creditors to impose default interest rates or accelerate the related debt, which may result in the acceleration of any other debt to which a cross acceleration or cross default provision applies. In the event a lender accelerates the repayment of the Company's borrowings, the Company may not have sufficient assets to repay its indebtedness.

The Credit Facility contains a number of covenants that will impose significant operating and financial restrictions on the Company and may limit the Company's ability to engage in acts that may be in its long term best interest. In particular, the Credit Facility restricts the Company's ability to dispose of assets to make dividends or distributions and to incur additional indebtedness and grant security interests or encumbrances. As a result of these restrictions, the Company may be limited in how it conducts its business, may be unable to raise additional debt or equity financing, or may be unable to compete effectively or to take advantage of new business opportunities, each of which restrictions may affect the Company's ability to grow in accordance with its strategy.

Further, the Company's maintenance of substantial levels of debt could adversely affect its financial condition and results of operations and could adversely affect its flexibility to take advantage of corporate opportunities. Substantial levels of indebtedness could have important consequences to the Company, including:

- limiting or inhibiting the ability of the Company to repay the Notes which come due on October 1, 2018;
- limiting the Company's ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements, or requiring the Company to make non- strategic divestitures;
- requiring a substantial portion of the Company's cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions and other general corporate purposes;

- increasing the Company's vulnerability to general adverse economic and industry conditions;
- exposing the Company to the risk of increased interest rates for any borrowings at variable rates of interest;
- limiting the Company's flexibility in planning for and reacting to changes in the industry in which it competes;
- placing the Company at a disadvantage compared to other, less leveraged competitors; and
- increasing the Company's cost of borrowing.

We may not be able to obtain additional financing on acceptable terms, or at all.

Future exploration, development, mining, and processing of minerals from our properties, or repayment of current or future indebtedness, could require substantial additional financing. No assurances can be given that we will be able to raise the additional funding that may be required for such activities or repayment of indebtedness, should such funding not be fully generated from operations. To meet such funding requirements, we may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may involve certain restrictions on operating activities or other financings. There is no assurance that such equity or debt financing will be available to us or that they would be obtained on terms favourable to us, if at all, which may adversely affect our business and financial position. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development, or production on any or all of our properties, or even a loss of property interests.

Our insurance does not cover all potential losses, liabilities and damage related to our business and certain risks are uninsured or uninsurable.

Although we maintain insurance to protect against certain risks in such amounts as we consider to be reasonable, our insurance will not cover all the potential risks associated with our operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all risks and we may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution or other hazards as a result of exploration and production is not generally available to us or to other companies in the mining industry on acceptable terms. Losses from these events may cause us to incur significant costs that could have a material adverse effect upon our financial performance and results of operations.

6. RELATIONSHIPS WITH KEY STAKEHOLDERS

We are subject to risks related to community relations and community action, including Aboriginal and local community title claims and rights to consultation and accommodation, which may affect our existing operations and development projects.

As a mining business, we come under pressure in the jurisdictions in which we operate, or will operate in the future, to demonstrate that other stakeholders (including employees, communities surrounding operations and the countries in which they operate) benefit and will continue to benefit from our commercial activities, and/or that we operate in a manner that will minimize any potential damage or disruption to the interests of those stakeholders. We may face opposition with respect to our current and future development and exploration projects which could materially adversely affect our business, results of operations and financial condition.

Governments in many jurisdictions must consult with Aboriginal peoples and local communities with respect to grants of mineral rights and the issuance or amendment of project authorizations. Consultation and other rights of Aboriginal people and local communities frequently require accommodations, including undertakings regarding employment, royalty payments and other matters. This may affect our ability to acquire within a reasonable time frame effective mineral titles, permits or licenses in these jurisdictions and may affect the timetable and costs of development of mineral properties in these jurisdictions.

Further, certain NGOs, some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of hazardous substances in processing activities. Adverse publicity generated by such NGOs or others related to extractive industries generally, or our operations specifically, could have an adverse effect on our reputation and financial condition and may impact our relationship with the communities in which we operate. They may also attempt to disrupt our operations.

We are subject to a variety of risks associated with partial ownership or joint ventures, which could result in a material adverse effect on our future growth, results of operations and financial position.

A number of the properties in which we have an interest are not wholly-owned by us or are the subject of joint venture arrangements with other mining companies and will be subject to the risks normally associated with the conduct of jointly-held projects and joint ventures. The existence or occurrence of one or more of the following circumstances and events could have a material adverse effect on the viability of our interests held through joint ventures, which could have a material adverse effect on our future growth, results of operations and financial conditions:

- inability to exert influence over certain strategic decisions made in respect of joint venture properties;
- a joint venture participant having economic or business interests or goals that are, or become, inconsistent with our business interests or goals;
- bankruptcy of the joint venture participant;
- disagreement with joint venture participants on how to develop and operate mines efficiently;
- inability of participants to meet their obligations to the joint venture or third parties; and
- litigation between participants regarding joint venture matters.

Our investments in the Masbate Gold Project may be adversely affected by our lack of sole decision-making authority and disputes between us and the majority owner of Filminera.

The Company, through its subsidiaries, is a minority shareholder in Filminera, which owns the Masbate Gold Project. Zoom is the majority shareholder. As the minority shareholder, we are not in a position to exercise sole decision making authority regarding the Masbate Gold Project. We may be unable to cause Filminera to take, or refrain from taking, actions consistent with our business strategies and objectives. Any change in the identity, management, ownership or strategic direction of Zoom, or any disagreement with Zoom or its owners could materially adversely affect our business and results of operations. If a dispute arises between us and Zoom or its owners that cannot be resolved amicably, we may be unable to further our business strategies and objectives, may not realize the anticipated benefits of our investment in the Masbate Gold Project and associated processing facilities (in which we hold a 100% interest) and may be involved in lengthy and costly proceedings to resolve the dispute, which could materially and adversely affect our business and results of operations.

In addition, pursuant to the ore purchase agreement between PGPRC and Filminera, PGPRC has agreed to purchase all ore from the Masbate Gold Project at a price equal to the production cost for the ore plus a predetermined percentage. Decreases in the market price of gold, increases in production costs at the Masbate Gold Project or a combination of both may make performance by PGPRC under the agreement not economically desirable or feasible. In such a circumstance, we would seek to curtail production at the Masbate Gold Project or negotiate another mutually agreeable resolution with the Philippine shareholder of Filminera; however, we may not be successful in such efforts.

Our interest in the Pajo concession is on a similar basis and is subject to similar risks.

We depend on key personnel and if we are unable to attract and retain such persons in the future it could have an adverse effect on our operations.

Our success will be largely dependent upon the performance of our key officers, employees, outside contractors and consultants. Locating and developing mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration, development and production personnel involved. Failure to retain key personnel or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon our success. We have not purchased any “key-man” insurance with respect to any of our directors, officers or key employees and have no current plans to do so.

Our operations would be adversely affected if we fail to maintain satisfactory labour relations or attract and retain skilled personnel.

Production at our mining operations is dependent upon the efforts of our employees and B2Gold’s relations with its unionized and non-unionized employees. Some of our employees are represented by labour unions under various collective labour agreements. The collective bargaining agreement covering the workers at the El Limon Mine is effective until August 1, 2018. The collective bargaining agreement covering the workers at La Libertad Mine is effective until December 31, 2019. A new agreement was signed in January of 2018. Any of the parties involved may present a draft of a new collective bargaining agreement with 60 days prior to expiration date, although the existing collective bargaining agreement will continue in effect until a new one has been approved. We may not be able to satisfactorily renegotiate our collective labour agreements when they expire and may face tougher negotiations or higher wage demands than would be the case for non-unionized labour. In addition, existing labour agreements may not prevent a strike or work stoppage at our facilities in the future. In addition, relations between us and our employees may be affected by changes in the scheme of labour relations that may be introduced by the relevant governmental authorities in those jurisdictions in which we carry on business. Changes in such legislation or in the relationship between us and our employees may have a material adverse effect on our business, financial condition and results of operations.

Our operations at La Libertad and El Limon Mines have been disrupted by work stoppages due to illegal road blockades. We are continuing to seek a permanent solution to these disruptions; however, there can be no assurance that a permanent solution will be found and that we will not have to suspend operations again. Suspension of our operations at our mines or properties could have a material adverse effect on our business, financial condition and results of operations.

In Namibia, due to high levels of unemployment, and restrictive immigration policies applied by the Namibian Ministry of Home Affairs, it may be difficult for us to obtain employment permits for skilled personnel that may be required in exploration or mining operations. In addition, Namibia suffers from high levels of poverty. Although the Namibian government spends a significant proportion (the highest single budget amount) on education, education initiatives and programs may take time to take effect. Currently, a significant proportion of the Namibian work-force can be classified as unskilled or semi-skilled labourers, as a result of which it may be difficult for employers to find skilled personnel for specialized tasks. Shortages of suitably qualified personnel in Namibia could have a material adverse effect on our business, financial condition and results of operations. While negotiations are ongoing with respect to a collective bargaining agreement covering the workers at Otjikoto Mine and an agreement is expected to be reached in the coming weeks which will be retroactive to March 1, 2018, we may not be able to satisfactorily renegotiate our collective labour agreements and may face tougher negotiations or higher wage demands than would be the case for non-unionized labour.

DIVIDENDS

We have not declared any dividends or distributions on our Common Shares since our incorporation. The Board may declare from time to time such cash dividends or distributions out of the monies legally available for dividends or distributions as the Board considers advisable. Any future determination to pay dividends or make distributions will be at the discretion of the Board and will depend on our capital requirements, results of operations and such other factors as the Board considers relevant.

DESCRIPTION OF CAPITAL STRUCTURE

Our authorized share capital consists of an unlimited number of Common Shares and an unlimited number of preferred shares. As at March 22, 2018, 983,115,630 Common Shares and no preferred shares are issued and outstanding.

Common Shares

Registered holders of Common Shares are entitled to receive notice of and attend all shareholder meetings of shareholders, and are entitled to one vote for each Common Share held. In addition, holders of Common Shares are entitled to receive on a *pro rata* basis dividends if, as and when declared by the Board and, upon liquidation, dissolution or winding-up, are entitled to receive on a *pro rata* basis our net assets after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares, including preferred shares, ranking in priority to, or equal with, the holders of the Common Shares. Any alteration of the rights attached to Common Shares must be approved by at least two-thirds of the Common Shares voted at a meeting of our shareholders.

Preferred Shares

Preferred shares without par value may at any time and from time to time be issued in one or more series. The Board may from time to time by resolution determine the maximum number of preferred shares of any such series or determine there is no maximum, determine the designation of the preferred shares of that series and amend our articles to create, define and attach, and if permitted by the BCBCA, alter, vary or abrogate, any special rights and restrictions to be attached to the preferred shares of that series. Except as provided in the special rights and restrictions attaching to the preferred shares, the holders of preferred shares will not be entitled to receive notice of, attend or vote any meeting of our shareholders. Holders of preferred shares will be entitled to preference with respect to payment of dividends on such shares over the Common Shares, and over any other of our shares ranking junior to the preferred shares with respect to payment of dividends. In the event of our liquidation, dissolution or winding-up, holders of preferred shares will be entitled to preference with respect to distribution of our property or assets over the Common Shares and over any of our other shares ranking junior to the preferred shares with respect to the repayment of capital paid up on, and the payment of any or all accrued and unpaid cumulative dividends whether or not earned or declared, or any or all declared and unpaid non-cumulative dividends, on the preferred shares.

Convertible Notes

In August 2013, we issued $258.8 million aggregate principal amount of notes (“ **Notes**”). The Notes were issued pursuant to a note purchase agreement dated as of August 23, 2013 (the “**Note Purchase Agreement**”) and an indenture dated as of August 23, 2013 (the “ **Note Indenture**”). The Notes bear interest at 3.25% payable semi-annually in arrears on April 1 and October 1 of each year, beginning on April 1, 2014, and mature on October 1, 2018. The Notes are subordinated in right of payment to our existing and future senior indebtedness, including our indebtedness under the Credit Facility. The Notes will rank senior in right of payment to any future subordinated borrowings. The Notes are effectively junior to any of our secured indebtedness and the Notes are structurally subordinated to all indebtedness and other liabilities of the Company’s subsidiaries.

Holders of the Notes may convert the Notes at their option at any time from July 1, 2018 to the maturity date. The Notes will be convertible, at the holder’s option, at a conversion rate of 254.2912 Common Shares per $1,000 principal amount (equal to an initial conversion price of approximately $3.93 per Common Share), subject to adjustments in certain events. In addition, the holder has the right to exercise the conversion option from January 1, 2014 to July 1, 2018, if (1) the market price of our Common Shares for at least 20 trading days during a period of 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day; (2) during the five business day period after any consecutive five trading day period (the “**Measurement Period**”) in which the trading price per $1,000 principal amount of Notes for each trading day in the Measurement Period was less than 98% of the product of the last reported sale price of our Common Shares and the conversion rate on each such trading day; (3) the Notes are called for redemption; or (4) upon the occurrence of certain corporate events. The Company may upon conversion by the holder, elect to settle in either cash, Common Shares or a combination of cash and Common Shares, subject to certain circumstances.

On or after October 6, 2016, we may redeem for cash, subject to certain conditions, any or all of the Notes, at our option, if the last reported sale price of our Common Shares for at least 20 trading days during any 30 consecutive trading day period ending within five trading days immediately preceding the date on which we provide notice of redemption exceeds 130% of the conversion price on each applicable trading day. We may also redeem the Notes, if certain tax laws related to Canadian withholding tax change, subject to certain further conditions.

The Company’s planned repayment of debt includes the anticipated repayment of the Notes which mature on October 1, 2018, unless the Notes are converted into Common Shares prior to that date. As discussed in the Company’s Management’s Discussion & Analysis for the year ended December 31, 2017, while the current convertible market remains attractive, the Company has allowed the Notes to fall under amounts due within one year on the basis that the Company projects that it will have sufficient liquidity from 2018 operating cash flows and existing credit facilities to repay the Notes in full.

Stock Options

In 2015, the Board and our shareholders approved the adoption of an amended and restated stock option plan (the “ **2015 Stock Option Plan**”) for the benefit of our directors, employees and consultants. The purpose of the 2015 Stock Option Plan is to provide eligible persons with an opportunity to purchase our Common Shares and to benefit from the appreciation in the value of such Common Shares. The 2015 Stock Option Plan increases our ability to attract the individuals of exceptional skill by providing them with the opportunity, through the exercise of stock options, to benefit from our growth. The Board has the authority to determine the directors, officers, employees and consultants to whom options will be granted, the number of options to be granted to each person and the price at which Common Shares may be purchased, subject to the terms and conditions set forth in the 2015 Stock Option Plan.

Some of the key provisions of the 2015 Stock Option Plan include, among others:

(a) the maximum number of Common Shares issuable pursuant to options granted under the 2015 Stock Option Plan, together with the Common Shares issuable pursuant to all of our other previously established and outstanding or proposed security based compensation arrangements, in aggregate, will be a number equal to 8.5% of the issued and outstanding Common Shares on a non-diluted basis at any time;

(b) a restriction that no more than 8.5% of the total number of issued and outstanding Common Shares may be issuable to our insiders pursuant to options granted to insiders under the 2015 Stock Option Plan, together with all of our other previously established and outstanding or proposed share compensation arrangements;

(c) a restriction that no more than 5% of the total number of issued and outstanding Common Shares may be issuable to any one individual within a one-year period pursuant to options granted under the 2015 Stock Option Plan, together with all of our other previously established and outstanding or proposed share compensation arrangements, unless we have obtained disinterested shareholder approval;

(d) the maximum number of Common Shares issuable to a non-employee director, pursuant to the 2015 Stock Option Plan, together with the Common Shares issuable pursuant to all of B2Gold's other previously established and outstanding or proposed security based compensation arrangements, in aggregate, will not exceed 1% of the total number of issued and outstanding Common Shares on a non- diluted basis at the time of grant and will not exceed a value of $100,000 (based on the fair value of the options at the time of grant) per non-employee director per calendar year;

(e) a restriction that no more than 1% of the total number of issued and outstanding Common Shares may be issuable to our non-employee directors, as a group, within a one-year period pursuant to options granted to the non-employee directors under the 2015 Stock Option Plan, together with all of our other previously established and outstanding or proposed share compensation arrangements;

(f) the vesting period of all options shall be determined by the Board; and

(g) options may be exercisable for a period of up to a maximum term of ten years, such period to be determined by the Board and the options are non-transferable and non-assignable;

As at March 22, 2018, there are 54,273,326 stock options outstanding under the 2015 Stock Option Plan. As at March 22, 2018, there are also 209,250 options to purchase Common Shares that remain outstanding from the acquisition of Volta Resources Inc. Since January 1, 2018, 1,716,669 stock options were exercised for gross proceeds of $5,645,838.

Restricted Share Unit Plan

On May 7, 2015, the Board approved amendments to our Restricted Share Unit Plan (" **RSU Plan**"), subject to the receipt of shareholder and regulatory approvals, which approvals were obtained by June 12, 2015. Adoption of the RSU Plan was part of our continuing effort to build upon and enhance long term shareholder value. The RSU Plan reflects our commitment to a long term incentive compensation structure that aligns the interests of its employees with the interests of its shareholders.

Restricted share units (the "**RSU**s") may be granted by our Compensation Committee, which has been authorized to administer the RSU Plan, to our directors, executive officers and employees (the "**Designated Participants**"). The Compensation Committee is entitled to exercise its discretion to restrict participation under the RSU Plan. Pursuant to the RSU Plan, 15,000,000 Common Shares are reserved for issuance. As at March 22, 2018, we have issued 12,288,115 Common Shares under the RSU Plan. 1,244,062 RSUs have been granted for which Common Shares have not yet been issued. Accordingly, 1,467,823 RSUs remain available for grant under the RSU Plan.

Some of the key features of the RSU Plan include, among others:

Awarding RSUs

- The maximum number of Common Shares issuable to insiders, at any time, pursuant to the RSU Plan, together with all of our other security based compensation arrangements, is 8.5% of our issued and outstanding Common Shares at any time.
- The maximum number of Common Shares issuable to insiders within any one year period pursuant to the RSU Plan, together with all of our other security based compensation arrangements, is 8.5% of our issued and outstanding Common Shares at any time.
- The maximum number of Common Shares issuable to a non-employee director, pursuant to the RSU Plan, together with the Common Shares issuable pursuant to all of B2Gold's other previously established and outstanding or proposed security based compensation arrangements, in aggregate, will not exceed 1% of the total number of issued and outstanding Common Shares on a non-diluted basis at any time and will not exceed a value of $100,000 (based on the fair value of the options at the time of grant) per non-employee director per calendar year.
- Any rights with respect to RSUs will not be transferable or assignable other than for normal estate settlement purposes.

Vesting

- Unless otherwise determined by the Compensation Committee, one-third (1/3) of the RSUs will vest on each of the first, second and third anniversaries of the date that the RSUs are granted.
- In the event that a Designated Participant dies, retires, becomes disabled or is terminated without cause prior to the vesting of the RSUs, the RSUs will vest on a pro rata basis based on the date that employment is terminated and the time remaining until the applicable vesting date.
- If a Designated Participant is terminated for cause or resigns without good reason, his or her RSUs will immediately expire as of the date of termination.

Redemption

- Each RSU entitles the holder, subject to the terms of the RSU Plan, to receive a payment in fully-paid Common Shares and will be redeemed five days after the RSU is fully vested. Each RSU will be redeemed for one Common Share.

Deferred Share Unit Plan

On December 13, 2017, the Board approved a Deferred Share Unit Plan (" **DSU Plan**"). The purpose of the DSU Plan is to provide non-employee directors of the Company with an opportunity to participate in the long term success of the Company and to promote a greater alignment of interests between the directors and shareholders of the Company. As at March 22, 2018, 225,000 DSUs have been granted under the DSU Plan.

The Board shall administer the DSU Plan and is authorized to delegate any of its administrative responsibilities under the DSU Plan to one or more persons, including, without limitation, one or more officers and/or employees of the Company. Any bona fide director of the Company who is not otherwise an employee, consultant or officer of the Company or of a Related Entity (as defined in the DSU Plan) (an "**Eligible Person**") is eligible to participate in the DSU Plan, provided that a director serving as a chair of the Board and not otherwise an employee, consultant or officer may be considered an Eligible Person, at the discretion of the Board.

Some of the key features of the DSU Plan include the following, among others:

Grant of DSUs

- The Board may grant Deferred Share Units (" **DSUs**") to an Eligible Person whose services to the Company are sufficient to warrant participation in the DSU Plan (a "**Participant**"). The number of DSUs to be credited to a Participant's account, and the date on which such DSUs will be credited to such Participant's account, will be such number of DSUs and such date the Board determines to be appropriate in the circumstances.

Election to Receive DSUs

- A Participant may elect to receive 50% or 100% of such Participant's total cash compensation earned in the applicable financial year (the "**Elected Amount**") in DSUs, with the balance, if any, being paid in cash at the time such amounts would be paid in the ordinary course. Such DSUs will be credited to such Participant's account on the last business day of each financial quarter, subject to any blackout period, or such other date as the Board determines appropriate. The number of DSUs to be credited to such Participant's account will be determined by dividing the Elected Amount in respect of the applicable financial quarter, by the Fair Market Value (as defined in the DSU Plan) as at the date the DSUs are credited, or such other date as determined by the Board.

Dividend Equivalents

- On any date on which a cash dividend is paid on the Common Shares, Participants who have DSUs credited to their accounts as of the record date for such dividend will be credited with "dividend equivalent" DSUs, calculated in accordance with the terms of the DSU Plan.

Termination of Service

- On the applicable redemption date, the Company will pay a Participant who has terminated service to the Company, cash equal to the Fair Market Value of the Common Shares on the applicable separation date, multiplied by the number of DSUs recorded to such Participant's account, net of any applicable withholding tax.

- In the event of death of a Participant who has not otherwise terminated service to the Company, the Company will, within two months of such Participant's death, pay cash equal to the Fair Market Value of the Common Shares on the date of death, multiplied by the number of DSUs recorded to the Participant's account, net of any applicable withholding tax, to or for the benefit of the beneficiaries of such Participant.

MARKET FOR SECURITIES

Trading Price and Volume

Our Common Shares are listed for trading on the TSX under the symbol "BTO". The following table sets out the market price range and trading volumes of our Common Shares on the TSX for the periods indicated.

Year		High (C$)	Low (C$)	Volume (no. of shares)
	March 1-22	3.99	3.50	44,975,055
	February	3.99	3.35	57,922,030
2018	January	4.06	3.52	76,748,195
	December	3.92	3.24	39,505,620
	November	3.55	3.18	42,709,360
	October	3.61	3.13	48,238,190
	September	3.57	3.16	53,372,958
	August	3.50	3.01	54,745,481
	July	3.64	3.11	52,879,985
	June	3.93	3.29	95,883,716
	May	3.51	3.00	96,956,601
	April	3.93	3.27	104,740,582
	March	4.25	3.68	142,249,485
	February	4.64	3.89	153,818,420
2017	January	4.03	3.20	159,736,701

On March 22, 2018, the closing price of our Common Shares on the TSX was C$3.50 per share.

Our Common Shares are listed for trading on the NYSE American under the symbol “BTG”. The following table sets out the market price range and trading volumes of our Common Shares on the NYSE American for the periods indicated.

Year		High (US$)	Low (US$)	Volume (no. of shares)
	March 1-22	3.13	2.70	75,019,597
	February	3.15	2.65	97,437,306
2018	January	3.30	2.83	116,460,604
	December	3.13	2.54	69,248,600
	November	2.79	2.49	57,953,432
	October	2.90	2.43	75,058,775
	September	2.89	2.56	73,338,180
	August	2.82	2.31	51,860,947
	July	2.81	2.49	60,659,403
	June	2.96	2.43	119,755,146
	May	2.59	2.15	114,703,031
	April	2.96	2.40	113,249,731
	March	3.20	2.74	153,048,161
	February	3.55	2.97	130,542,625
2017	January	3.10	2.38	93,223,113

On March 22, 2018, the closing price of our Common Shares on the NYSE American was US$2.73 per share.

Prior Sales

The following table summarizes the issuances of Common Shares or securities convertible or exercisable for Common Shares by us during the most recently completed financial year.

Date of Issue	Number of Securities	Security	Price per Security ($)
January 23, 2017	100,000	Stock Options	3.76
February 6, 2017	75,000	Stock Options	4.05
March 29, 2017	250,000	Stock Options	3.78
April 10, 2017	1,618,037	Restricted Share Units	3.77
June 6, 2017	624,500	Stock Options	3.44
June 12, 2017	21,780,000	Stock Options	3.66
August 11, 2017	110,000	Stock Options	3.27
September 11, 2017	174,928	Restricted Share Units	3.43
December 11, 2017	762,789	Common Shares*	3.37

*Common Shares were issued to ING Belgique SA In Trust for Zoumana Traore SARL pursuant to a settlement agreement dated January 17, 2015.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth the name, municipality, province or state of residence, position held with us, the date of appointment of each of our current directors and executive officers, principal occupation within the immediately preceding five years and the shareholdings of each director and executive officer as at the date of this Annual Information Form. The statement as to Common Shares beneficially owned, or controlled or directed, directly or indirectly, by the directors and executive officers named below is in each instance based upon information furnished by the person concerned and is as at the date of this Annual Information Form. Our directors hold office until the next annual general meeting of the shareholders or until their successors are duly elected or appointed.

Name and Municipality of Residence[8]	Position with B2Gold	Principal Occupation During Past Five Years[9]	Director/Officer Since	Number of Voting Securities [1]
Clive Johnson[7] British Columbia, Canada	President, Chief Executive Officer and Director	President, Chief Executive Officer of B2Gold	December 17, 2006	5,964,291[2]
Robert Cross[3][4][5] British Columbia, Canada	Chairman and Director	Serves as independent director and, in some cases, non-executive Chairman of public companies, principally in the resource sector	October 22, 2007	871,660
Robert Gayton[3][4][5] British Columbia, Canada	Director	Consultant to various public companies since 1987	October 22, 2007	299,000
Jerry Korpan[3][5][6] London, England	Director	Director of several public natural resource companies	November 20, 2007	2,500,000
Bongani Mtshisi[4][6] Gauteng, South Africa	Director	CEO of BSC Resources Ltd. from October 2005 to present	December 22, 2011	22,800
Kevin Bullock Ontario, Canada	Director	CEO of Golden Reign Resources Ltd from January 2016 to present; formerly the President and Chief Executive Officer of Volta Resources Inc.	December 20, 2013	78,490

Name and Municipality of Residence[8]	Position with B2Gold	Principal Occupation During Past Five Years[9]	Director/Officer Since	Number of Voting Securities [1]
George Johnson[6] Washington, USA	Director	Senior Vice President of Operations, B2Gold, until April 30, 2015	March 15, 2016 (as Director)	500,000
Robin Weisman[6] Virginia, USA	Director	Principal investment officer of the mining division at the International Finance Corporation, a member of the World Bank Group	October 23, 2017	2,000
Roger Richer[7] British Columbia, Canada	Executive Vice President, General Counsel and Secretary	Executive Vice President, General Counsel and Secretary of B2Gold	December 17, 2006	2,850,000[2]
Michael Cinnamond[7] British Columbia, Canada	Senior Vice President of Finance and Chief Financial Officer	Senior Vice President of Finance and Chief Financial Officer of B2Gold, Senior Vice President, Administration of B2Gold; formerly a partner at PricewaterhouseCoopers LLP	July 1, 2013	78,399
Tom Garagan[7] British Columbia, Canada	Senior Vice President of Exploration	Senior Vice President of Exploration of B2Gold	March 8, 2007	3,546,924[2]
Dennis Stansbury Nevada, USA	Senior Vice President of Engineering and Project Evaluations	Senior Vice President of Engineering and Project Evaluations; formerly Senior Vice President of Development and Production	March 8, 2007	3,192,508
William Lytle[7] Colorado, USA	Senior Vice President of Operations	Senior Vice President of Operations of B2Gold; Vice President, Africa of B2Gold; Vice President Country Manager, Namibia of B2Gold	December 1, 2010	157,989

Notes:

(1) The information as to the nature of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by the directors and executive officers, not being within our knowledge, has been furnished by such directors and officers.

(2) Messrs. Johnson, Richer and Garagan are trustees of the Incentive Trust (the " **Trustees**") that holds 1,705,000 Common Shares. The number of Common Shares beneficially owned, or controlled or directed, directly or indirectly by each of Messrs. Johnson, Richer and Garagan as set forth in the table above excludes 426,250 Common Shares that are held pursuant to a declaration of trust dated June 29, 2007 between us and the Trustees, which was established to hold options and shares to be allocated to our directors, officers, employees and service providers as determined by the Trustees.

(3) Member of the Audit Committee.

(4) Member of the Compensation Committee.

(5) Member of the Corporate Governance and Nominating Committee.

(6) Member of Health, Safety, Environment & Social Committee.

(7) Member of the Disclosure Committee.

Shareholdings of Directors and Executive Officers

As at March 22, 2018, our directors and executive officers, as a group, beneficially owned, or controlled or directed, directly or indirectly, 22,843,794 Common Shares, representing approximately 2.32% of the issued and outstanding Common Shares.

Cease Trade Orders or Bankruptcies

None of our directors or executive officers is, as at the date of this Annual Information Form, or was within 10 years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company (including B2Gold), that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of subsections (a) and (b), “order” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, and in each case that was in effect for a period of more than 30 consecutive days.

None of our directors or executive officers, or a shareholder holding a sufficient number of our securities to affect materially the control of B2Gold:

(a) is, as at the date of this Annual Information Form, or has been within the 10 years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company (including B2Gold) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

The foregoing information, not being within our knowledge, has been furnished by the respective directors, officers and shareholders holding a sufficient number of our securities to affect materially control of B2Gold.

Penalties or Sanctions

None of our directors or executive officers, or a shareholder holding a sufficient number of our securities to affect materially the control of B2Gold, has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision regarding us.

The foregoing information, not being within our knowledge, has been furnished by the respective directors, officers and shareholders holding a sufficient number of our securities to affect materially control of B2Gold.

Conflicts of Interest

Our directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which we may participate, our directors may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such conflict of interest arises at a meeting of the Board, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In addition, all related party transactions must be approved by our corporate governance and nominating committee. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for the participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the BCBCA, our directors are required to act honestly, in good faith and in our best interests. In determining whether or not we will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which we may be exposed and its financial position at that time.

Our directors and officers are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors of conflicts of interest and we will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the BCBCA and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. Our directors and officers of are not aware of any such conflicts of interests.

Code of Ethics

We have adopted a code of ethics, which is applicable to all directors, officers and employees. A copy of the code can be obtained from our website at www.b2gold.com.

AUDIT COMMITTEE

We have established an Audit Committee, comprised of three independent directors, which operates under a charter approved by the Board. A copy of the Audit Committee Charter is set out in full in Schedule A to this Annual Information Form. It is the Board's responsibility to ensure that we have an effective internal control framework. The Audit Committee's primary function is to assist the Board to meet its oversight responsibilities in relation to our financial reporting and external audit function, internal control structure and risk management procedures. In doing so, it will be the responsibility of the Audit Committee to maintain free and open communication between the Audit Committee, the external auditors and our management.

The Audit Committee reviews the effectiveness of our financial reporting and internal control policies and its procedures for the identification, assessment, reporting and management of risks. The Audit Committee oversees and appraises the quality of the external audit and internal control procedures, including financial reporting and practices, business ethics, policies and practices, accounting policies, and management and internal controls.

Composition of the Audit Committee

The members of the Audit Committee are: Robert Cross, Robert Gayton (Chairman) and Jerry Korpan. The Board has determined that Mr. Gayton qualifies as an audit committee financial expert within the meaning of applicable U.S. securities laws. All of the members of the Audit Committee are (i) independent within the meaning of National Instrument 52-110 — *Audit Committees* ("**NI 52-110**"), which provides that a member shall not have a direct or indirect material relationship with us that could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment; (ii) independent within the meaning of the NYSE American Company Guide and Rule 10A-3 under the U.S. Securities Exchange Act of 1934, as amended; and (iii) considered to be financially literate under NI 52-110. As further described below, for a temporary period of time, due to illness and ultimate passing of Barry Rayment, Kevin Bullock, who was not an "independent" director for the purposes of applicable Canadian and U.S. securities laws, was temporarily appointed to fill such vacancy. The Company relied on an exemption as set out below.

The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as a member of the Audit Committee are as follows:

Robert Cross

Robert Cross has more than 30 years of experience as a financier in the mining and oil & gas sectors. Mr. Cross was a co-founder and served as Non-Executive Chairman of Bankers Petroleum Ltd. from 2004 to 2016, he was co-founder and Chairman of Petrodorado Energy Ltd., and until October 2007, he was the Non-Executive Chairman of Northern Orion Resources Inc. Between 1996 and 1998, Mr. Cross was Chairman and Chief Executive Officer of Yorkton Securities Inc. From 1987 to 1994, he was a Partner, Investment Banking with Gordon Capital Corporation in Toronto. Mr. Cross has an Engineering Degree from the University of Waterloo and received his MBA from Harvard Business School in 1987.

Robert J. Gayton

Dr. Gayton is a Chartered Professional Accountant and obtained a Ph.D in accounting/finance from the University of California, Berkeley in 1973. Dr. Gayton was a member of the business school faculties at Berkeley and the University of British Columbia from 1965 to 1974. In 1974, Dr. Gayton left academia to join Peat Marwick Mitchell (now KPMG LLP) and established their professional development program. He became a partner in 1976 and transferred to the audit practice in 1979. In 1987, Dr. Gayton left the firm to join a client and since that time has acted as financial advisor/officer to various resource based companies.

Jerry Korpan

Mr. Korpan worked in the securities industry since 1978 and was Managing Director of Yorkton Securities, London until December 1999. Mr. Korpan completed financial executive education courses at the City of London Business School in 1996 where he studied accounting and financial analysis and project and infrastructure finance, among other things. From 2011 to 2015, Mr. Korpan served as a director and a member of the audit committee of Midas Gold Corporation.

Audit Committee Oversight

At no time since the commencement of our most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

Kevin Bullock, who our Board had determined in 2016 and 2017 to be non-independent as a result of having received fees for consulting services provided in 2014, served as a member of our Audit Committee from October 31, 2016 to March 22, 2017 in reliance upon the exemptions from audit committee independence requirements provided by Section 3.5 of NI 52-110 and NYSE American Company Guide Section 803B(2)(b). The Board determined that due to the exceptional and limited circumstances provided by Barry Rayment's illness and resignation from such committee, Mr. Bullock's appointment was required by the best interests of our company and our shareholders, and his appointment would not materially adversely affect the ability of the Audit Committee to act independently and to satisfy the other requirements of applicable Canadian and United States securities laws and stock exchange rules. Mr. Bullock satisfied the independence requirements of Rule 10A-3 under the U.S. Securities Exchange Act of 1934. Robert Cross, an independent director, was appointed to the Audit Committee effective March 22, 2017, to replace Kevin Bullock.

At no time since the commencement of our most recently completed financial year have we relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), Section 3.2 (initial public offerings) or Section 3.4 (events outside control of member) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee pre-approves all audit services to be provided to us by our independent auditors. The Audit Committee's policy regarding the pre-approval of non-audit services to be provided to us by our independent auditors is that all such services shall be pre-approved by the Audit Committee. Non-audit services that are prohibited to be provided to us by our independent auditors may not be pre-approved. In addition, prior to the granting of any pre-approval, the Audit Committee must be satisfied that the performance of the services in question will not compromise the independence of the independent auditors. All non-audit services performed by our auditor for the fiscal year ended December 31, 2017 have been pre-approved by our Audit Committee. No non-audit services were approved pursuant to the *de minimis* exemption to the pre-approval requirement.

External Auditor Service Fees

The aggregate fees billed by our external auditors, PricewaterhouseCoopers LLP, in each of the last financial years are as follows:

Financial Year Ending	Audit Fees(1)	Audit-Related Fees(2)	Tax Fees(3)	All Other Fees(4)
2017	$1,327,364	$Nil	$71,604	$4,541
2016	$1,306,580	$Nil	$23,283	$3,179

Notes:

(1) The aggregate audit fees billed.
(2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements which are not included under the heading "Audit Fees".
(3) The aggregate fees billed for tax compliance, tax advice and tax planning services.
(4) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees", including fees related to our compliance processes for SOX.

LEGAL PROCEEDINGS

We are, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. We cannot reasonably predict the likelihood or outcome of these actions. There are no pending or contemplated legal proceedings to which the Company is a party or of which any of its material properties is the subject that would have a material effect on our financial condition or future results of operations. During the last financial year, the Company has not been subject to any penalties or sanctions imposed by a regulatory body in respect of securities legislation or regulatory requirements or any penalty or sanction that would likely to be considered important to a reasonably investor in making an investment decision. The Company has not entered into any settlement agreement in respect of securities legislation or regulatory requirements.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or shareholder holding on record or beneficially, directly or indirectly, more than 10% of our issued shares, or any of their respective associates or affiliates has any material interest, direct or indirect, in any transaction in which we have participated prior to the date of this Annual Information Form, or in any proposed transaction, which has materially affected or will materially affect us.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its offices in Toronto, Ontario and Vancouver, British Columbia.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only material contracts that we have entered in the financial year ended December 31, 2017, or before the last financial year but still in effect, are as follows:

1. The Note Indenture; and

2. The Note Purchase Agreement;

Copies of the above material contracts are available under our profile on the SEDAR website at www.sedar.com.

INTEREST OF EXPERTS

The persons referred to below have been named as having prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 – *Continuous Disclosure Obligations* during, or relating to, our financial year ended December 31, 2017.

Tom Garagan, P. Geo., B.Sc., Ken Jones, P.E., Kevin Pemberton, P.E. and John Rajala, P.E. are the authors responsible for the Masbate Technical Report.

William Lytle, P.E., M.Sc., B.Sc., Tom Garagan, P.Geo, B.Sc., Hermanus Kriel, Pr.Eng., B.Eng., Glenn Bezuidenhout, Pr. Eng., FSAIMM and Guy Wiid, Pr.Eng., M.Sc., B.Sc. are the authors responsible for the Otjikoto Feasibility Study.

Tom Garagan, P.Geo, B.Sc., William Lytle, P.E., M.Sc., B.Sc., Peter Montano, P.E., Ken Jones, P.E., Sandra Hunter, MAusIMM(CP), and David J.T. Morgan, MIEAust CPEng, are the authors responsible for the Fekola Feasibility Study.

To our knowledge, none of the persons above, except for Tom Garagan, our Senior Vice President, Exploration, William Lytle, our Senior Vice President, Operations, Peter Montano, our Project Director, John Rajala, our Vice President, Metallurgy, Kevin Pemberton, our Chief Mine Planning Engineer and Ken Jones, our Manager of Health, Safety, Environment and Permitting held, at the time of or after such person prepared the statement, report or valuation, any registered or beneficial interests, direct or indirect, in any of our securities or other property or of one of its associates or affiliates or is or is expected to be elected, appointed or employed as a director, officer or employee of B2Gold or of any associate or affiliate of B2Gold.

The Company's independent auditors are PricewaterhouseCoopers LLP, Chartered Professional Accountants, who have issued an independent auditor's report dated March 14, 2018 in respect of the Company's consolidated financial statements for the year ended December 31, 2017 and the Company's internal control over financial reporting as at December 31, 2017. PricewaterhouseCoopers LLP has advised us that they are independent with respect to us in accordance with the Code of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia and the rules of the U.S. Securities and Exchange Commission.

ADDITIONAL INFORMATION

Additional information, including that relating to directors' and officers' remuneration, principal holders of our securities and securities authorized for issuance under equity compensation plans, interests of insiders in material transactions and corporate governance practices, is contained in our management information circular for the annual general meeting of shareholders held on June 16, 2017.

Additional financial information is provided in our comparative financial statements and management's discussion and analysis for the year ended December 31, 2017, which will be available under our profile on the SEDAR website at www.sedar.com.

Additional information relating to us is available under our profile on the SEDAR website at www.sedar.com.

Dated March 23, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

"*Clive Johnson*"

Clive Johnson
President & Chief Executive Officer

SCHEDULE A
AUDIT COMMITTEE CHARTER

1. **OVERALL PURPOSE/OBJECTIVES**

The Audit Committee (the "Committee") of B2Gold Corp. (the "Company") will assist the Board of Directors of the Company (the "Board") in fulfilling its responsibilities. The Committee will oversee the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company's process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each Committee member will obtain an understanding of the responsibilities of Committee membership as well as the Company's business, operations and risks.

2. **AUTHORITY**

2.1. The Board authorizes the Committee, within the scope of its responsibilities, to seek and have access to any information, including Company books and records, it requires from any employee and from external parties, to obtain outside legal or professional advice and to ensure the attendance of Company officers at meetings, as the Committee deems appropriate.

2.2. The Committee shall receive appropriate funding from the Company, as determined by the Committee, for payment of compensation to the external auditors and to any legal or other advisers employed by the Committee, and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

3. **COMPOSITION, PROCEDURES AND ORGANIZATION**

3.1. The Committee will be comprised of at least three members of the Board.

3.2. Except as permitted by all applicable legal and regulatory requirements:

(a) each member of the Committee shall be "independent" as defined in accordance with Canadian National Instrument 52-110 – Audit Committee, U.S. securities laws and regulations and applicable stock exchange rules;

(b) each member of the Committee will be "financially literate" with the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. Additionally, at least one member of the Committee shall be financially sophisticated, shall be considered an "audit committee financial expert" within the meaning of the rules of the U.S. Securities and Exchange Commission and shall have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, which may include being or having been a chief executive officer, chief financial officer or other executive officer with financial oversight responsibilities; and

(c) none of the members of the Committee may have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company during the past three years.

3.3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, will appoint a Chair and the other members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

3.4. The Secretary of the Committee shall be elected by its members, or shall be the Secretary, or the Assistant or Associate Secretary, of the Company or any other individual appointed by the Committee.

3.5. A member shall cease to be a member of the Committee upon ceasing to be a director of the Company.

3.6. Meetings shall be held not less than quarterly. Special meetings shall be convened as required. External auditors may convene a meeting if they consider that it is necessary.

3.7. The times and places where meetings of the Committee shall be held and the procedures at such meetings shall be as determined, from time to time, by the Committee.

3.8. Notice of each meeting of the Committee shall be given to each member of the Committee. Subject to the following, notice of a meeting shall be given orally or by letter, telex, telegram, electronic mail, telephone facsimile transmission or telephone not less than 48 hours before the time fixed for the meeting. Notice of regular meetings need state only the day of the week or month, the place and the hour at which such meetings will be held and need not be given for each meeting. Members may waive notice of any meeting.

3.9. The Committee will invite the external auditors, management and such other persons to its meetings as it deems appropriate. However, any such invited persons may not vote at any meetings of the Committee.

3.10. A meeting of the Committee may be held by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate adequately with each other during the meeting.

3.11. The majority of the Committee shall constitute a quorum for the purposes of conducting the business of the Committee. Notwithstanding any vacancy on the Committee, a quorum may exercise all of the powers of the Committee.

3.12. Any decision made by the Committee shall be determined by a majority vote of the members of the Committee present or by consent resolution in writing signed by each member of the Committee. A member will be deemed to have consented to any resolution passed or action taken at a meeting of the Committee unless the member votes against such resolution or dissents.

3.13. A record of the minutes of, and the attendance at, each meeting of the Committee shall be kept. The approved minutes of the Committee shall be circulated to the Board forthwith.

3.14. The Committee shall report to the Board on all proceedings and deliberations of the Committee at the first subsequent meeting of the Board, or at such other times and in such manner as the Board or the articles of the Company may require or as the Committee in its discretion may consider advisable.

3.15. The Committee will have access to such officers and employees of the Company and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

3.16. The internal accounting staff, any external accounting consultant(s) and the external auditors of the Company will have a direct line of communication to the Committee and may bypass management if deemed necessary. The external auditors will report directly to the Committee.

4. **ROLES AND RESPONSIBILITIES**

The roles and responsibilities of the Committee are as follows.

4.1. Oversee the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company.

4.2. Review with management its philosophy with respect to controlling corporate assets and information systems, the staffing of key functions and its plans for enhancements.

4.3. Review the terms of reference and effectiveness of any internal audit process, and the working relationship between internal financial personnel and the external auditor.

4.4. Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.

4.5. Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements, reviewing with management and the external auditor where appropriate.

4.6. Review any legal matters which could significantly impact the financial statements as reported on by the General Counsel and meet with outside counsel whenever deemed appropriate.

4.7. Review the annual financial statements and the results of the audit with management and the external auditors prior to the submission to the Board for approval and release or distribution of such statements, and obtain an explanation from management of all significant variances between comparative reporting periods.

4.8. Review the interim financial statements with management prior to the submission to the Board for approval and release or distribution of such statements, and obtain an explanation from management of all significant variances between comparative reporting periods.

4.9. Review all public disclosure concerning audited or unaudited financial information before its public release and approval by the Board, including management's discussion and analysis, financial information contained in any prospectus, private placement offering document, annual report, annual information form, takeover bid circular, and any annual and interim earnings press releases, and determine whether they are complete and consistent with the information known to Committee members. For greater certainty and without limiting the foregoing, the Committee must review and approve interim financial statements, annual financial statements, and interim and annual MD&A, prior to submission to the Board as a whole.

4.10. Assess the fairness of the financial statements and disclosures, and obtain explanations from management on whether:

(a) actual financial results for the financial period varied significantly from budgeted or projected results;

(b) generally accepted accounting principles have been consistently applied;

(c) there are any actual or proposed changes in accounting or financial reporting practices; and

(d) there are any significant, complex and/or unusual events or transactions such as related party transactions or those involving derivative instruments and consider the adequacy of disclosure thereof.

4.11. Determine whether the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.

4.12. Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.

4.13. Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.

4.14. Ascertain whether any significant financial reporting issues were discussed by management and the external auditor during the fiscal period and the method of resolution.

4.15. Review and resolve any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

4.16. Be directly responsible for:

(a) the selection of the firm of external auditors to be proposed for election by the shareholders as the external auditors of the Company;

(b) the oversight of the work of the Company's external auditors; and

(c) subject to the grant by the shareholders of the authority to do so, if required, fixing the compensation to be paid to the external auditors. The external auditor shall report directly to the Committee.

4.17. Review and approve the proposed audit plan and the external auditors' proposed audit scope and approach with the external auditor and management and ensure no unjustifiable restriction or limitations have been placed on the scope.

4.18. Explicitly approve, in advance, all audit and non-audit engagements of the external auditors; provided, however, that non-audit engagements may be approved pursuant to a pre-approval policy established by the Committee that (i) is detailed as to the services that may be pre-approved, (ii) does not permit delegation of approval authority to the Company's management, and (iii) requires that the delegatee or management inform the Committee of each service approved and performed under the policy. Approval for minor non-audit services is subject to applicable securities laws.

4.19. If it so elects, delegate to one or more members of the Committee the authority to grant such pre-approvals. The delegatee's decisions regarding approval of services shall be reported by such delegatee to the full Committee at each regular Committee meeting.

4.20. Oversee the independence of the external auditors. Obtain from the external auditors a formal written statement delineating all relationships between the external auditors and the Company, consistent with the Public Company Accounting Oversight Board Rule 3526. Actively engage in a dialogue with the external auditors with respect to any disclosed relationships or services that impact the objectivity and independence of the external auditor.

4.21. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

4.22. Review the performance of the external auditors, and in the event of a proposed change of auditor, review all issues relating to the change, including the information to be included in any notice of change of auditor as required under applicable securities laws, and the planned steps for an orderly transition.

4.23. Review the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow-up to any identified weakness.

4.24. Review the evaluation of internal controls and management information systems by the external auditor, and, if applicable, the internal audit process, together with management's response to any identified weaknesses and obtain reasonable assurance that the accounting systems are reliable and that the system of internal controls is effectively designed and implemented.

4.25. Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

4.26. Review the process under which the Chief Executive Officer and the Chief Financial Officer evaluate and report on the effectiveness of the Company's design of internal control over financial reporting and disclosure controls and procedures.

4.27. Obtain regular updates from management and the Company's legal counsel regarding compliance matters, as well as certificates from the Chief Financial Officer as to required statutory payments and bank covenant compliance and from senior operating personnel as to permit compliance.

4.28. Establish a procedure with regards to:

(a) confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and

(b) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.

4.29. Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately.

4.30. Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.

4.31. Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.

4.32. Review and assess the adequacy of insurance coverage for the Company, including directors' and officers' liability coverage.

4.33 In accordance with the Company's Code of Business Conduct and Ethics, if circumstances arise, review and resolve any issues regarding conflicts of interest.

4.34. Perform other functions as requested by the Board.

4.35. If it deems necessary, institute special investigations and, if it deems appropriate, hire special counsel or other experts or advisors to assist, and set the compensation to be paid to such special counsel or other experts or advisors.

5. **GENERAL**

In addition to the foregoing, the Committee will:

(a) assess the Committee's performance of the duties specified in this charter and report its finding(s) to the Board;

(b) review and assess the adequacy of this charter annually and recommend any proposed changes to the Board for approval; and

(c) perform such other duties as may be assigned to it by the Board from time to time or as may be required by any applicable stock exchanges, regulatory authorities or legislation.



B2GOLD CORP.

Consolidated Financial Statements
December 31, 2017 and 2016

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of B2Gold Corp.

Opinions on the financial statements and internal control over financial reporting

We have audited the accompanying consolidated balance sheets of B2Gold Corp. and its subsidiaries (the "Company") as of December 31, 2017 and 2016, and the related consolidated statements of operations, comprehensive income, cash flows and changes in equity for the years then ended, including the related notes (collectively referred to as the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company of December 31, 2017 and 2016 and their financial performance and their cash flows for the years then ended in conformity with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control Over Financial Reporting, included in Management's Discussion and Analysis. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Definition and limitations of internal control over financial reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

(signed) "PricewaterhouseCoopers LLP"

Chartered Professional Accountants
Vancouver, Canada
March 14, 2018

We have served as the Company's auditor since 2007.

B2GOLD CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of United States dollars, except shares and per share amounts)

		2017		2016
Gold revenue	**$**	**638,677**	$	683,293
Cost of sales				
Production costs *(Note 19)*		**(302,394)**		(275,400)
Depreciation and depletion		**(160,469)**		(172,324)
Royalties and production taxes		**(25,530)**		(25,493)
Total cost of sales		**(488,393)**		(473,217)
Gross profit		**150,284**		210,076
General and administrative		**(43,613)**		(40,918)
Share-based payments *(Note 12)*		**(18,127)**		(13,651)
Gain on sale of Lynn Lake royalty *(Note 8)*		**6,593**		—
Write-down of mineral property interests *(Note 8)*		**(4,150)**		(5,068)
Loss on sale of mineral properties *(Note 8)*		**—**		(9,886)
Provision for non-recoverable input taxes		**(2,180)**		(2,767)
Foreign exchange losses		**(1,012)**		(2,737)
Other		**(1,145)**		(8,791)
Operating income		**86,650**		126,258
Unrealized loss on fair value of convertible notes *(Note 10)*		**(11,144)**		(46,742)
Community relations		**(5,512)**		(5,051)
Interest and financing expense		**(12,906)**		(10,184)
Realized loss on derivative instruments *(Note 14)*		**(3,364)**		(13,962)
Unrealized gain on derivative instruments *(Note 14)*		**9,684**		22,697
Write-down of long-term investments *(Note 7)*		**(1,613)**		(2,856)
Other		**7,101**		(1,630)
Income before taxes		**68,896**		68,530
Current income tax, withholding and other taxes *(Note 16)*		**(27,500)**		(25,064)
Deferred income tax recovery (expense) *(Note 16)*		**20,170**		(4,866)
Net income for the year	**$**	**61,566**	$	38,600
Attributable to:				
Shareholders of the Company	**$**	**56,852**	$	39,131
Non-controlling interests		**4,714**		(531)
Net income for the year	**$**	**61,566**	$	38,600
Earnings per share (attributable to shareholders of the Company) *(Note 12)*				
Basic	**$**	**0.06**	$	0.04
Diluted	**$**	**0.06**	$	0.04
Weighted average number of common shares outstanding (in thousands) *(Note 12)*				
Basic		**976,366**		941,737
Diluted		**991,413**		955,145

See accompanying notes to consolidated financial statements.

B2GOLD CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of United States dollars)

		2017		2016
Net income for the year	**$**	**61,566**	$	38,600
Other comprehensive income				
Items that may be reclassified subsequently to net income:				
Unrealized gain on investments, net of deferred tax expense *(Note 7)*		**1,141**		819
Other comprehensive income for the year		**1,141**		819
Total comprehensive income for the year	**$**	**62,707**	$	39,419
Other comprehensive income attributable to:				
Shareholders of the Company	**$**	**1,141**	$	819
Non-controlling interests		**—**		—
	$	**1,141**	$	819
Total comprehensive income attributable to:				
Shareholders of the Company	**$**	**57,993**	$	39,950
Non-controlling interests		**4,714**		(531)
	$	**62,707**	$	39,419

See accompanying notes to consolidated financial statements.

B2GOLD CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of United States dollars)

	2017	2016
Operating activities		
Net income for the year	**$ 61,566**	$ 38,600
Mine restoration provisions settled *(Note 11)*	**(320)**	(153)
Non-cash charges *(Note 17)*	**109,818**	245,434
Changes in non-cash working capital *(Note 17)*	**(39,681)**	2,011
Proceeds from prepaid sales *(Note 13)*	**30,000**	120,000
Changes in long-term value added tax receivables	**(6,383)**	5,919
Cash provided by operating activities	**155,000**	411,811
Financing activities		
Revolving credit facility, drawdowns net of transaction costs *(Note 10)*	**145,341**	100,000
Repayment of revolving credit facility *(Note 10)*	**—**	(125,000)
Fekola equipment loan facility, drawdowns net of transaction costs *(Note 10)*	**54,025**	—
Repayment of Fekola equipment loan facility *(Note 10)*	**(6,648)**	—
Otjikoto equipment loan facility, drawdowns net of transaction costs *(Note 10)*	**6,085**	11,043
Repayment of Otjikoto equipment loan facility *(Note 10)*	**(9,697)**	(8,360)
Masbate equipment loan facility, drawdowns net of transaction costs *(Note 10)*	**8,114**	—
Repayment of Masbate equipment loan facility *(Note 10)*	**(437)**	—
Repayment of Nicaraguan equipment loans	**(1,556)**	(1,783)
Common shares issued for cash on exercise of stock options *(Note 12)*	**26,503**	39,758
Common shares issued under At-The-Market offering, net of issuance costs *(Note 12)*	**—**	44,467
Interest and commitment fees paid	**(20,623)**	(18,336)
Restricted cash movement	**(8,085)**	(1,319)
Cash provided by financing activities	**193,022**	40,470
Investing activities		
Expenditures on mining interests:		
Fekola Mine, construction capital	**(222,395)**	(241,739)
Fekola Mine, sales proceeds net of pre-production costs	**73,387**	—
Fekola Mine, development and sustaining capital	**(4,423)**	—
Otjikoto Mine, development and sustaining capital	**(41,172)**	(39,241)
Masbate Mine, development and sustaining capital	**(52,587)**	(31,892)
Libertad Mine, development and sustaining capital	**(23,806)**	(18,543)
Limon Mine, development and sustaining capital	**(16,048)**	(7,749)
Gramalote Project, prefeasibility and exploration	**(11,967)**	(11,784)
Other exploration and development *(Note 17)*	**(53,673)**	(37,036)
Purchase of non-controlling interest	**(1,500)**	(6,000)
Cash proceeds from sale of Lynn Lake royalty, net of transaction costs *(Note 8)*	**6,593**	—
Other	**748**	2,137
Cash used by investing activities	**(346,843)**	(391,847)
Increase in cash and cash equivalents	**1,179**	60,434
Effect of exchange rate changes on cash and cash equivalents	**1,618**	(906)
Cash and cash equivalents, beginning of year	**144,671**	85,143
Cash and cash equivalents, end of year	**$ 147,468**	$ 144,671
Supplementary cash flow information *(Note 17)*		

See accompanying notes to consolidated financial statements.

B2GOLD CORP.

CONSOLIDATED BALANCE SHEETS

(Expressed in thousands of United States dollars)

	As at December 31, 2017	As at December 31, 2016
Assets		
Current		
Cash and cash equivalents	**$ 147,468**	$ 144,671
Accounts receivable, prepaids and other	**20,603**	10,723
Value-added and other tax receivables	**21,335**	16,984
Inventories *(Note 6)*	**206,445**	104,691
	395,851	277,069
Long-term investments *(Note 7)*	**9,744**	10,028
Value-added tax receivables	**22,318**	18,024
Mining interests *(Note 8 and Note 22 – Schedules)*		
- Owned by subsidiaries	**2,124,133**	1,950,356
- Investments in joint ventures	**65,830**	53,724
Other assets *(Note 9)*	**39,848**	26,934
Deferred income taxes *(Note 16)*	**27,433**	—
	$ 2,685,157	$ 2,336,135
Liabilities		
Current		
Accounts payable and accrued liabilities	**$ 95,092**	$ 78,037
Current income and other taxes payable	**26,448**	16,865
Current portion of derivative instruments at fair value *(Note 14)*	**4,952**	3,466
Current portion of long-term debt *(Note 10)*	**302,630**	13,935
Current portion of prepaid sales *(Note 13)*	**60,000**	57,450
Current portion of mine restoration provisions *(Note 11)*	**1,819**	—
Other current liabilities	**3,603**	6,288
	494,544	176,041
Derivative instruments at fair value *(Note 14)*	**—**	6,439
Long-term debt *(Note 10)*	**399,551**	472,845
Prepaid sales *(Note 13)*	**30,000**	62,550
Mine restoration provisions *(Note 11)*	**96,627**	81,162
Deferred income taxes *(Note 16)*	**81,518**	74,072
Employee benefits obligation	**14,708**	7,860
Other long-term liabilities	**1,816**	602
	1,118,764	881,571
Equity		
Shareholders' equity		
Share capital *(Note 12)*		
Issued: 980,932,908 common shares *(Dec 31, 2016 – 964,892,433)*	**2,197,267**	2,151,993
Contributed surplus	**60,039**	56,191
Accumulated other comprehensive loss	**(94,294)**	(95,435)
Deficit	**(610,908)**	(667,760)
	1,552,104	1,444,989
Non-controlling interests	**14,289**	9,575
	1,566,393	1,454,564
	$ 2,685,157	$ 2,336,135
Commitments *(Note 21)*		

Approved by the Board *"Clive T. Johnson"* Director *"Robert J. Gayton"* Director

See accompanying notes to consolidated financial statements.

B2GOLD CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of United States dollars)

	2017						
	Shares ('000's)	**Share capital**	**Contributed surplus**	**Accumulated other comprehensive loss**	**Deficit**	**Non-controlling interests**	**Total equity**
Balance at December 31, 2016	**964,892**	**$ 2,151,993**	**$ 56,191**	**$ (95,435)**	**$ (667,760)**	**$ 9,575**	**$ 1,454,564**
Net income for the year	**—**	**—**	**—**	**—**	**56,852**	**4,714**	**61,566**
Unrealized gain on investments, net of deferred tax expense *(Note 7)*	**—**	**—**	**—**	**1,141**	**—**	**—**	**1,141**
Shares issued on exercise of stock options *(Note 12)*	**13,343**	**25,658**	**—**	**—**	**—**	**—**	**25,658**
Shares pending issuance on exercise of stock options	**174**	**410**	**—**	**—**	**—**	**—**	**410**
Shares issued on vesting of RSUs *(Note 12)*	**1,760**	**3,584**	**(3,584)**	**—**	**—**	**—**	**—**
Shares issued for purchase of non-controlling interest	**764**	**2,000**	**—**	**—**	**—**	**—**	**2,000**
Share-based payments *(Note 12)*	**—**	**—**	**21,054**	**—**	**—**	**—**	**21,054**
Transfer to share capital on exercise of stock options	**—**	**13,622**	**(13,622)**	**—**	**—**	**—**	**—**
Balance at December 31, 2017	**980,933**	**$ 2,197,267**	**$ 60,039**	**$ (94,294)**	**$ (610,908)**	**$ 14,289**	**$ 1,566,393**

	2016						
	Shares ('000's)	**Share capital**	**Contributed surplus**	**Accumulated other comprehensive loss**	**Deficit**	**Non-controlling interests**	**Total equity**
Balance at December 31, 2015	927,073	$ 2,036,778	$ 70,051	$ (96,254)	$ (706,891)	$ 8,855	$ 1,312,539
Net income (loss) for the year	—	—	—	—	39,131	(531)	38,600
Unrealized gain on investments, net of deferred tax expense *(Note 7)*	—	—	—	819	—	—	819
Shares issued under At-The-Market offering *(Note 12)*	14,847	44,204	—	—	—	—	44,204
Shares issued on exercise of stock options *(Note 12)*	19,458	39,758	—	—	—	—	39,758
Shares pending issuance on exercise of stock options	365	843	—	—	—	—	843
Shares issued on vesting of RSUs *(Note 12)*	2,533	4,984	(4,984)	—	—	—	—
Shares issued for mineral interests	616	1,716	—	—	—	—	1,716
Shares issued from incentive trust *(Note 12)*	—	16	—	—	—	—	16
Share-based payments *(Note 12)*	—	—	14,818	—	—	—	14,818
Non-controlling interest related to Kronk Resources Inc.	—	—	—	—	—	1,251	1,251
Transfer to share capital on exercise of stock options and incentive plan shares	—	23,694	(23,694)	—	—	—	—
Balance at December 31, 2016	964,892	$ 2,151,993	$ 56,191	$ (95,435)	$ (667,760)	$ 9,575	$ 1,454,564

See accompanying notes to consolidated financial statements.

1 Nature of operations

B2Gold Corp. ("B2Gold" or the "Company") is a Vancouver-based gold producer with five operating mines (one in Mali, one in Namibia, one in the Philippines and two in Nicaragua) and a portfolio of other evaluation and exploration assets in Mali, Burkina Faso, Colombia, Namibia, Nicaragua and Finland.

The Company operates the Fekola Mine in Mali, which commenced commercial production on November 30, 2017, the Otjikoto Mine in Namibia, the Masbate Mine in the Philippines, and the Libertad Mine and the Limon Mine in Nicaragua. The Company presently has an effective 81% interest in the Kiaka gold project in Burkina Faso, and a 49% joint venture interest in the Gramalote property in Colombia.

B2Gold is a public company which is listed on the Toronto Stock Exchange under the symbol "BTO", the NYSE MKT LLC under the symbol "BTG" and the Namibian Stock Exchange under the symbol "B2G". B2Gold's head office is located at Suite 3100, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia, V7X 1J1.

2 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), effective as of December 31, 2017. These consolidated financial statements were authorized for issue by the Board of Directors on March 13, 2018.

3 Recent accounting pronouncements

Accounting standards and amendments issued but not yet adopted

IFRS 15 – Revenue from contracts with customers

The IASB has issued IFRS 15, Revenue from Contracts with Customers, which is effective for annual periods commencing on or after January 1, 2018. This new standard establishes a new control-based revenue recognition model which could change the timing of revenue recognition. The Company has evaluated the effect the standard will have on its sales recorded in its consolidated financial statements and expects that there will be no material impact to the timing or amounts of revenue recognized in its statement of operations.

IFRS 9 – Financial Instruments

The final version of IFRS 9, Financial Instruments, was issued in July 2014 to replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. In addition, this new standard amends some of the requirements of IFRS 7, Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in OCI and guidance on financial liabilities and derecognition of financial instruments. The standard is effective for annual periods beginning on or after January 1, 2018. Retrospective application is required, but there is no requirement to restate comparative periods disclosed.

Upon adoption of IFRS 9, the Company's long-term investments (Note 7), which are currently classified as available-for-sale, will be designated as financial assets at fair value through other comprehensive income. Long-term investments will be recorded initially at fair value, with subsequent changes in the fair value recognized in the statement of other comprehensive income and not reclassified to net income upon disposition. Based on the Company's preliminary calculations, this designation will result in a reclassification a $34.6 million loss from deficit to accumulated other comprehensive loss, all within equity, on January 1, 2018.

In addition, the treatment of the Company's convertible senior subordinated notes (the "notes"), which are designated at fair value through profit and loss (Note 10), will change upon adoption of IFRS 9. The new standard requires that the portion of the change in the fair value of the notes relating to the change in the Company's credit risk be recorded through statement of other comprehensive income. Based on the Company's preliminary calculations, this change will result in a reclassification of $10.8 million from deficit to accumulated comprehensive loss, all within equity, on January 1, 2018.

IFRS 16 – Leases

The IASB has issued IFRS 16, *Leases*, which is effective for annual periods commencing on or after January 1, 2019. This new standard eliminates the classification of leases as either operating leases or finance leases and introduces a single lessee accounting model which requires the lessee to recognize assets and liabilities for all leases with a term of longer than 12 months. Early adoption is permitted provided IFRS 15 has already been adopted or is applied from the same date. The Company is currently evaluating the effect the standard will have on its consolidated financial statements.

4 *Summary of significant accounting policies*

The significant accounting policies used in the preparation of these financial statements are as follows:

Principles of consolidation

The financial statements of the Company consolidate the accounts of B2Gold and its subsidiaries. All intercompany transactions, balances, and unrealized gains and losses from intercompany transactions are eliminated on consolidation.

The Company's most significant wholly owned and partially owned subsidiaries are presented below:

		% interest
-	Fekola SA ("Fekola") (Note 8)	100
-	B2Gold Namibia (Pty) Ltd. ("Otjikoto")	90
-	Philippines Gold Processing & Refining Corporation ("Masbate")	100
-	Desarrollo Minero de Nicaragua, S.A. ("Libertad")	100
-	Triton Minera S.A. ("Limon")	95
-	Kiaka Gold SA ("Kiaka")	100
-	Mocoa Ventures Ltd. ("Mocoa")	100

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is obtained by B2Gold and are de-consolidated from the date that control ceases.

The Company's Gramalote property located in Colombia operates as an incorporated joint venture with AngloGold Ashanti Limited ("AngloGold") which is accounted for as a jointly controlled entity ("JCE"). The Company does not control, either directly or indirectly, this JCE. B2Gold accounts for its interest in this JCE using the equity method.

The Company established a trust arrangement under its Incentive Plan (Note 12) for the benefit of its directors, officers, employees and service providers. The Company consolidates this trust as it has the power to control its financial and operating policies and obtain the benefits from its activities.

During the year ended December 31, 2016, the Company determined that, in accordance with IFRS 10, it gained control of Kronk Resources Inc. ("Kronk"), a related private company incorporated in Ontario. As a result, the Company has included the results of Kronk in its consolidated results for the year ended December 31, 2017. Kronk has $0.9 million in cash and cash equivalents that is restricted for its own activities and not available for use by B2Gold.

Business combinations

A business combination requires that the assets acquired and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. Although businesses usually have outputs, outputs are not required for an integrated set to qualify as a business as the Company considers other factors to determine whether the set of activities or assets is a business.

Business combinations are accounted for using the acquisition method whereby acquired assets and liabilities are recorded at fair value as of the date of acquisition with the excess of the purchase consideration over such fair value being recorded as goodwill. Non-controlling interest in an acquisition may be measured at either fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's net identifiable assets.

The excess of (i) total consideration transferred by the Company, measured at fair value, including contingent consideration, and (ii) the non-controlling interests in the acquiree's, over the acquisition-date fair value of the net of the assets acquired and liabilities assumed, is recorded as goodwill. If the fair value attributable to the Company's share of the identifiable net assets exceeds the cost of acquisition, the difference is recognized as a gain in the consolidated statement of operations.

Should the consideration be contingent on future events, the preliminary cost of the acquisition recorded includes management's best estimate of the fair value of the contingent amounts expected to be payable. Provisional fair values allocated at the reporting date are finalized within one year of the acquisition date with retroactive restatement to the acquisition date as required.

Transaction costs, other than those associated with the issue of debt or equity securities, which the Company incurs in connection with a business combination, are expensed as incurred.

Goodwill

Goodwill arising on the Company's acquisitions includes (but is not limited to): (i) the ability of the Company to capture certain synergies through management of the acquired operation within the Company; (ii) the potential to increase reserves and resources through exploration activities; and (iii) the requirement to record a deferred tax liability for the difference between the assigned fair values and the tax bases of assets acquired and liabilities assumed.

Goodwill is not amortized. The Company performs an annual impairment test for goodwill and when events or changes in circumstances indicate that the related carrying amount may not be recoverable. If the carrying amount of a cash generating unit ("CGU") to which goodwill has been allocated exceeds the recoverable amount, an impairment loss is recognized for the amount in excess. The impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the CGU to $nil and then to the other assets of the CGU based on the relative carrying amounts of those assets. Impairment losses recognized for goodwill are not reversed in subsequent periods should its value recover.

Goodwill is allocated to CGUs for the purpose of impairment testing. The allocation is made to those cash generating units or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. If the composition of one or more cash generating units to which goodwill has been allocated changes due to a reorganization, the goodwill is re-allocated to the units affected.

Investments in joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control such that significant operating and financial decisions require the unanimous consent of the parties sharing control.

The Company's joint arrangements consist of jointly controlled entities (involving the establishment of a corporation) and are accounted for using the equity method. The equity method involves recording the initial investment at cost. Additional funding into an investee is recorded as an increase in the carrying value of the investment. The carrying amount is adjusted by the Company's share of post-acquisition net income or loss, dilution gains or losses, depreciation, amortization or impairment.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in United States dollars, which is the group's presentation currency. The Company's mining operations operate primarily within an economic environment where the functional currency is the United States dollar.

Transactions and balances

Transactions denominated in foreign currencies are translated into the United States dollar as follows:

- Monetary assets and liabilities are translated at the rates of exchange at the consolidated balance sheet date;
- Non-monetary assets and liabilities are translated at historical exchange rates prevailing at each transaction date;
- Revenue and expenses are translated at the exchange rate at the date of the transaction, except depreciation, depletion and amortization, which are translated at historical exchange rates, and share-based compensation expense, which is translated at the rates of exchange applicable at the date of grant of the share-based compensation; and
- Exchange gains and losses on translation are included in earnings. When the gain or loss on certain non-monetary items, such as long-term investments classified as available-for-sale, is recognized in other comprehensive income ("OCI"), the translation differences are also recognized in OCI.

Group companies

For any subsidiaries or joint ventures whose functional currency differs from the United States dollar, foreign currency balances and transactions are translated into the United States dollar as follows:

- Assets and liabilities are translated at the rates of exchange at the consolidated balance sheet date;
- Revenue and expenses are translated at average exchange rates throughout the reporting period or at rates that approximate the actual exchange rates; items such as depreciation are translated at the monthly average exchange rate; and
- Exchange gains and losses on translation are included in OCI.

The exchange gains and losses are recognized in earnings upon the substantial disposition, liquidation or closure of the entity that gave rise to such amounts.

Financial instruments

The Company recognizes financial assets and liabilities on the balance sheet when the Company becomes party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are classified as loans and receivables.

Accounts receivable, accounts payable and accrued liabilities

Accounts receivable, accounts payable and accrued liabilities are non-interest bearing and are initially measured at fair value, subsequently recorded at amortized cost which approximate fair value due to the short term to maturity. Where necessary, accounts receivable are net of allowances for uncollectable amounts. Accounts receivable are classified as loans and receivables and accounts payable and accrued liabilities are classified as financial liabilities.

Lease liabilities

Lease liabilities are interest bearing and are initially measured at the present value and subsequently recorded at amortized cost. Lease liabilities are designated as financial liabilities.

Debt

The Company recognizes all financial liabilities initially at fair value and classifies them as either fair value through profit and loss or loans and borrowings, as appropriate. Debt classified as loan and borrowings is subsequently measured at amortized cost, calculated using the effective interest rate method. Debt designated as fair value through profit and loss is measured at fair value on each financial period-end date with gains and losses flowing through the statement of operations.

Derivative instruments

Derivative instruments, including embedded derivatives, are recorded at "fair value through profit or loss" and accordingly recorded on the balance sheet date at fair value. Unrealized gains and losses on derivatives held for trading are recorded as part of other gains or losses in earnings. Fair values for derivative instruments are determined using valuation techniques, using assumptions based on market conditions existing at the balance sheet date.

Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss. The loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

Inventories

Gold and silver bullion, in-process and stockpile inventories are recorded at the lower of average cost and net realizable value. The cost of finished goods and work-in-progress comprises raw materials, direct labour, and other direct costs, as well as stripping in the production stage and related production overheads (based on normal operating capacity) including applicable depreciation on property, plant and equipment. Net realizable value is the estimated selling price less applicable selling expenses.

When inventories have been written down to net realizable value, a new assessment of net realizable value is made in each subsequent period. When the circumstances that caused the write down no longer exist, the amount of the write down is reversed.

Materials and supplies inventories are valued at the lower of average cost and net realizable value. Cost includes acquisition, freight and other directly attributable costs.

Mining interests

Mining interests include property, plant and equipment, mineral properties and mine development costs, deferred stripping, exploration and evaluation expenditures, capitalized borrowing costs and impairment.

Property, plant and equipment

Property, plant and equipment are recorded at cost. Repairs and maintenance expenditures are charged to operations; major improvements and replacements which extend the useful life of an asset are capitalized. Property, plant and equipment are amortized over the life of the mine using the units-of-production ("UOP") method based on the recoverable ounces from the estimated proven and probable reserves and a portion of the measured and indicated resources that are reasonably expected to be converted to proven and probable reserves. Mobile equipment, tailings dam and equipment are depreciated on a straight-line basis over three to six years as appropriate, net of residual value. The Company allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant parts and depreciates separately each such part. Residual values, method of amortization and useful lives of the assets are reviewed annually and adjusted if appropriate.

During the commissioning phase of a new mine, pre-production expenditures, net of incidental revenue, are capitalized to plant and equipment.

Mineral properties and mine development costs

Mineral properties and mine development costs are stated at cost less accumulated depreciation and impairment losses. When production commences, these costs are amortized using the UOP method, based on recoverable ounces from the estimated proven and probable reserves and a portion of measured and indicated resources that are reasonably expected to be converted to proven and probable reserves.

Capitalization of costs incurred ceases when the mining property is capable of commencement of mining operations in the manner intended by management. Costs incurred prior to this point, including depreciation of related plant and equipment, are capitalized and proceeds from sales of ounces produced during this period are offset against capitalized costs.

The Company applies judgment in its assessment of when a mine is capable of operating in the manner intended by management which takes account of the design of the mine and the nature of the initial commissioning phase of the mine.

Non-recoverable costs for projects determined not to be commercially feasible are expensed in the period in which the determination is made or when the carrying value of the project is determined to be impaired.

Deferred stripping

Stripping costs incurred during the production phase of a mine are considered production costs and are included in the cost of inventory produced during the period in which stripping costs are incurred, unless the stripping activity can be shown to be a betterment of the mineral property. Betterment occurs when stripping activity increases future output of the mine by providing access to additional reserves. Stripping costs incurred to prepare the ore body for extraction are capitalized as mine development costs and are amortized on a UOP basis over the reserves and resources to which they relate.

Exploration and Evaluation Expenditures

The Company defers the cost of acquiring, maintaining its interest, exploring and developing mineral properties as exploration and evaluation until the properties are placed in production, abandoned, sold or considered to be impaired in value. Once the technical feasibility and commercial viability of the extraction of mineral reserves or resources from a particular mineral property has been determined, exploration and evaluation expenditures are reclassified to “mineral properties and mine development costs”. If no mineable ore body is discovered, such costs are expensed in the period in which it is determined the property has no future economic value. Exploration costs that do not relate to any specific property are expensed as incurred.

The establishment of technical feasibility and commercial viability of a mineral property is assessed based on a combination of factors, such as but not limited to:

- The extent to which mineral reserves or mineral resources have been identified through a feasibility study or similar level document;
- The results of optimization studies and further technical evaluation carried out to mitigate project risks identified in the feasibility study;
- The status of environmental permits; and
- The status of mining leases or permits.

In addition, commercial viability is deemed to be achieved when the Company determines that the project will provide a satisfactory return relative to its perceived risks. Ore reserves and resources may be declared for an undeveloped mining project before its commercial viability has been fully determined. Evaluation costs may continue to be capitalized during the period between declaration of reserves and approval to mine as further work is undertaken in order to refine the development case to maximize the project’s returns.

Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets that take a substantial period of time to make ready for their intended use are added to the cost of the assets, until such time as the assets are substantially complete and ready for their intended use. The amount of borrowing costs capitalized cannot exceed the actual amount of borrowing costs incurred in a period. All other borrowing costs are expensed in the period in which they are incurred.

Impairment

The carrying amounts of non-current assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount and is recorded as an expense in the statement of operations.

The recoverable amount is the higher of an asset’s “fair value less costs of disposal” and “value-in-use”. Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash-generating unit to which the asset belongs is determined. “Fair value less costs of disposal” is determined as the amount that would be obtained from the sale of the asset in an arm’s length transaction between knowledgeable and willing parties. For mining assets this would generally be determined based on the present value of the estimated future cash flows arising from the continued development, use or eventual disposal of the asset. In assessing these cash flows and discounting them to the present value, assumptions used are those that an independent market participant would consider appropriate. In assessing “value-in-use”, the estimated

future cash flows expected to arise from the continuing use of the assets in their present form and from their disposal are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

Impairment losses are evaluated for potential reversals when events or circumstances warrant such consideration. Where an impairment loss is subsequently reversed, the amount of such reversal is limited such that, the revised carrying amount of the asset or cash-generating unit does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in the prior years. A reversal of an impairment loss is recognized into earnings immediately.

Long-term investments

Investments in entities that are not subsidiaries, joint ventures or investments in associates are designated as available-for-sale investments. These investments are measured at fair value on acquisition and at each reporting date. Any unrealized holding gains and losses related to these investments are excluded from net earnings and are included in OCI until an investment is sold and gains or losses are realized, or there is objective evidence that the investment is impaired. When there is evidence that an investment is impaired, the cumulative loss that was previously recognized in OCI is reclassified from accumulated OCI to the consolidated statement of operations.

Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date. It requires consideration as to whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

A reassessment is made after inception of the lease only if one of the following applies:

(a) There is a change in contractual terms, other than a renewal or extension of the arrangement;
(b) A renewal option is exercised or extension granted, unless the term of the renewal or extension was initially included in the lease term;
(c) There is a change in the determination of whether fulfilment is dependent on a specified asset; or
(d) There is a substantial change to the asset.

Where a reassessment is made, lease accounting shall commence or cease from the date when the change in circumstances gave rise to the reassessment for scenarios (a), (c) or (d) and at the date of the renewal or extension period for scenario (b).

Company as a lessee

Finance leases, which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalized at the commencement of the lease term (the date from which the lessee is entitled to exercise its right to use the leased asset) at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments.

Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

A lease is classified as an operating lease if it does not transfer substantially all of the risks and rewards incidental to ownership.

Operating lease payments are recognized as an expense in the statement of operations on a straight line basis over the lease term.

Mine restoration provisions

Future obligations to retire an asset including site closure, dismantling, remediation and on-going treatment and monitoring are initially recognized and recorded as a liability based on estimated future cash flows discounted at a risk free rate. The measurement determination is based on estimated future cash flows, the current risk-free discount rate, and an estimated inflation factor. The value of restoration provisions is adjusted at each reporting period for changes to factors including the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the risk-free interest rate. The liability is added to the carrying amount of the associated asset, and this additional carrying amount is depreciated over the life of the asset. The liability is accreted to full value over time through periodic charges to earnings. This unwinding of the discount is expensed in the statement of operations. As reclamation work is performed or liabilities are otherwise settled, the recorded amount of the liability is reduced.

Share-based payments

The cost of stock options and other equity-settled share-based payment arrangements is recorded based on the estimated fair-value at the grant date and charged to earnings over the vesting period.

The Company grants stock options to certain employees and directors. Each tranche is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognized over the tranche's vesting period by a charge to earnings, with a corresponding increase to contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately.

Current and deferred income taxes

Income tax comprises current and deferred tax. Income tax is recognized in the statement of operations except to the extent that it relates to items recognized directly in equity, in which case the income tax is also recognized directly in equity. Taxes on income in interim periods are recorded using the tax rate that would be applicable to expected annual profit.

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted, at the end of the reporting period.

Deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset or liability is reversed. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. As an exception, deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition of goodwill or an asset or liability in a transaction (other than in a business combination) that affects neither accounting profit nor taxable profit.

Deferred income tax assets and liabilities are presented as non-current.

Revenue

Gold revenue is recognized when it is probable that the economic benefits will flow to the Company, delivery has occurred, the sales price is reasonably determinable, and collectability is reasonably assured. These criteria are generally met at the time the product is delivered to the customer and, depending on the delivery conditions, title and risk have passed to the customer and acceptance of the product, when contractually required, has been obtained. Gold revenue is measured based on the price specified in the sales contract, net of discounts, at the time of sale.

Silver revenue is accounted for as a by-product and is recorded as a credit to operating costs.

Earnings per share

Basic earnings per share is calculated by dividing the net income (loss) for the year attributable to shareholders of the Company by the weighted average number of common shares outstanding during the year.

Diluted earnings per share is calculated using the treasury share method whereby all "in-the-money" options, warrants and equivalents are assumed to have been exercised at the beginning of the year and the proceeds from the exercise are assumed to have been used to purchase common shares at the average market price during the period. Diluted earnings per share excludes all dilutive potential common shares if their effect is anti-dilutive.

5 Significant accounting judgements and estimates

The preparation of these financial statements in conformity with IFRS requires estimates and assumptions that affect the amounts reported. Those estimates and assumptions concerning the future may differ from actual results. The following are the estimates, assumptions and areas of judgment applied by management that most significantly affect the Company's financial statements. These sources of estimation uncertainty have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Ore reserve and resource estimates

Ore reserves are estimates of the amount of ore that can be economically and legally extracted from the Company's mining properties. The Company estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological data on the size, depth and shape of the ore body, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, metallurgical recoveries, permitting and production costs along with geological assumptions and judgments made in estimating the size, and grade of the ore body. Changes in the reserve or resource estimates may impact the carrying value of mining interests, mine restoration provisions, recognition of deferred tax assets, depreciation and amortization charges and royalties receivable.

Value-added tax receivables

The Company incurs indirect taxes, including value-added tax, on purchases of goods and services at its operating mines and development projects. Indirect tax balances are recorded at their estimated recoverable amounts within current or long-term assets, net of provisions, and reflect the Company's best estimate of their recoverability under existing tax rules in the respective jurisdictions in which they arise. Management's assessment of recoverability considers the probable outcomes of claimed deductions and/or disputes. The provisions and balance sheet classifications made to date may be subject to change and such change may be material.

Deferred income taxes and valuation allowances

The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur.

Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives. Levels of future taxable income are affected by, among other things, market gold prices, production costs, quantities of proven and probable gold reserves, interest rates and foreign currency exchange rates.

Impairment of long-lived assets

Long-lived assets are tested for impairment, or reversal of a previous impairment, if there is an indicator of impairment or a subsequent reversal. Calculating the estimated recoverable amount of CGUs for long-lived asset requires management to make estimates and assumptions with respect to future production levels, mill recoveries, operating and capital costs in its life-of-mine plans, future metal prices, foreign exchange rates, and discount rates. Changes in any of the assumptions or estimates used in determining the recoverable amount could impact the analysis. Such changes could be material.

Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable mine can be established. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of operations in the period when the new information becomes available.

6 Inventories

	2017	*2016*
	$	$
Gold and silver bullion	**47,916**	21,220
In-process inventory	**11,464**	8,365
Ore stock-pile inventory	**55,498**	15,874
Materials and supplies	**91,567**	59,232
	206,445	104,691

Ore stock-pile inventory includes amounts for the Fekola Mine of $38.5 million (2016 - nil), for the Otjikoto Mine of $12.6 million (2016 – $6.6 million), and for the Masbate Mine of $3.9 million (2016 - $8.8 million).

7 Long-term investments

	2017				**2016**			
	Cost	***Total Impairment***	***AOCI***	***Fair Value***	***Cost***	***Total Impairment***	***AOCI***	***Fair Value***
	$	**$**	**$**	***$***	**$**	**$**	**$**	***$***
Available-for-sale investments:								
Calibre Mining Corp.	**7,844**	**(4,330)**	**2,012**	**5,526**	7,844	(4,330)	2,059	5,573
RTG Mining Inc.	**13,400**	**(12,095)**	**1,283**	**2,588**	13,400	(10,977)	—	2,423
St. Augustine Gold & Copper Ltd.	**20,193**	**(18,658)**	**91**	**1,626**	20,193	(18,163)	—	2,030
Goldstone Resources Ltd.	**20**	**(18)**	**2**	**4**	20	(18)	—	2
Balance, end of year	**41,457**	**(35,101)**	**3,388**	**9,744**	41,457	(33,488)	2,059	10,028

The Company holds available-for-sale investments in certain public companies, as disclosed in the table above. The Company, through its acquisition of CGA Mining Limited in 2013 acquired investments in the securities of St. Augustine Gold & Copper Ltd. and RTG Mining Inc.

During 2017, the Company recorded an impairment loss totalling $1.6 million (2016 - $2.9 million) in the statement of operations, as a result of a significant further decline in the fair value of its available-for-sale equity securities. At December 31, 2017, the Company recorded a $1.1 million unrealized gain net of related deferred income taxes of $0.2 million (2016 - $0.8 million unrealized gain net of related deferred income taxes of $0.3 million) in the statement of other comprehensive income ("OCI"), as a result of a change in the fair value of its investments.

8 Mining interests

	2017	*2016*
	$	$
Property, plant and equipment (depletable)		
Fekola Mine, Mali		
Cost	**1,094,784**	—
Accumulated depreciation and depletion	**(35,477)**	—
	1,059,307	—
Otjikoto Mine, Namibia		
Cost	**527,069**	481,378
Accumulated depreciation and depletion	**(163,153)**	(95,698)
	363,916	385,680
Masbate Mine, Philippines		
Cost, net of impairment	**625,722**	517,457
Accumulated depreciation and depletion	**(193,925)**	(165,224)
	431,797	352,233
Libertad Mine, Nicaragua		
Cost, net of impairment	**335,651**	300,816
Accumulated depreciation and depletion	**(263,838)**	(226,488)
	71,813	74,328
Limon Mine, Nicaragua		
Cost, net of impairment	**173,358**	151,186
Accumulated depreciation and depletion	**(127,740)**	(107,255)
	45,618	43,931
Masbate undeveloped mineral interests, net of impairment (non-depletable)	**—**	60,880
Mine under construction (non-depletable)		
Fekola, Mali	**—**	908,855
Exploration and evaluation properties (non-depletable)		
Kiaka, Burkina Faso	**69,989**	64,907
Mocoa, Colombia	**29,041**	29,004
Fekola Regional, Mali	**17,211**	9,326
Toega, Burkina Faso	**10,603**	4,819
Ondundu, Namibia	**5,246**	2,130
Other	**18,881**	13,776
	150,971	123,962
Corporate & other		
Office, furniture and equipment, net	**711**	487
	2,124,133	1,950,356
Investments in joint ventures (accounted for using the equity method)		
Gramalote, Colombia, net of impairment	**65,830**	53,724
	2,189,963	2,004,080

Fekola

On November 30, 2017, management determined that the Fekola Mine achieved commercial production. Effective December 1, 2017, revenues and production costs relating to Fekola gold production were recorded in the statement of operations. Sales proceeds relating to the pre-commercial production period of $100.9 million net of costs of $27.5 million were offset against the amounts capitalized for the Fekola Mine property, plant and equipment.

Prior to commercial production being reached, the Company capitalized interest costs on its borrowings attributable to funds spent on Fekola in the amount of $20.1 million (2016 - $10.7 million). This interest was calculated using an effective interest

rate based on the Company's aggregate borrowings which includes the convertible senior subordinated notes and the revolving credit facility (Note 10).

In 2016, pursuant to applicable mining law, the Company formed a new 100% owned subsidiary company Fekola SA, which now holds the Company's interest in the Fekola Mine. Upon signing of a shareholder's agreement between the Company and the State of Mali (the "Fekola Shareholder Agreement"), the Company will contribute a 10% free carried interest to the State of Mali. The State of Mali also has the option to purchase an additional 10% of Fekola SA which it has confirmed its intent to exercise. The Company has signed a mining convention in the form required under the 2012 Mining Code (the "Fekola Convention") that relates to, among other things, the ownership, permitting, reclamation bond requirements, development, operation and taxation applicable to the Fekola Mine with the State of Mali. In August 2017 the Company finalized certain additional agreements with the State of Mali including the Fekola Shareholders Agreement and an amendment to the Fekola Mining convention to address and clarify certain issues under the 2012 Mining Code. The Fekola Mining Convention, as amended, will govern the procedural and economic parameters pursuant to which the Company will operate the Fekola Mine.

Masbate

As reported by the Company on February 2, 2017, the Department of Natural Resources announced further results of its mining audits of metallic mines in the Philippines and the Masbate Mine was not among the mines announced to be suspended or closed. The Company believes that it continues to be in compliance with Philippine's laws and regulations.

During the year ended December 31, 2017, the Company reclassified $60.9 million (2016 - $11.8 million) from the Masbate undeveloped mineral interest to the Masbate Mine based on the conversion of undeveloped mineral interests to resource ounces expected to be processed.

Sale of Lynn Lake Royalty

On June 7, 2017, the Company completed the sale of all of its rights, title and interest to a 2% net smelter returns royalty ("NSR"), covering Alamos Gold Inc.'s Lynn Lake properties in Manitoba for Cdn. $9 million in cash upon closing and a further contingent payment of up to Cdn $6 million due 24 months after the property enters commercial production. The Lynn Lake royalty had been acquired by B2Gold in connection with the acquisition of Central Sun Mining Inc. ("Central Sun") in March 2009. For accounting purposes, no value of the total purchase price relating to the business combination with Central Sun had been allocated to the NSR, based upon an evaluation of the likely cash flows arising from the NSR. In the period since the original accounting for the business combination the Company previously determined that the NSR did not fulfill the threshold for recognition as an asset as it did not have sufficient assurance over the likelihood of future cash flows from the NSR to record an asset, consistent with the original business combination accounting. As a result, in the second quarter of 2017, the Company recorded a $6.6 million pre-tax gain on disposal of the NSR, net of related transaction costs of $0.1 million. No amount was recorded with respect to the contingent consideration due upon the commencement of commercial production.

Calibre

On December 8, 2016, the Company restructured its 51% interest in a joint operation in Nicaragua with Calibre Mining Corp. In exchange for its 51% interest in the joint operation, the Company received 23.5 million common shares of Calibre valued at $2.1 million and a 1.5% net smelter returns royalty agreement to which no value was assigned. The Company realized a loss of $9.9 million on the sale, which was recorded in the statement of operations for the year ended December 31, 2016.

Chile

During the year ended December 31, 2016, the Company elected not to continue with the Pampa Paciencia and Cerro Barco projects in Chile. As a result, the Company wrote-off expenditures totalling $3.7 million related to these projects during the year ended December 31, 2016.

Other

During the year-ended December 31, 2017, the Company wrote-off $4.2 million relating to other mineral properties in Namibia and Mali.

9 Other assets

	2017	2016
	$	$
Debt service reserve account *(Note 10)*	**12,918**	5,235
Low-grade stockpile	**11,727**	6,909
Loan receivable, including accrued interest	**7,718**	7,181
Derivative instruments at fair value *(Note 14)*	**2,768**	1,585
Reclamation deposits	**2,353**	2,177
Other	**2,364**	3,847
	39,848	26,934

10 Long-term debt

	2017	2016
	$	$
Convertible senior subordinated notes:		
Principal amount	**258,750**	258,750
Fair value adjustment	**18,900**	4,043
	277,650	262,793
Revolving credit facility:		
Principal amount	**350,000**	200,000
Less: unamortized transaction costs	**(5,851)**	(3,047)
	344,149	196,953
Equipment loans/finance lease obligations:		
Fekola equipment loan facility (net of unamortized transaction costs)	**50,569**	—
Otjikoto equipment loan facility (net of unamortized transaction costs)	**20,750**	24,134
Masbate equipment loan facility (net of unamortized transaction costs)	**7,719**	—
Nicaraguan equipment loans	**1,344**	2,900
	80,382	27,034
	702,181	486,780
Less: current portion	**(302,630)**	(13,935)
	399,551	472,845

Convertible senior subordinated notes

On August 23, 2013, the Company issued convertible senior subordinated notes ("the notes") with an aggregate principal amount of $258.8 million. The notes bear interest at a rate of 3.25% per annum, payable semi-annually on April 1st and October 1st of each year commencing from April 1, 2014. The notes will mature on October 1, 2018. The notes are subordinated in right of payment to any existing and future senior indebtedness, including indebtedness under the revolving credit facility. The notes will rank senior in right of payment to any future subordinated borrowings. The notes are effectively junior to any secured indebtedness and the notes are structurally subordinated to all indebtedness and other liabilities of the Company's subsidiaries.

Holders of the notes may convert the notes at their option at any time from July 1, 2018 to the maturity date. The notes will be convertible, at the holder's option, at a conversion rate of 254.2912 common shares for every $1,000 principal amount of notes (equal to an initial conversion price of approximately $3.93 per common share), subject to adjustments in certain events. In addition, the holder has the right to exercise the conversion option from January 1, 2014 to July 1, 2018, if (i) the market price of B2Gold common shares for at least 20 trading days during a period of 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day, (ii) during the 5 business day period after any consecutive 5 trading day period (the "measurement period") in which the trading price per $1,000 principal amount of the notes for each trading day in the measurement period was less than 98% of the product of the last reported sales price of B2Gold common shares and the conversion rate on each such trading day, (iii) the notes are

called for redemption or (iv) upon occurrence of certain corporate events. The Company may upon conversion by the holder, elect to settle in either cash, common shares, or a combination of cash and common shares, subject to certain circumstances.

The Company could not redeem the notes prior to October 6, 2016, except in the event of certain changes in Canadian tax law. On or after October 6, 2016, the Company could redeem for cash, subject to certain conditions, any or all of the notes, at its option, if the last reported sales price of the Company's common shares for at least 20 trading days during any 30 consecutive trading day period ending within 5 trading days immediately preceding the date on which the Company provides notice of redemption exceeds 130% of the conversion price on each applicable trading day. The Company may also redeem the notes, if certain tax laws related to Canadian withholding tax change subject to certain further conditions.

For accounting purposes, the Company has designated the notes at fair value through profit or loss ("FVTPL"). The equity conversion option was not separately classified as equity, since the Company has the ability to settle the option at fair value in cash, common shares or a combination of cash and common shares in certain circumstances. The Company does not separately account for the fair value of the equity conversion option as a derivative, as it has designated the entire amount owing under the notes as a liability accounted for at FVTPL. The notes were initially recognized at fair value on the balance sheet with all subsequent changes in fair value being recorded immediately in the statement of operations.

The notes are measured at fair value on each financial reporting period-end date. The fair value of the notes is determined from the quoted price of the notes that are traded in an over-the-counter broker market. The fair value measurement is categorized in Level 2 of the fair value hierarchy for disclosure of the method used to estimate fair value under IFRS 13 "Fair Value Measurement" (as the Company is valuing the notes using the quoted price of the notes traded by other parties as assets in the over-the-counter broker market). Interest expense related to the notes is disclosed as part of the overall change in fair value of the notes in the statement of operations.

The loss on fair value of convertible notes recorded in the statement of operations for the year ended December 31, 2017 was $11.1 million (2016 – $46.7 million). For 2017, the change in fair value of the notes recognized in the statement of operations is stated after reducing it by $12.1 million of interest expense (2016 - $7.2 million) which was attributable to eligible expenditures at the Fekola Mine.

Interest payments for the year ended December 31, 2017 were $8.4 million (2016 – $8.4 million).

Revolving credit facility

On May 20, 2015 and as amended on June 10, 2015, March 11, 2016 and May 10, 2016, the Company signed a credit agreement with a syndicate of international banks for a revolving credit facility (the "RCF") for an aggregate amount of $350 million. The RCF also incorporated an accordion feature whereby, upon receipt of additional binding commitments, the facility could be increased to $450 million any time prior to the maturity date. On May 8, 2017, Canadian Imperial Bank of Commerce joined the RCF Bank Lending Syndicate and the aggregate amount of the RCF increased from $350 million to $425 million. On July 7, 2017, the Company entered into an amended and restated credit agreement with its syndicate of international banks ("amended RCF") for an aggregate amount of $500 million, representing a $75 million increase from the principal amount of $425 million. The amended RCF also allows for an accordion feature whereby upon receipt of additional binding commitments, the facility may be increased to $600 million any time prior to the maturity date.

The amended RCF bears interest on a sliding scale of between LIBOR plus 2.25% to 3.25% based on the Company's consolidated net leverage ratio. Commitment fees for the undrawn portion of the facility are also on a similar sliding scale basis of between 0.50% and 0.925%. The term of the amended RCF is four years, maturing on July 7, 2021. From January 1, 2018, to October 1, 2018, for such time as the indebtedness outstanding under the Company's existing convertible notes is greater than $100 million, then the sliding scale interest will temporarily increase to a sliding scale range of between LIBOR plus 2.50% to 4.00%. The increase in the sliding scale rate will cease upon the earlier of (1) reduction of outstanding indebtedness under the Company's convertible notes to $100 million or less, and (2) maturity of the convertible notes on October 1, 2018.

The Company has provided security on the amended RCF in the form of a general security interest over the Company's assets and pledges creating a charge over the shares of certain of the Company's direct and indirect subsidiaries. In connection with the existing RCF, the Company must also maintain certain net tangible worth and ratios for leverage and interest coverage. As at December 31, 2017, the Company was in compliance with these debt covenants.

At December 31, 2017, the Company had drawn down $350 million under the amended RCF with a balance of $150 million remaining available for future drawdowns.

For the year ended December 31, 2017, the interest and financing expense relating to the amended RCF recognized in the statement of operations was reduced by $7.9 million (2016 - $3.5 million), which was attributable to eligible expenditures at the Fekola Mine and capitalized to the carrying amount of the property.

Subsequent to December 31, 2017, the Company repaid $50 million under the amended RCF leaving an undrawn and available balance of $200 million.

Fekola equipment loan facility

During 2016, the Company entered into a Euro 71.4 million term equipment facility with Caterpillar Financial SARL, as Mandated Lead Arranger, and Caterpillar Financial Services Corporation, as original lender. The aggregate principal amount of up to Euro 71.4 million is available to the Company's majority-owned subsidiary, Fekola SA (the "Borrower") to finance or refinance the mining fleet and other mining equipment at the Company's Fekola Mine in Mali. During the year ended December 31, 2017, the Company drew down Euro 49.4 million ($54.4 million equivalent) under the facility.

The equipment facility is available for a period that commenced on February 13, 2017, (the "Financial Close Date") and ends on the earlier of the day when the equipment facility is fully drawn and 30 months from the Financial Close Date. The equipment facility may be drawn in instalments of not less than Euro 5 million, and each such instalment shall be treated as a separate equipment loan. As at December 31, 2017, Euro 22.0 million ($26.4 million equivalent) was available for future drawdowns.

The Borrower is required to maintain a deposit in a debt service reserve account ("DSRA") equal at all times to the total of the principal, interest and other payments that become payable over the next six months. As at December 31, 2017, the balance in the DSRA account was Euro 6.2 million ($7.5 million equivalent, see Note 9).

Each equipment loan is repayable in 20 equal quarterly instalments. The final repayment date shall be five years from the first disbursement under each equipment loan. The interest rate on each loan is a rate per annum equal to EURIBOR plus a margin of 5.10%. A commitment fee of 1.15% per annum on the undrawn balance of each tranche for the first twenty-four months after December 7, 2016 and 0.5% thereafter is also due, each payable quarterly. In each case, from October 1, 2017, 0.4167% per annum on the undrawn balance of each tranche is also due. The Company and the Company's subsidiary, Mali Mining Investments Limited, have guaranteed the equipment facility and security is given over the equipment of the Borrower which has been financed by the equipment facility, related warranty and insurance, and over the DSRA.

Otjikoto equipment loan facility

On May 30, 2017, the term over which loans may be advanced under the facility was extended to June 30, 2018 and an additional $6.2 million was made available for drawdown. During the year ended December 31, 2017, the Company drew down the full $6.2 million under the facility (2016 - $11.0 million).

Each loan is repayable in 20 equal quarterly instalments. The final repayment date shall now be the earlier of the date when the last loan advanced under the facility falls due and December 31, 2023. The facility has an interest rate of LIBOR plus a margin of 3.85% on loans advanced under the facility and a commitment fee of 1.2% per annum on the undrawn balance of the facility, each payable quarterly. Transaction costs relating to the facility totalled approximately $1.7 million and are being recognized over the term of the facility using the effective interest rate method. The principal amount owing under the facility has been presented on the consolidated Balance Sheet net of the unamortized balance of transaction costs.

The Company is required to maintain a deposit in a DSRA equal at all times to the total of the principal, interest and other payments that become payable over the next 6 months. At December 31, 2017, the balance in the DSRA was $5.4 million (2016 - $5.2 million) (Note 9).

The indebtedness of the Company under the facility is secured by a Namibian law general notarial bond granting security over all of the movable assets of the Company's wholly owned subsidiary, B2Gold Namibia Minerals (Proprietary) Limited, a Bermudan law debt service reserve account security agreement granting security over the DSRA, a Namibian law cession in securitatem agreement granting security over all of the B2Gold Namibia Minerals (Proprietary) Limited's rights under any existing or future warranty in connection with the purchase of equipment, and by guarantees of the Company and B2Gold Namibia (Proprietary) Limited.

Masbate equipment loan facility

On June 1, 2017, the Company entered into a$17.8 million term equipment facility with Caterpillar Financial Services Philippines Inc. The aggregate principal amount is available to the Company's Philippines subsidiaries to finance or refinance the mining fleet and other mining equipment at the Company's Masbate Mine. The equipment facility is available for a period that ends on the earlier of the day when the Equipment Facility is fully drawn and December 31, 2018. The equipment facility may be drawn in installments of not less than $0.5 million, and each such installment shall be treated as a separate equipment loan.

During the year ended December 31, 2017, the Company drew down $8.7 million under the facility. As at December 31, 2017, $9.1 million was available for future drawdowns.

Each equipment loan is repayable in 20 equal quarterly installments. The final repayment date shall be five years from the first disbursement under each equipment loan. The interest rate on each loan is a rate per annum equal to LIBOR plus a margin of 3.85%. A commitment fee of 1.15% per annum on the undrawn balance of each tranche is also due, each payable quarterly. The Company has guaranteed the equipment facilities and security is given over the equipment of the Borrower which has been financed by the equipment facilities.

The following table summarizes the Company's scheduled debt repayments on its outstanding debt as at December 31, 2017:

	2018	*2019*	*2020*	*2021*	*2022*	*Total*
	$	*$*	*$*	*$*	$	*$*
Convertible senior subordinated notes:						
Principal	258,750	—	—	—	—	258,750
Interest	8,409	—	—	—	—	8,409
Revolving credit facility:						
Principal	—	—	—	350,000	—	350,000
Interest & commitment fees (estimated)	22,836	17,117	17,117	8,892	—	65,962
Fekola equipment loan facility:						
Principal	11,857	11,857	11,857	11,857	5,076	52,504
Interest (estimated)	2,483	1,870	1,261	644	114	6,372
Otjikoto equipment loan facility:						
Principal	10,319	4,869	3,453	1,958	647	21,246
Interest (estimated)	795	428	234	84	12	1,553
Masbate equipment loan facility:						
Principal	1,749	1,749	1,749	1,749	1,311	8,307
Interest (estimated)	400	309	218	126	34	1,087
Nicaraguan equipment loans:						
Principal	1,056	247	41	—	—	1,344
Interest (estimated)	37	8	—	—	—	45
	318,691	38,454	35,930	375,310	7,194	775,579

11 Mine restoration provisions

The Company's mine restoration provisions consist primarily of costs associated with mine reclamation and closure activities. These activities, which tend to be site specific, generally include costs for earthworks, including detoxification and recontouring, revegetation, water treatment and demolition. In calculating the present value of the Company's mine restoration provisions as at December 31, 2017, management used a risk-free rate applicable to each location's functional currency ranging from 2.15% to 2.51% and an inflation rate of 2.1%. The undiscounted cash flows, before inflation adjustments, estimated to settle the mine restoration provisions was approximately $101.8 million at December 31, 2017. Due to the nature of mine closure plans, cash expenditures are expected to occur over a significant period of time with the majority of the expenditures expected to occur in the years from 2021 to 2041.

The following table shows the movement in the provision for mine restoration provisions:

	2017	*2016*
	$	$
Balance, beginning of year	**81,162**	64,022
Reclamation spending	**(320)**	(153)
Accretion expense	**1,855**	1,144
Change in obligation	**15,749**	16,149
Balance, end of year	**98,446**	81,162
Less: current portion	**(1,819)**	—
	96,627	81,162

12 Share capital

The Company's authorized share capital consists of an unlimited number of common shares and an unlimited number of preferred shares. At December 31, 2017, the Company had 980,932,908 common shares outstanding, including 1,705,000 common shares being held in trust under the Company's Incentive Plan (described below). No preferred shares were outstanding.

During 2017, the Company received $25.7 million (2016 - $39.8 million) pursuant to the exercise of 13.3 million (2016 – 19.5 million) stock options.

During the year ended December 31, 2016, the Company issued approximately 14.8 million shares for proceeds of $44.2 million net of transaction costs of $2.0 million under the Company's At-The-Market offering.

During the year ended December 31, 2016, 1 million common shares were awarded from the trust under the Incentive Plan. In connection with the award, the Company recorded a share-based payments expense of $2.1 million (the market value of the shares on the date of the award).

Stock options

During 2017, approximately 23.0 million stock options were granted to employees and directors with exercise prices ranging from Cdn.$3.27 to Cdn. $4.05 per share. These stock options have a term of five years and vest over a period of up to three years. The estimated fair value when granted of these options totalling $26.6 million is being recognized over the vesting period. The fair value was calculated using the Black-Scholes option pricing model based on a risk-free annual interest rate of up to 1.3%, an expected life of up to 3 years, an expected volatility ranging from 61% to 62%, and a dividend yield rate of nil.

During 2016, approximately 15.4 million stock options were granted to employees and directors with exercise prices ranging from Cdn.$1.12 to Cdn. $3.45 per share. These stock options have a term of five years and vest over a period of up to three years. The estimated fair value when granted of these options totalling $7.3 million is being recognized over the vesting period. The fair value was calculated using the Black-Scholes option pricing model based on a risk-free annual interest rate of up to 0.7%, an expected life of up to 3 years, an expected volatility of approximately 60% to 63%, and a dividend yield rate of nil.

Option pricing models require the input of highly subjective assumptions regarding the expected volatility. Changes in assumptions can materially affect the fair value estimate.

For the year ended December 31, 2017, share-based payments expense, relating to the vesting of stock options, was $13.8 million (2016 - $7.9 million), net of $3.4 million (2016 - $1.1 million) capitalized to mining interests.

A summary of changes to stock options outstanding is as follows:

	Number of outstanding options ('000's)	*Weighted-average exercise price (in Cdn.$)*
Outstanding at December 31, 2015	59,124	2.69
Granted	15,446	1.52
Exercised	(19,458)	2.66
Forfeited or expired	(4,702)	3.72
Outstanding at December 31, 2016	50,410	2.24
Granted	22,968	3.65
Exercised	(13,708)	2.54
Forfeited or expired	(2,068)	3.27
Outstanding at December 31, 2017	57,602	2.70

During 2017, 13.7 million (2016 – 19.5 million) stock options were exercised. The weighted average share price at the time of exercise was Cdn.$3.87 (2016 – Cdn. $3.73).

Stock options outstanding and exercisable as at December 31, 2017 are as follows:

Range of exercise prices (in Cdn.$)	*Number of outstanding options ('000's)*	*Weighted- average years to expiry*	*Weighted-average exercise price (in Cdn.$)*	*Number of exercisable options ('000's)*	*Weighted-average exercise price (in Cdn.$)*
0.84 – 0.99	211	0.62	0.84	211	0.84
1.00 – 1.99	9,805	3.09	1.13	4,682	1.13
2.00 – 2.99	16,434	2.14	2.09	12,760	2.09
3.00 – 3.99	31,077	3.63	3.52	12,123	3.34
4.00 – 4.99	75	4.10	4.05	25	4.05
	57,602	3.10	2.70	29,801	2.44

Subsequent to December 31, 2017, the Company issued 1.7 million shares for proceeds of $3.4 million upon the exercise of stock options.

Restricted share unit plan

On May 6, 2011, the Company's Board of Directors approved a Restricted Share Unit Plan (the "RSU Plan") whereby restricted share units ("RSUs") may be granted to directors, executive officers and employees of the Company. Adoption of the RSU Plan was part of the Company's continuing effort to build upon and enhance long term shareholder value. The RSU Plan reflects the Company's commitment to a long term incentive compensation structure that aligns the interests of its directors, executive officers and employees with the interests of its shareholders. Once vested, each RSU is redeemable for one common share entitling the holder to receive the common share forno additional consideration.

During the year ended December 31, 2017, the Company granted approximately 1.8 million (2016 – 2.1 million) RSUs to executive officers and employees of the Company. One-third of the RSUs vested immediately on the day of grant, another one-third will vest one year from the grant date with the remainder vesting two years from the grant date. The total estimated fair value of the RSU granted was approximately $5.1 million (2016 - $3.3 million) based on the market value of the Company's shares at the grant date. The fair value of each RSU is recorded as a share-based payments expense (and either charged to operations or capitalized to mining interests) over the vesting period.

For the year ended December 31, 2017, share-based payments expense, relating to the vesting of RSUs, was $3.6 million (2016 - $3.7 million), net of $0.3 million (2016 - $0.1 million) capitalized to mining interests.

Summary of changes to RSUs outstanding:

	Number of outstanding RSUs ('000's)
Outstanding at December 31, 2015	1,716
Granted	2,054
Vested and converted to common shares	(2,533)
Outstanding at December 31, 2016	1,237
Granted	1,793
Vested and converted to common shares	(1,760)
Outstanding at December 31, 2017	1,270

Incentive plan

On June 29, 2007, the Company established the B2Gold Incentive Plan (the "Incentive Plan") for the benefit of directors, officers, employees and service providers of the Company and issued to the trustees of the Incentive Plan options to acquire 4.955 million common shares. On October 12, 2007, following the exercise of these options, an aggregate of 4.955 million common shares were issued to and paid for by the trustees of the Incentive Plan. These shares were held in trust by the trustees pursuant to the terms of the Incentive Plan. The Company is required under IFRS to consolidate the trust. The Company recognizes a share-based compensation expense with respect to these incentive shares, when these shares are granted to the ultimate beneficiaries by the trust.

During the year ended December 31, 2016, 1 million common shares were awarded from the trust under the Incentive Plan. In connection with the award, the Company recorded a share-based payments expense of $2.1 million (the market value of the shares on the date of the award).

Deferred share unit plan

During the year ended December 31, 2017, the Company established a Deferred Share Unit plan (the "DSU plan") for the benefit of the directors of the Company. Pursuant to the plan, eligible directors can elect to receive all or part of their total cash compensation in the form of deferred share units ("DSUs"). The number of DSUs granted to an eligible director is determined by dividing the portion of the compensation to be paid in DSUs by the volume weighted average trading price of the common shares on the stock exchange on which the majority of the volume of trading of the shares occurred over the relevant period for the five trading days immediately preceding the date of grant. In addition, the Board may, at its discretion, grant additional DSUs to plan participants. Each eligible director will be required to hold DSUs received until the eligible director ceases to be a director of the Company, following which the DSUs will be settled in cash.

On December 13, 2017, the Company issued 225,000 DSUs with a fair market value of $0.6 million to directors of the Company.

Earnings per share

The following is the calculation of diluted net income for the year:

		2017		*2016*
		$		*$*
Basic and diluted net income for the year (attributable to shareholders of the Company)	**$**	**56,852**	$	39,131

The following is the calculation of diluted weighted average number of shares outstanding for the year:

	2017	***2016***
	$	***$***
Basic weighted average number of shares outstanding (in thousands)	**976,366**	941,737
Effect of dilutive securities:		
Stock options	**14,627**	12,638
Restricted share units	**420**	770
Diluted weighted average number of shares outstanding (in thousands)	**991,413**	955,145

The following is the basic and diluted earnings per share:

	2017	***2016***
	$	***$***
Earnings per share (attributable to shareholders of the Company)		
Basic	**$ 0.06**	$ 0.04
Diluted	**$ 0.06**	$ 0.04

13 Prepaid Sales

In March 2016, the Company entered into Prepaid Sales transactions totalling $120 million, for the delivery of 103,266 ounces, with its RCF Bank Syndicate. The Prepaid Sales, in the form of metal sales forward contracts, allow the Company to deliver pre-determined volumes of gold on agreed future delivery dates in exchange for an upfront cash pre-payment. The full amount of the proceeds was recorded as a Prepaid Sales liability at the time of the transaction. Settlement is in the form of physical deliveries of unallocated gold from any of the Company's mines.

During the year ended December 31, 2017, the Company delivered 51,633 ounces into contracts valued at $60 million. As the Company physically delivered ounces into the contracts, the portion of the Prepaid Sales relating to the delivered ounces was recognized as gold revenue in the statement of operations. During the year ended December 31, 2017, the Company entered into further Prepaid Sales contracts totalling $30 million for delivery of 25,282 ounces of gold.

As at December 31, 2017, the Company had $90 million of outstanding contracts for the delivery of 76,915 ounces with 51,633 ounces to be delivered during 2018 and 25,282 ounces during 2019. As the Company physically delivers ounces into the contracts, the Prepaid Sales liability will be recognised as gold revenue in the statement of operations based on the contract price.

14 Derivative financial instruments

Gold forwards

On June 11, 2015, the Company novated certain executory contracts to the counterparties of the amended RCF (Note 10). The novated contracts were repriced. As a result of the repricing, the contracts are no longer excluded from the scope of IAS 39. These derivative instruments were not designated as hedges by the Company and are recorded at their fair value at the end of each reporting period with changes in fair value recorded in the statement of operations. The Company recognised the full $14.0 million fair value of the new contracts as a liability on the date of novation.

For the year ended December 31, 2017, the Company recorded an unrealized derivative gain of $5.1 million (2016 - $11.4 million) in the statement of operations on these contracts.

As at December 31, 2017, the Company had gold forward contracts with respect to the Otjikoto Mine for the delivery of 35,916 ounces during 2018 at an average price of 15,044 Rand per ounce which are recorded at fair value through the statement of operations. The unrealized fair value of these contracts at December 31, 2017 was $(5.0) million.

Forward contracts – fuel oil, gas oil, diesel

During the year ended December 31, 2017, the Company entered into additional series of forward contracts for the purchase of 46,842,000 litres of fuel oil, 29,375,000 of gas oil and 1,079,000 litres of diesel with settlements scheduled between February 2018 and January 2020. These derivative instruments were not designated as hedges by the Company and are being recorded at their fair value at the end of each reporting period with changes in fair value recorded in the statement of operations. Adjustments to the market value are included in the statement of operations.

For the year ended December 31, 2017, the Company recorded an unrealized derivative gain of $4.6 million (2016 – $11.0 million) in the statement of operations on these contracts.

The following is a summary, by maturity dates, of the Company's forward contracts outstanding as at December 31, 2017:

	2018	***2019***	***2020***	***Total***
Forward – fuel oil:				
Litres (thousands)	45,480	25,860	1,177	72,517
Average strike price	$ 0.30	$ 0.30	$ 0.29	$ 0.30
Forward – gas oil:				
Litres (thousands)	23,458	15,408	745	39,611
Average strike price	$ 0.41	$ 0.41	$ 0.42	$ 0.41
Forward – diesel:				
Litres (thousands)	3,910	1,399	47	5,356
Average strike price	$ 0.41	$ 0.43	$ 0.41	$ 0.42

The unrealized fair value of these contracts at December 31, 2017 was $7.4 million.

Interest rate swaps

During the year ended December 31, 2016, the Company entered into a series of interest swaps with a notional amount of $100 million with settlements scheduled between September 2016 and May 2019. Under these contracts, the Company receives a floating rate equal to the 3 month United States dollar LIBOR rate and pays a fixed rate of 1.04%. These derivative instruments were not designated as hedges by the Company and are being recorded at their fair value at the end of each reporting period with changes in fair value recorded in the statement of operations. The unrealized fair value of these contracts at December 31, 2017 was $1.2 million.

15 Financial instruments

The Company's financial assets and liabilities consist of cash and cash equivalents, accounts receivable, loan receivable, long-term investments, accounts payable and accrued liabilities, fuel derivative contracts, gold derivative contracts, interest rate swaps, and debt.

Fair values

The Company's financial assets and liabilities are classified based on the lowest level of input significant to the fair value measurement based on the fair value hierarchy:

Level 1 – quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data.

As at December 31, 2017, the Company's financial assets and liabilities that are measured and recognized at fair value on a recurring basis are categorized as follows:

	As at December 31, 2017		*As at December 31, 2016*	
	Level 1	***Level 2***	***Level 1***	***Level 2***
	$	***$***	***$***	***$***
Long-term investments *(Note 7)*	**9,744**	**—**	10,028	—
Convertible senior subordinated notes *(Note 10)*	**—**	**(277,650)**	—	(262,793)
Gold forward contracts *(Note 14)*	**—**	**(4,952)**	—	(10,017)
Fuel derivative contracts *(Note 14)*	**—**	**7,366**	—	2,760
Interest rate swaps *(Note 14)*	**—**	**1,246**	—	1,122

The fair value of the Company's long-term investments and convertible senior subordinated notes were determined using market quotes from an active market for each investment.

The fair value of the fuel derivative contracts, gold derivative contracts and interest rate swaps was determined using prevailing market rates for instruments with similar characteristics.

The fair value of the Company's other financial instruments approximate their carrying value.

Capital risk management

The Company's objectives when managing its capital is to ensure it will be able to continue as a going concern while maximizing the return to shareholders. The selling price of gold and minimizing production costs and capital expenditures are key factors in helping the Company reach its capital risk management objectives. The capital structure of the Company includes shareholders' equity and debt.

Credit risk

As at December 31, 2017, the Company's maximum exposure to credit risk was the book value of cash and cash equivalents, accounts receivable, value added and other taxes receivable, loans receivable and counter-party risk for its derivative portfolio. The Company limits its credit exposure on cash and cash equivalents by holding its deposits mainly with high credit quality financial institutions as determined by credit agencies.

Liquidity risk

The Company manages its liquidity risk through its budgeting and forecasting process. Budgets are prepared annually and forecasts are prepared and reviewed on a regular basis, to help determine the funding requirements to support the Company's current operations and expansion and development plans and by managing its capital structure as described above.

As at December 31, 2017, the Company had cash and cash equivalents of $147.5 million. Cash provided by operating activities totalled $155.0 million for the year ended December 31, 2017. As at December 31, 2017, the Company had a $500 million Revolving Credit Facility of which $350 million had been utilized leaving an undrawn balance of $150 million.

As at December 31, 2017, the Company had $26.4 million available under its Fekola equipment loan facility and $9.1 million available under its Masbate equipment loan facility. The Company had drawn down the full amount available under its Otjikoto equipment loan facility.

As at December 31, 2017, the Company's significant commitments are disclosed in the table below. In addition, significant commitments are disclosed in Note 10 for debt repayments and Note 21 for capital expenditure commitments.

	2018	*2019*	*2020*	*2021*	*2022*	*Total*
	$	*$*	*$*	*$*	*$*	*$*
Accounts payable and accrued liabilities	95,092	—	—	—	—	95,092
Derivative liabilities	4,952	—	—	—	—	4,952
Convertible senior subordinated notes:						
Principal	258,750	—	—	—	—	258,750
Interest	8,409	—	—	—	—	8,409
Revolving credit facility:						
Principal	—	—	—	350,000	—	350,000
Interest & commitment fees (estimated)	22,836	17,117	17,117	8,892	—	65,962
Fekola equipment loan facility:						
Principal	11,857	11,857	11,857	11,857	5,076	52,504
Interest (estimated)	2,483	1,870	1,261	644	114	6,372
Otjikoto equipment loan facility:						
Principal	10,319	4,869	3,453	1,958	647	21,246
Interest (estimated)	795	428	234	84	12	1,553
Masbate equipment loan facility:						
Principal	1,749	1,749	1,749	1,749	1,311	8,307
Interest (estimated)	400	309	218	126	34	1,087
Nicaraguan equipment loans:						
Principal	1,056	247	41	—	—	1,344
Interest (estimated)	37	8	—	—	—	45
	418,735	38,454	35,930	375,310	7,194	875,623
Operating lease commitments	3,865	1,723	1,171	1,075	392	8,226
Capital expenditure commitments	10,513	—	—	—	—	10,513
Mine restoration provision	1,819	—	—	9,690	9,690	21,199
Employee future benefits	1,087	1,187	1,676	117	4,566	8,633
Other liabilities	2,516	1,121	—	—	—	3,637
	438,535	42,485	38,777	386,192	21,842	927,831

Market risk

Market risk includes currency and price risk.

The Company's operations in foreign countries are subject to currency fluctuations and such fluctuations may materially affect the Company's financial position and results. The Company reports its financial results in United States dollars and incurs expenses in European euros, CFA francs, Namibian dollars, South African rand, Philippine pesos, Nicaraguan córdobas, United States dollars, Canadian dollars and Colombian pesos. As these exchange rates fluctuate against the United States dollar, the Company will experience foreign exchange gains and losses. The exchange rate between the córdoba and the United States dollar varies according to a pattern set by the Nicaraguan Central Bank. The córdoba has been annually devalued versus the United States dollar by means of a crawling peg mechanism which currently stands at approximately 5%. All of the Company's gold production activities are currently conducted in Mali, Namibia, the Philippines and Nicaragua.

The Company also holds cash and cash equivalents that are denominated in non-United States dollar currencies which are subject to currency risk. As at December 31, 2017, $92.4 million of the Company's $147.5 million in cash and cash equivalents was held in United States dollars. A10% movement in foreign exchange rates versus the United States dollar would result in approximately a $5.5 million change in the Company's cash position.

The Company maintains a portfolio of fuel derivatives, rand denominated gold forwards, United States dollar denominated gold forwards and LIBOR denominated interest rate swaps that are marked to market through the statement of operations. A 10%

change in the forward price of fuel would result in a $4.5 million change in the value of the fuel derivative portfolio. A 10% change in the United States dollar forward price of gold would result a $5.9 million change in the value of the gold forward portfolio and a 10% change in the rand versus the United States dollar would result in a $4.9 million change in the value of the gold forward portfolio. The impact of price changes on interest rate swap contracts would result in an insignificant change in their value.

16 *Income and other taxes*

Income tax expense differs from the amount that would result from applying the Canadian federal and provincial income tax rates to earnings from operations before taxes. These differences result from the following items:

	2017	*2016*
	$	$
Consolidated income before income taxes	**68,896**	68,530
Canadian federal and provincial income tax rates	**26.00%**	26.00%
Income tax expense at statutory rates	**17,913**	17,818
Increase (decrease) attributable to:		
Effects of different foreign statutory tax rates and tax holidays	**(23,358)**	(32,634)
Non-deductible expenditures	**15,218**	9,831
Losses for which no tax benefit has been recorded	**19,880**	24,017
Benefit of tax holiday extension	**—**	(4,802)
Withholding tax and minimum tax	**10,152**	11,669
Change due to foreign exchange	**(30,607)**	(169)
Change in accruals for tax audits	**(649)**	3,704
Changes in estimates of deferred tax assets	**131**	—
Non-deductible portion of losses (gains)	**(500)**	1,744
Amounts under provided for in prior years	**(850)**	(1,248)
Income tax expense	**7,330**	29,930
Current income tax, withholding and other taxes	**27,500**	25,064
Deferred income tax expense (recovery)	**(20,170)**	4,866
Income tax expense	**7,330**	29,930

Total income tax expense (recovery) attributable to geographical jurisdiction is as follows:

	2017	*2016*
	$	$
Namibia	**13,492**	14,010
Mali	**(22,155)**	5,911
Nicaragua	**4,440**	3,646
Philippines	**12,493**	4,718
Canada	**(188)**	(270)
Other	**(752)**	1,915
	7,330	29,930

The composition of the Company's net deferred income tax (liabilities) assets and deferred tax expense (recovery) is as follows:

	Deferred tax (liabilities)/assets		*Deferred income tax expense/(recovery)*	
	As at December 31, 2017	***As at December 31, 2016***	***2017***	***2016***
	$	$	$	$
Operating loss carry-forwards	**58,042**	69,087	**11,045**	(1,253)
Current assets and liabilities	**789**	(22)	**(811)**	(86)
Derivatives	**1,857**	3,757	**1,900**	4,264
Mining interests	**(131,792)**	(157,397)	**(25,605)**	7,007
Long term debt	**—**	—	**—**	(5,401)
Mine restoration provisions	**19,398**	15,240	**(4,158)**	(548)
Other	**(2,379)**	(4,737)	**(2,358)**	1,150
Deferred tax charged to equity	**—**	—	**(183)**	(267)
	(54,085)	(74,072)	**(20,170)**	4,866

Represented on the balance sheet as:

	2017	***2016***
	$	$
Deferred tax asset	**(27,433)**	—
Deferred tax liability	**81,518**	74,072
Balance, end of year	**54,085**	74,072

The Company has the following unrecognized deferred tax assets:

	2017	***2016***
	$	$
Capital and non-capital tax losses	**112,886**	105,221
Current assets	**111**	225
Debt and share issue costs	**864**	2,166
Mine restoration provisions	**11,470**	9,039
Mining interests and other	**2,769**	4,340
Long-term debt	**7,805**	3,653
	135,905	124,644

The Company has not recognized the potential deferred tax assets of$135.9 million (2016 - $124.6 million) as it is not probable that future taxable profits will be available against which the Company can utilize the potential deferred tax assets.

The change for the year in the Company's net deferred tax liability was as follows:

	2017	***2016***
	$	$
Balance, beginning of year	**74,072**	68,939
Deferred income tax expense (recovery)	**(20,170)**	4,866
Amount charged to OCI	**183**	267
	(19,987)	5,133
Balance, end of year	**54,085**	74,072

At December 31, 2017, the Company had tax losses which are not recognized as deferred tax assets. The Company recognizes the tax benefit of the tax losses only to the extent of anticipated future taxable income that can be reduced by tax losses. The gross amount of the tax losses for which a tax benefit has not been recorded expire as follows:

Year of expiry	*Canada* $	*Colombia* $	*Nicaragua* $	*Total* $
2018	—	—	5,030	5,030
2027	125	—	—	125
2028	568	—	—	568
2029	4,536	—	—	4,536
2030	10,602	—	—	10,602
2031	7,809	—	—	7,809
2032	13,200	—	—	13,200
2033	5,535	—	—	5,535
2034	30,130	—	—	30,130
2035	37,226	—	—	37,226
2036	40,370	—	—	40,370
2037	38,232	—	—	38,232
No expiry	—	3,746	18,952	22,698
Total	188,333	3,746	23,982	216,061

At December 31, 2017 the Company had capital losses in Canada of$406.9 million which have no expiry date and can be applied against future capital gains.

During the year ended December 31, 2017 the Company paid $11.6 million (2016 - $8.7 million) of income taxes in cash.

17 Supplementary cash flow information

Supplementary disclosure of cash flow information is provided in the table below:

Non-cash (credits) charges:

	2017 $	*2016* $
Depreciation and depletion	**160,469**	172,324
Delivery into prepaid sales *(Note 13)*	**(60,000)**	—
Share-based payments *(Note 12)*	**18,127**	13,651
Gain on sale of Lynn Lake royalty *(Note 8)*	**(6,593)**	—
Write-down of mineral property interests *(Note 8)*	**4,150**	5,068
Provision for non-recoverable input taxes	**2,180**	2,767
Unrealized loss on fair value of convertible notes *(Note 10)*	**11,144**	46,742
Loss on sale of mineral properties *(Note 8)*	**—**	9,886
Unrealized gain on derivative instruments *(Note 14)*	**(9,684)**	(22,697)
Write-down of long-term investments *(Note 7)*	**1,613**	2,856
Deferred income tax (recovery) expense *(Note 16)*	**(20,170)**	4,866
Accretion of mine restoration provisions *(Note 11)*	**1,855**	1,144
Other	**6,727**	8,827
	109,818	245,434

Changes in non-cash working capital:

	2017	*2016*
	$	$
Accounts receivable and prepaids	**(6,768)**	3,728
Value-added and other tax receivables	**(4,441)**	1,713
Inventories	**(58,059)**	(17,855)
Accounts payable and accrued liabilities	**20,386**	10,429
Current taxes payables	**9,201**	3,996
	(39,681)	2,011

Other exploration and development:

	2017	*2016*
	$	$
Fekola Mine, exploration	**(8,441)**	(3,698)
Otjikoto Mine, exploration	**(1,220)**	(1,994)
Masbate Mine, exploration	**(4,668)**	(4,492)
Libertad Mine, exploration	**(6,751)**	(4,269)
Limon Mine, exploration	**(6,362)**	(3,453)
Kiaka Project, exploration	**(4,512)**	(3,229)
Fekola Regional, exploration	**(6,245)**	(5,165)
Ondundu Project, exploration	**(3,116)**	(1,572)
Toega Project, exploration	**(5,784)**	(3,007)
Other	**(6,574)**	(6,157)
	(53,673)	(37,036)

Non-cash investing and financing activities:

	2017	*2016*
	$	$
Common shares issued for mineral property interests	**—**	1,716
Share-based payments, capitalized to mineral property interests	**3,622**	1,167
Interest expense, capitalized to mining interests	**20,052**	10,675
Change in current liabilities relating to mineral property expenditures	**(6,759)**	11,253
Common shares issued for purchase of non-controlling interest	**(2,000)**	—
Foreign exchange loss on Fekola equipment loan facility	**(4,776)**	—

18 Compensation of key management

Key management includes the Company's directors, members of the Executive Committee and members of Senior Management. Compensation to key management included:

	2017	*2016*
	$	$
Salaries and short-term employee benefits	**6,841**	9,232
Share-based payments	**6,075**	6,544
	12,916	15,776

19 Production costs by nature

	2017	*2016*
	$	$
Raw materials and consumables	**184,746**	148,516
Contractors	**63,328**	81,005
Salaries and employee benefits	**74,010**	67,327
Electricity	**18,652**	19,628
Equipment rental	**6,987**	920
Other	**21,767**	19,844
Silver credits	**(7,850)**	(11,997)
Change in inventories	**(26,140)**	(18,569)
Capitalized to mining interests	**(33,106)**	(31,274)
	302,394	275,400

Salaries and employee benefits expense included in general and administrative costs were $21.9 million for the year ended December 31, 2017 (2016 - $22.4 million).

20 Segmented information

The Company's reportable operating segments include its mining operations and development projects, namely the Fekola, Otjikoto, Masbate, Libertad and Limon mines, and the Gramalote and Kiaka projects. The "Other Mineral Properties" segment consists of the Company's interests in mineral properties which are at various stages of exploration. The "Corporate and Other" segment includes corporate operations.

The Company's segments are summarized in the following tables.

	2017									
	Fekola Mine	*Otjikoto Mine*	*Masbate Mine*	*Libertad Mine*	*Limon Mine*	*Gramalote Project*	*Kiaka Project*	*Other Mineral Properties*	*Corporate & Other*	*Total*
	$	*$*	*$*	*$*	*$*	*$*	$	*$*	$	*$*
Gold revenue	6,064	235,938	247,561	83,256	5,858	—	—	—	60,000	638,677
Intersegment gold revenue	—	—	—	21,528	43,721	—	—	—	(65,249)	—
Production costs	1,496	85,891	106,649	68,658	39,700	—	—	—	—	302,394
Depreciation & depletion	1,122	66,081	37,059	38,062	18,145	—	—	—	213	160,682
Write-down mineral property interest	—	2,700	—	—	—	—	—	1,450	—	4,150
Current income tax, withholding and other taxes	8,014	2,358	10,824	5,027	1,243	—	—	—	34	27,500
Net income (loss)	14,824	46,944	70,205	(17,420)	(17,160)	—	2,285	(1,495)	(36,617)	61,566
Capital expenditures	161,872	42,392	57,255	30,557	22,410	11,967	4,512	21,719	437	353,121
Total assets	1,213,244	466,767	520,969	108,109	72,420	65,830	70,263	82,822	84,733	2,685,157

	2016									
	Otjikoto Mine	*Masbate Mine*	*Libertad Mine*	*Limon Mine*	*Fekola Project*	*Gramalote Project*	*Kiaka Project*	*Other Mineral Properties*	*Corporate & Other*	*Total*
	$	*$*	*$*	*$*	*$*	*$*	*$*	*$*	*$*	*$*
Gold revenue	207,674	255,580	163,660	56,379	—	—	—	—	—	683,293
Production costs	61,756	93,822	85,048	34,774	—	—	—	—	—	275,400
Depreciation & depletion	54,859	40,037	57,326	20,102	—	—	—	—	214	172,538
Write-down mineral property interest	—	—	—	—	—	—	142	4,926	—	5,068
Current income tax, withholding and other taxes	2,865	6,150	8,751	4,771	2,503	—	—	—	24	25,064
Net (loss) income	56,960	96,244	4,376	(11,855)	(6,110)	—	(557)	(14,954)	(85,504)	38,600
Capital expenditures	41,235	36,384	22,812	11,202	245,438	11,784	3,229	15,901	(235)	387,750
Total assets	470,932	510,819	129,819	68,406	909,627	53,724	65,074	60,337	67,397	2,336,135

The Company's mining interests are located in the following geographical locations:

	2017	*2016*
	$	$
Mining interests		
Mali	**1,081,364**	923,122
Philippines	**431,797**	413,113
Namibia	**369,763**	387,874
Nicaragua	**121,671**	122,095
Colombia	**94,871**	82,728
Burkina Faso	**85,676**	72,422
Finland	**2,991**	1,642
Canada	**711**	487
Other	**1,119**	597
	2,189,963	2,004,080

21 Commitments

As at December 31, 2017, the Company had the following commitments (in addition to those disclosed elsewhere in these financial statements):

- For payments of $6.1 million for Fekola Mine equipment, all of which is expected to be incurred in 2018.
- For payments of $2.6 million for mobile equipment at the Masbate Mine, all of which is expected to be incurred in 2018.
- For payments of $1.8 million for the solar plant at the Otjikoto Mine, all of which is expected to be incurred in 2018.

B2GOLD CORP.

MINING INTEREST SCHEDULE (NOTE 22)

For the year ended December 31, 2017

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

	Cost					*Accumulated depreciation*				*Net carrying value*	
	Balance at Dec. 31, 2016	***Additions***	***Disposals / write-offs***	***Reclass***	***Balance at Dec. 31, 2017***	***Balance at Dec. 31, 2016***	***Depreciation***	***Disposals / write-offs***	***Balance at Dec. 31, 2017***	***As at Dec. 31, 2017***	***As at Dec. 31, 2016***
	$	$	$	$	**$**	**$**	**$**	$	**$**	**$**	**$**
Property, plant and equipment (depletable)											
Fekola	—	26,577	—	1,068,207	1,094,784	—	(35,477)	—	(35,477)	1,059,307	—
Otjikoto	481,378	46,193	(2,966)	2,464	527,069	(95,698)	(67,680)	225	(163,153)	363,916	385,680
Masbate	517,457	56,815	(9,430)	60,880	625,722	(165,224)	(37,999)	9,298	(193,925)	431,797	352,233
Libertad	300,816	35,190	(355)	—	335,651	(226,488)	(37,425)	75	(263,838)	71,813	74,328
Limon	151,186	23,420	(1,248)	—	173,358	(107,255)	(21,610)	1,125	(127,740)	45,618	43,931
	1,450,837	188,195	(13,999)	1,131,551	2,756,584	(594,665)	(200,191)	10,723	(784,133)	1,972,451	856,172
Undeveloped mineral interests											
Masbate	60,880	—	—	(60,880)	—	—	—	—	—	—	60,880
Mine under construction											
Fekola	908,855	159,352	—	(1,068,207)	—	—	—	—	—	—	908,855
Exploration & evaluation properties (non-depletable)											
Kiaka	64,907	5,082	—	—	69,989	—	—	—	—	69,989	64,907
Mocoa	29,004	37	—	—	29,041	—	—	—	—	29,041	29,004
Fekola Regional	9,326	7,885	—	—	17,211	—	—	—	—	17,211	9,326
Toega	4,819	5,784	—	—	10,603	—	—	—	—	10,603	4,819
Ondundu	2,130	3,116	—	—	5,246	—	—	—	—	5,246	2,130
Other	13,776	6,555	(1,450)	—	18,881	—	—	—	—	18,881	13,776
	123,962	28,459	(1,450)	—	150,971	—	—	—	—	150,971	123,962
Corporate											
Office, furniture & equipment	1,827	437	—	—	2,264	(1,340)	(213)	—	(1,553)	711	487
	2,546,361	376,443	(15,449)	2,464	2,909,819	(596,005)	(200,404)	10,723	(785,686)	2,124,133	1,950,356
Investments in joint ventures (accounted for using the equity method)											
Gramalote	53,724	12,106	—	—	65,830	—	—	—	—	65,830	53,724
	2,600,085	388,549	(15,449)	2,464	2,975,649	(596,005)	(200,404)	10,723	(785,686)	2,189,963	2,004,080

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MINING INTEREST SCHEDULE (NOTE 22)

For the year ended December 31, 2016

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

	Cost					*Accumulated depreciation*				*Net carrying value*	
	Balance at Dec. 31, 2015	***Acquisition costs/ Additions***	***Disposals / write-offs***	***Reclass***	**Balance at Dec. 31, 2016**	**Balance at Dec. 31, 2015**	***Depreciation***	***Disposals / write-offs***	**Balance at Dec. 31, 2016**	**As at Dec. 31, 2016**	**As at Dec. 31, 2015**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Property, plant and equipment (depletable)											
Otjikoto	437,591	45,880	(882)	(1,211)	481,378	(41,810)	(54,270)	382	(95,698)	385,680	395,781
Masbate	472,021	35,128	(1,494)	11,802	517,457	(125,574)	(40,519)	869	(165,224)	352,233	346,447
Libertad	272,295	29,020	(499)	—	300,816	(169,721)	(57,001)	234	(226,488)	74,328	102,574
Limon	140,791	10,480	(85)	—	151,186	(87,197)	(20,101)	43	(107,255)	43,931	53,594
	1,322,698	120,508	(2,960)	10,591	1,450,837	(424,302)	(171,891)	1,528	(594,665)	856,172	898,396
Undeveloped mineral interests											
Masbate	72,682	—	—	(11,802)	60,880	—	—	—	—	60,880	72,682
Mine under construction											
Fekola	631,524	276,776	—	555	908,855	—	—	—	—	908,855	631,524
Exploration & evaluation properties (non-depletable)											
Kiaka	61,527	3,380	—	—	64,907	—	—	—	—	64,907	61,527
Mocoa	28,717	287	—	—	29,004	—	—	—	—	29,004	28,717
Calibre	11,252	514	(11,766)	—	—	—	—	—	—	—	11,252
Fekola Regional	4,212	5,114	—	—	9,326	—	—	—	—	9,326	4,212
Toega	1,812	3,007	—	—	4,819	—	—	—	—	4,819	1,812
Ondundu	558	1,572	—	—	2,130	—	—	—	—	2,130	558
Other	11,758	5,883	(3,865)	—	13,776	—	—	—	—	13,776	11,758
	119,836	19,757	(15,631)	—	123,962	—	—	—	—	123,962	119,836
Corporate											
Office, furniture & equipment	2,062	(235)	—	—	1,827	(1,134)	(206)	—	(1,340)	487	928
	2,148,802	416,806	(18,591)	(656)	2,546,361	(425,436)	(172,097)	1,528	(596,005)	1,950,356	1,723,366
Investments in joint ventures (accounted for using the equity method)											
Gramalote	41,193	12,531	—	—	53,724	—	—	—	—	53,724	41,193
Quebradona	1,201	—	(1,201)	—	—	—	—	—	—	—	1,201
	42,394	12,531	(1,201)	—	53,724	—	—	—	—	53,724	42,394
	2,191,196	429,337	(19,792)	(656)	2,600,085	(425,436)	(172,097)	1,528	(596,005)	2,004,080	1,765,760

B2GOLD CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended December 31, 2017

(All tabular amounts are expressed in thousands of United States dollars, unless otherwise stated)

This Management's Discussion and Analysis ("MD&A") has been prepared as at March 14, 2018 and contains certain "forward-looking statements" under Canadian and United States securities laws. All statements, other than statements of historical fact, included herein, including without limitation statements regarding potential mineralization, exploration results and future plans and objectives of B2Gold Corp. (the "Company" or "B2Gold"), are forward-looking statements that involve various risks, uncertainties and assumptions. See the "Caution on Forward-Looking Information" section. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements, as a result of a number of factors, including those set out in "Risks and Uncertainties."

The following discussion of the operating results and financial position of the Company should be read in conjunction with the audited consolidated financial statements and the notes thereto of the Company for the year ended December 31, 2017. These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are expressed in United States dollars, unless otherwise stated. All production results and the Company's guidance presented in this MD&A reflect total production at the mines the Company operates on a 100% basis.

Additional information related to B2Gold Corp., including our Annual Information Form, is available on SEDAR at www.sedar.com.

OVERVIEW

B2Gold Corp. is a Vancouver-based gold producer with five operating mines (one in Mali, one in Namibia, one in the Philippines and two in Nicaragua). In addition, the Company has a portfolio of other evaluation and exploration projects in Mali, Burkina Faso, Colombia, Nicaragua, Namibia and Finland. The Company currently operates the Fekola Mine in Mali, which achieved commercial production on November 30, 2017, the Otjikoto Mine in Namibia, the Masbate Mine in the Philippines and La Libertad and El Limon Mines in Nicaragua. The Company presently has an 81% interest in the Kiaka Project in Burkina Faso and a 49% interest in the Gramalote Project in Colombia.

Basis of presentation

The Fekola Mine commenced operation on September 25, 2017 and reached commercial production on November 30, 2017. In total for the year to December 31, 2017, the Fekola Mine produced 111,450 ounces of gold. This included 79,243 ounces produced in the pre-commercial production period to November 30, 2017. In accordance with the Company's accounting policy, costs and revenues related to ounces produced in the pre-commercial operating period up to November 30, 2017 are not recorded in the statement of operations but are capitalized and treated as part of the net cost of construction of the Fekola Mine. Revenue from sales of the 79,243 pre-commercial production ounces totalled $100.9 million and the total related costs of production were $27.5 million, for a net credit of $73.4 million, which was capitalized against Fekola property costs. Consistent with the exclusion of these revenues and costs from the determination of net income for the period, the related cash flows are not reflected as part of cash flow from operations but rather are shown as part of investing cash flows. Revenues and associated costs of production for ounces produced and sold subsequent to November 30, 2017, are included as part of net income and cash flows from operating activities.

Results highlights

On September 25, 2017, the Company announced that it had completed construction of the Fekola mill on budget and commenced ore processing at the Fekola Mine, more than three months ahead of the original schedule. The first gold pour at the Fekola Mine was achieved on October 7, 2017. On November 30, 2017, the Fekola Mine achieved commercial production, one month ahead of the revised schedule and four months ahead of the original schedule. The commercial production criteria used was 30 consecutive days of mill throughput at 65% of nameplate capacity. Throughput ran above nameplate capacity during the 30-day test period with significantly better than budgeted plant availability, mill feed grades, and recoveries.

Consolidated gold revenue in the fourth quarter of 2017 was $174.0 million on sales of 137,695 ounces at an average price of $1,264 per ounce compared to $181.2 million on sales of 151,524 ounces at an average price of $1,196 per ounce in the fourth quarter of 2016. The 4% (or $7.2 million) decrease in gold revenue for the quarter was mainly attributable to a 9% decrease in gold sales volume partially offset by a 6% increase in the average realized gold price. For accounting purposes, gold revenue earned net of related production costs from the sale of pre-commercial production have been credited to Fekola's mineral property development costs. The Fekola Mine produced 105,110 ounces in the quarter ended December 31, 2017. A total of 84,000 ounces were sold with the remaining 27,450 ounces being recorded in inventory at December 31, 2017. Of the ounces sold, 79,243 ounces related to pre-commercial production. Consequently, only 4,757 of the ounces sold (for revenue of $6.1 million) were reflected as Fekola Mine commercial production and recorded in the statement of operations for the year ended December 31, 2017. The timing of gold shipments at the Fekola Mine at the end of December 2017 also impacted the gold available for sale in the quarter. If all gold sales from the Fekola Mine for the fourth quarter of 2017 are included, consolidated gold revenue was a quarterly record of

$274.9 million (including $100.9 million from sales of pre-commercial production from Fekola) on sales of 216,938 ounces (including 79,243 ounces of pre-commercial sales from Fekola) at an average realized price of $1,267 per ounce.

Consolidated gold revenue for the year ended December 31, 2017 was $638.7 million on sales of 510,966 ounces at an average price of $1,250 per ounce compared to $683.3 million on sales of 548,281 ounces at an average price of $1,246 per ounce in 2016. Compared to the prior year, the decrease in annual gold revenue was attributable to a 7% decrease in gold sales volume due to the timing of gold shipments at the Otjikoto and Masbate Mines which impacted the available gold for sale in 2017. For accounting purposes, gold revenue earned net of related production costs from the sale of pre-commercial production have been credited to Fekola's mineral property development costs. The Fekola Mine produced 111,450 ounces in the year ended December 31, 2017. A total of 84,000 ounces were sold with the remaining 27,450 ounces being recorded in inventory at December 31, 2017. Of the ounces sold, 79,243 ounces related to pre-commercial production. Consequently, only 4,757 of the ounces sold (for revenue of $6.1 million) were reflected as Fekola Mine commercial production and recorded in the statement of operations for the year ended December 31, 2017. If all gold sales from the Fekola Mine for the year ended December 31, 2017 were included, consolidated gold revenue was an annual record of $739.5 million (including $100.9 million of pre-commercial sales from Fekola) on sales of 590,209 ounces (including 79,243 ounces of pre-commercial sales from Fekola) at an average realized price of $1,253 per ounce. At December 31, 2017, the Company had approximately 36,000 ounces more of gold bullion on hand than at December 31, 2016 with the biggest contributor being from the Fekola Mine (24,107 ounces). The timing of gold shipments at the Fekola Mine at the end of December 2017 also impacted the gold available for sale. These ounces were sold in the first quarter of 2018.

In the fourth quarter of 2017, the Company produced a quarterly record of 240,753 ounces (including 72,903 ounces of pre-commercial production from Fekola) exceeding reforecast production by 5% (or 10,473 ounces) and significantly exceeding budget by 28% (or 52,141 ounces). Consolidated gold production for the quarter also increased by 71% (or 100,102 ounces) over the same quarter in 2016. If pre-commercial production from Fekola is excluded, B2Gold's consolidated gold production (including Fekola results from December 1, 2017) was 167,850 ounces.

Consolidated gold production for the year ended December 31, 2017 was an annual record of 630,565 ounces (including 79,243 ounces of pre-commercial production from Fekola), exceeding the upper end of its revised guidance range (of 580,000 to 625,000 ounces) and well above the upper end of its original guidance range (of 545,000 to 595,000 ounces). Consolidated gold production for the year increased by 15% (or 80,142 ounces) over 2016 reflecting the early start-up and strong ramp-up performance of the new Fekola Mine and the continued, very strong operational performances of both the Masbate Mine in the Philippines and Otjikoto Mine in Namibia. If pre-commercial production from Fekola is excluded, B2Gold's consolidated gold production (including Fekola results from December 1, 2017) was 551,322 ounces.

Including only commercial production results from Fekola from December 1, 2017, consolidated cash operating costs[1] for the quarter were $565 per ounce, $28 per ounce or 5% less than budget and comparable to the fourth quarter of 2016 ($19 per ounce or 3% higher). The favourable variance against budget reflects higher than budgeted gold production at the Masbate and Otjikoto mines coupled with slightly lower production costs at the Masbate Mine and the newly operational Fekola Mine (Fekola cash operating costs were $311 per ounce for the one month period ended December 31, 2017). These favourable variances were partially offset by the lower production from La Libertad and El Limon mines. If pre-commercial production results from Fekola are included, consolidated cash operating costs for the fourth quarter of 2017 (including three months of results from Fekola at $277 per ounce), were $473 per ounce, $120 per ounce or 20% lower than budgeted (refer to *"Fekola Mine - Mali"* section below).

Including only commercial production results from Fekola from December 1, 2017, consolidated cash operating costs for the year ended December 31, 2017 were $579 per ounce, $50 per ounce or 8% less than budget but $71 per ounce or 14% more than the comparable period in 2016. The favourable variance against budget reflects higher than budgeted gold production at the Masbate and Otjikoto mines coupled with slightly lower production costs at the Fekola, Masbate and Otjikoto mines. These favourable variances were partially offset by the lower production from La Libertad and El Limon mines. Consolidated cash operating costs per ounce for the year ended December 31, 2017 were higher than the comparable prior year period mainly due to higher production costs in 2017. Higher production costs in 2017 included higher fuel unit costs and a stronger Namibian dollar/US dollar foreign exchange rate in the prior year. If pre-commercial production results from the Fekola Mine are included, consolidated cash operating costs for the year ended December 31, 2017 (including three months of results from Fekola at $277 per ounce), were $542 per ounce, $87 per ounce or 14% below budget as a result of Fekola's cash operating costs being significantly below budget (refer to *"Fekola Mine - Mali"* section below). Cash operating costs for 2017 were significantly below the low end of the Company's guidance range of $610 to $650 per ounce.

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[1] "Cash operating costs" a non-IFRS measure; for a reconciliation from this measure to the most directly comparable measure specified, defined or determined under IFRS and presented in our financial statements, refer to "Non-IFRS Measures"

Including only commercial production results from Fekola from December 1, 2017, all-in sustaining costs[2] for the three months ended December 31, 2017 were $905 per ounce compared to budget of $767 per ounce and $877 per ounce for the same period of 2016. The increase compared to budget was a result of higher than budgeted capital expenditures at the Masbate Mine due to the timing of the purchase of mobile equipment during the fourth quarter of 2017 which was originally planned for earlier in 2017 as well as slightly higher expenditures at La Libertad and El Limon. These were partially offset by the reduction in cash operating costs per ounce discussed above. If pre-commercial production results from Fekola are included, all-in sustaining costs for the fourth quarter of 2017 were $754 per ounce (including three months of Fekola at $419 per ounce). The consolidated all-in sustaining costs for the quarter were $13 per ounce or 2% less than budget.

Including only commercial production results from Fekola from December 1, 2017, all-in sustaining costs for the year ended December 31, 2017 were $920 per ounce compared to a budget of $955 per ounce and $794 per ounce for the prior year comparable period. The reductions compared to budget were driven by the same factors impacting the reduction in cash operating costs per ounce slightly offset by higher capital expenditures compared to budget for the year. If pre-commercial production results from Fekola are included (including 3 months of results for Fekola at $419 per ounce), all-in sustaining costs for the year ended December 31, 2017 were $860 per ounce. The consolidated all-in sustaining costs for the year were $95 per ounce or 10% below budget and significantly below the low end of the Company's all-in sustaining cost guidance range of $940 to $970 per ounce for the year.

For the fourth quarter of 2017, the Company recorded net income of $34.5 million ($0.03 per share) compared to net income of $8.1 million ($0.01 per share) in the fourth quarter of 2016. Adjusted net income[3] was $5.7 million ($0.01 per share) in the fourth quarter of 2017 compared to $2.5 million ($0.00 per share) in the fourth quarter of 2016. For the year ended December 31, 2017, the Company recorded net income of $61.6 million ($0.06 per share) compared to net income of $38.6 million ($0.04 per share) for the same period of 2016. Adjusted net income was $51.8 million ($0.05 per share) for 2017 compared to $99.0 million ($0.11 per share) for 2016. For the quarter and year ended December 31, 2017, proceeds from the sales of pre-commercial production for Fekola ($100.9 million) and related production costs ($27.5 million) for a net amount of $73.4 million were recorded as a credit against the Fekola Mine mineral property and were not recorded as part of the determination of net income in the consolidated statement of operations. In addition, the related net cash inflows of $73.4 million from sales of Fekola pre-commercial production were recorded as part of investing activities in the consolidated statement of cash flows rather than as part of operating activities.

On March 14, 2017, the Company received a binding letter of commitment from the Canadian Imperial Bank of Commerce to participate in the Company's revolving credit facility ("existing RCF") Bank Lending Syndicate. On May 8, 2017, the loan documentation was completed and the aggregate amount of the existing RCF increased from $350 million to $425 million. On July 7, 2017, the Company entered into an amended and restated credit agreement with its syndicate of international banks ("amended RCF") of an aggregate amount of $500 million, representing a $75 million increase from the principal amount of $425 million under its existing RCF. The amended RCF also allows for an accordion feature whereby upon receipt of additional binding commitments, the facility may be increased to $600 million any time prior to the maturity date. The term of the upsized revolving credit facility is four years, maturing on July 7, 2021. The amended RCF will bear interest on a sliding scale of between LIBOR plus 2.25% to 3.25% based on the Company's consolidated net leverage ratio. Between January 1, 2018 and October 1, 2018, for such time as the indebtedness outstanding under the Company's existing convertible notes is greater than $100 million, the sliding scale interest will temporarily increase to a sliding scale range of between LIBOR plus 2.50% to 4.00%. The increase in the sliding scale rate will cease upon the earlier of (1) reduction of outstanding indebtedness under the Company's convertible notes to $100 million or less and (2) maturity of the notes on October 1, 2018.

With the announcement of the recently upsized RCF to $500 million and combined with the Company's projected cash flow from operations in 2018, incorporating a full year of commercial production for the Fekola Mine, the Company has given itself increased financial flexibility. Proceeds from the new upsized RCF will be used for general corporate purposes and may be used to prepay or repay the Company's existing convertible notes.

At December 31, 2017 the Company had cash and cash equivalents of $147.5 million compared to cash and cash equivalents of $144.7 million at December 31, 2016. The Company had a working capital deficit at December 31, 2017 of $98.7 million compared to working capital of $101.0 million at December 31, 2016. The working capital deficit resulted from the reclassification of the Company's convertible senior subordinated notes to current liabilities as they mature on October 1, 2018. In 2016, the Company made a strategic decision to fund the construction of the Fekola Mine without using any equity to fund part of the construction cost. Construction and pre-development of the Fekola Mine were funded using a combination of operating cash flows from the Company's existing mine and debt facilities including the Company's RCF and Fekola equipment financing loans. In addition, the Company entered into $120 million of Prepaid Sales arrangements, the proceeds of which were used to help fund Fekola construction costs in 2016.

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[2] "All-in sustaining costs" is a non-IFRS measure; for a reconciliation from this measure to the most directly comparable measure specified, defined or determined under IFRS and presented in our financial statements, refer to "Non-IFRS Measures"

[3] "Adjusted net income" is a non-IFRS measure; for a reconciliation from this measure to the most directly comparable measure specified, defined or determined under IFRS and presented in our financial statements, refer to "Non-IFRS Measures"

In 2016, the Company made a strategic decision to fund the construction of the Fekola Mine without using any equity to fund part of the construction cost. With the successful and earlier than anticipated ramp up of the Fekola Mine in 2017, the Company is well positioned to execute the second part of its debt funding strategy and has started to reduce its overall consolidated debt levels. This planned repayment of debt includes the anticipated repayment of the Company's $259 million convertible notes which mature on October 1, 2018, unless the notes are converted into shares prior to that date. While the current convertible market remains attractive, the Company has allowed the notes to fall under amounts due within one year on the basis that the Company projects that it will have sufficient liquidity from 2018 operating cash flows and existing credit facilities to repay the notes in full and maintain a strong cash position. This position mirrors the Company's current strategy to focus on developing its budgeted organic growth opportunities in the short to mid-term using a portion of its projected ongoing cash flow from existing operations, including Fekola, coupled with its Revolving Credit Facility without the need for additional new external debt or equity financing.

At December 31, 2017, the Company had drawn $350 million under the $500 million amended RCF, leaving an undrawn and available balance under the existing facility of $150 million. At December 31, 2017, the Company also had Euro 22 million ($26.4 million equivalent) of undrawn capacity on its Fekola equipment loan facility and $9.1 million of undrawn capacity on its Masbate equipment loan facility. The Company expects to utilize the balance of both undrawn equipment loan facilities for equipment purchases in 2018 and early 2019. Overall, based on current assumptions including a gold price assumption of $1,300 per ounce, the Company believes that its future cash flows from operations along with the undrawn and available balances on its current facilities will allow it to meet all of its current obligations as they fall due and maintain a strong cash position.

On February 22, 2018, the Company announced a positive initial Inferred Mineral Resource estimate for the Toega Project located in Burkina Faso with an initial Inferred Mineral Resource estimate of 17,530,000 tonnes of 2.01 grams per tonne (“g/t”), containing 1,130,000 ounces of gold (100% basis). Toega mineralized zone now extends 1,200 metres along strike, and is 430 metres wide and up to 400 metres deep. Toega mineralized zone remains open along strike to the north-northeast and down dip. Recent drilling has intersected good grade in a potential new mineralized zone. Drilling is ongoing to infill and determine the ultimate size of the Toega zone and to further test the new mineralized zone. The Toega Inferred Mineral Resources are amenable to open-pit mining methods and are reported within a pit shell run using a gold price of US$1,400/oz., an average gold recovery of 86.2 % (based on preliminary metallurgical testwork), an assumed pit slope parameter of 50 degrees and preliminary costs based on input from other B2Gold mining operations. Costs used for pit generation are a mining cost of US$2.50 per tonne mined, processing cost of US$10.00 per tonne and G&A cost of US$2.10 per tonne processed.

On February 23, 2018, the Company announced a positive initial open-pit resource at the newly-discovered El Limon Central zone, at the El Limon property in Nicaragua, of 5,130,000 tonnes at a grade of 4.92 g/t) of gold containing 812,000 ounces of gold (100% basis). Inferred Mineral Resources are amenable to open-pit mining methods and are reported within a pit shell run using a gold price of US$1,400/oz., an average gold recovery of 83.8% (based on preliminary metallurgical testwork), and recent EL Limon Mine cash operating costs. The El Limon Central zone, at its closest location, is approximately 150 metres from the El Limon mill facility, extending southeast and northwest, adjacent to existing plant and administrative infrastructure. Historical records indicate that parts of the Central zone had been mined underground in past decades. B2Gold's recent exploration work indicates the underground mining was much more limited than previously thought. B2Gold is currently conducting additional metallurgical testing on the El Limon Central ore and a study to evaluate the potential to expand the El Limon throughput to significantly increase annual gold production and reduce cash operating costs. The study is expected to be completed by mid-2018.

With the large, low-cost Fekola Mine now in production, B2Gold is on target to achieve transformational growth in 2018. With the planned first full year of production from the Fekola Mine, the outlook for 2018 provides for dramatic production growth of approximately 300,000 ounces versus 2017, as consolidated annual gold production is expected to increase significantly to be between 910,000 and 950,000 ounces with cash operating costs expected to remain low at between $505 and $550 per ounce and all-in sustaining costs are expected to decrease by approximately 6% from 2017 and be between $780 and $830 per ounce.

REVIEW OF FINANCIAL RESULTS

Selected Quarterly and Year-to-date Financial and Operating Results

	Three months ended December 31		Year ended December 31		
	2017	**2016**	**2017**	**2016**	**2015**
Gold revenue[1] ($ in thousands)	173,990	181,189	638,677	683,293	553,656
Net income (loss)[1] ($ in thousands)	34,466	8,077	61,566	38,600	(145,113)
Earnings (loss) per share – basic [1][3] ($/share)	0.03	0.01	0.06	0.04	(0.16)
Earnings (loss) per share – diluted [1][3] ($/share)	0.03	0.00	0.06	0.04	(0.16)
Cash flows from operating activities [4] ($ in thousands)	25,606	82,338	155,000	411,811	175,402
Total assets ($ in thousands)	2,685,157	2,336,135	2,685,157	2,336,135	2,024,382
Non-current liabilities ($ in thousands)	624,220	705,530	624,220	705,530	612,923
Gold sold, excluding Fekola and Otjikoto pre-commercial production results[1] (ounces)	137,695	151,524	510,966	548,281	481,185
Average realized gold price[1] ($/ounce)	1,264	1,196	1,250	1,246	1,151
Excluding Fekola and Otjikoto pre-commercial production results [1]:					
Gold produced [1] (ounces)	167,850	140,651	551,322	550,423	474,450
Cash operating costs[1][5] ($/ounce gold)	565	546	579	508	616
Total cash costs[1][5] ($/ounce gold)	611	591	625	554	665
All-in sustaining costs[1][5] ($/ounce gold)	905	877	920	794	947
Adjusted net income [1][5] ($ in thousands)	5,704	2,506	51,799	98,972	13,344
Adjusted earnings per share [1][5] – basic ($)	0.01	0.00	0.05	0.11	0.01
Including Fekola and Otjikoto pre-commercial production results [2]:					
Gold sold, including Fekola and Otjikoto pre-commercial production results[2] (ounces)	216,938	151,524	590,209	548,281	499,651
Gold produced[2] (ounces)	240,753	140,651	630,565	550,423	493,265
Cash operating costs[2][5] ($/ounce gold)	473	546	542	508	616
All-in sustaining costs[2][5] ($/ounce gold)	754	877	860	794	947

(1) *The results for the three months and year ended December 31, 2017 include the results from the Fekola Mine from December 1, 2017. The results for the year ended December 31, 2015 include the results from the Otjikoto Mine from March 1, 2015. For the quarter and year ended December 31, 2017, proceeds from the sale of pre-commercial proceeds less pre-production costs for net proceeds of $73.4 million were excluded from the statement of operations and recorded as a reduction of the Fekola Mine carrying value.*

(2) *The results for the three months and year ended December 31, 2017 include the results from the Fekola Mine from October 1, 2017.*

(3) *Attributable to the shareholders of the Company.*

(4) *Cash flows from operating activities for the year ended December 31, 2016 include $120 million in proceeds from the Prepaid Sales transactions. For the quarter and year ended December 31, 2017, net cash flow proceeds totalling $73.4 million from the production and sale of pre-commercial production at the Fekola Mine were excluded from operating cash flows and increased as investing cash flow in the statement of cash flows.*

(5) *Non-IFRS measure. For a description of how these measures are calculated and a reconciliation of these measures to the most directly comparable measures specified, defined or determined under IFRS and presented in the Company's financial statements, refer to "Non-IFRS Measures".*

Fourth quarter 2017 and 2016

Revenue

Consolidated gold revenue in the fourth quarter of 2017 was $174.0 million on sales of 137,695 ounces at an average price of $1,264 per ounce compared to $181.2 million on sales of 151,524 ounces at an average price of $1,196 per ounce in the fourth quarter of 2016. The 4% (or $7.2 million) decrease in gold revenue for the quarter was mainly attributable to a 9% decrease in gold sales volume partially offset by a 6% increase in the average realized gold price. For accounting purposes, gold revenue earned net of related production costs from the sale of pre-commercial production have been credited to Fekola's mineral property development costs. The Fekola Mine produced 105,110 ounces in the quarter ended December 31, 2017. A total of 84,000 ounces were sold with the remaining 27,450 ounces being recorded in inventory at December 31, 2017. Of the ounces sold, 79,243 ounces related to pre-commercial production. Consequently, only 4,757 of the ounces sold (for revenue of $6.1 million) were reflected as Fekola Mine commercial production and recorded in the statement of operations for the year ended December 31, 2017. The timing of gold shipments at the Fekola Mine at the end of December 2017 also impacted the gold available for sale in the quarter. If all gold sales from the Fekola Mine for the fourth quarter of 2017 are included, consolidated gold revenue was a quarterly record of $274.9 million (including $100.9 million from sales of pre-commercial production from Fekola) on sales of 216,938 ounces (including 79,243 ounces of pre-commercial sales from Fekola) at an average realized price of $1,267 per ounce.

Consolidated gold revenue in the quarter ended December 31, 2017 included $15 million related to the delivery of gold into the Company's Prepaid Sales contracts associated with the Company's Prepaid Sales transactions entered into in March 2016. During the three months ended December 31, 2017, 12,909 ounces were delivered under these contracts.

In the fourth quarter of 2017, the Otjikoto Mine accounted for $68.8 million (Q4 2016 - $61.2 million) of gold revenue from the sale of 53,929 ounces (Q4 2016 - 51,129 ounces); the Masbate Mine accounted for $63.1 million (Q4 2016 - $56.1 million) of gold revenue from the sale of 49,600 ounces (Q4 2016 - 46,900 ounces), the Libertad Mine accounted for $19.7 million (Q4 2016 - $48.6 million) of gold revenue from the sale of 15,439 ounces (Q4 2016 - 40,857 ounces) while $17.8 million (Q4 2016 - $15.4 million) was contributed by the Limon Mine from the sale of 13,970 ounces (Q4 2016 - 12,638 ounces). The Fekola Mine accounted for $6.1 million of gold revenue from the sale of 4,757 ounces in December 2017, subsequent to reaching commercial production on November 30, 2017. The remaining sales in December 2017 (42,243 ounces) related to pre-commercial production and were recorded as a credit against the Fekola Mine mineral property. Total Fekola Mine sales for the fourth quarter of 2017 were $106.9 million from the sale of 84,000 ounces including revenues from the sale of pre-commercial production revenues of $100.9 million. For accounting purposes, gold revenue earned net of related production costs from the sale of pre-commercial production have been credited to Fekola's mineral property development costs.

Production and operating costs

In the fourth quarter of 2017, the Company produced a quarterly record of 240,753 ounces (including 72,903 ounces of pre-commercial production from Fekola) exceeding reforecast production by 5% (or 10,473 ounces) and significantly exceeding budget by 28% (or 52,141 ounces). Consolidated gold production for the quarter also increased by 71% (or 100,102 ounces) over the same quarter in 2016. If pre-commercial production from Fekola is excluded, B2Gold's consolidated gold production (including Fekola results from December 1, 2017) was 167,850 ounces.

Including only commercial production results from Fekola from December 1, 2017, consolidated cash operating costs (refer to *"Non-IFRS Measures"*) for the quarter were $565 per ounce, $28 per ounce or 5% less than budget and comparable to the fourth quarter of 2016 ($19 per ounce or 3% higher). The favourable variance against budget reflects higher than budgeted gold production at the Masbate and Otjikoto mines coupled with slightly lower production costs at the Masbate Mine and the newly operational Fekola Mine (cash costs of $311 per ounce for the one month ended December 31, 2017). These favourable variances were partially offset by the lower production from La Libertad and El Limon mines. If pre-commercial production results from Fekola are included, consolidated cash costs for the fourth quarter of 2017 (including three months of results from the Fekola Mine at $277 per ounce), were $473 per ounce, $120 per ounce or 20% lower than budgeted (refer to *"Fekola Mine - Mali"* section below).

Including only commercial production results from Fekola from December 1, 2017, all-in sustaining costs (refer to *"Non-IFRS Measures"*) for the three months ended December 31, 2017 were $905 per ounce compared to budget of $767 per ounce and $877 per ounce for the same period of 2016. The increase compared to budget was a result of higher than budgeted capital expenditures

at the Masbate Mine due to the timing of the purchase of mobile equipment during the fourth quarter of 2017 which was originally planned for earlier in 2017 as well as slightly higher expenditures at La Libertad and El Limon. These were partially offset by the reduction in cash operating costs per ounce discussed above. If pre-commercial production results from Fekola are included (including three months of results from the Fekola Mine at $419 per ounce), all-in sustaining costs for the fourth quarter of 2017 were $754 per ounce, which was $13 per ounce or 2% less than budget.

Depreciation and depletion

Depreciation and depletion expense included in total cost of sales was$41.5 million in the fourth quarter of 2017 compared to$54.8 million in the fourth quarter of 2016. The decrease in depreciation expense was mainly due to a 17% decrease in the depreciation charge per ounce of gold sale and a 9% decrease in the gold ounces sold.

Other

General and administrative ("G&A") costs relate mainly to the Company's head office in Vancouver, the Managua and Santo Domingo offices in Nicaragua, the Makati office in the Philippines, the Windhoek office in Namibia, the Bamako office in Mali (starting after commencement of commercial production on December 1, 2017) and the Company's other offshore subsidiaries. For the fourth quarter of 2017, G&A costs were $18.4 million, which was $1.3 million or 7% higher than the fourth quarter of 2016. G&A costs were higher in the fourth quarter of 2017 as the G&A costs from the Bamako office ceased being capitalized on November 30, 2017.

The Company's results for the fourth quarter of 2017 included a non-cash mark-to-market loss of $7.2 million on the convertible senior subordinated notes compared to a non-cash mark-to-market gain of $5.9 million in the fourth quarter of 2016. The convertible notes are measured at fair value on each financial reporting period-end date with changes flowing through the statement of operations. At December 31, 2017, the convertible notes were trading at 106.5% of par value compared with 103.7% at September 30, 2017. The increase in the note value is driven by the change in the underlying stock price which increased to C$3.88 at December 31, 2017 from C$3.44 at September 30, 2017. The Company's convertible senior subordinated notes are due on October 1, 2018.

The Company reported $5.5 million (net of capitalized interest) in interest and financing expense during the fourth quarter of 2017 as compared with $2.0 million in the fourth quarter of 2016. The increase was due to higher debt levels in 2017 compared to 2016, relating mainly to the current revolving credit facility and equipment loans. Interest expense (net of capitalized interest) relating to the convertible senior subordinated notes was recorded as part of the overall change in fair value of the notes in the statement of operations. During the three months ended December 31, 2017, the Company capitalized interest costs on its borrowings attributable to funds spent on the Fekola Project in the amount of $4.2 million (Q4 2016 – $3.7 million). Interest capitalization ceased December 1, 2017 when commercial production was reached.

For the three months ended December 31, 2017, the Company recorded $9.7 million of unrealized gains on derivative instruments (Q4 2016 - unrealized gains of $20.3 million). The net unrealized gains were comprised of $5.1 million related to gold derivative instruments, $4.4 million related to the Company's forward fuel price contracts and $0.2 million related to interest rate swaps.

The Company recorded a net current income tax expense of$13.3 million in the fourth quarter of 2017 compared to $10.1 million in the fourth quarter of 2016. In the fourth quarter of 2017, the current income tax expense consisted mainly of corporate income tax expense in Mali, the Philippines and Nicaragua. The increase in the current income tax expense is a result of an income tax holiday in the Philippines which expired on June 30, 2017 and of the Fekola Mine reaching commercial production on November 30, 2017. For the fourth quarter of 2017, the Company recorded a deferred income tax recovery of $23.5 million compared to a deferred income tax expense of$14.4 million in the fourth quarter of 2016. The deferred income tax recovery in 2017 mainly resulted from strengthening of foreign exchange rates and corresponding changes to the underlying tax assets and liabilities of Fekola and Otjikoto partially offset by the utilization of tax loss carryforwards and other timing differences related to Otjikoto.

For the fourth quarter of 2017, the Company recorded net income of$34.5 million ($0.03 per share) compared to net income of $8.1 million ($0.01 per share) in the fourth quarter of 2016. Adjusted net income (refer to "*Non-IFRS Measures*") was $5.7 million ($0.01 per share) in the fourth quarter of 2017 compared to $2.5 million ($0.00 per share) in the fourth quarter of 2016. Adjusted net income in the fourth quarter of 2017 primarily excluded share-based payments of $4.9 million, non-cash mark-to-market losses of $7.2 million relating to the overall change in fair value of the Company's convertible senior subordinated notes, unrealized gains on derivative instruments of $9.7 million and a deferred income tax recovery of $23.5 million. For the quarter ended December 31, 2017, proceeds from the sales of pre-commercial production from Fekola ($100.9 million) and related production costs ($27.5 million), for a net amount of $73.4 million were recorded as a reduction of the value of the Fekola Mine mineral property and were not recorded as part of the determination of net income in the consolidated statement of operations. In addition, the related net cash inflows of $73.4 million from sales of Fekola pre-commercial production were recorded as part of investing activities in the consolidated statement of cash flows rather than as part of operating activities.

Cash flow provided by operating activities was $25.6 million in the fourth quarter of 2017 compared to $82.3 million in the fourth quarter of 2016, a decrease of $56.7 million. The fourth quarter of 2017 was negatively impacted by non-cash working capital changes of negative $16.9 million compared with positive $12.6 million in the fourth quarter of 2016. The main changes in non-cash working capital in the quarter include a $47.3 million increase in inventories (including Fekola Mine purchase of supplies inventory of $32.5 million and Fekola Mine stockpile, in-circuit and bullion inventories of $14.2 million). Production and related inventory costs significantly exceeded expectations and forecasts in the fourth quarter of 2017. In-circuit and bullion inventories reflect ounces produced in December 2017 and on hand at year end. The Company accelerated consumable purchases to keep pace with the accelerated ramp up of the mine. This initial build up of inventories will benefit operating cash flows in future periods. Cash outflows related to establishing initial Fekola Mine inventory levels were partially offset by a $15.6 million increase in taxes incurred but not yet paid relating to the Philippines where the five year income tax holiday ended June 30, 2017 and current income taxes accrued from the newly operational Fekola Mine. In addition, operating cash flows were positively impacted by a build up of $18.8 million increase in accounts payable and accrued liabilities and negatively impacted by a decrease in revenues of $7.2 million, an increase of $4.1 million in production costs and $6.7 million less cash received from long-term value added tax receivables. During the fourth quarter of 2017, the Company delivered 12,909 ounces into Prepaid Sales contracts for which no proceeds were received in cash during the period. The original proceeds of $15 million for the Prepaid Sales were received in March 2016 upon entering into the contracts. In addition, for the quarter ended December 31, 2017, net cash flow proceeds totalling $73.4 million from the production and sale of pre-commercial production at the Fekola Mine were excluded from operating cash flows and included as investing cash flow in the consolidated statement of cash flows.

At December 31, 2017 the Company had cash and cash equivalents of$147.5 million compared to cash and cash equivalents of$144.7 million at December 31, 2016. The Company had a working capital deficit at December 31, 2017 of $98.7 million compared to working capital of$101.0 million at December 31, 2016. The working capital deficit resulted from the reclassification of the Company's convertible senior subordinated notes to current liabilities as they are due on October 1, 2018. In 2016, the Company made a strategic decision to fund the construction of the Fekola Mine without using any equity to fund part of the construction cost. Construction and pre-development of the Fekola Mine were funded using a combination of operating cash flows from the Company's existing mine and debt facilities including the Company's RCF and Fekola equipment financing loans. In addition, the Company entered into $120 million of Prepaid Sales arrangements, the proceeds of which were used to help fund Fekola construction costs in 2016.

In 2016, the Company made a strategic decision to fund the construction of the Fekola Mine without using any equity to fund part of the construction cost. With the successful and earlier than anticipated ramp up of the Fekola Mine in 2017, the Company is well positioned to execute the second part of its debt funding strategy and has started to reduce its overall consolidated debt levels. This planned repayment of debt includes the anticipated repayment of the Company's $259 million convertible notes which mature on October 1, 2018, unless the notes are converted into shares prior to that date. While the current convertible market remains attractive, the Company has allowed the notes to fall under amounts due within one year on the basis that the Company projects that it will have sufficient liquidity from 2018 operating cash flows and existing credit facilities to repay the notes in full and maintain a strong cash position. This position mirrors the Company's current strategy to focus on developing its budgeted organic growth opportunities in the short to mid-term using a portion of its projected ongoing cash flow from existing operations, including Fekola, coupled with its Revolving Credit Facility without the need for additional new external debt or equity financing.

At December 31, 2017, the Company had drawn $350 million under the $500 million amended RCF, leaving an undrawn and available balance under the existing facility of $150 million. At December 31, 2017, the Company also had Euro 22 million ($26.4 million equivalent) of undrawn capacity on its Fekola equipment loan facility and $9.1 million of undrawn capacity on its Masbate equipment loan facility. The Company expects to utilize the balance of both undrawn equipment loan facilities for equipment purchases in 2018 and early 2019. Overall, based on current assumptions including a gold price assumption of $1,300 per ounce, the Company believes that its future cash flows from operations along with the undrawn and available balances on its current facilities will allow it to meet all of its current obligations as they fall due and maintain a strong cash position.

Annual results

Revenue

Consolidated gold revenue for the year ended December 31, 2017 was $638.7 million on sales of 510,966 ounces at an average price of $1,250 per ounce compared to $683.3 million on sales of 548,281 ounces at an average price of $1,246 per ounce in 2016. Compared to the prior year, the decrease in annual gold revenue was attributable to a 7% decrease in gold sales volume due to the timing of gold shipments at the Otjikoto and Masbate Mines which impacted the available gold for sale in 2017. For accounting purposes, gold revenue earned net of related production costs from the sale of pre-commercial production have been credited to Fekola’s mineral property development costs. The Fekola Mine produced 111,450 ounces in the year ended December 31, 2017. A total of 84,000 ounces were sold with the remaining 27,450 ounces being recorded in inventory at December 31, 2017. Of the ounces sold, 79,243 ounces related to pre-commercial production. Consequently, only 4,757 of the ounces sold (for revenue of $6.1 million) were reflected as Fekola Mine commercial production and recorded in the statement of operations for the year ended December 31, 2017. If all gold sales from the Fekola Mine for the year ended December 31, 2017 were included, consolidated gold revenue was an annual record of $739.5 million (including $100.9 million of pre-commercial sales from Fekola) on sales of 590,209 ounces (including 79,243 ounces of pre-commercial sales from Fekola) at an average realized price of $1,253 per ounce. At December 31, 2017, the Company had approximately 36,000 ounces more of gold bullion on hand than at December 31, 2016 with

the biggest contributor being from the Fekola Mine (24,107 ounces). The timing of gold shipments at the Fekola Mine at the end of December 2017 also impacted the gold available for sale. These ounces were sold in the first quarter of 2018.

Consolidated gold revenue in the year ended December 31, 2017 included a non-cash amount of $60 million related to the delivery of gold into the Company's Prepaid Sales contracts associated with the Company's Prepaid Sales transactions entered into in March 2016 when the proceeds were received. During the year ended December 31, 2017, 51,633 ounces were delivered under these contracts.

For the year ended December 31, 2017, the Otjikoto Mine accounted for $235.9 million (2016 - $207.7 million) of gold revenue from the sale of 186,816 ounces (2016 – 167,786 ounces), the Masbate Mine accounted for $247.6 million (2016 - $255.6 million) of gold revenue from the sale of 196,800 ounces (2016 – 204,000 ounces), the Libertad Mine accounted for $104.8 million (2016 - $163.7 million) of gold revenue from the sale of 83,509 ounces (2016 – 131,457 ounces) while $49.6 million (2016 – $56.4 million) was contributed by the Limon Mine from the sale of 39,084 ounces (2016 – 45,038 ounces). The Fekola Mine accounted for $6.1 million of gold revenue from the sale of 4,757 ounces in December 2017, subsequent to reaching commercial production on November 30, 2017. The remaining sales in December 2017 (42,243 ounces) related to pre-commercial production and were recorded as a credit against the Fekola Mine mineral property. Total Fekola Mine sales for the year ended December 31, 2017 were $106.9 million from the sale of 84,000 ounces including pre-commercial production revenues of $100.9 million. For accounting purposes, gold revenue earned net of related production costs from the sale of pre-commercial production have been credited to Fekola's mineral property development costs.

Production and operating costs

Consolidated gold production for the year ended December 31, 2017 was an annual record of 630,565 ounces (including 79,243 ounces of pre-commercial production from Fekola), exceeding the upper end of its revised guidance range (of 580,000 to 625,000 ounces) and well above the upper end of its original guidance range (of 545,000 to 595,000 ounces). Consolidated gold production for the year increased by 15% (or 80,142 ounces) over 2016 reflecting the early start-up and strong ramp-up performance of the new Fekola Mine and the continued, very strong operational performances of both the Masbate Mine in the Philippines and Otjikoto Mine in Namibia. If pre-commercial production from Fekola is excluded, B2Gold's consolidated gold production (including Fekola results from December 1, 2017) was 551,322 ounces.

Including only commercial production results from Fekola from December 1, 2017, consolidated cash operating costs (refer to *"Non-IFRS Measures"*) for the year ended December 31, 2017 were $579 per ounce, $50 per ounce or 8% less than budget but $71 per ounce or 14% more than the comparable period in 2016. The favourable variance against budget reflects higher than budgeted gold production at the Masbate and Otjikoto mines coupled with slightly lower production costs at the Fekola, Masbate and Otjikoto mines. These favourable variances were partially offset by the lower production from La Libertad and El Limon mines. Consolidated cash operating costs per ounce for the year ended December 31, 2017 were higher than the comparable prior year period mainly due to higher production costs in 2017. Higher production costs in 2017 included higher fuel unit costs and a stronger Namibian dollar/US dollar foreign exchange rate in the prior year. If pre-commercial production results from the Fekola Mine are included, consolidated cash costs for the year ended December 31, 2017 (including three months of results from Fekola at $277 per ounce), were $542 per ounce, $87 per ounce or 14% below budget as a result of Fekola's cash operating costs being significantly below budget (refer to *"Fekola Mine - Mali"* section below). Cash operating costs for 2017 were significantly below the low end of the Company's guidance range of $610 to $650 per ounce.

Including only commercial production results from Fekola from December 1, 2017, all-in sustaining costs (refer to *"Non-IFRS Measures"*) for the year ended December 31, 2017 were $920 per ounce compared to a budget of $955 per ounce and $794 per ounce for the prior year comparable period. The reductions compared to budget were driven by the same factors impacting the reduction in cash operating costs per ounce slightly offset by higher capital expenditures compared to budget for the year. If pre-commercial production results from Fekola are included (including 3 months of results from Fekola at $419 per ounces), all-in sustaining costs for the year ended December 31, 2017 were $860 per ounce. This was $95 per ounce or 10% below budget and significantly below the low end of the Company's all-in sustaining cost guidance range of $940 to $970 per ounce.

Depreciation and depletion

Depreciation and depletion expense, included in total cost of sales, was $160.5 million for the year ended December 31, 2017 compared to $172.3 million in 2016. The decrease in depreciation expense was due to a 7% decrease in the gold ounces sold. The depreciation charge for both 2017 and 2016 was $314 per ounce of gold sold.

Other

For the year ended December 31, 2017, G&A costs increased by $2.7 million to $43.6 million due to higher travel costs and office and general costs.

Share-based payment expense for the year ended December 31, 2017 increased $4.5 million to $18.1 million as a result of the number of option grants (23.0 million options granted in 2017 compared to 15.4 million options granted in the comparable period of 2016).

On June 7, 2017, the Company completed the sale of all of its rights, title and interest to a 2% net smelter returns royalty ("NSR"), covering Alamos Gold Inc.'s Lynn Lake properties in Manitoba for Cdn. $9 million in cash upon closing and a further contingent payment of up to Cdn. $6 million due 24 months after the property enters commercial production. The Lynn Lake royalty had been acquired by B2Gold in connection with the acquisition of Central Sun Mining Inc. ("Central Sun") in March 2009. For accounting purposes, no value of the total purchase price relating to the business combination with Central Sun had been allocated to the NSR, based upon an evaluation of the likely cash flows arising from the NSR. As a result, in the second quarter of 2017, the Company recorded a $6.6 million pre-tax gain on disposal of the NSR, net of related transaction costs of $0.1 million. No amount was recorded with respect to the contingent consideration due upon the commencement of commercial production.

During the year ended December 31, 2017, capitalized exploration costs totalling $4.2 million were written off relating to exploration properties in Namibia and Mali that are no longer being pursued while in the same period in 2016, $5.1 million was written off relating to the Company's interest in the Quebradona Project in Colombia and exploration properties in Chile that were no longer being pursued.

The Company's results for the year ended December 31, 2016 included a loss of $9.9 million from the restructuring of its 51% interest in a joint operation in Nicaragua with Calibre Mining Corp. The Company received 23.5 million common shares of Calibre valued at $2.1 million and a 1.5% net smelter returns royalty to which no value was assigned.

The Company's results for the year ended December 31, 2017 included a non-cash mark-to-market loss of$11.1 million on the convertible senior subordinated notes compared to a non-cash mark-to-market loss of $46.7 million in the same period of 2016. The convertible notes are measured at fair value on each financial reporting period-end date with changes flowing through the statement of operations. At December 31, 2017, the convertible notes were trading at 106.5% of par value compared with 100.8% at December 31, 2016. The increase in the note value is driven by the change in the underlying stock price which increased to C$3.88 at December 31, 2017 from C$3.19 at December 31, 2016.

The Company reported $12.9 million (net of capitalized interest) in interest and financing expense during the year ended December 31, 2017 compared with $10.2 million recorded during the same period in 2016. The increase was due to higher debt levels in 2017 compared to 2016, relating mainly to the current revolving credit facility and equipment loans. Interest expense (net of capitalized interest) relating to the convertible senior subordinated notes was recorded as part of the overall change in fair value of the notes in the statement of operations. During the year ended December 31, 2017, the Company capitalized interest costs on its borrowings attributable to qualifying funds spent on the Fekola Project in the amount of $20.1 million (2016 - $10.7 million).

For the year ended December 31, 2017, the Company recorded $9.7 million of unrealized gain on derivative instruments (2016 - unrealized gain of $22.7 million) and the Company recorded $3.4 million of realized losses on derivative instruments (2016 -$14.0 million).

The Company recorded a net current income tax expense of $27.5 million for the year ended December 31, 2017 compared to $25.1 million in 2016. In 2017, the current income tax expense consisted mainly of $22.1 million of corporate and alternative minimum income tax in Mali, the Philippines and Nicaragua and $5.4 million of withholding taxes related to the Company's international activities. For the year ended December 31, 2017, the Company recorded a deferred income tax recovery of $20.2 million compared to a deferred income tax expense of$4.9 million in 2016. The deferred income tax recovery in 2017 mainly resulted from strengthening of foreign exchange rates and corresponding changes to the underlying tax assets and liabilities of Fekola and Otjikoto partially offset by the utilization of tax loss carryforwards and other timing differences related to Otjikoto.

For the year ended December 31, 2017, the Company recorded net income of$61.6 million ($0.06 per share) compared to net income of$38.6 million ($0.04 per share) for the same period of 2016. Adjusted net income (refer to "*Non-IFRS Measures*") was $51.8 million ($0.05 per share) for 2017 compared to$99.0 million ($0.11 per share) for 2016. Adjusted net income for the year ended December 31, 2017 primarily excluded share-based payments of $18.1 million, gain on sale of Lynn Lake royalty of $6.6 million, non-cash mark-to-market losses of $11.1 million relating to the overall change in fair value of the Company's convertible senior subordinated notes, unrealized gain on derivative instruments of $9.7 million, write-down of mineral property interests and long-term investments totalling $5.8 million and a deferred income tax recovery of $20.2 million. For the year ended December 31, 2017, proceeds from the sales of pre-commercial production from Fekola ($100.9 million) and related production costs ($27.5 million), for a net amount of $73.4 million were recorded as a reduction of the value of the Fekola Mine mineral property and were not recorded as part of the determination of net income in the consolidated statement of operations. In addition, the related net cash inflows of $73.4 million from sales of Fekola pre-commercial production were recorded as part of investing activities in the consolidated statement of cash flows rather than as part of operating activities.

Cash flow provided by operating activities was $155.0 million for the year ended December 31, 2017 compared to $411.8 million for the year ended December 31, 2016, a decrease of $256.8 million. This decrease is mainly due to $120 million of proceeds received from the Prepaid Sales transactions in the first quarter of 2016 (March 2016 Prepaid Sales). Proceeds from Prepaid Sales transactions are received in advance in the period in which the Prepaid Sales transactions are entered into. No additional cash proceeds are received in the period in which ounces underlying the Prepaid Sales are delivered into. For accounting purposes, as the Company physically delivers into the contracts in subsequent periods, a portion of the original Prepaid Sales proceeds is recognized in revenue. During the year ended December 31, 2017, $30 million of proceeds were received from new Prepaid Sales transactions, while $60 million of March 2016 Prepaid Sales contracts were delivered into with no further cash received. For the

year ended December 31, 2017, the Company delivered 51,633 ounces into these contracts. The decrease in cash flow provided by operating activities is also due to a decrease in revenues of $44.6 million, an increase in production costs of $27.0 million, negative changes in long-term VAT receivable of $12.3 million and the negative impact of working capital changes of negative $39.7 million compared with positive $2.0 million for the year ended December 31, 2016 partially offset by a decrease of realized derivative losses of $10.6 million. The main changes in non-cash working capital for the year ended December 31, 2017 related to a $58.1 increase in inventories (including Fekola Mine build-up of supplies inventory of $32.5 million and Fekola Mine stockpile, in-circuit and bullion inventories of $14.2 million). Production and related inventory costs significantly exceeded expectations and forecast in the fourth quarter of 2017. In-circuit and bullion inventories reflect ounces produced in December 2017 and on hand at year end. The Company accelerated consumable purchases to keep pace with the accelerated ramp up of the mine. This initial build up of inventories will benefit operating cash flows in future periods. In addition, non-cash working capital included an increase totalling $11.2 million in accounts receivable and prepaids and short-term value-added and other tax receivables partially offset by a $20.4 million increase in accounts payable and accrued liabilities and a $9.2 million increase in income and other taxes incurred but not paid primarily relating to the Philippines where the five year income tax holiday ended June 30, 2017 and current income taxes accrued from the newly operational Fekola Mine. In addition, for the year ended December 31, 2017, net cash flow proceeds totalling $73.4 million from the production and sale of pre-commercial production at the Fekola Mine were excluded from operating cash flows and included as investing cash flow in the consolidated statement of cash flows.

REVIEW OF MINING OPERATIONS AND DEVELOPMENT PROJECTS

Fekola Mine - Mali

	One month ended December 31, 2017 (Commercial Production)	Three months ended December 31, 2017
Gold revenue ($ in thousands)	6,064	106,928
Gold sold (ounces)	4,757	84,000
Average realized gold price ($/ ounce)	1,275	1,273
Tonnes of ore milled	386,686	1,138,046
Grade (grams/ tonne)	2.72	3.01
Recovery (%)	95.4	95.4
Gold production (ounces)	32,207	105,110
Cash operating costs(1) ($/ ounce)	311	277
Total cash costs(1) ($/ ounce)	325	361
All-in sustaining costs(1) ($/ ounce)	446	419
Capital expenditures ($ in thousands)	4,423	4,423
Exploration ($ in thousands)	917	2,226

(1) Non-IFRS measure. For a description of how these measures are calculated and a reconciliation of these measures to the most directly comparable measures specified, defined or determined under IFRS and presented in the Company's financial statements, refer to "Non-IFRS Measures".

On September 25, 2017, the Company announced that it had completed construction of the Fekola mill on budget and commenced ore processing at the Fekola mill, more than three months ahead of the original schedule. The first gold pour at the Fekola Mine was achieved on October 7, 2017. On November 30, 2017, the Fekola Mine achieved commercial production, one month ahead of the revised schedule and four months ahead of the original schedule. The commercial production criteria used was 30 consecutive

days of mill throughput at 65% of nameplate capacity. Throughput ran above nameplate capacity during the 30-day test period with significantly better than expected plant availability, mill feed grades, and recoveries. Gold production from the Fekola Mine in 2017 was 111,450 ounces (including 79,243 ounces of pre-commercial production), far surpassing the upper end of its original guidance range (of 45,000 to 55,000 ounces) due to its early start-up and strong ramp-up performance. In the fourth quarter of 2017, the Fekola Mine produced 105,110 ounces of gold (including 72,903 ounces of pre-commercial production).

The Fekola Mine's cash operating costs (refer to *"Non-IFRS Measures*") for the month of December 2017, which was the first month of commercial production, were $311 per gold ounce while for the fourth quarter of 2017 cash operating costs were $277 per gold ounce both well below the guidance range of $580 to $620 per ounce. Production costs at the Fekola Mine were well below budget due to higher than budgeted gold production as discussed above and low operating costs during the transition from construction to operations. Mining costs (on both a per tonne and total basis) were significantly under budget as the ramp up of the Fekola Mine went better than planned. In addition, maintenance costs were low due to new equipment and the transition of the maintenance team from the construction team. Due to the B2Gold's construction method and an effective transition to operations the Fekola Mine is already operating at steady state. Cash operating costs for 2018 are expected to be between $345 and $390 per ounce.

All-in sustaining costs (refer to *"Non-IFRS Measures"*) for the month of December 2017, which was the first month of commercial production, were $446 per gold ounce while for the fourth quarter of 2017 all-in sustaining costs were $419 per gold ounce, well below the guidance range of $700 to $730 per ounce. All-in sustaining costs were below budget due to the lower cash operating costs discussed above.

The total cumulative forecast for Fekola Project construction costs (from inception to completion) included preconstruction sunk costs of approximately $41 million, feasibility study construction costs of $462 million and $38 million additional construction costs approved in 2016 comprised of $18 million for the Fekola mill expansion and $20 million for relocating the village of Fadougou.

For 2017, the construction budget for the Fekola Project totalled approximately $173 million, including $18 million for the Fekola mill expansion and $10 million for relocating the village of Fadougou.

In addition to the Fekola Project construction budget above, a total of $47 million was budgeted in 2017 for Fekola prestripping and additional mine fleet purchases. Following approval of the Fekola mill expansion in 2016 and acceleration of the production start date to October 1, 2017, open pit prestripping and mine fleet purchases were advanced by six months to ensure ore supply for the earlier mill start-up and were included in the 2017 budget. Prestripping and mine fleet purchases for 2017 were budgeted at approximately $25 million and $22 million, respectively. 2017 construction and operational capital costs of $11 million were also budgeted, including $4 million for aircraft purchases. Total budgeted capital costs for the Fekola Project for 2017 including all of the areas above were $231 million.

Total capital expenditures for Fekola for all of the categories described above for the year ended December 31, 2017 totalled$222.4 million versus a total budget of $231.0 million. Cumulative expenditures on the Fekola Project to date are $596.8 million including $41 million of preconstruction expenditures compared with a total budget to date of $599.0 million. The final $15 million costs related to the Fadougou village relocation are expected to be incurred in 2018.

In 2016, pursuant to applicable mining law, the Company formed a new 100% owned subsidiary company, Fekola SA, which now holds the Company's interest in the Fekola Project. Following signing of a shareholder's agreement between the Company and the State of Mali (the "Fekola Shareholder Agreement"), the Company will now contribute a 10% free carried interest in Fekola SA to the State of Mali. The State of Mali also has the option to purchase an additional 10% of Fekola SA which it has confirmed its intent to exercise. The Company has signed a mining convention in the form required under the 2012 Mining Code (the "Fekola Convention") that relates to, among other things, the ownership, permitting, reclamation bond requirements, development, operation and taxation applicable to the Fekola Project with the State of Mali. In August 2017 the Company finalized certain additional agreements with the State of Mali including the Fekola Shareholders Agreement, Share Purchase Agreement and an amendment to the Fekola Mining convention to address and clarify certain issues under the 2012 Mining Code. The Fekola Mining Convention, as amended, will govern the procedural and economic parameters pursuant to which the Company will operate the Fekola Project. The Shareholders' Agreement and the Share Purchase Agreement for the purchase of the additional 10% of Fekola have been finalized and signed by the relevant Malian government ministers and the Malian Council of Ministers. The agreements are now subject only to ratification by the Mali National Assembly, which is now expected at their next scheduled sitting in April 2018. Upon such ratification, the Company will transfer ownership of 20% of Fekola SA to the State of Mali. The first non-participating 10% of the State of Mali's ownership will entitle it to an annual priority dividend equivalent to 10% of calendar net income of Fekola SA. The second fully participating 10% of the State of Mali's interest will entitle it to ordinary dividends payable on the same basis as any ordinary dividends declared and payable to the Company for its 80% interest.

The Fekola Mine is expected to produce between 400,000 and 410,000 ounces of gold in 2018, the first full year of production. Cash operating costs are expected to be between $345 and $390 per ounce and all-in sustaining costs between $575 and $625 per ounce.

In 2018, the Fekola Mine is budgeted to process a total of 5.0 million tonnes of ore at an average grade of 2.69 grams per tonne ("g/t") and process recovery of 92.7%.

Sustaining capital costs in 2018 at the Fekola Mine are budgeted to total $33.8 million, including $26.3 million for prestripping. Non-sustaining capital costs are budgeted to total $33.3 million, including $15 million for relocating the village of Fadougou.

Based on the new life of mine ("LoM") plan published September 25, 2017, the Fekola Mine is projected to produce approximately 400,000 ounces of gold annually for the first three years at cash operating costs of $357 per ounce and all-in sustaining costs of $604 per ounce. For the first seven years, the Fekola Mine is projected to produce approximately 374,000 ounces of gold annually with cash operating costs of $391 per ounce and all-in sustaining costs of $643 per ounce. Over the initial ten-year LoM, Fekola is projected to produce an average of 345,000 ounces per annum at cash operating costs of $428 per ounce and all-in sustaining costs of $664 per ounce.

Otjikoto Mine - Namibia

	Three months ended December 31		Year ended December 31	
	2017	**2016**	**2017**	**2016**
Gold revenue ($ in thousands)	**68,769**	61,198	**235,938**	207,674
Gold sold (ounces)	**53,929**	51,129	**186,816**	167,786
Average realized gold price ($/ ounce)	**1,275**	1,197	**1,263**	1,238
Tonnes of ore milled	**918,794**	845,146	**3,492,285**	3,468,488
Grade (grams/ tonne)	**1.80**	1.76	**1.73**	1.52
Recovery (%)	**98.5**	97.9	**98.6**	98.1
Gold production (ounces)	**52,446**	46,846	**191,534**	166,285
Cash operating costs[(1)] ($/ ounce)	**490**	367	**468**	368
Total cash costs[(1)] ($/ ounce)	**542**	406	**512**	405
All-in sustaining costs[(1)] ($/ ounce)	**606**	587	**715**	604
Capital expenditures ($ in thousands)	**5,084**	5,392	**41,172**	39,241
Exploration ($ in thousands)	**467**	648	**1,220**	1,994

(1) Non-IFRS measure. For a description of how these measures are calculated and a reconciliation of these measures to the most directly comparable measures specified, defined or determined under IFRS and presented in the Company's financial statements, refer to "Non-IFRS Measures".

The Otjikoto Mine in Namibia, in which the Company holds a 90% interest, produced 52,446 ounces of gold, exceeding both budgeted and reforecast production by 10% (or 4,655 ounces) in the fourth quarter of 2017 and was 12% (or 5,600 ounces) higher than the fourth quarter of 2016. The average gold grade processed in the quarter was 1.80 g/t compared to budget of 1.82 g/t and 1.76 g/t in the fourth quarter of 2016. Mill throughput for the quarter was 918,794 tonnes compared to budget of 832,784 tonnes and 845,146 tonnes in the fourth quarter of 2016. Mill recoveries remained high and averaged 98.5%, slightly above both budget and the prior year quarter.

2017 was a record year for the Otjikoto Mine as it produced an annual record of 191,534 ounces of gold which exceeded the upper end of its revised production guidance range (of 170,000 to 180,000 ounces) by 6% (or 11,534 ounces) and the top end of its original production guidance range by 9% (or 16,534 ounces). Gold production was also 15% (or 25,249 ounces) higher versus full year 2016. Otjikoto's outperformance in 2017 was mainly the result of higher than expected high-grade ore tonnage from the Wolfshag Phase 1 Pit and higher than budgeted mill throughput. As mining advanced into the consolidated rock in the Wolfshag Phase 1 Pit, the amount of high-grade ore tonnage mined from Wolfshag continued to be significantly higher than modelled. Ultimately, mining

and processing of the Wolfshag ore body, which is scheduled to recommence in early 2019, will determine whether this positive variance in the amount of high-grade ore tonnage extends throughout the Wolfshag orebody.

The Otjikoto Mine's cash operating costs (refer to "*Non-IFRS Measures*") were $490 per gold ounce for the fourth quarter of 2017, which was $45 per ounce higher than original budget and $123 per ounce higher than the prior year quarter. The higher than budget cash operating costs for the quarter resulted from higher mining costs (due to increased fuel costs, unbudgeted production bonuses and longer haul routes) and lower additions to the ore stockpile than planned, partially offset by savings in processing costs. Processing costs were positively impacted by reduced reagent consumption. Cash operating costs in the prior year quarter were lower due to lower mining costs including a 2% weaker Namibian dollar/US dollar foreign exchange rate and lower fuel costs.

The Otjikoto Mine's cash operating costs for the year ended December 31, 2017 were $468 per gold ounce, well below the lower end of the revised guidance range of $480 to $520 per ounce and $59 per ounce lower than original budget. The variance from original budget and revised guidance ranges was driven by continued higher gold production and effective cost management throughout the year through supply contract review and renegotiation and design changes to pit phases to reduce waste tonnage mined. Cash operating costs for the year ended December 31, 2017 were $100 per ounce higher than 2016 resulting from lower stockpile changes and the anticipated budgeted increase in mining costs in the higher strip ratio Wolfshag Pit.

All-in sustaining costs (refer to *"Non-IFRS Measures"*) for the three months ended December 31, 2017 were $606 per ounce compared to a budget of $568 per ounce and $587 per ounce in the fourth quarter of 2016. All-in sustaining costs in the fourth quarter of 2017 were higher than budget due to the higher than budgeted cash operating costs for the fourth quarter of 2017 as discussed above. All-in sustaining costs for the year ended December 31, 2017 were $715 per ounce, below the lower end of the revised guidance range of $725 to $765 per ounce and well below the original budget of $870 per ounce. The lower than original budget and revised guidance ranges for all-in sustaining costs reflect the reduction in cash operating costs noted above as well as lower than planned sustaining capital expenditures. Prestripping costs for the year ended December 31, 2017 were $9.8 million lower than budget due to lower mining costs and lower than expected strip ratios.

Capital expenditures in the fourth quarter of 2017 totalled $5.1 million consisting of $1.9 million for prestripping and $0.4 million in mobile equipment costs. For the year ended December 31, 2017, capital expenditures totalled $41.2 million consisting of $12.2 million for mobile equipment purchases, $11.4 million for prestripping, $6.6 million for major overhauls and $4.9 million for installation of the solar power plant.

The Otjikoto Mine is expected to produce between 160,000 and 170,000 ounces of gold in 2018, primarily from the Otjikoto Pit, at cash operating costs of between $480 and $525 per ounce and all-in sustaining costs of between $700 and $750 per ounce.

In 2018, Otjikoto is budgeted to process a total of 3.3 million tonnes of ore at an average grade of 1.59 g/t and process recovery of 98%. The slight drop in grade versus 2017 is due to a negligible amount of Wolfshag ore being mined in 2018 as phase 2 of the Wolfshag Pit is being developed. Ore production is planned to resume from the Wolfshag Pit in early 2019 and is expected to provide higher grade open-pit mill feed in the future.

Sustaining capital costs in 2018 at the Otjikoto Mine are budgeted to total $16.6 million. Non-sustaining capital costs are budgeted to total $28.5 million, including $26.6 million for Wolfshag prestripping and $1.7 million to complete phase one of the solar power project, which is expected to decrease fuel oil consumption and power costs starting in the second quarter of 2018. The solar plant effectively replaces one of the four HFO generators at the Otjikoto power plant. Power costs constitute approximately 13% of Otjikoto's total production cost in 2017. Once fully operational, the solar plant is expected to reduce processing costs by approximately 3%, reducing power costs by approximately $0.026/kWh.

Geotechnical, hydrogeological, and design studies for Wolfshag have been completed based on an updated mineral resource model, resulting in a larger open pit than previously reported. Updated Wolfshag mineral reserves and resources will be reported in the Company's 2018 Annual Information form which is scheduled to be filed by March 29, 2018. In addition, the Wolfshag mineral resource remains open down-plunge and may be exploitable in the future by underground mining.

Masbate Mine – Philippines

	Three months ended December 31		Year ended December 31	
	2017	**2016**	**2017**	**2016**
Gold revenue ($ in thousands)	**63,148**	56,078	**247,561**	255,580
Gold sold (ounces)	**49,600**	46,900	**196,800**	204,000
Average realized gold price ($/ ounce)	**1,273**	1,196	**1,258**	1,253
Tonnes of ore milled	**1,729,635**	1,831,563	**6,963,073**	6,921,335
Grade (grams/ tonne)	**1.26**	1.08	**1.19**	1.23
Recovery (%)	**76.0**	76.2	**76.0**	75.2
Gold production (ounces)	**53,419**	48,633	**202,468**	206,224
Cash operating costs(1) ($/ ounce)	**587**	547	**543**	463
Total cash costs(1) ($/ ounce)	**647**	602	**600**	522
All-in sustaining costs(1) ($/ ounce)	**963**	788	**843**	653
Capital expenditures ($ in thousands)	**16,107**	9,631	**52,587**	31,892
Exploration ($ in thousands)	**689**	1,224	**4,668**	4,492

(1) Non-IFRS measure. For a description of how these measures are calculated and a reconciliation of these measures to the most directly comparable measures specified, defined or determined under IFRS and presented in the Company's financial statements, refer to "Non-IFRS Measures".

In the fourth quarter of 2017, the Masbate Mine in the Philippines continued to exceed expectations, producing 53,419 ounces of gold, significantly above both budgeted and reforecast production by 24% (or 10,498 ounces) and 10% (4,786 ounces) higher than the fourth quarter of 2016. Gold production exceeded budget and reforecast production due to better than expected recoveries mainly driven by significantly higher than budgeted oxide ore from the Colorado Pit. As mining advances in the Colorado Pit the trend of more oxide ore than modelled has continued. Mining of the Colorado Pit is expected to continue until the fourth quarter of 2018. Mill recoveries averaged 76.0% which was better than budget of 70.2% and comparable to the fourth quarter of 2016. The average grade processed for the fourth quarter of 2017 was 1.26 g/t compared to budget of 1.05 g/t and 1.08 g/t in the fourth quarter of 2016.

The Masbate Mine produced 202,468 ounces of gold in 2017, the second-highest annual production for the mine (slightly below its annual production record of 206,224 ounces of gold, achieved in the prior year). Masbate's 2017 gold production exceeded the upper end of both its revised production guidance ranges (of 180,000 to 185,000 ounces) by 9% (or 17,468 ounces). The higher production was due to better than expected recoveries and grades, mainly driven by significantly higher than budgeted oxide ore tonnage from the Colorado Pit.

The Masbate Mine's cash operating costs (refer to *"Non-IFRS Measures"*) were $587 per gold ounce in the fourth quarter of 2017, which was $201 per ounce lower than budget and $40 per ounce higher than in the prior year quarter. Lower than budgeted cash operating costs for the fourth quarter of 2017 were mainly a result of higher than budgeted production as discussed above. Compared to budget, operating costs in the quarter benefitted from lower mining costs (due to low costs related to oxide ore mining and optimization of waste haulage stockpiles), lower site general costs and related stockpile adjustments slightly offset by higher processing costs (from an increase in reagent and maintenance costs). Cash operating costs in the prior year quarter were lower mainly due to slightly higher production as discussed above as well as lower unit fuel costs. For the year ended December 31, 2017, the Masbate Mine's cash operating costs were $543 per gold ounce, significantly below the lower end of the revised guidance

range of $595 to $635 per ounce and was $170 per ounce lower than original budget. Cash operating costs were lower than budget and revised guidance range for the year ended December 31, 2017 mainly as a result of higher than budgeted production as discussed above as well as lower than budgeted production costs. Operating costs in 2017 have benefitted from lower than budgeted mining, processing and site general costs and related stockpile adjustments. Cash operating costs for the year ended December 31, 2016 were $80 per ounce lower than 2017 mainly due to the higher gold production as discussed above and lower unit fuel price costs.

All-in sustaining costs (refer to *"Non-IFRS Measures"*) for the fourth quarter of 2017 were $963 per ounce compared to a budget of $972 per ounce and $788 per ounce in the prior year quarter. All-in sustaining costs in the fourth quarter of 2017 were lower than budget as a result of lower cash operating costs slightly offset by higher than budget sustaining capital costs due to the timing of mobile equipment purchases which were expected in the third quarter of 2017 but were incurred in the fourth quarter of 2017. All-in sustaining costs for the year ended December 31, 2017 were $843 per ounce, significantly below the revised guidance range of $935 to $975 and an original budget of $1,035 per ounce. All-in sustaining costs for the year ended December 31, 2017 were lower than the revised guidance range and original budget as a result of continued strong production and lower cash operating costs slightly offset by higher sustaining capital expenditures. Compared to the year ended December 31, 2016, all-in sustaining costs were $190 per ounce higher mainly due to the planned 2017 mine fleet and expansion costs and higher per ounce cash operating costs.

Capital expenditures in the fourth quarter of 2017 totalled $16.1 million including mobile equipment acquisition costs of $10.3 million and prestripping costs of $2.8 million. For the year ended December 31, 2017, capital expenditures totalled $52.6 million consisting of mobile equipment costs of $27.5 million, prestripping costs of $8.9 million, powerhouse upgrade costs of $3.6 million and processing plant upgrades of $3.1 million.

The Masbate Mine is expected to produce between 180,000 and 190,000 ounces of gold in 2018, primarily from the higher grade Main Vein pit, at cash operating costs of between $675 and $720 per ounce and all-in sustaining costs of between $875 and $925 per ounce.

In 2018, Masbate is budgeted to process a total of 6.8 million tonnes of ore at an average grade of 1.26 g/t and process recovery of 65.9%. The increase in grade and decrease in recovery versus 2017 is due to the change in ore source from the Colorado oxide ore (lower grade and higher recovery) to the Main Vein ore (higher grade and lower recovery). Recovery for the LoM is expected to be 72.1%. Recovery at Masbate generally follows the oxidation state. Over the LoM recovery is expected to be higher when the Company mines the oxide (generally upper) sections of each pit. For 2018, lower oxidation in the planned mining areas (and thus lower recovery) compared to the last several years is expected.

Sustaining capital costs in 2018 at the Masbate Mine are budgeted to total $16.6 million. Non-sustaining capital costs are budgeted to total $32.5 million, including $23 million for the expansion of the Masbate processing plant.

A detailed capital cost estimate of $25.5 million was recently completed by Lycopodium, working with the Company's engineering team, for the expansion of the Masbate processing plant to 8 million tonnes per year ($23 million in 2018 and $2.5 million in 2019). The expansion primarily consists of adding a third ball mill and upgrading the existing crushing circuit. No addition to the mining fleet is required as the additional feed will come from the lower grade material that is currently in the mine plan and scheduled to be stockpiled. When the expansion is on line (expected in early 2019), it is expected to keep Masbate's annual gold production near 200,000 ounces per year during the mining phase (currently estimated at 7 years), and is expected to keep gold production above 100,000 ounces per year when the low grade stockpiles are processed at the end of the project life (estimated low grade stockpile process life of 7.5 years).

As reported by the Company on February 2, 2017, the Department of Natural Resources (the "DENR") announced further results of its mining audits of metallic mines in the Philippines and the Masbate Mine was not among the mines announced to be suspended or closed. The Company believes that it continues to be in compliance with Philippine's laws and regulations. The Philippine Mining Industry Coordinating Council ("MICC") (the MICC is the oversight committee for the DENR) plans to commence its review in March 2018.

The MICC has voted to rescind the existing Department Administrative Order which bans new open pit mines (does not apply to current Masbate operations). They have indicated that the order may be lifted provided that mining laws, rules and regulations are strictly enforced.

La Libertad Mine - Nicaragua

	Three months ended December 31		Year ended December 31	
	2017	**2016**	**2017**	**2016**
Gold revenue ($ in thousands)	**19,737**	48,563	**104,784**	163,660
Gold sold (ounces)	**15,439**	40,857	**83,509**	131,457
Average realized gold price ($/ ounce)	**1,278**	1,189	**1,255**	1,245
Tonnes of ore milled	**518,372**	564,822	**2,161,917**	2,277,795
Grade (grams/ tonne)	**0.95**	2.03	**1.27**	1.90
Recovery (%)	**92.9**	95.3	**93.8**	95.0
Gold production (ounces)	**14,696**	35,165	**82,337**	132,431
Cash operating costs(1) ($/ ounce)	**1,094**	661	**836**	659
Total cash costs(1) ($/ ounce)	**1,121**	688	**863**	685
All-in sustaining costs(1) ($/ ounce)	**1,504**	878	**1,106**	904
Capital expenditures ($ in thousands)	**5,669**	4,556	**23,806**	18,543
Exploration ($ in thousands)	**1,286**	1,172	**6,751**	4,269

(1) Non-IFRS measure. For a description of how these measures are calculated and a reconciliation of these measures to the most directly comparable measures specified, defined or determined under IFRS and presented in the Company's financial statements, refer to "Non-IFRS Measures".

La Libertad Mine in Nicaragua produced 14,696 ounces of gold in the fourth quarter of 2017 (Q4 2016 - 35,165 ounces). For the year ended December 31, 2017, La Libertad Mine produced 82,337 ounces of gold (2016 - 132,431) which was below its revised guidance range of 90,000 to 100,000 ounces as a result of no access to the planned mining areas due to permit and relocation delays and slow access to alternative mining areas again due to permit and relocation delays. During 2017, gold production at La Libertad was negatively impacted by permitting delays for new mining areas. As previously released in the first quarter of 2017, the Company changed its planned sequencing for bringing the Jabali Antenna Pit into the mine plan (originally forecast to enter production in the third quarter of 2017). With strong support from the Nicaraguan government, the Company is now focused on bringing the San Juan and San Diego open pits into production ahead of the Jabali Antenna Pit. In September 2017, La Libertad Mine received the San Juan mining permit allowing mining to commence in the fourth quarter of 2017. The San Diego mining permit and forestry permits have been received and mining commenced in February 2018. For the Jabali Antenna Pit, the Company is expecting to receive its permit in time to start production from the pit in the third quarter of 2018. La Libertad's production in 2018 and beyond is contingent on permits timing and development of both Jabali Antenna Open Pit and Underground. Jabali Antenna Underground remains under development with the planned ventilation raise now complete. Access ramp development has advanced approximately two months ahead of original schedule for 2018 as a result of an early start by the underground mining contractor.

La Libertad Mine's cash operating costs (refer to *"Non-IFRS Measures"*) were $1,094 per gold ounce for the fourth quarter of 2017, compared to a budget of $545 per ounce and $661 per ounce for the prior year quarter. For the year ended December 31, 2017, La Libertad's cash operating costs were $836 per ounce compared to a budget of $639 per ounce and $659 per ounce for 2016. Cash operating costs for 2017 were at the upper end of the revised guidance range of $795 to $835 per ounce. Cash operating costs per ounce compared to budget and the prior year periods were higher due to the lower production resulting from lower than budgeted grade and ore tonnage. On a total basis (versus per ounce) mining, processing and site general costs were all less than budget due to lower than budgeted mined tonnage, haul distance and reagent consumption, as well as aggressive cost management.

All-in sustaining costs (refer to *"Non-IFRS Measures"*) for the three months ended December 31, 2017 were $1,504 per ounce compared to a budget of $661 per ounce and $878 for the three months ended December 31, 2016. For the year ended December 31, 2017 all-in sustaining costs were $1,106 per ounce compared to a budget of $801 per ounce and $904 per ounce for the year ended December 31, 2016. All-in sustaining costs for 2017 were at the upper end of the revised guidance range of $1,075 to $1,115 per ounce. The higher than budgeted all-in sustaining costs for the fourth quarter and full year of 2017 resulted mainly from the higher cash operating costs and sustaining capital expenditures related to development of the San Juan and San Diego open pits, which weren't included in the original 2017 budget.

Total capital expenditures in the fourth quarter of 2017 were $5.7 million, consisting primarily of $2.9 million in project development costs related to the new San Juan and San Diego open pits plus underground development costs of $2.1 million at Jabali Antenna Underground. For the year ended December 31, 2017, capital expenditures totalled $23.8 million, consisting primarily of project development costs of $7.2 million, underground development costs of $5.8 million, La Esperanza Tailings Dam expansion of $4.8 million and land acquisitions of $3.1 million. Various changes to the mine plan (including delays in the Antenna open pit, conversion of San Juan to open pit and the addition of San Diego) have impacted the timing of capital costs, but project development and capital expenditure generally follow the revised production plan.

Sustaining capital costs for La Libertad in 2018 are planned to total $28.5 million, mainly for prestripping and underground development/infrastructure. Non-sustaining capital costs are budgeted to total $2 million.

In 2018, La Libertad is budgeted to process a total of 2.3 million tonnes of ore at an average grade of 1.76 g/t and process recovery of 94%. The significant increase in grade versus 2017 is due to mining the high-grade Jabali Antenna, San Diego and San Juan pits, augmented by production from the Mojon and Jabali West underground mines.

La Libertad Mine is expected to produce between 115,000 and 120,000 ounces of gold in 2018 at cash operating costs of between $745 and $790 per ounce and all-in sustaining costs of between $1,050 and $1,100 per ounce. La Libertad's production forecast assumes that production will start from the Jabali Antenna Pit in the third quarter of 2018 (dependent upon the successful completion of resettlement activities and receipt of the remaining mining permits). Current plans at La Libertad include mining and processing into 2020, with a combination of mineral reserves and mineral resources. The Company has a successful track record of converting its mineral resources to reserves and exploration for additional mineral targets continues. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

El Limon Mine – Nicaragua

	Three months ended December 31		Year ended December 31	
	2017	**2016**	**2017**	**2016**
Gold revenue ($ in thousands)	**17,784**	15,350	**49,579**	56,379
Gold sold (ounces)	**13,970**	12,638	**39,084**	45,038
Average realized gold price ($/ ounce)	**1,273**	1,215	**1,269**	1,252
Tonnes of ore milled	**114,325**	122,167	**458,419**	467,404
Grade (grams/ tonne)	**4.33**	2.72	**3.09**	3.22
Recovery (%)	**95.0**	93.6	**94.1**	94.1
Gold production (ounces)	**15,082**	10,007	**42,776**	45,483
Cash operating costs(1) ($/ ounce)	**778**	982	**954**	781
Total cash costs(1) ($/ ounce)	**831**	1,059	**1,020**	862
All-in sustaining costs(1) ($/ ounce)	**1,231**	1,501	**1,469**	1,189
Capital expenditures ($ in thousands)	**5,072**	2,460	**16,048**	7,749
Exploration ($ in thousands)	**2,207**	964	**6,362**	3,453

(1) Non-IFRS measure. For a description of how these measures are calculated and a reconciliation of these measures to the most directly comparable measures specified, defined or determined under IFRS and presented in the Company's financial statements, refer to "Non-IFRS Measures".

The El Limon Mine in Nicaragua, in which the Company holds a 95% interest, produced 15,082 ounces of gold in the fourth quarter of 2017 (Q4 2016 – 10,007 ounces), in-line with revised guidance and a continued improvement from earlier quarters in 2017. For the full-year 2017, El Limon met the lower end of its revised production guidance range of 40,000 to 50,000 ounces and produced 42,776 ounces of gold which was 6% (or 2,707 ounces) lower compared to 2016. El Limon's production in 2017 was affected by water pumping issues which reduced high-grade ore flow from Santa Pancha Underground. In the fourth quarter of 2017, mining operations at El Limon returned to budgeted (normal) production rates with the successful rehabilitation of the Santa Pancha 1 dewatering well.

Limon's cash operating costs (refer to *"Non-IFRS Measures"*) in the fourth quarter of 2017 were $778 per ounce compared to a budget of $584 per ounce and $982 per ounce for the prior year quarter. Higher than budget operating costs were largely due to operating underground development (versus capitalized development) incurred in the fourth quarter that was delayed from earlier in the year due to the water issues discussed above. Cash operating costs in the fourth quarter of 2017 were lower than the fourth quarter in 2016 due to higher production in the fourth quarter of 2017 as El Limon returned to budgeted production rates. For the year ended December 31, 2017, cash operating costs were $954 per ounce which was above the high end of the revised guidance range of $815 to $855 per ounce and higher than the cash operating cost of $781 per ounce in the same period in 2016. Cash operating costs per ounce for 2017 were higher than both budget and 2016 due to lower than budgeted production arising from limited access to higher grade ore in the Santa Pancha underground as outlined above.

All-in sustaining costs (refer to *"Non-IFRS Measures*") for the quarter ended December 31, 2017 were $1,231 per ounce compared to a budget of $867 per ounce and $1,501 per ounce in the prior year quarter. All-in sustaining costs (refer to *"Non-IFRS Measures"*) for the year ended December 31, 2017 were $1,469 per ounce compared to a budget of $1,081 per ounce and $1,189 per ounce in the prior year. All-in sustaining costs in the quarter and the year-to-date reflect the increase in cash operating costs noted above and higher sustaining capital expenditures including higher deferred development costs and mining equipment purchases.

Capital expenditures in the fourth quarter of 2017 totalled $5.1 million which consisted mainly of underground development ($2.9 million) and mining development/project costs ($1.2 million). Year-to-date capital expenditures totalled $ 16.0 million, consisting mainly of underground development ($8.9 million), mining development/project costs ($3.5 million) and mining equipment ($2.5 million).

In 2018, El Limon is expected to produce between 55,000 and 60,000 ounces of gold at cash operating costs of between $700 and $750 per ounce and all-in sustaining costs of between $1,135 and $1,185 per ounce.

El Limon Mine is budgeted to process 0.5 million tonnes of ore at an average grade of 3.96 g/t gold with gold recoveries averaging 94%. Approximately 28% of the process ore is expected to be sourced from the Mercedes Pit, with the remainder from underground operations at Santa Pancha. The mining permit for the Mercedes Pit was recently received, and development of the pit has commenced.

The Company plans to undertake sustaining capital expenditures at El Limon totaling $15.3 million in 2018, of which $6.1 million relates to underground development at Santa Pancha. Non-sustaining capital costs are budgeted to total $2.8 million.

Historically and looking forward, El Limon operates best when it combines both underground and open-pit ore sources. With the Mercedes Pit mining permit in place and development underway, Mercedes is expected to supply good grade, open-pit ore for the mill in 2018, combined with underground ore. The result is expected to maximize mill throughput, increase gold production, and reduce operating costs in 2018. In addition, the Company expects to complete an engineering study in mid-2018 to determine the plan for potential accelerated development of the new El Limon Central Zone which could continue to increase gold production and optimize costs in 2019 and beyond (see below).

Ongoing El Limon Exploration and Development

On February 23, 2018, the Company announced a positive initial open-pit inferred resource at the newly-discovered El Limon Central zone, at the El Limon property in Nicaragua, of 5,130,000 tonnes at a grade of 4.92 g/t of gold containing 812,000 ounces of gold (100% basis). Inferred Mineral Resources are amenable to open-pit mining methods and are reported within a pit shell run using a gold price of US$1,400/oz., an average gold recovery of 83.8% (based on preliminary metallurgical testwork) and recent El Limon Mine cash operating costs. This large, good grade new zone has the potential to decrease the El Limon Mine's cash operating costs and all-in sustaining costs per ounce and significantly increase the El Limon mine life. The El Limon Central zone, at its closest location, is approximately 150 metres from the El Limon mill facility, extending southeast and northwest, adjacent to existing plant and administrative infrastructure. Historical records indicate that parts of the Central zone had been mined underground in past decades. B2Gold's recent exploration work indicates the underground mining was much more limited than previously thought. B2Gold is currently conducting additional metallurgical testing on the El Limon Central ore and a study to evaluate the potential to expand the El Limon throughput to significantly increase annual gold production and reduce cash operating costs. The study results are expected by mid-2018.

Gramalote - Colombia

In 2017, the Company, in conjunction with its joint venture partner, Anglo Gold Ashanti ("AGA") advanced the Gramalote Project to the pre-feasibility study stage. The Company is currently in discussions with AGA to determine what the next steps for the Gramalote Project are, including if applicable, an appropriate work program and budget to maintain the Gramalote Project in good standing while the joint venture partners consider their respective options.

Community Relations Update

In 2017, the Company incurred a total of $10.6 million on its community relations programs (comprised of direct expenditures of $5.5 million and related social taxes of $5.1 million – mandated to be used for social programs) across the various countries where it operates. Highlights of the Company's community relations programs are below.

Fekola Mine

Several livelihood projects continue to scale up in proximity to the Fekola mine site, including market gardens managed by women's associations, which provide fresh produce to the mine, and a rice farming enterprise. The Company is in the process of resettling the nearby Fadougou village to a new site, with construction now underway on improved housing with access to potable water, solar panels for lighting and community facilities. A joint initiative with Global Affairs Canada called "Skills for Employment" continued to provide training to local communities to enhance their prospects of gaining employment in the mining sector as well as teaching skills that can be readily applied to creating sustainable and profitable small and medium enterprises.

Otjikoto Mine

Corporate social investment ("CSI") in Namibia is focused on four key areas: livelihoods (communities), health, education and environment.

Under the livelihoods pillar, the support of small to medium enterprises is the main focal area, as the lack of entrepreneurship has been identified as the major obstacle to poverty eradication. Under the health pillar, early childhood development has been targeted for substantial support. On education, B2Gold's most important program is its support of the Ministry of Education with a Maths and Science experiment program for teachers and school pupils, called the "Little Shop of Physics". The initial roll-out of this program, introduced by B2Gold and Colorado State University, was so successful that B2Gold has worked with the Ministry of Education to include it in the national curriculum, and deliver ongoing training to school teachers. The focal point of the environment/conservation pillar of B2Gold's CSI programs has been the establishment of the Namibian Chamber of Environment. This organization is the brain-child of B2Gold and has become recognized as the voice-piece of the environmental and conservation community in Namibia, with over 50 environmental NGOs now members. It is seen as a role model for other African countries to follow.

Masbate Mine

The community relations group continued its development initiatives through 2017, with the majority of funding distributed in the eight "impact Barangays" ('Townships') surrounding the mine. Social development projects are identified and implemented in coordination with Barangay committees and councils and support education, health services, and development of small businesses.

Initiatives in 2017 included workshops for small business development, and promotion of livelihood associations (such as cooperatives) which included aquaculture, vegetable raising, and poultry projects. Apart from ongoing support to local health centres, the Company promoted health initiatives such as community workshops for nutrition and cooking using local products. In education, support is provided to local students from vulnerable families to ensure they can attend school. A Technical Training Centre has been constructed in neighbouring town Aroroy to support vocational training, and is expected to launch in 2018.

Significant ongoing environmental initiatives include mangrove planting and a coral reef restoration project.

La Libertad and El Limon Mines

Community investment plans in Nicaragua focus on four strategic areas: education, health, livelihoods and social infrastructure.

In education, B2Gold supported more than 900 students in four communities around El Limon Mine by providing transportation, classroom materials and school internet services, along with teacher training in alliance with the Telefónica Foundation. In La Libertad and Santo Domingo, B2Gold awarded 60 scholarships in 2017, enabling local youth to enroll in university.

In the health sector, B2Gold continued to ensure access to potable water for a total population of more than 11,000 people in eight communities around El Limon. In La Libertad and Santo Domingo, the Company supported specialized healthcare for more than 80 children with special needs and collaborated with the Nicaraguan Health Ministry's anti-epidemic campaign.

To improve livelihoods in our communities, B2Gold provided agricultural inputs and technical assistance to 68 small farmers in El Limon, completed construction of the first municipal marketplace to promote local commerce in La Libertad, and facilitated certified training on sewing and tailoring skills to 40 women in Santo Domingo, thereby strengthening their employment potential.

In social infrastructure, B2Gold improved 14.5 km of roads in El Limon and 13.4 km of roads in Santo Domingo, benefiting 11 rural and semi-rural communities. Also in 2017, the Company built La Libertad's first fire station, to attend to and prevent emergencies in the municipality.

In 2017, the Company completed the program to improve housing for disadvantaged families in Nicaragua by improving their roofing which was started in 2016.

Kiaka and Toega Projects

The Company has built several much needed facilities in nearby villages. This has included a clinic, a maternity unit, a dispensary and a primary school where two secondary school classrooms have been added to eliminate the need of pupils to travel 25 km to attend classes. A bridge has also been constructed to link a portion of the village that is cut-off from these facilities during the rainy season. Numerous boreholes have been drilled to provide ready access to clean potable water. Two market garden enterprises have been established to assist communal women's groups to grow crops to improve overall nutrition and generate income.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2017 the Company had cash and cash equivalents of $147.5 million compared to cash and cash equivalents of $144.7 million at December 31, 2016. The Company had a working capital deficit at December 31, 2017 of $98.7 million compared to working capital of $101.0 million at December 31, 2016. The working capital deficit resulted from the reclassification of the Company's convertible senior subordinated notes to current liabilities as they are due on October 1, 2018. In 2016, the Company made a strategic decision to fund the construction of the Fekola Mine without using any equity to fund part of the construction cost. Construction and pre-development of the Fekola Mine was funded using a combination of operating cash flows from the Company's existing mines and as well as available debt facility capacity including the Company's RCF and Fekola equipment financing loans. In addition, the Company entered into $120 million Prepaid Sales arrangements, the proceeds of which were used to help fund Fekola construction costs in 2016.

In 2016, the Company made a strategic decision to fund the construction of the Fekola Mine without using any equity to fund part of the construction cost. With the successful and earlier than anticipated ramp up of the Fekola Mine in 2017, the Company is well positioned to execute the second part of its debt funding strategy and has started to reduce its overall consolidated debt levels. This planned repayment of debt includes the anticipated repayment of the Company's $259 million convertible notes which mature on October 1, 2018, unless the notes are converted into shares prior to that date. While the current convertible market remains attractive, the Company has allowed the notes to fall under amounts due within one year on the basis that the Company projects that it will have sufficient liquidity from 2018 operating cash flows and existing credit facilities to repay the notes in full and maintain a strong cash position. This position mirrors the Company's current strategy to focus on developing its budgeted organic growth opportunities in the short to mid-term using a portion of its projected ongoing cash flow from existing operations, including Fekola, coupled with its Revolving Credit Facility without the need for additional new external debt or equity financing.

At December 31, 2017, the Company had drawn $350 million under the $500 million amended RCF, leaving an undrawn and available balance under the existing facility of $150 million. At December 31, 2017, the Company also had Euro 22 million ($26.4 million equivalent) of undrawn capacity on its Fekola equipment loan facility and $9.1 million of undrawn capacity on its Masbate equipment loan facility. The Company expects to utilize the balance of both undrawn equipment loan facilities for equipment purchases in 2018 and early 2019. Overall, based on current assumptions including a gold price assumption of $1,300 per ounce, the Company believes that its future cash flows from operations along with the undrawn and available balances on its current facilities will allow it to meet all of its current obligations as they fall due and maintain a strong cash position.

Cash flow provided by operating activities was $25.6 million in the fourth quarter of 2017 compared to $82.3 million in the fourth quarter of 2016, a decrease of $56.7 million. The fourth quarter of 2017 was negatively impacted by non-cash working capital changes of negative $16.9 million compared with positive $12.6 million in the fourth quarter of 2016. The main changes in non-cash working capital in the quarter include a $47.3 million increase in inventories (including Fekola Mine purchase of supplies inventory of $32.5 million and Fekola Mine stockpile, in-circuit and bullion inventories of $14.2 million). Production and related inventory costs significantly exceeded expectations and forecasts in the fourth quarter of 2017. In-circuit and bullion inventories reflect ounces produced in December 2017 and on hand at year end. The Company accelerated consumable purchases to keep pace with the accelerated ramp up of the mine. This initial build up of inventories will benefit operating cash flows in future periods. Cash outflows related to establishing initial Fekola Mine inventory levels were partially offset by a $15.6 million increase in taxes incurred but not yet paid relating to the Philippines where the five year income tax holiday ended June 30, 2017 and current income taxes accrued from the newly operational Fekola Mine. In addition, operating cash flows were positively impacted by a build up of $18.8 million increase in accounts payable and accrued liabilities and negatively impacted by a decrease in revenues of $7.2 million, an increase of $4.1 million in production costs and $6.7 million less cash received from long-term value added tax receivables. During the fourth quarter of 2017, the Company delivered 12,909 ounces into Prepaid Sales contracts for which no proceeds were received in cash during the period. The original proceeds of $15 million for the Prepaid Sales were received in March 2016 upon entering into the contracts. In addition, for the quarter ended December 31, 2017, net cash flow proceeds totalling $73.4 million from the production and sale of pre-commercial production at the Fekola Mine were excluded from operating cash flows and included as investing cash flow in the consolidated statement of cash flows.

Cash flow provided by operating activities was $155.0 million for the year ended December 31, 2017 compared to $411.8 million for the year ended December 31, 2016, a decrease of $256.8 million. This decrease is mainly due to $120 million of proceeds received from the Prepaid Sales transactions in the first quarter of 2016 (March 2016 Prepaid Sales). Proceeds from Prepaid Sales transactions are received in advance in the period in which the Prepaid Sales transactions are entered into. No additional cash proceeds are received in the period in which ounces underlying the Prepaid Sales are delivered into. For accounting purposes, as the Company physically delivers into the contracts in subsequent periods, a portion of the original Prepaid Sales proceeds is recognized in revenue. During the year ended December 31, 2017, $30 million of proceeds were received from new Prepaid Sales transactions, while $60 million of March 2016 Prepaid Sales contracts were delivered into with no further cash received. For the year ended December 31, 2017, the Company delivered 51,633 ounces into these contracts. The decrease in cash flow provided by operating activities is also due to a decrease in revenues of $44.6 million, an increase in production costs of $27.0 million, negative changes in long-term VAT receivable of $12.3 million and the negative impact of working capital changes of negative $39.7 million compared with positive $2.0 million for the year ended December 31, 2016 partially offset by a decrease of realized derivative losses of $10.6 million. The main changes in non-cash working capital for the year ended December 31, 2017 related to a $58.1 increase in inventories (including Fekola Mine purchase of supplies inventory of $32.5 million and Fekola Mine stockpile, in-circuit and bullion inventories of $14.2 million). Production and related inventory costs significantly exceeded expectations and forecast

in the fourth quarter of 2017. In-circuit and bullion inventories reflect ounces produced in December 2017 and on hand at year end. The Company accelerated consumable purchases to keep pace with the accelerated ramp up of the mine. This initial build up of inventories will benefit operating cash flows in future periods. In addition, non-cash working capital included an increase totalling $11.2 million in accounts receivable and prepaids and short-term value-added and other tax receivables partially offset by a $20.4 million increase in accounts payable and accrued liabilities and a $9.2 million increase in income and other taxes incurred but not paid primarily relating to the Philippines where the five year income tax holiday ended June 30, 2017 and current income taxes accrued from the newly operational Fekola Mine. In addition, for the year ended December 31, 2017, net cash flow proceeds totalling $73.4 million from the production and sale of pre-commercial production at the Fekola Mine were excluded from operating cash flows and included as investing cash flow in the consolidated statement of cash flows.

On May 20, 2015 and as amended on June 10, 2015, March 11, 2016 and May 10, 2016, the Company signed a credit agreement with a syndicate of international banks including HSBC Bank USA, National Association, which acts as administrative agent and a lender, HSBC Securities (USA) Inc., which acts as sole lead arranger and sole bookrunner and The Bank of Nova Scotia, Société Générale and ING Bank N.V. (the “RCF Syndicate”) for an existing RCF for an aggregate amount of up to $350 million. The existing RCF also allowed for an accordion feature whereby, upon receipt of additional binding commitments, the facility may be increased up to $450 million any time prior to the maturity date. On March 14, 2017, the Company received a binding letter of commitment from the Canadian Imperial Bank of Commerce to participate in the Company’s existing RCF Bank Lending Syndicate. On May 8, 2017, the loan documentation was completed and the aggregate amount of the existing RCF was increased from $350 million to $425 million.

On July 7, 2017, the Company entered into an amended and restated credit agreement with the same syndicate of banks for an amended RCF of an aggregate amount of $500 million, representing a $75 million increase from the principal amount of $425 million under its existing RCF. The amended RCF also allows for an accordion feature whereby upon receipt of additional binding commitments, the facility may be increased to $600 million any time prior to the maturity date.

The amended RCF will bear interest on a sliding scale of between LIBOR plus 2.25% to 3.25% based on the Company’s consolidated net leverage ratio. Commitment fees for the undrawn portion of the facility will also be on a similar sliding scale basis of between 0.50% and 0.925%. The term of the amended RCF is four years, maturing on July 7, 2021. Between January 1, 2018 and October 1, 2018, for such time as the indebtedness outstanding under the Company's existing convertible notes is greater than $100 million, the sliding scale interest will temporarily increase to a sliding scale range of between LIBOR plus 2.50% to 4.00%. The increase in the sliding scale rate will cease upon the earlier of (1) reduction of outstanding indebtedness under the Company's convertible notes to $100 million or less and (2) maturity of the notes on October 1, 2018. The amended RCF terms, including elimination of the springing maturity feature which was included in the existing RCF, provides the Company with additional flexibility in assessing its longer term capital structure. In conjunction with expected cash flows generated from the Company's existing operations, including Fekola, proceeds from the amended RCF may also be used to prepay or repay the convertible notes, which mature on October 1, 2018.

The Company has provided security on the amended RCF in the form of a general security interest over the Company’s assets and pledges creating a charge over the shares of certain of the Company’s direct and indirect subsidiaries. In connection with the existing RCF, the Company must also maintain certain net tangible worth and ratios for leverage and interest coverage. As at December 31, 2017, the Company was in compliance with these debt covenants.

As at December 31, 2017, the Company had drawn down $350 million under the $500 million amended RCF, leaving an undrawn and available balance under the existing facility at that time of $150 million. Subsequent to December 31, 2017, the Company repaid $50 million under the amended RCF leaving an undrawn and available balance of $200 million.

For the year ended December 31, 2017, the interest and financing expense relating to the amended RCF recognized in the statement of operations was reduced by $7.9 million (2016 - $3.5 million), which was attributable to eligible expenditures on the Fekola property and capitalized to the carrying amount of the property.

In the first quarter of 2016, the Company entered into the March 2016 Prepaid Sales transactions totalling $120 million, for the delivery of 103,266 ounces, with its RCF Syndicate. The March 2016 Prepaid Sales, in the form of metal sales forward contracts, allow the Company to deliver pre-determined volumes of gold on agreed future delivery dates in exchange for an upfront cash pre-payment. The full amount of the proceeds was recorded as Prepaid Sales at the time of the transaction. Settlement will be in the form of physical deliveries of unallocated gold from any of the Company’s mines.

During the three and twelve months ended December 31, 2017, the Company delivered 12,909 and 51,633 ounces, respectively, into contracts priced at $15.0 million and $60.0 million, respectively. As the Company physically delivers ounces into the contracts, the portion of the Prepaid Sales relating to the delivered ounces is recognized as gold revenue in the statement of operations. Proceeds for the March 2016 Prepaid Sales transactions were originally received in March 2016 and are being recognized in revenue as the ounces underlying the Prepaid Sales are delivered.

During the year ended December 31, 2017, the Company entered into new Prepaid Sales transactions for 25,282 ounces, respectively, valued at $30.0 million. As at December 31, 2017, the company had $90.0 million of outstanding contracts for the delivery of 76,915 ounces with 51,633 ounces to be delivered during 2018 and 25,282 ounces during 2019.

During 2016, the Company entered into a Euro 71.4 million term equipment facility with Caterpillar Financial SARL, as Mandated Lead Arranger, and Caterpillar Financial Services Corporation, as original lender. The aggregate principal amount of up to Euro 71.4 million is available to the Company's majority-owned subsidiary, Fekola SA (the "Borrower") to finance or refinance the mining fleet and other mining equipment at the Company's Fekola Mine in Mali. The interest rate on each loan is a rate per annum equal to EURIBOR plus a margin of 5.10%. A commitment fee of 1.15% per annum on the undrawn balance of each tranche for the first twenty-four months after December 7, 2016 and 0.5% thereafter is also due, each payable quarterly. During the year ended December 31, 2017, the Company drew down Euro 49.4 million ($54.4 million equivalent) under the facility.

The equipment facility is available for a period that commenced on February 13, 2017, (the "Financial Close Date") and ends on the earlier of the day when the equipment facility is fully drawn and 30 months from the Financial Close Date. The equipment facility may be drawn in installments of not less than Euro 5 million, and each such installment shall be treated as a separate equipment loan. As at December 31, 2017, Euro 22.0 million ($26.4 million equivalent) was available for future drawdowns. The Company expects to utilize this for Fekola equipment purchases in 2018 or early 2019.

The Borrower is required to maintain a deposit in a debt service reserve account ("DSRA") equal at all times to the total of the principal, interest and other payments that become payable over the next six months period. As at December 31, 2017, the balance in the DSRA account was Euro 6.2 million ($7.5 million equivalent).

On June 1, 2017, the Company entered into a $17.8 million equipment facility with Caterpillar Financial Services Philippines, Inc. The aggregate principal amount of up to $17.8 million is available to finance or refinance the mining fleet and other mining equipment at the Masbate Mine in the Philippines. The equipment facility is available for a period that ends on the earlier of the day when the equipment facility is fully drawn and December 31, 2018. The equipment facility may be drawn in installments of not less than $0.5 million, and each such installment shall be treated as a separate equipment loan. Each equipment loan is repayable in 20 equal quarterly installments. The final repayment date shall be five years from the first disbursement under each equipment loan. The interest rate on each loan is a rate per annum equal to LIBOR plus a margin of 3.85%. A commitment fee of 1.15% per annum on the undrawn balance of each tranche is also due, each payable quarterly. The Company has guaranteed the equipment facilities and security is given over the equipment of the Borrower which has been financed by the equipment facilities.

During the year ended December 31, 2017, the Company made an initial drawdown of $8.7 million under the facility. As at December 31, 2017, $9.1 million was available for future drawdowns. The Company expects to utilize this amount to finance additional equipment purchases in 2018.

On May 30, 2017, the term over which the Otjikoto equipment loans may be advanced under the facility was extended to June 30, 2018 and an additional $6.2 million was made available for drawdown. During the year ended December 31, 2017, the Company had drawn down the full $6.2 million available under the facility.

The Company is required to maintain a deposit in a debt service reserve account ("DSRA") equal at all times to the total of the principal, interest and other payments that become payable over the next six months period. At December 31, 2017, the balance in the DSRA was $5.4 million (2016 - $5.2 million).

For the quarter and year ended December 31, 2017, net resource property expenditures totalled $(6.4) million and $352.7 million, respectively. The most significant expenditures were on the Fekola Project construction expenditures of $14.3 million and $222.4 million, respectively. Resource property expenditures for the quarter and year ended December 31, 2017 were offset by net cash inflow of $73.4 million for pre-production costs net of sales proceeds from the Fekola Mine (Sales proceeds from the pre-commercial production of $100.9 million net of operating costs of $27.5 million, were offset against the amounts capitalized for the Fekola Mine property, plant and equipment). Commercial production was achieved ahead of schedule on November 30, 2017. In addition, the Otjikoto Mine had capital expenditures of $5.1 million and $41.2 million, respectively, the Masbate Mine had capital expenditures of $16.1 million and $52.6 million, respectively, La Libertad Mine had capital expenditures of $5.7 million and $23.8 million, respectively and El Limon Mine had capital expenditures of $5.1 million and $16.0 million, respectively. Other exploration and development costs for the fourth quarter and year ended December 31, 2017 totalled $13.1 million and $53.7 million, respectively. Resource property expenditures (excluding Fekola construction costs) totalled $203.7 million which was in line with the 2017 budget of $200.5 million.

As at December 31, 2017, and in addition to those commitments disclosed elsewhere in the MD&A, the Company had commitments for payments of $6.1 million for Fekola Mine equipment, $2.6 million for mobile equipment at the Masbate Mine and $1.8 million for the solar plant at the Otjikoto Mine, all of which are expected to be incurred in 2018.

For 2018, the Company has budgeted total capital expenditures of $67.1 million at the Fekola Mine, $45.1 million at the Otjikoto Mine, $49.1 million at the Masbate Mine, $30.5 million at La Libertad Mine and $18.1 million at El Limon Mine. The Company's total 2018 exploration budget is approximately $52.4 million.

As at December 31, 2017, the Company's significant commitments are disclosed in the table below:

	2018	2019	2020	2021	2022	Total
	$	$	$	$	$	$
Accounts payable and accrued liabilities	95,092	—	—	—	—	95,092
Derivative liabilities	4,952	—	—	—	—	4,952
Convertible senior subordinated notes:						
Principal	258,750	—	—	—	—	258,750
Interest	8,409	—	—	—	—	8,409
Revolving credit facility:						
Principal	—	—	—	350,000	—	350,000
Interest & commitment fees (estimated)	22,836	17,117	17,117	8,892	—	65,962
Fekola equipment loan facility:						
Principal	11,857	11,857	11,857	11,857	5,076	52,504
Interest (estimated)	2,483	1,870	1,261	644	114	6,372
Otjikoto equipment loan facility:						
Principal	10,319	4,869	3,453	1,958	647	21,246
Interest (estimated)	795	428	234	84	12	1,553
Masbate equipment loan facility:						
Principal	1,749	1,749	1,749	1,749	1,311	8,307
Interest (estimated)	400	309	218	126	34	1,087
Nicaraguan equipment loans:						
Principal	1,056	247	41	—	—	1,344
Interest (estimated)	37	8	—	—	—	45
Operating lease commitments	3,865	1,723	1,171	1,075	392	8,226
Capital expenditure commitments	10,513	—	—	—	—	10,513
Mine restoration provision	1,819	—	—	9,690	9,690	21,199
Employee future benefits	1,087	1,187	1,676	117	4,566	8,633
Other liabilities	2,516	1,121	—	—	—	3,637
	438,535	**42,485**	**38,777**	**386,192**	**21,842**	**927,831**

The Company believes that its future cash flows from operations along with the undrawn and available balances on its current facilities will allow it to meet its current obligations as they come due.

Derivative financial instruments

Gold forwards

Under the terms of a prior revolving credit facility entered into in April 2013, the Company was required to maintain gold forwards, within certain parameters, over the term of facility in order to manage the risk of volatility in the Company's future operating income and reduce risk in respect of debt service obligations. As at December 31, 2017, the Company had gold forward contracts with respect to the Otjikoto Mine for the delivery of 35,916 ounces during 2018 at an average price of 15,044 Rand per ounce which are recorded at fair value through the statement of operations. The unrealized fair value of these contracts at December 31, 2017 was $(5.0) million.

Forward contracts – fuel oil, gas oil, diesel

The Company uses forward contracts for fuel oil, gas oil and diesel to manage the risk of volatility in the Company's future operating costs. The Company reviews the open positions and the potential for additional forward contracts on an ongoing basis. For the year ended December 31, 2017, the Company entered into additional series of forward contracts for the purchase of fuel oil, gas oil and diesel with settlements scheduled between February 2018 and January 2020. These derivative instruments were not designated as hedges by the Company and are being recorded at their fair value at the end of each reporting period with changes in fair value recorded in the statement of operations. Adjustments to the market value are included in the statement of operations.

The following is a summary, by maturity dates, of the Company's total forward contracts outstanding as at December 31, 2017:

	2018	2019	2020	Total
Forward – fuel oil:				
Litres (thousands)	45,480	25,860	1,177	72,517
Average strike price	$ 0.30	$ 0.30	$ 0.29	$ 0.30
Forward – gas oil:				
Litres (thousands)	23,458	15,408	745	39,611
Average strike price	$ 0.41	$ 0.41	$ 0.42	$ 0.41
Forward – diesel:				
Litres (thousands)	3,910	1,399	47	5,356
Average strike price	$ 0.41	$ 0.43	$ 0.41	$ 0.42

The unrealized fair value of these contracts at December 31, 2017 was $7.4 million.

Interest rate swaps

During the year ended December 31, 2016, the Company entered into a series of interest swaps with a notional amount of $100 million with settlements scheduled between September 2016 and May 2019. Under these contracts, the Company receives a floating rate equal to the 3 month United States dollar LIBOR rate and pays a fixed rate of 1.04%. The Company entered into these interest rate swaps to manage the volatility of the interest related to the revolving credit facility. These derivative instruments were not designated as hedges by the Company and are being recorded at their fair value at the end of each reporting period with changes in fair value recorded in the statement of operations. The unrealized fair value of these contracts at December 31, 2017 was $1.2 million.

Operating activities

Cash flow provided by operating activities was $155.0 million for the year ended December 31, 2017 compared to $411.8 million for the year ended December 31, 2016, a decrease of $256.8 million. This decrease is mainly due to $120 million of proceeds received from the Prepaid Sales transactions in the first quarter of 2016 (March 2016 Prepaid Sales). Proceeds from Prepaid Sales transactions are received in advance in the period in which the Prepaid Sales transactions are entered into. No additional cash proceeds are received in the period in which ounces underlying the Prepaid Sales are delivered into. For accounting purposes, as the Company physically delivers into the contracts in subsequent periods, a portion of the original Prepaid Sales proceeds is recognized in revenue. During the year ended December 31, 2017, $30 million of proceeds were received from new Prepaid Sales transactions, while $60 million of March 2016 Prepaid Sales contracts were delivered into with no further cash received. For the year ended December 31, 2017, the Company delivered 51,633 ounces into these contracts. The decrease in cash flow provided by operating activities is also due to a decrease in revenues of $44.6 million, an increase in production costs of $27.0 million, negative changes in long-term VAT receivable of $12.3 million and the negative impact of working capital changes of negative $39.7 million compared with positive $2.0 million for the year ended December 31, 2016 partially offset by a decrease of realized derivative losses of $10.6 million. The main changes in non-cash working capital for the year ended December 31, 2017 related to a $58.1 increase in inventories (including Fekola Mine purchase of supplies inventory of $32.5 million and Fekola Mine stockpile, in-circuit and bullion inventories of $14.2 million). Production and related inventory costs significantly exceeded expectations and forecast in the fourth quarter of 2017. In-circuit and bullion inventories reflect ounces produced in December 2017 and on hand at year end. The Company accelerated consumable purchases to keep pace with the accelerated ramp up of the mine. This initial build up of inventories will benefit operating cash flows in future periods. In addition, non-cash working capital included an increase totalling $11.2 million in accounts receivable and prepaids and short-term value-added and other tax receivables partially offset by a $20.4 million increase in accounts payable and accrued liabilities and a $9.2 million increase in income and other taxes incurred but not paid primarily relating to the Philippines where the five year income tax holiday ended June 30, 2017 and current income taxes accrued from the newly operational Fekola Mine. In addition, for the year ended December 31, 2017, net cash flow proceeds totalling $73.4 million from the production and sale of pre-commercial production at the Fekola Mine were excluded from operating cash flows and included as investing cash flow in the consolidated statement of cash flows.

Financing activities

The Company's cash from financing activities for the year ended December 31, 2017 was a net inflow of $193.0 million. During the year ended December 31, 2017, the Company made drawdowns of $150 million on its amended RCF ($145.3 million net of transaction costs), drawdowns of Euro 49.4 million ($54.4 million equivalent) on its Fekola equipment loan facility, drawdowns of $6.2 million on its Otjikoto equipment loan facility, drawdowns of $8.7 million in its Masbate equipment loan facility and received proceeds from the exercise of stock options of $26.5 million. The Company made payments on equipment loan facilities of $18.3 million and interest and commitment payments of $20.6 million. In connection with the Fekola and Otjikoto equipment loan facilities, the Company is required to maintain a deposit in a DSRA equal at all times to the total of the principal, interest and other payments that become payable over the next six month period. During the year ended December 31, 2017, $8.2 million was deposited in the DSRA accounts.

On August 11, 2016, the Company entered into an equity distribution agreement (the "ATM Agreement") with two placement agents for the sale of common shares for aggregate gross proceeds of up to $100 million through "at the market" distributions under the Company's prospectus supplement filed under its base shelf prospectus and registration statement. No common shares were issued under the ATM Agreement during the first half of 2017. During the second quarter of 2017, the Company terminated the ATM Agreement. The related supplementary prospectus expired in February 2018.

Investing activities

For the year ended December 31, 2017, net resource property expenditures totalled $352.7 million with the most significant components being the Fekola Project with expenditures of $222.4 million, the Otjikoto Mine with capital expenditures of $41.2 million, the Masbate Mine with capital expenditures of $52.6 million, the Libertad Mine with capital expenditures of $23.8 million and the Limon Mine with capital expenditures of $16.0 million. Resource property expenditures for the year ended December 31, 2017 were offset by net cash inflow of $73.4 million for pre-production costs net of sales proceeds from the Fekola Mine (Sales proceeds from the pre-commercial production of $100.9 million net of related production costs of $27.5 million, were offset against the amounts capitalized for the Fekola Mine property, plant and equipment). Commercial production was achieved ahead of schedule on November 30, 2017.

Expenditures on the Fekola Project to date were $596.8 million including $41 million of preconstruction expenditures compared with a budget to date of $599.0 million. The Company has budgeted $15 million in 2018 to complete the Fadougou village relocation.

Exploration

Resource property expenditures on exploration are disclosed in the table below.

	For the three months ended December 31, 2017	*For the three months ended December 31, 2016*	***For the year ended December 31, 2017***	*For the year ended December 31, 2016*
	$	$	**$**	$
	(000's)	*(000's)*	***(000's)***	*(000's)*
Fekola Mine, exploration	**2,226**	1,261	**8,441**	3,698
Otjikoto Mine, exploration	**467**	648	**1,220**	1,994
Masbate Mine, exploration	**689**	1,224	**4,668**	4,492
Libertad Mine, exploration	**1,286**	1,172	**6,751**	4,269
Limon Mine, exploration	**2,207**	964	**6,362**	3,453
Kiaka Project, exploration	**873**	1,475	**4,512**	3,229
Fekola Regional, exploration	**355**	2,253	**6,245**	5,165
Toega Project, exploration	**1,514**	1,372	**5,784**	3,007
Ondundu Project, exploration	**560**	641	**3,116**	1,572
Other	**2,881**	2,654	**6,574**	6,157
	13,058	13,664	**53,673**	37,036

For 2017, the Company's original total exploration budget was approximately $46 million. In 2017, an additional exploration budget of $7 million was approved for West Africa targets and an additional exploration budget of $2 million was approved for El Limon targets. Approximately $22 million of the revised $55 million 2017 budget was used to support brownfields exploration at the producing mines. In addition, a significant portion of the 2017 exploration budget was used at all sites to drill several targets that

exhibit potential based on surface mapping, geochemical sampling and drilling completed in 2016. West Africa and Nicaragua were the primary focus of 2017 exploration expenditures.

In 2017, approximately $28.7 million was spent on exploration in Mali, Burkina Faso and Ghana. Exploration on the licences in Mali was budgeted to be $15.4 million focusing on multiple targets close to the Fekola deposit. The 2017 budget for West Africa envisioned completing 46,400 metres of diamond drilling, 65,900 metres of RC drilling, 32,900 metres of air-core drilling and 25,000 metres of auger drilling.

The Company has a 2018 exploration budget of approximately $52.4 million. West Africa and Nicaragua will be the primary areas of focus in 2018. 2018 will see approximately $25.0 million being spent on exploration in Mali, Burkina Faso and Ghana and $13.0 million in Nicaragua ($7 million at El Limon to continue testing the extent of the Limon Central vein system and $6 million at La Libertad and Regional targets for both infill drilling and to drill test new targets).

Fekola Mine

B2Gold's exploration team believes the expansive Fekola property has the potential to host additional large Fekola-style gold deposits. Surface exploration, regional drilling and geophysics to date have identified numerous targets. The Company has drilled approximately 2,800 aircore, reverse circulation and diamond drill holes totalling 180,000 metres. Approximately 75% of the drilling has focused on exploration drilling with the remainder on in-fill drilling. Based on the successful results to date, the Fekola Mine and regional exploration budgets for 2017 were increased by $3.8 million to $15.4 million.

Exploration on the licenses in Mali in 2018 will see expenditures of $15.1 million, focusing on the Fekola North Extension zone and sulphide targets below the Anaconda saprolite. The 2018 budget split between Fekola Mine ($5.3 million), Fekola Regional properties ($7.9 million) and South Mali ($1.9 million). The 2018 budget for Mali envisions completing 20,000 metres of diamond drilling, 48,000 metres of reverse circulation (“RC”) drilling, 22,000 metres of aircore drilling and 8,500 metres of auger drilling. Positive drill results from the Company’s 2017 exploration program at the Fekola area (*see news release dated 11/9/2017*) indicated that the main Fekola deposit, with additional drilling, could extend significantly to the north. In addition, drilling below the extensive saprolite resource at the Anaconda, Adder and Mamba zones has discovered three, well mineralized bedrock (sulphide) zones, indicating the potential for large, Fekola-style mineralized zones. Exploration results from the Fekola North Extension and Anaconda drill programs are expected by mid-2018.

Infill drilling continues on the Fekola extension immediately to the north of the Fekola deposit. The Company estimates that it could add up to 900,000 ounces of gold, consisting of 720,000 ounces from the existing indicated category and 180,000 from the existing inferred category to the Fekola Mine plan with further infill drilling. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Exploration drilling at Fekola includes step out drilling to the north of the Fekola resource to test the ultimate size potential of the Fekola deposit. Exploration results from the Fekola extension drill program are expected by mid-2018.

Fekola Regional

On June 15, 2017, the Company announced the maiden Mineral Resource estimate for the Anaconda area of the Fekola Project located in southwestern Mali and new exploration drill results from beneath the saprolite and for Anaconda. This initial Inferred Mineral Resource estimate is 21.59 million tonnes at 1.11 g/t gold for 767,000 ounces. The estimate is reported within a series of pit shells and above a 0.35 g/t gold cutoff grade. This saprolite-hosted gold mineralization remains open and B2Gold's Exploration group is continuing to explore the edges of the known zones, test for additional saprolite hosted mineralized zones and to explore for Fekola-style gold mineralization within the underlying bedrock.

The Anaconda Mineral Resource includes the Anaconda, Adder, Cobra, Cascabel, Mamba and Boomslang zones which occur as flat-lying to slightly dipping mineralized zones within saprolite and saprock. This resource occurs near surface and remains open along strike. At present, the combined Anaconda-Adder saprolite zone extends over 4.5 kilometres along strike and up to 500 metres wide at Anaconda and up to 200 metres wide at Adder. Within these zones, mineralized saprolite varies from several metres to over 40 metres thick, with an average true thickness of approximately 13.5 metres.

The 2016 exploration program identified several bedrock structures, below the saprolite, that may have weathered to create the extensive zones of saprolite-hosted gold mineralization. These mineralized bedrock structures have the potential to host new additional Fekola-style zones. Exploration drilling in 2017 discovered three well mineralized zones beneath the Anaconda, Adder and Mamba saprolite. Approximately $7 million is allocated in 2018 to continue to test these sulphide targets.

Toega Project

On February 13, 2017, the Company announced positive exploration drill results at the new Toega prospects near the Kiaka deposit. In 2016, a total of 19,433 metres of combined reverse circulation and diamond drilling was completed, to better define the limits of this discovery and to explore the immediate area for additional mineralization. The drilling expanded the known extents of mineralization at Toega to over 900 metres long, by up to 425 metres wide, with intersections of variable thickness occurring as deep as 250 metres below surface. Mineralization remains open down dip and down plunge at Toega.

In 2017, over 20,000 metres of combined reverse circulation and diamond drilling were completed in 72 holes.

On February 22, 2018, the Company announced a positive initial Inferred Mineral Resource estimate for the Toega Project located in Burkina Faso with an initial Inferred Mineral Resource estimate of 17,530,000 tonnes of 2.01 g/t, containing 1,130,000 ounces of gold, indicates the potential to be an open-pittable deposit. Toega mineralized zone now extends 1,200 metres along strike, and is 430 metres wide and up to 400 metres deep.Toega mineralized zone remains open along strike to the north-northeast and down dip. Recent drilling has intersected good grade in a potential new mineralized zone. Drilling is ongoing to infill and determine the ultimate size of the Toega zone, and to further test the new mineralized zone. The Toega Inferred Mineral Resources are amenable to open-pit mining methods and are reported within a pit shell run using a gold price of US$1,400/oz., an average gold recovery of 86.2 % (based on preliminary metallurgical testwork), an assumed pit slope parameter of 50 degrees and preliminary costs based on input from other B2Gold mining operations. Costs used for pit generation are a mining cost of US$2.50 per tonne mined, processing cost of US$10.00 per tonne and G&A cost of US$2.10 per tonne processed.

Metallurgical, environmental and social baseline studies were initiated at Toega in 2016, and these programs are planned to continue throughout 2018.

In Burkina Faso, the 2018 exploration budget is $9.1 million for the Toega Prospect and the Kiaka Regional district that saw exploration success in 2017. Burkina Faso will see 14,500 metres of planned diamond drilling, 29,000 metres of planned RC drilling and 28,000 metres of combined planned aircore and auger drilling. Exploration results from the Toega Prospect drill program are expected in the latter part of 2018.

Otjikoto Mine

The total exploration budget for Namibia in 2017 was $5.1 million mainly for 5,000 metres of diamond drilling on the Otjikoto licence area, and 12,000 metres of diamond drilling and 5,000 metres of RAB drilling on the Ondundu joint venture project. An additional 5,000 metres of diamond and RC drilling are committed to new targets in and around the Otjikoto area.

The total exploration budget for Namibia in 2018 is $5.1 million. Exploration in 2018 will include 17,000 metres of diamond drilling and 4,000 metres of RAB drilling split between the Otjikoto Project and the Ondundu joint venture.

Masbate Mine

The Masbate exploration budget for 2017 was approximately $5 million including 27,000 meters of drilling. The drilling was divided into brownfields drilling to upgrade resources within the mine licence area, totalling 16,000 metres of diamond drilling, and another 11,000 metres on regional targets. New targets such as Montana SE were further tested.

The Masbate exploration budget for 2018 is approximately $5.1 million including 12,000 metres of diamond drilling. The drilling is divided into brownfields drilling to upgrade resources within the mine licence and on regional targets.

La Libertad Mine

La Libertad's exploration budget for 2017 was approximately $6.7 million for a total of 15,000 metres of planned diamond drilling. The program was comprised of 7,000 metres of brownfields (near mine) drilling and 8,000 metres of drilling planned on several regional targets.

La Libertad's exploration budget for 2018 is approximately $4.8 million for a total of 9,000 metres of planned diamond drilling. The program is split between infill (near mine) drilling and drilling on several regional targets.

El Limon Mine

In 2017, El Limon's exploration budget was increased to $7 million to include 28,600 metres of drilling (over 157 holes) with a focus on El Limon Vein system. The system comprises of the Pozo Bono, Limon Sur, Limon Central, Limon North and Tigra-Chaparral zones, most of which were previously partially mined by both open pit and underground methods. On February 23, 2018, the Company announced a positive initial open-pit inferred resource at the newly-discovered El Limon Central zone, at the El Limon property in Nicaragua, of 5,130,000 tonnes at a grade of 4.92 g/t of gold containing 812,000 ounces of gold (100% basis). Inferred Mineral Resources are amenable to open-pit mining methods and are reported within a pit shell run using a gold price of US$1,400/oz., an average gold recovery of 83.8% (based on preliminary metallurgical testwork), and recent EL Limon Mine cash operating

costs. This large, good grade new zone has the potential to decrease the El Limon Mine's cash operating costs and all-in sustaining costs per ounce and significantly increase the El Limon mine life. The El Limon Central zone, at its closest location, is approximately 150 metres from the El Limon mill facility, extending southeast and northwest, adjacent to existing plant and administrative infrastructure. Historical records indicate that parts of the Central zone had been mined underground in past decades. B2Gold's recent exploration work indicates the underground mining was much more limited than previously thought. B2Gold is currently conducting additional metallurgical testing on the El Limon Central ore and a study to evaluate the potential to expand the El Limon throughput to significantly increase annual gold production and reduce cash operating costs. The study results are expected by mid-2018.

El Limon's exploration budget for 2018 is approximately $7.0 million for a total of 25,000 metres of planned diamond drilling. The program largely consists of infill drilling of the recently-discovered Central Zone.

Finland Joint Venture

Finland has a 2018 budget of $2.6 million and will complete 500 metres of drilling on targets defined from work completed in 2017. The Company has the right to earn up to a 75% ownership interest in the properties of Aurion Resources Ltd known as Kutuvuoma, Ahvenjarvi, Piko-Mustavaara, Palovaara and Soretiavuoma. The Company must incur $5 million in exploration work expenditures and issue 550,000 B2Gold shares to acquire a 51% interest in the properties over the initial four year period ending in August 2019. The Company may increase its interest to 70% by incurring an additional $10 million over the next two year period and upon a bankable feasibility study, the Company will hold 75% in the properties.

CRITICAL ACCOUNTING ESTIMATES

Full disclosure of the Company's accounting policies and significant accounting judgments and estimation uncertainties in accordance with IFRS can be found in Notes 4 and 5 of its audited consolidated financial statements for the year ended December 31, 2017. Management considers the following estimates to be the most critical in understanding the judgments involved in preparing the Company's annual consolidated financial statements and the uncertainties that could impact its results of operations, financial condition and cash flows:

- Ore reserve and resource estimates;
- Value-added tax receivables;
- Deferred income taxes and valuation allowances;
- Impairment of long-lived assets; and
- Exploration and evaluation expenditures.

Ore reserve and resource estimates

Ore reserves are estimates of the amount of ore that can be economically and legally extracted from the Company's mining properties. The Company estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological data on the size, depth and shape of the ore body, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, metallurgical recoveries, permitting and production costs along with geological assumptions and judgments made in estimating the size, and grade of the ore body. Changes in the reserve or resource estimates may impact the carrying value of mining interests, mine restoration provisions, recognition of deferred tax assets, depreciation and amortization charges and royalties receivable.

Value-added tax receivables

The Company incurs indirect taxes, including value-added tax, on purchases of goods and services at its operating mines and development projects. Indirect tax balances are recorded at their estimated recoverable amounts within current or long-term assets, net of provisions, and reflect the Company's best estimate of their recoverability under existing tax rules in the respective jurisdictions in which they arise. Management's assessment of recoverability considers the probable outcomes of claimed deductions and/or disputes. The provisions and balance sheet classifications made to date may be subject to change and such change may be material.

Deferred income taxes and valuation allowances

The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur.

Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives. Levels of future taxable income are

affected by, among other things, market gold prices, production costs, quantities of proven and probable gold reserves, interest rates and foreign currency exchange rates.

Impairment of long-lived assets

Long-lived assets are tested for impairment, or reversal of a previous impairment, if there is an indicator of impairment or a subsequent reversal. Calculating the estimated recoverable amount of CGUs for long-lived asset requires management to make estimates and assumptions with respect to future production levels, mill recoveries, operating and capital costs in its life-of-mine plans, future metal prices, foreign exchange rates, and discount rates. Changes in any of the assumptions or estimates used in determining the recoverable amount could impact the analysis. Such changes could be material.

Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable mine can be established. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of operations in the period when the new information becomes available.

RECENT ACCOUNTING PRONOUNCEMENTS

IFRS 15 – Revenue from contracts with customers

The IASB has issued IFRS 15, Revenue from Contracts with Customers, which is effective for annual periods commencing on or after January 1, 2018. This new standard establishes a new control-based revenue recognition model which could change the timing of revenue recognition. The Company has evaluated the effect the standard will have on its sales recorded in its consolidated financial statements and expects that there will be no material impact to the timing or amounts of revenue recognized in its statement of operations.

IFRS 9 – Financial Instruments

The final version of IFRS 9, Financial Instruments, was issued in July 2014 to replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. In addition, this new standard amends some of the requirements of IFRS 7, Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in OCI and guidance on financial liabilities and derecognition of financial instruments. The standard is effective for annual periods beginning on or after January 1, 2018. Retrospective application is required, but there is no requirement to restate comparative periods disclosed.

Upon adoption of IFRS 9, the Company's long-term investments, which are currently classified as available-for-sale, will be designated as financial assets at fair value through other comprehensive income. Long-term investments will be recorded initially at fair value, with subsequent changes in the fair value recognized in the statement of other comprehensive income and not reclassified to net income upon disposition. Based on the Company's preliminary calculations, this designation will result in a reclassification of a $34.6 million loss from our deficit to accumulated other comprehensive loss, all within equity, on January 1, 2018.

In addition, the treatment of the Company's convertible senior subordinated notes (the "notes"), which are designated at fair value through profit and loss, will change upon adoption of IFRS 9. The new standard requires that the portion of the change in the fair value of the notes relating to the change in the Company's credit risk be recorded through statement of other comprehensive income. Based on the Company's preliminary calculations, this change will result in a reclassification of a $10.8 million loss from our deficit to accumulated other comprehensive loss, all within equity, on January 1, 2018.

IFRS 16 – Leases

The IASB has issued IFRS 16, Leases, which is effective for annual periods commencing on or after January 1, 2019. This new standard eliminates the classification of leases as either operating leases or finance leases and introduces a single lessee accounting model which requires the lessee to recognize assets and liabilities for all leases with a term of longer than 12 months. Early adoption is permitted provided IFRS 15 has already been adopted or is applied from the same date. The Company is currently evaluating the effect the standard will have on its consolidated financial statements.

RISKS AND UNCERTAINTIES

The exploration and development of natural resources are highly speculative in nature and the Company's business operations, investments and prospects are subject to significant risks. For details of these risks, please refer to the risk factors set forth in the Company's current Annual Information Form, which can be found under the Company's corporate profile on SEDAR at www.sedar.com, the Company's current Form 40-F Annual Report, which can be found on EDGAR at www.sec.gov, and the Company's other filings and submissions with securities regulators on SEDAR and EDGAR, which could materially affect the Company's business, operations, investments and prospects and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the business, operations, investments and prospects of the Company. If any of the risks actually occur, the business of the Company may be harmed and its financial condition and results of operations may suffer significantly.

DISCLOSURE CONTROLS AND INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure controls and procedures

Disclosure controls and procedures are designed (a) under Canadian law, to provide reasonable assurance and (b) under U.S. law, to ensure that information required to be disclosed in reports filed or submitted by the Company under Canadian securities legislation and the U.S. Securities and Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms and include, without limitation, controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted by the Company under Canadian securities legislation and the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

As at December 31, 2017, management, with the participation of the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures, as defined in the rules of the Canadian Securities Administrators and under the Exchange Act. Based upon the results of that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that as of December 31, 2017, the Company's disclosure controls and procedures were effective.

Management's annual report on internal control over financial reporting

The Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations and may not prevent or detect misstatements. Even when the Company's system of internal control over financial reporting is determined to be effective, it can only provide reasonable assurance with respect to financial statement preparation and presentation.

Management has used the criteria established in the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) to evaluate the effectiveness of the Company's internal control over financial reporting.

As at December 31, 2017, management, with the participation of the Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of the Company's internal control over financial reporting and concluded that the Company's internal control over financial reporting was effective.

The effectiveness of the Company's internal control over financial reporting has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, who have expressed their opinion in their report included with our annual consolidated financial statements.

Changes in internal control over financial reporting

There has been no change in our internal control over financial reporting during the year ended December 31, 2017 which has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

NON-IFRS MEASURES

Cash operating costs per gold ounce and total cash costs per gold ounce

''Cash operating costs per gold ounce'' and "total cash costs per gold ounce" are common financial performance measures in the gold mining industry but, as non-IFRS measures, they do not have a standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate our performance and ability to generate cash flow. Accordingly, these measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measures, along with sales, are considered to be a key indicator of the Company's ability to generate earnings and cash flow from its mining operations.

Cash cost figures are calculated in accordance with a standard developed by The Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is the accepted standard of reporting cash cost of production in North America. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measures of other companies. Other companies may calculate these measures differently. Cash operating costs and total cash costs per ounce are derived from amounts included in the statement of operations and include mine site operating costs such as mining, processing, smelting, refining, transportation costs, royalties and production taxes, less silver by-product credits. The tables below show a reconciliation of cash operating costs per ounce and total cash costs per ounce to production costs as extracted from the annual consolidated financial statements on a consolidated and a mine-by-mine basis:

Consolidated

	Three months ended December 31,			Year ended December 31,		
	2017 *(1)* **$ (000's)**	**2017** *(2)* **$ (000's)**	**2016 $ (000's)**	**2017***(1)* **$ (000's)**	**2017** *(2)* **$ (000's)**	**2016 $ (000's)**
Production costs per consolidated financial statements	**81,772**	81,772	77,668	**302,394**	302,394	275,400
Capitalized Fekola Mine pre-commercial production costs	**—**	19,074	—	**—**	19,074	—
Inventory sales adjustment	**13,141**	13,141	(804)	**16,791**	16,791	4,106
Cash operating costs	**94,913**	113,987	76,864	**319,185**	338,259	279,506
Royalties and production taxes per consolidated financial statements	**7,576**	15,978	6,232	**25,530**	33,932	25,493
Total cash costs	**102,489**	129,965	83,096	**344,715**	372,191	304,999
Gold production (ounces)	**167,850**	240,753	140,651	**551,322**	624,225	550,423
Cash operating costs per ounce ($/ounce)	**565**	473	546	**579**	542	508
Total cash costs per ounce ($/ounce)	**611**	540	591	**625**	596	554

(1) Includes results from the Fekola Mine from December 1, 2017. Commercial production was reached November 30, 2017.

(2) Includes results from the Fekola Mine from October 1, 2017 to December 31, 2017.

Fekola Mine

	Three months ended December 31,			Year ended December 31,		
	2017 *(1)* **$ (000's)**	**2017** *(2)* **$ (000's)**	**2016 $ (000's)**	**2017***(1)* **$ (000's)**	**2017** *(2)* **$ (000's)**	**2016 $ (000's)**
Production costs	**1,496**	1,496	N/A	**1,496**	1,496	N/A
Capitalized pre-commercial production costs	**—**	19,074	N/A	**—**	19,074	N/A
Inventory sales adjustment	**8,531**	8,531	N/A	**8,531**	8,531	N/A
Cash operating costs	**10,027**	29,101	N/A	**10,027**	29,101	N/A
Royalties and production taxes	**450**	8,852	N/A	**450**	8,852	N/A
Total cash costs	**10,477**	37,953	N/A	**10,477**	37,953	N/A
Gold production (ounces)	**32,207**	105,110	N/A	**32,207**	105,110	N/A
Cash operating costs per ounce ($/ounce)	**311**	277	N/A	**311**	277	N/A
Total cash costs per ounce ($/ounce)	**325**	361	N/A	**325**	361	N/A

(1) Includes results from the Fekola Mine from December 1, 2017. Commercial production was reached November 30, 2017.

(2) Includes results from the Fekola Mine from October 1, 2017 to December 31, 2017.

Otjikoto Mine

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	**2016 $ (000's)**	**2017 $ (000's)**	**2016 $ (000's)**
Production costs	**25,599**	18,630	**85,891**	61,756
Inventory sales adjustment	**115**	(1,424)	**3,704**	(583)
Cash operating costs	**25,714**	17,206	**89,595**	61,173
Royalties and production taxes	**2,736**	1,820	**8,565**	6,178
Total cash costs	**28,450**	19,026	**98,160**	67,351
Gold production (ounces)	**52,446**	46,846	**191,534**	166,285
Cash operating costs per ounce ($/ounce)	**490**	367	**468**	368
Total cash costs per ounce ($/ounce)	**542**	406	**512**	405

Masbate Mine

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	**2016 $ (000's)**	**2017 $ (000's)**	**2016 $ (000's)**
Production costs	**27,924**	24,775	**106,649**	93,822
Inventory sales adjustment	**3,446**	1,811	**3,243**	1,682
Cash operating costs	**31,370**	26,586	**109,892**	95,504
Royalties and production taxes	**3,195**	2,713	**11,530**	12,152
Total cash costs	**34,565**	29,299	**121,422**	107,656
Gold production (ounces)	**53,419**	48,633	**202,468**	206,224
Cash operating costs per ounce ($/ounce)	**587**	547	**543**	463
Total cash costs per ounce ($/ounce)	**647**	602	**600**	522

La Libertad Mine

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	**2016 $ (000's)**	**2017 $ (000's)**	**2016 $ (000's)**
Production costs	**14,595**	24,231	**68,658**	85,048
Inventory sales adjustment	**1,477**	(981)	**204**	2,243
Cash operating costs	**16,072**	23,250	**68,862**	87,291
Royalties and production taxes	**395**	926	**2,155**	3,487
Total cash costs	**16,467**	24,176	**71,017**	90,778
Gold production (ounces)	**14,696**	35,165	**82,337**	132,431
Cash operating costs per ounce ($/ounce)	**1,094**	661	**836**	659
Total cash costs per ounce ($/ounce)	**1,121**	688	**863**	685

El Limon Mine

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	2016 $ (000's)	2017 $ (000's)	2016 $ (000's)
Production costs	**12,158**	10,032	**39,700**	34,774
Inventory sales adjustment	**(428)**	(210)	**1,109**	762
Cash operating costs	**11,730**	9,822	**40,809**	35,536
Royalties and production taxes	**800**	773	**2,830**	3,676
Total cash costs	**12,530**	10,595	**43,639**	39,212
Gold production (ounces)	**15,082**	10,007	**42,776**	45,483
Cash operating costs per ounce ($/ounce)	**778**	982	**954**	781
Total cash costs per ounce ($/ounce)	**831**	1,059	**1,020**	862

All-in sustaining costs per gold ounce

In June 2013, the World Gold Council, a non-regulatory association of the world's leading gold mining companies established to promote the use of gold to industry, consumers and investors, provided guidance for the calculation of the measure "all-in sustaining costs per gold ounce", but as a non-IFRS measure, it does not have a standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The World Gold Council standard became effective January 1, 2014. Management believes that the all-in sustaining costs per gold ounce measure provides additional insight into the costs of producing gold by capturing all of the expenditures required for the discovery, development and sustaining of gold production and allows the Company to assess its ability to support capital expenditures to sustain future production from the generation of operating cash flows. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measures of other companies. Other companies may calculate these measures differently.

B2Gold defines all-in sustaining costs per ounce as the sum of cash operating costs, royalty and production taxes, capital expenditures and exploration costs that are sustaining in nature, corporate general and administrative costs, share-based payment expenses related to RSUs, community relations expenditures, reclamation liability accretion and realized (gains) losses on fuel derivative contracts, all divided by the total gold ounces produced to arrive at a per ounce figure. The Company defines non-sustaining capital expenditures and exploration costs as those that do not contribute to current year production or provide access to new material levels of production.

The tables below show a reconciliation of all-in sustaining costs per ounce to production costs as extracted from the annual consolidated financial statements on a consolidated and a mine-by-mine basis:

Consolidated

	Three months ended December 31,			Year ended December 31,		
	2017 *(1)*	**2017** *(2)*	**2016**	**2017***(1)*	**2017** *(2)*	**2016**
	$	**$**	**$**	**$**	**$**	**$**
	(000's)	**(000's)**	**(000's)**	**(000's)**	**(000's)**	**(000's)**
Production costs per consolidated financial statements	**81,772**	81,772	77,668	**302,394**	302,394	275,400
Capitalized Fekola Mine pre-commercial production costs	**—**	19,074	—	**—**	19,074	—
Inventory sales adjustment	**13,141**	13,141	(804)	**16,791**	16,791	4,106
Cash operating costs	**94,913**	113,987	76,864	**319,185**	338,259	279,506
Royalties and production taxes per consolidated financial statements	**7,576**	15,978	6,232	**25,530**	33,932	25,493
Corporate administration per consolidated financial statements	**18,384**	18,994	17,119	**43,613**	44,223	40,918
Share-based payments – RSUs[(3)]	**603**	649	457	**3,632**	3,678	3,760
Community relations per consolidated financial statements	**1,183**	1,425	2,529	**5,512**	5,754	5,051
Reclamation liability accretion [(4)]	**407**	468	244	**1,523**	1,584	1,054
Realized (gains) losses on fuel derivative contracts	**(592)**	(632)	405	**(1,335)**	(1,375)	4,502
Sustaining capital expenditures[(5)]	**25,272**	25,272	11,113	**97,564**	97,564	58,137
Sustaining mine exploration[(5)]	**4,116**	5,425	4,008	**11,991**	13,300	14,208
Other	**—**	—	4,382	**—**	—	4,382
Total all-in sustaining costs	**151,862**	181,566	123,353	**507,215**	536,919	437,011
Gold production (ounces)	**167,850**	240,753	140,651	**551,322**	624,225	550,423
All-in sustaining cost per ounce ($/ounce)	**905**	754	877	**920**	860	794

(1) Includes results from the Fekola Mine from December 1, 2017. Commercial production was reached November 30, 2017.

(2) Includes results from the Fekola Mine from October 1, 2017 to December 31, 2017.

(3) Included as a component of Share-based payments on the statement of operations.

(4) Excludes reclamation accretion relating to Kiaka.

(5) Refer to Sustaining Capital Expenditures and Sustaining Mine Exploration reconciliations below.

The table below shows a reconciliation of sustaining capital expenditures to operating mine capital expenditures as extracted from the annual consolidated financial statements:

	Three months ended December 31,			Year ended December 31,		
	2017 [1] **$ (000's)**	**2017** [2] **$ (000's)**	**2016 $ (000's)**	**2017**[1] **$ (000's)**	**2017** [2] **$ (000's)**	**2016 $ (000's)**
Consolidated operating mine capital expenditures	**36,355**	36,355	22,039	**138,036**	138,036	97,425
Fekola Mine non-sustaining capital expenditures	**(2,411)**	(2,411)	—	**(2,411)**	(2,411)	—
Otjikoto Mine non-sustaining capital expenditures	**(5,013)**	(5,013)	(3,770)	**(10,723)**	(10,723)	(18,352)
Masbate Mine non-sustaining capital expenditures	**(332)**	(332)	(4,625)	**(9,915)**	(9,915)	(17,930)
La Libertad Mine non-sustaining capital expenditures	**(2,143)**	(2,143)	(2,311)	**(13,828)**	(13,828)	(2,786)
El Limon Mine non-sustaining capital expenditures	**(1,184)**	(1,184)	(220)	**(3,595)**	(3,595)	(220)
Consolidated sustaining capital expenditures	**25,272**	25,272	11,113	**97,564**	97,564	58,137

(1) Includes results from the Fekola Mine from December 1, 2017. Commercial production was reached November 30, 2017.

(2) Includes results from the Fekola Mine from October 1, 2017 to December 31, 2017.

The table below shows a reconciliation of sustaining mine exploration to mine exploration as extracted from the annual consolidated financial statements:

	Three months ended December 31,			Year ended December 31,		
	2017 [1] **$ (000's)**	**2017** [2] **$ (000's)**	**2016 $ (000's)**	**2017**[1] **$ (000's)**	**2017** [2] **$ (000's)**	**2016 $ (000's)**
Consolidated mine exploration	**5,566**	6,875	4,008	**19,918**	21,227	14,208
Fekola Mine non-sustaining mine exploration	**—**	—	—	**—**	—	—
Otjikoto Mine non-sustaining mine exploration	**682**	682	—	**—**	—	—
Masbate Mine non-sustaining mine exploration	**(375)**	(375)	—	**(1,257)**	(1,257)	—
La Libertad Mine non-sustaining mine exploration	**(592)**	(592)	—	**(3,312)**	(3,312)	—
El Limon Mine non-sustaining mine exploration	**(1,165)**	(1,165)	—	**(3,358)**	(3,358)	—
Consolidated sustaining mine exploration	**4,116**	5,425	4,008	**11,991**	13,300	14,208

(1) Includes results from the Fekola Mine from December 1, 2017. Commercial production was reached November 30, 2017.

(2) Includes results from the Fekola Mine from October 1, 2017 to December 31, 2017.

Fekola

	Three months ended December 31,			Year ended December 31,		
	2017 *(1)* **$ (000's)**	**2017** *(2)* **$ (000's)**	**2016 $ (000's)**	**2017**[1] **$ (000's)**	**2017** *(2)* **$ (000's)**	**2016 $ (000's)**
Production costs	**1,496**	1,496	N/A	**1,496**	1,496	N/A
Capitalized pre-commercial production costs	**—**	19,074	N/A	**—**	19,074	N/A
Inventory sales adjustment	**8,531**	8,531	N/A	**8,531**	8,531	N/A
Cash operating costs	**10,027**	29,101	N/A	**10,027**	29,101	N/A
Royalties and production taxes	**450**	8,852	N/A	**450**	8,852	N/A
Corporate administration	**969**	1,579	N/A	**969**	1,579	N/A
Share-based payments – RSUs[3]	**23**	69	N/A	**23**	69	N/A
Community relations	**1**	243	N/A	**1**	243	N/A
Reclamation liability accretion	**30**	91	N/A	**30**	91	N/A
Realized gains on fuel derivative contracts	**(72)**	(112)	N/A	**(72)**	(112)	N/A
Sustaining capital expenditures[4]	**2,012**	2,012	N/A	**2,012**	2,012	N/A
Sustaining mine exploration[5]	**917**	2,226	N/A	**917**	2,226	N/A
Other	**—**	—	N/A	**—**	—	N/A
Total all-in sustaining costs	**14,357**	44,061	N/A	**14,357**	44,061	N/A
Gold production (ounces)	**32,207**	105,110	N/A	**32,207**	105,110	N/A
All-in sustaining cost per ounce ($/ounce)	**446**	419	N/A	**446**	419	N/A

(1) Includes results from the Fekola Mine from December 1, 2017. Commercial production was reached November 30, 2017.

(2) Includes results from the Fekola Mine from October 1, 2017 to December 31, 2017.

(3) Included as a component of Share-based payments on the statement of operations.

(4) Refer to Sustaining Capital Expenditures reconciliation below.

(5) All operating mine exploration expenditures were sustaining in nature.

The table below shows a reconciliation of Fekola Mine sustaining capital expenditures to operating mine capital expenditures as extracted from the annual consolidated financial statements:

	Three months ended December 31,			Year ended December 31,		
	2017 *(1)* **$ (000's)**	**2017** *(2)* **$ (000's)**	**2016 $ (000's)**	**2017**[1] **$ (000's)**	**2017** *(2)* **$ (000's)**	**2016 $ (000's)**
Operating mine capital expenditures	**4,423**	4,423	N/A	**4,423**	4,423	N/A
Tailings storage facility stages 2 and 3	**(2,411)**	(2,411)	N/A	**(2,411)**	(2,411)	N/A
Sustaining capital expenditures	**2,012**	2,012	N/A	**2,012**	2,012	N/A

(1) Includes results from the Fekola Mine from December 1, 2017. Commercial production was reached November 30, 2017.

(2) Includes results from the Fekola Mine from October 1, 2017 to December 31, 2017.

Otjikoto Mine

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	**2016 $ (000's)**	**2017 $ (000's)**	**2016 $ (000's)**
Production costs	**25,599**	18,630	**85,891**	61,756
Inventory sales adjustment	**115**	(1,424)	**3,704**	(583)
Cash operating costs	**25,714**	17,206	**89,595**	61,173
Royalties and production taxes	**2,736**	1,820	**8,565**	6,178
Corporate administration	**1,730**	1,400	**5,590**	4,268
Share-based payments – RSUs[(1)]	**4**	32	**46**	213
Community relations	**308**	379	**1,196**	642
Reclamation liability accretion	**87**	51	**352**	219
Realized (gains) losses on fuel derivative contracts	**(22)**	(44)	**(124)**	514
Sustaining capital expenditures[(2)]	**71**	1,622	**30,449**	20,889
Sustaining mine exploration[(2)]	**1,149**	648	**1,220**	1,994
Other	**—**	4,382	**—**	4,382
Total all-in sustaining costs	**31,777**	27,496	**136,889**	100,472
Gold production (ounces)	**52,446**	46,846	**191,534**	166,285
All-in sustaining cost per ounce ($/ounce)	**606**	587	**715**	604

(1) Included as a component of Share-based payments on the statement of operations.

(2) Refer to Sustaining Capital Expenditures and Sustaining Exploration reconciliations below.

The table below shows a reconciliation of the Otjikoto Mine sustaining capital expenditures to operating mine capital expenditures as extracted from the annual consolidated financial statements:

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	**2016 $ (000's)**	**2017 $ (000's)**	**2016 $ (000's)**
Operating mine capital expenditures	**5,084**	5,392	**41,172**	39,241
Solar plant	**(162)**	—	**(4,935)**	—
Wolfshag underground feasibility study	**(22)**	(571)	**(803)**	(571)
Game farm	**(67)**	—	**(223)**	—
Prestripping	**(4,762)**	(3,199)	**(4,762)**	(17,781)
Sustaining capital expenditures	**71**	1,622	**30,449**	20,889

The table below shows a reconciliation of Otjikoto Mine sustaining mine exploration to mine exploration as extracted from the annual consolidated financial statements:

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	2016 $ (000's)	2017 $ (000's)	2016 $ (000's)
Operating mine exploration	**467**	648	**1,220**	1,994
Otjikoto Mine regional exploration	**682**	—	**—**	—
Sustaining mine exploration	**1,149**	648	**1,220**	1,994

Masbate Mine

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	2016 $ (000's)	2017 $ (000's)	2016 $ (000's)
Production costs	**27,924**	24,775	**106,649**	93,822
Inventory sales adjustment	**3,446**	1,811	**3,243**	1,682
Cash operating costs	**31,370**	26,586	**109,892**	95,504
Royalties and production taxes	**3,195**	2,713	**11,530**	12,152
Corporate administration	**1,060**	2,414	**3,593**	5,238
Reclamation liability accretion	**126**	111	**503**	471
Realized (gains) losses on fuel derivative contracts	**(372)**	284	**(852)**	2,892
Sustaining capital expenditures[(1)]	**15,775**	5,006	**42,672**	13,962
Sustaining mine exploration[(1)]	**314**	1,224	**3,411**	4,492
Total all-in sustaining costs	**51,468**	38,338	**170,749**	134,711
Gold production (ounces)	**53,419**	48,663	**202,468**	206,224
All-in sustaining cost per ounce ($/ounce)	**963**	788	**843**	653

(1) Refer to Sustaining Capital Expenditures and Sustaining Exploration reconciliations below.

The table below shows a reconciliation of the Masbate Mine sustaining capital expenditures to operating mine capital expenditures as extracted from the annual consolidated financial statements:

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	2016 $ (000's)	2017 $ (000's)	2016 $ (000's)
Operating mine capital expenditures	**16,107**	9,631	**52,587**	31,892
Plant and powerhouse upgrades	**(282)**	(4,625)	**(6,744)**	(17,930)
Prestripping	**—**	**—**	**(1,270)**	**—**
Land acquisitions	**(7)**	**—**	**(836)**	**—**
Montana extension	**(43)**	**—**	**(1,065)**	**—**
Sustaining capital expenditures	**15,775**	**5,006**	**42,672**	**13,962**

The table below shows a reconciliation of Masbate Mine sustaining mine exploration to mine exploration as extracted from the annual consolidated financial statements:

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	2016 $ (000's)	2017 $ (000's)	2016 $ (000's)
Operating mine exploration	**689**	1,224	**4,668**	4,492
Masbate Mine regional exploration	**(375)**	—	**(1,257)**	—
Sustaining mine exploration	**314**	1,224	**3,411**	4,492

La Libertad Mine

	Three months ended December 31,		Year ended December 31,	
	2017	**2016**	**2017**	**2016**
	$	**$**	**$**	**$**
	(000's)	**(000's)**	**(000's)**	**(000's)**
Production costs	**14,595**	24,231	**68,658**	85,048
Inventory sales adjustment	**1,477**	(981)	**204**	2,243
Cash operating costs	**16,072**	23,250	**68,862**	87,291
Royalties and production taxes	**395**	926	**2,155**	3,487
Corporate administration	**972**	1,214	**3,538**	4,257
Community relations	**482**	1,868	**2,994**	3,395
Reclamation liability accretion	**90**	36	**352**	160
Realized (gains) losses on fuel derivative contracts	**(126)**	165	**(287)**	1,096
Sustaining capital expenditures[(1)]	**3,526**	2,245	**9,978**	15,757
Sustaining mine exploration[(1)]	**694**	1,172	**3,439**	4,269
Total all-in sustaining costs	**22,105**	30,876	**91,031**	119,712
Gold production (ounces)	**14,696**	35,165	**82,337**	132,431
All-in sustaining cost per ounce ($/ounce)	**1,504**	878	**1,106**	904

(1) Refer to Sustaining Capital Expenditures and Sustaining Exploration reconciliations below.

The table below shows a reconciliation of La Libertad Mine sustaining capital expenditures to operating mine capital expenditures as extracted from the annual consolidated financial statements:

	Three months ended December 31,		Year ended December 31,	
	2017	**2016**	**2017**	**2016**
	$	**$**	**$**	**$**
	(000's)	**(000's)**	**(000's)**	**(000's)**
Operating mine capital expenditures	**5,669**	4,556	**23,806**	18,543
Jabali underground development	**(2,105)**	(176)	**(5,837)**	(651)
San Juan underground development	**—**	(216)	**(17)**	(216)
Jabali Antenna resettlement and development	**(9)**		**(416)**	—
Land acquisitions	**—**	(1,919)	**(2,783)**	(1,919)
Tailings storage facility	**(29)**	—	**(4,775)**	—
Sustaining capital expenditures	**3,526**	2,245	**9,978**	15,757

The table below shows a reconciliation of La Libertad Mine sustaining mine exploration to mine exploration as extracted from the annual consolidated financial statements:

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	2016 $ (000's)	2017 $ (000's)	2016 $ (000's)
Operating mine exploration	**1,286**	1,172	**6,751**	4,269
Libertad Mine regional exploration	**(592)**	—	**(3,312)**	—
Sustaining mine exploration	**694**	1,172	**3,439**	4,269

El Limon Mine

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	2016 $ (000's)	2017 $ (000's)	2016 $ (000's)
Production costs	**12,158**	10,032	**39,700**	34,774
Inventory sales adjustment	**(428)**	(210)	**1,109**	762
Cash operating costs	**11,730**	9,822	**40,809**	35,536
Royalties and production taxes	**800**	773	**2,830**	3,676
Corporate administration	**634**	889	**2,147**	2,672
Community relations	**392**	282	**1,321**	1,014
Reclamation liability accretion	**74**	46	**286**	204
Sustaining capital expenditures[(1)]	**3,888**	2,240	**12,453**	7,529
Sustaining mine exploration[(1)]	**1,042**	964	**3,004**	3,453
Total all-in sustaining costs	**18,560**	15,016	**62,850**	54,084
Gold production (ounces)	**15,082**	10,007	**42,776**	45,483
All-in sustaining cost per ounce ($/ounce)	**1,231**	1,501	**1,469**	1,189

(1) Refer to Sustaining Capital Expenditures and Sustaining Exploration reconciliations below.

The table below shows a reconciliation of El Limon Mine sustaining capital expenditures to operating mine capital expenditures as extracted from the annual consolidated financial statements:

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	2016 $ (000's)	2017 $ (000's)	2016 $ (000's)
Operating mine capital expenditures	**5,072**	2,460	**16,048**	7,749
Land purchases	**(470)**	—	**(1,250)**	—
Veta Nueva underground development	**(17)**	(220)	**(1,018)**	(220)
Open pit Limon North and Mercedes	**(591)**	—	**(810)**	—
Limon tailings project	**(106)**	—	**(517)**	—
Sustaining capital expenditures	**3,888**	2,240	**12,453**	7,529

The table below shows a reconciliation of El Limon Mine sustaining mine exploration to mine exploration as extracted from the annual consolidated financial statements:

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	2016 $ (000's)	2017 $ (000's)	2016 $ (000's)
Operating mine exploration	**2,207**	964	**6,362**	3,453
Limon Mine regional exploration	**(1,165)**	—	**(3,358)**	—
Sustaining mine exploration	**1,042**	964	**3,004**	3,453

Adjusted net income and adjusted earnings per share - basic

Adjusted net income and adjusted earnings per share – basic are non-IFRS measures that do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines adjusted net income as net income (loss) adjusted for non-recurring and significant recurring non-cash items. The Company defines adjusted earnings per share – basic as adjusted net income divided by the basic weighted number of common shares outstanding.

Management believes that the presentation of adjusted net income and adjusted earnings per share - basic is appropriate to provide additional information to investors regarding items that we do not expect to continue at the same level in the future or that management does not believe to be a reflection of the Company's ongoing operating performance. Management further believes that its presentation of these non-IFRS financial measures provide information that is useful to investors because they are important indicators of the strength of our operations and the performance of our core business. Accordingly, it is intended to provide additional information and should not be considered in isolation as a substitute for measures of performance prepared in accordance with IFRS. Other companies may calculate this measure differently.

A reconciliation of net income to adjusted net income as extracted from the annual consolidated financial statements is set out in the table below:

	Three months ended December 31,		Year ended December 31,	
	2017 $ (000's)	2016 $ (000's)	2017 $ (000's)	2016 $ (000's)
Consolidated net income for the period	**34,466**	8,077	**61,566**	38,600
Adjustments for non-recurring and significant recurring non-cash items:				
Share-based payments	**4,875**	2,216	**18,127**	13,651
Gain on sale of Lynn Lake royalty	**—**	—	**(6,593)**	—
Write-down of mineral property interests	**665**	—	**4,150**	5,068
Loss on sale of mineral properties	**—**	1,338	**—**	9,886
Unrealized loss (gain) on fair value of convertible notes	**7,212**	(5,927)	**11,144**	46,742
Unrealized gain on derivative instruments	**(9,700)**	(20,265)	**(9,684)**	(22,697)
Write-down of long-term investments	**—**	2,671	**1,613**	2,856
Other non-recurring income	**(8,354)**	—	**(8,354)**	—
Deferred income tax (recovery) expense	**(23,460)**	14,396	**(20,170)**	4,866
Adjusted net income for the period	**5,704**	2,506	**51,799**	98,972
Basic weighted average number of common shares outstanding (in thousands)	**979,691**	960,976	**976,366**	941,737
Adjusted net earnings per share–basic ($/share)	**0.01**	0.00	**0.05**	0.11

SUMMARY OF UNAUDITED QUARTERLY RESULTS

	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Gold revenue ($ in thousands)	173,990	154,109	164,322	146,256	181,189	193,049	164,803	144,252
Net income (loss) for the period ($ in thousands)	34,466	12,393	19,264	(4,557)	8,077	35,678	(11,806)	6,651
Earnings (loss) per share [(1)] – basic ($)	0.03	0.01	0.02	(0.01)	0.01	0.04	(0.01)	0.01
Earnings (loss) per share [(1)] – diluted ($)	0.03	0.00	0.02	(0.01)	0.00	0.04	(0.01)	0.01
Cash flows from operating activities ($ in thousands)	25,606	41,772	48,023	39,599	82,338	90,316	67,604	171,553
Gold sold, excluding Fekola pre-commercial production results [(2)] (ounces)	137,695	121,597	131,737	119,937	151,524	145,029	130,829	120,899
Average realized gold price [(2)]($/ounce)	1,264	1,267	1,247	1,219	1,196	1,331	1,260	1,193
Gold produced, excluding Fekola pre-commercial production results [(2)] (ounces)	167,850	129,288	121,448	132,736	140,651	146,686	135,242	127,844
Gold produced, total including Fekola pre-commercial production results (ounces)	240,753	135,628	121,448	132,736	140,651	146,686	135,242	127,844
Cash operating costs [(2)(3)] ($/ounce gold)	565	563	631	564	546	491	494	499
Total cash costs [(2)(3)] ($/ounce gold)	611	614	678	607	591	544	535	545
All-in sustaining costs [(2)(3)] ($/ounce gold)	905	921	974	889	877	702	731	874
Adjusted net income [(2)(3)] ($ in thousands)	5,704	13,887	12,851	19,357	2,506	48,617	28,977	18,872
Adjusted earnings per share [(2)(3)] – basic ($)	0.01	0.01	0.01	0.02	0.00	0.05	0.03	0.02

(1) Attributable to the shareholders of the Company.

(2) Starting December 1, 2017, the table includes results from the Fekola Mine which reached commercial production November 30, 2017.

(3) Non-IFRS Measure. For a description of how these measures are calculated and a reconciliation of these measures to the most directly comparable measures specified, defined or determined under IFRS and presented in the Company's financial statements, refer to "Non-IFRS Measures".

Quarterly gold revenue in 2017 has decreased from 2016 levels due to lower gold ounces sold in 2017 compared to 2016. Net income in the 2016 quarters reflected the strong operating performance of the mines. The net loss in the second quarter of 2016 reflected a $37.4 million loss on change in the fair value of the convertible notes.

Quarterly cash flows provided by operating activities for the first and second quarter of 2017 included $15 million each in proceeds from the Company's Prepaid Sales transactions, while the first quarter of 2016 include $120 million in proceeds from the Company's Prepaid Sales transactions. The higher cash flows provided by operating activities in 2016 compared to 2017 reflect higher revenues and strong operational mine results in 2016. In the fourth quarter of 2017, cash flows provided by operating activities were lower than the third quarter of 2017 due to working capital increases for inventory relating to the Fekola Mine.

OUTLOOK AND STRATEGY

2017 was an important and transformative year for BGold. The Company delivered another record year of profitable gold production beating production and cost projections. From its five mines, B2Gold produced 630,565[(1)] ounces of gold with cash operating costs of $542[1)] per ounce of gold and all-in sustaining costs of $860[(1)] per ounce of gold and completed construction with our in-house construction team of the low-cost, flagship Fekola Mine, in Mali, in late September, three months ahead of schedule and on budget.

In addition to the Fekola construction success in 2017, the Company's Masbate Mine in the Philippines and Otjikoto Mine in Namibia had record, or near-record, gold production years with higher than budgeted gold production and lower cash operating and all-in sustaining costs per ounce.

While the Company's El Limon and La Libertad Mines struggled in 2017, B2Gold and the Nicaragua management team have, as expected at El Limon, made operational improvements and accessed open-pit ore that has resulted in production returning to more normal levels. The significant discovery of the large, high-grade, open-pit Resource at El Limon Central has the potential to increase mine life and annual production and lower production costs.

At La Libertad, gold production and costs are expected to improve now that the Company has received mining permits for and commenced mining new open-pit deposits. Based on the anticipated receipt of additional mining permits in 2018, the Company expects gold production and costs to continue to improve. In addition, exploration continues at a number of open-pit targets at La Libertad.

The Fekola construction success was followed by an impressive production ramp-up in the fourth quarter of 2017 which resulted in B2Gold declaring the commencement of commercial production on November 30, 2017. Based on the typical ramp-up of a new mine and plant facility, the Company projected gold production from Fekola, in the fourth quarter of 2017, of between 45,000 to 55,000 ounces of gold (approximately 50% of projected full quarterly gold production).

The Fekola Mine produced almost 112,000 ounces of gold in the ramp-up period based on higher than projected gold grades, better recoveries, and the rapid ramp-up of mill tonnage throughput. This success was largely due to the performance of the experienced B2Gold in-house technical teams, including geology, mine construction, mill commissioning and mining. Due to this success, the Fekola Mine delivered cash operating costs and all-in sustaining costs for the fourth quarter of 2017 of $277 and $419 per ounce of gold, respectively, approximately 50% below budget.

In 2018, the Fekola Mine is projected to produce between 400,000 and 410,000 ounces of gold, with cash operating and all-in sustaining costs ranges of approximately $345 to $390 per ounce and $575 to $625 per ounce respectively.

Based on current projections, inclusion of a full year's production from the Fekola Mine will increase B2Gold's consolidated gold production by 300,000 ounces to between 910,000 and 950,000 ounces of consolidated gold production in 2018, with projected all-in sustaining of between $780 to $830 per ounce.

The Fekola Mine success is the latest in a series of accretive acquisitions, construction, and exploration successes that have resulted in a steady rise in profitable production over the last 11 years, from 2007, when B2Gold was created as a Junior exploration company with no gold production, to the projected 2018 production of between 910,000 to 950,000 ounces gold from the Company's five gold mines.

This remarkable growth has been driven by: the Company's disciplined approach to acquisitions, based on detailed due diligence by B2Gold's experienced, in-house technical, legal and financial teams; the outstanding performance of our in-house construction team that built the Company's La Libertad Mine and mill in Nicaragua, the Otjikoto Mine and mill in Namibia and, most recently, the Fekola Mine and mill in Mali; B2Gold's highly-experienced exploration team that has realized significant exploration success at the Company's mine properties; and our remarkable country and mine management teams and their dedicated employees.

This dramatic growth and the Company's historic and ongoing commitment to exploration has resulted in the Company generating numerous exciting growth opportunities from existing assets.

Looking forward

In 2018, B2Gold plans to: continue to optimize production from its gold mines; strive to maintain its outstanding health and safety records; commitment to Corporate Social Responsibility; remain in a strong financial position while reducing debt levels; and pursue further growth through the exploration and development of our impressive pipeline of existing properties and new exploration initiatives.

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(1) Includes the results from the Fekola Mine from start-up of production on September 24, 2017

Over the last five years the Company completed two accretive acquisitions by issuing shares in friendly takeovers, to the shareholders of Auryx Resources and Papillon Resources, the owners of the Otjikoto Property in Namibia and the Fekola Project in Mali, respectively. At the time of the transactions and during the successful construction of these mines, growth in the gold mining sector had fallen largely out of favor with many investors and therefore many gold mining companies. B2Gold remained committed to its successful, long-term strategy of growth through accretive acquisitions and exploration, irrespective of both the gold price and short-term market trends.

Due to the unpopularity of growth with so many gold sector investors, there was little or no competition to acquire these accretive development projects.

With some investors, and therefore gold mining companies' renewed interest in growth, B2Gold believes that competition for the acquisition of development assets has returned and will likely continue to increase. Given this new competitive environment and our successful strategy of contrarian opportunistic acquisitions, that have been successfully developed, B2Gold's current strategy does not include pursuing growth through significant mergers or acquisitions of development stage companies or projects. Instead, B2Gold intends to focus on organic growth unlocking potential value through the expansion of B2Gold's existing mines and further brownfields exploration and grass roots exploration around the mines and properties in pursuit of new discoveries.

As part of this strategy to pursue organic growth the Company has budgeted a total of $53 million for exploration in 2018. Brownfields exploration will make up approximately 80% of this budget, focusing on drilling campaigns on existing projects.

In Mali, a total of $15 million is budgeted for Fekola exploration, with half of the budget dedicated to the Fekola North extension drilling, which is ongoing with four drill rigs, following up on the positive drilling results for 2017 with infill drilling and to test the ultimate size potential of the Fekola deposit. The second half of the budget is planned for ongoing exploration drilling of the Anaconda Zones where four drill rigs are following up with further drilling on the four, good gold-grade bedrock zones discovered in 2017 and to test additional targets.

In addition, the Company's Nicaragua exploration team will continue drilling to infill and determine the ultimate size of the recently announced El Limon Central large, good-grade, open-pit Resource, located near the El Limon mill, and test other targets on the property. At La Libertad Mine, also in Nicaragua, exploration work, including drilling, is ongoing on a number of near-surface and underground targets on the large property.

In Burkina Faso, B2Gold's exploration team will continue drilling on a significant new discovery, called the Toega Zone, where an impressive, initial, good-grade, open-pit Resource was recently completed and announced. Drilling in 2018 will focus on determining the ultimate size of the main Toega Zone, which is open to depth, in good gold grade material, and test what the potential is for additional mineralized zones parallel to the Toega Zone.

Finally, B2Gold will continue to acquire and explore grass roots exploration opportunities directly and consider potential growth through joint-ventures and investments in junior companies with high-quality exploration projects.

In conclusion, 2018 will be another transformative, record-setting year of low-cost gold production for B2Gold as the newest Senior gold producer. With the Company's projected dramatic increase in gold production and cash from operations in 2018 and commitment to the pursuit of continued growth through the exploration and development of the Company's existing pipeline of assets, B2Gold is looking forward to a successful 2018.

OUTSTANDING SHARE DATA

At March 14, 2018, 982,578,930 common shares were outstanding. In addition, there were approximately 55.0 million stock options outstanding with exercise prices ranging between Cdn.$0.84 to Cdn.$4.05 per share and approximately 1.2 million RSUs outstanding.

The number of unoptioned shares available for issuance under the Company's stock option plan but not subject to outstanding options was 26,955,006 and 23,181,770 as at January 1, 2017 and December 31, 2017, respectively.

CAUTION ON FORWARD-LOOKING INFORMATION

This Management's Discussion and Analysis includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable Canadian and United States securities legislation, including projections, estimates, forecasts, expectations and other statements regarding future financial and operational performance, events, production, including consolidated and project-specific projections of gold production in 2018, gold sales and revenue, costs, including projected consolidated cash operating costs and all-in sustaining costs, payments, capital expenditures, mobile equipment purchases, acquisitions, investments, budgets, ore grades, sources and types of ore, stripping ratios, throughput, cash flows, growth, production estimates and guidance, LoM estimates, projected increases in annual production and cash flows and decreases of consolidated cash operating costs and all-in sustaining costs in 2018; the projections included in existing technical reports, economic analyses and feasibility studies; anticipated or potential new technical reports pre-feasibility and feasibility studies, including the potential findings and conclusions thereof; statements regarding anticipated exploration, development, construction, production, permitting, expenditures, budgets and other activities and achievements of the Company, including but not limited to: West Africa and Nicaragua being the focus of exploration in 2018; incurrence of costs for, and timing of completion of, the Fadougou village relocation; negotiations with the State of Mali and the potential outcomes thereof, including the ratification by the Mali National

Assembly of the Shareholders Agreement and the final ownership of Fekola SA; Fekola Mine being a low-cost producer and its anticipated effect on the Company's gold production and per ounce costs; the potential to host additional large Fekola-style gold deposits; the estimated addition of gold ounces to the Fekola Mine plan with further drilling; scheduled mining and processing of the Wolfshag ore body in 2019 and the expected provision of higher grade open-pit mill feed in the future; the expected decrease of fuel oil consumption, processing costs and power costs from the solar power project in the second quarter of 2018; the potential for underground mining at Wolfshag; the expected duration of mining of the Colorado Pit; the timing of expansion of the Masbate processing plant and the expected increase in production; the resolution of the audit by the DENR in relation to the Masbate Mine and the commencement of review by MICC; the receipt of Jabali Antenna Permit and expected commencement of production from the Jabali Antenna Pit; the successful completion of resettlement activities and receipt of the remaining mining permits at the Jabali Antenna Pit; mining and processing at La Libertad into 2020; expected source of ore from the Mercedes Pit with the remainder from underground operations at Santa Pancha at El Limon; the Mercedes Pit supplying good grade, open pit ore for the El Limon mill in 2018, combined with underground ore and the resulting expectation of maximized mill throughput, increased gold production and reduced operating costs in 2018; the completion of an engineering study, including an expansion study for the Limon mill, to determine potential accelerated development of the El Limon Central Zone; the El Limon Central Zone having potential to decrease El Limon's cash operating costs and all-in sustaining costs per ounce and increase its mine life; timing of completion of a study to evaluate the potential to expand the throughput at El Limon; the ongoing drilling program as part of a feasibility study which will confirm resources and grades, the optimum grind size, capital costs and final project economics; the potential production of gold and silver ounces through reprocessing of old tailings of El Limon, based on the results of an initial study completed in 2017; continued studies at Toega throughout 2018 and timing of drill results; the potential for Toega to achieve the kind of scale of resource that might meet the Company's criteria; continued exploration at its mines and other identified targets; potential to enhance resources and increase production at existing operations as well as greenfield targets; converting existing mineral resources into mineral reserves and delineating mineralization beyond the existing resource pit boundary; the delivery of ounces under the Prepaid Sales transactions; settlements of oil forward contracts; the potential increase in the RCF upon receipt of additional binding commitments and the intended use of proceeds therefrom; the adequacy of capital; the anticipated repayment of the convertible notes maturing on October 1, 2018; having sufficient liquidity from 2018 operating cash flows and existing credit facilities to repay the notes in full and maintain a strong cash position; the expected use of remaining equipment loan facilities for equipment purchases in 2018 and 2019 and its belief that future cash flows and available balances on its current facilities will allow it to meet its current financial obligations. Estimates of mineral resources and reserves are also forward looking statements because they constitute projections, based on certain estimates and assumptions, regarding the amount of minerals that may be encountered in the future and/or the anticipated economics of production, should a production decision be made. All statements in this Management's Discussion and Analysis that address events or developments that the Company expects to occur in the future are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as "expect", "plan", "anticipate", "project", "target", "potential", "schedule", "forecast", "budget", "estimate", "intend" or "believe" and similar expressions or their negative connotations, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made.

Forward-looking statements necessarily involve assumptions, risks and uncertainties, certain of which are beyond B2Gold's control, including risks associated with the volatility of metal prices and the Company's common shares; risks and dangers inherent in exploration, development and mining activities; uncertainty of reserve and resource estimates; risk of not achieving production, cost or other estimates; risk that actual production, development plans and costs differ materially from the estimates in the Company's feasibility studies; risks related to hedging activities and ore purchase commitments; the ability to obtain and maintain any necessary permits, consents or authorizations required for mining activities; uncertainty about the outcome of negotiations with the Government of Mali; risks related to environmental regulations or hazards and compliance with complex regulations associated with mining activities; the ability to replace mineral reserves and identify acquisition opportunities; unknown liabilities of companies acquired by B2Gold; ability to successfully integrate new acquisitions; fluctuations in exchange rates; availability of financing and financing risks; risks related to operations in foreign and developing countries and compliance with foreign laws; risks related to remote operations and the availability adequate infrastructure, fluctuations in price and availability of energy and other inputs necessary for mining operations; shortages or cost increases in necessary equipment, supplies and labour; regulatory, political and country risks including instability or acts of terrorism; risks related to reliance upon contractors, third parties and joint venture partners; challenges to title or surface rights; dependence on key personnel and ability to attract and retain skilled personnel; the risk of an uninsurable or uninsured loss; adverse climate and weather conditions; litigation risk; competition with other mining companies; changes in tax laws; community support for the Company's operations including risks related to strikes and the halting of such operations from time to time; risks related to conflict with small scale miners; risks related to failures of information systems or information security threats; the ongoing audit by the DENR in relation to the Company's Masbate Project and the final outcome thereof; ability to maintain adequate internal control over financial reporting as required by law; risks related to compliance with anti-corruption laws; as well as other factors identified and as described in more detail under the heading "Risk Factors" in B2Gold's most recent Annual Information Form, the Company's current Form 40-F Annual Report and B2Gold's other filings with Canadian securities regulators and the U.S. Securities and Exchange Commission (the "SEC"), which may be viewed at www.sedar.com and www.sec.gov, respectively. The list is not exhaustive of the factors that may affect the Company's forward-looking statements. There can be no assurance that such statements will prove to be accurate, and actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. Accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits or liabilities B2Gold will derive therefrom. The Company's forward looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and the Company does not assume any obligation to update forward-

looking statements if circumstances or management's beliefs, expectations or opinions should change other than as required by applicable law. The Company's forward looking statements are based on the applicable assumptions and factors management considers reasonable as of the date hereof, based on the information available to management at such time. These assumptions and factors include, but are not limited to, assumptions and factors related to the Company's ability to carry on current and future operations, including development and exploration activities; the timing, extent, duration and economic viability of such operations, including any mineral resources or reserves identified thereby; the accuracy and reliability of estimates, projections, forecasts, studies and assessments; the Company's ability to meet or achieve estimates, projections and forecasts; the availability and cost of inputs; the price and market for outputs, including gold; the timely receipt of necessary approvals or permits; the ability to meet current and future obligations; the ability to obtain timely financing on reasonable terms when required; the current and future social, economic and political conditions; and other assumptions and factors generally associated with the mining industry. For the reasons set forth above, undue reliance should not be placed on forward-looking statements.

CAUTIONARY STATEMENT REGARDING MINERAL RESERVE AND RESOURCE ESTIMATES

This Management's Discussion and Analysis has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of U.S. securities laws. All mineral resource and reserve estimates included in this Management's Discussion and Analysis and the documents referenced herein have been prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ significantly from the mineral reserve disclosure requirements of the SEC set out in Industry Guide 7. Consequently, reserve and resource information contained in this Management's Discussion and Analysis and the documents referenced herein is not comparable to similar information that would generally be disclosed by U.S. companies in accordance with the rules of the SEC.

In particular, the SEC's Industry Guide 7 applies different standards in order to classify mineralization as a reserve. As a result, the definitions of proven and probable reserves used in NI 43-101 differ from the definitions in SEC Industry Guide 7. Under SEC standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Among other things, all necessary permits would be required to be in hand or issuance imminent in order to classify mineralized material as reserves under the SEC standards. Accordingly, mineral reserve estimates contained in this Management's Discussion and Analysis and the documents referenced herein may not qualify as "reserves" under SEC standards.

In addition, this Management's Discussion and Analysis and the documents referenced herein may use the terms "mineral resources", 'measured mineral resources", "indicated mineral resources" and "inferred mineral resources" to comply with the reporting standards in Canada. The SEC's Industry Guide 7 does not recognize mineral resources and U.S. companies are generally not permitted to disclose resources in documents they file with the SEC. Investors are specifically cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into SEC defined mineral reserves. Further, "inferred mineral resources" have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, investors are also cautioned not to assume that all or any part of an inferred mineral resource exists. In accordance with Canadian rules, estimates of "inferred mineral resources" cannot form the basis of feasibility or, except in limited circumstances, other economic studies. It cannot be assumed that all or any part of "inferred mineral resources" will ever be upgraded to a higher category or mineral resources or that mineral resources will be classified as mineral reserves. Investors are cautioned not to assume that any part of the reported "inferred mineral resources" in this Management's Discussion and Analysis or the documents referenced herein is economically or legally mineable. For the above reasons, information contained or referenced in this Management's Discussion and Analysis that describes the Company's mineral reserve and resource estimates or that describes the results of feasibility or other studies is not comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.

QUALIFIED PERSONS

Tom Garagan, Senior Vice President of Exploration, a qualified person under NI 43-101, has approved the disclosure of the information regarding the Anaconda mineral resource and Mr. Garagan and Peter Montano, Project Director, also a qualified person under NI 43-101, have approved the disclosure of all other scientific and technical information contained in this MD&A.

Certification Pursuant to Section 302
of the Sarbanes-Oxley Act of 2002

I, Clive Johnson, certify that:

1. I have reviewed this annual report on Form 40-F of B2Gold Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 23, 2018

By: /s/ Clive Johnson
Clive Johnson
President and Chief Executive Officer

Certification Pursuant to Section 302
of the Sarbanes-Oxley Act of 2002

I, Michael Cinnamond**,** certify that:

1. I have reviewed this annual report on Form 40-F of B2Gold Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 23, 2018

By: /s/ Michael Cinnamond
Michael Cinnamond
Senior Vice President of Finance and Chief Financial Officer

Section 906 Certification

Certification Pursuant to
18 U.S.C. Section 1350

As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 40-F of B2Gold Corp., a British Columbia corporation (the "Company"), for the period ending December 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 23, 2018

/s/ Clive Johnson
Clive Johnson
President and Chief Executive Officer

Section 906 Certification

Certification Pursuant to
18 U.S.C. Section 1350

As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 40-F of B2Gold Corp., a British Columbia corporation (the "Company"), for the period ending December 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 23, 2018

/s/ Michael Cinnamond
Michael Cinnamond
Senior Vice President of Finance
and Chief Financial Officer

CONSENT OF PRICEWATERHOUSECOOPERS LLP

We hereby consent to the incorporation by reference in this Annual Report on Form 40-F for the year ended December 31, 2017 of B2Gold Corp. (the "Company") of our report dated March 14, 2018 relating to the consolidated financial statements of the Company and the effectiveness of internal control over financial reporting, which appears in the Exhibit incorporated by reference in this Annual Report.

We also consent to the incorporation by reference in the registration statements on Form S-8 (No. 333-218710, 333-192555, 333-200228 and 333-206811) of the Company of our report dated March 14, 2018 referred to above.

/s/ PricewaterhouseCoopers LLP

Chartered Professional Accountants
Vancouver, Canada

March 23, 2018

CONSENT OF SANDRA HUNTER

The undersigned hereby consents to the references to, and the information derived from, the report titled “NI 43-101 Technical Report Feasibility Study on the Fekola Gold Project in Mali” dated effective June 30, 2015, and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333218710) of B2Gold Corp.

/s/ Sandra Hunter
Sandra (Sandy) Hunter, MAusIMM(CP)
March 23, 2018

CONSENT OF KEN JONES

The undersigned hereby consents to the references to, and the information derived from, (i) the report titled “NI 43-101 Technical Report Feasibility Study on the Fekola Gold Project in Mali” dated effective June 30, 2015, (ii) the report titled “Masbate Gold Operation, Republic of Philippines, NI 43-101 Technical Report on Operations” dated effective December 31, 2016, and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ Ken Jones
Ken Jones
March 23, 2018

CONSENT OF DAVID J.T. MORGAN

The undersigned hereby consents to the references to, and the information derived from, the report titled “NI 43-101 Technical Report Feasibility Study on the Fekola Gold Project in Mali” dated effective June 30, 2015, and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ David J.T. Morgan
David J.T. Morgan
March 23, 2018

CONSENT OF BRIAN SCOTT

The undersigned hereby consents to the references to, and the information derived from the mineral resource estimates, as applicable, for the La Libertad project and the Limon project and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ Brian Scott
Brian Scott
March 23, 2018

CONSENT OF HERMANUS KRIEL

The undersigned hereby consents to the references to, and the information derived from, the report titled “NI 43-101 Technical Report Feasibility Study: Otjikoto Gold Project, Province of Otjozondjupa, Republic of Namibia” dated February 25, 2013, and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ Hermanus Kriel
Hermanus Kriel
March 23, 2018

CONSENT OF WILLIAM LYTLE

The undersigned hereby consents to the references to, and the information derived from, (i) the report titled “NI 43-101 Technical Report Feasibility Study: Otjikoto Gold Project, Province of Otjozondjupa, Republic of Namibia” dated February 25, 2013, and (ii) the report titled “NI 43-101 Technical Report Feasibility Study on the Fekola Gold Project in Mali” dated effective June 30, 2015, and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ William Lytle
William Lytle
March 23, 2018

CONSENT OF THOMAS GARAGAN

The undersigned hereby consents to the references to, and the information derived from, (i) the report titled "NI 43-101 Technical Report Feasibility Study: Otjikoto Gold Project, Province of Otjozondjupa, Republic of Namibia" dated February 25, 2013, (ii) the report titled "NI 43-101 Technical Report Feasibility Study on the Fekola Gold Project in Mali" dated effective June 30, 2015, (iii) the report titled "Masbate Gold Operation, Republic of Philippines, NI 43-101 Technical Report on Operations" dated effective December 31, 2016, (iv) mineral resource estimates for the Otjikoto project, (v) mineral resource estimates for the Masbate project, (vi) mineral resource estimates for the Fekola project, (vii) mineral resource estimates for the Anaconda Zone, (viii) mineral resource estimates for El Limon Central, (ix) mineral resource estimates for the Toega Project, (x) scientific and technical information regarding exploration matters contained in the Annual Information Form, (xi) scientific and technical information contained in the Management's Discussion and Analysis and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ Thomas Garagan
Thomas Garagan
March 23, 2018

CONSENT OF GLENN BEZUIDENHOUT

The undersigned hereby consents to the references to, and the information derived from, the report titled “NI 43-101 Technical Report Feasibility Study: Otjikoto Gold Project, Province of Otjozondjupa, Republic of Namibia” dated February 25, 2013, and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ Glenn Bezuidenhout
Glenn Bezuidenhout
March 23, 2018

CONSENT OF GUY WIID

The undersigned hereby consents to the references to, and the information derived from, the report titled “NI 43-101 Technical Report Feasibility Study: Otjikoto Gold Project, Province of Otjozondjupa, Republic of Namibia” dated February 25, 2013, and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ Guy Wiid
Guy Wiid
March 23, 2018

CONSENT OF PETER MONTANO

The undersigned hereby consents to the references to, and the information derived from, (i) the report titled "NI 43-101 Technical Report Feasibility Study on the Fekola Gold Project in Mali" dated effective June 30, 2015, (ii) the mineral reserve estimates for the Otjikoto project, (iii) the mineral reserve estimates for the Fekola project, (iv) scientific and technical information related to operations matters contained in the Annual Information Form, (v) scientific and technical information (other than information regarding the Anaconda mineral resource) contained in the Management's Discussion and Analysis, (vi) stockpile resource estimates (other than the stockpile estimate for Masbate) contained in the Annual Information Form, and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ Peter Montano
Peter Montano
March 23, 2018

CONSENT OF KEVIN PEMBERTON

The undersigned hereby consents to the references to, and the information derived from, (i) the report titled “Masbate Gold Operation, Republic of Philippines, NI 43-101 Technical Report on Operations” dated effective December 31, 2016, (ii) the mineral reserve estimates for the Masbate project, (iii) the mineral reserve estimates for the La Libertad project, (iv) the mineral reserve estimates for the Limon project, (v) the stockpile resource estimate for Masbate and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ Kevin Pemberton
Kevin Pemberton
March 23, 2018

CONSENT OF VAUGHAN CHAMBERLAIN

The undersigned hereby consents to the references to, and the information derived from, the mineral resource estimates for the Gramalote property, and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, which is also being incorporated by reference into the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ Vaughan Chamberlain
Vaughan Chamberlain
March 23, 2018

CONSENT OF BEN PARSONS

The undersigned hereby consents to the references to, and the information derived from, mineral resource estimates for the Kiaka project and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ Ben Parsons
Ben Parsons, MSc, MAusIMM (CP)
Principal Consultant (Resource Geologist)
March 23, 2018

CONSENT OF JOHN RAJALA

The undersigned hereby consents to the references to, and the information derived from, (i) the report titled “Masbate Gold Operation, Republic of Philippines, NI 43-101 Technical Report on Operations” dated effective December 31, 2016, (ii) El Limon development information contained in the Annual Information Form and to the references, as applicable, to the undersigned's name included in or incorporated by reference in the Annual Report on Form 40-F being filed by B2Gold Corp., dated March 23, 2018, and the registration statements on Form S-8 (No. 333-192555, No. 333-200228, No. 333-206811 and No. 333-218710) of B2Gold Corp.

/s/ John Rajala
John Rajala
March 23, 2018



CODE OF BUSINESS CONDUCT AND ETHICS

Effective May 13, 2013
(as amended March 13, 2018)

The purpose of this Code of Business Conduct and Ethics (the "Code") is to define the standards and values which B2Gold Corp. (the "Company") expects its personnel to follow in all of their dealings with stakeholders and activities with the Company. This Code applies to all personnel of the Company and all of its subsidiaries and any other entity controlled by the Company (collectively, the "B2Gold Group"), including every director, officer and employee of the B2Gold Group (the "B2Gold Personnel").

The Code states basic principles that should guide the affairs of the B2Gold Group and addresses certain specific situations, but it is not intended to be comprehensive. Directors, officers and employees are encouraged to seek guidance on specific issues, particularly with respect to potential conflicts of interest.

The Company's Corporate Governance and Nominating Committee (the "Governance Committee") is responsible for setting the standards of business conduct contained in the Code and updating these standards as it deems appropriate to reflect changes in the legal and regulatory framework applicable to the B2Gold Group, the business practices within the Company's industry, the Company's own business practices, and the prevailing ethical standards of the communities in which the B2Gold Group operates. While the Board of Directors of the Company (the "Board"), through the Governance Committee, will oversee and monitor compliance with the Code, it is the individual responsibility of each B2Gold Personnel to comply with the Code. Each B2Gold Personnel is expected to read and become familiar with the Code and may be required, from time to time, to affirm in writing his or her compliance with the Code. This Code should also be provided to and followed by consultants, agents and representatives, including advisors, engaged by the B2Gold Group.

1. **Guiding Principles**

All B2Gold Personnel must:

(a) act honestly and in good faith with a view to the best interests of the B2Gold Group;

(b) exercise due care, diligence and skill in fulfilling the functions of their position;

(c) avoid conflicts of interest between work and personal affairs;

(d) exercise the powers attached to their employment, engagement or other relationship with the Company and use the assets of the B2Gold Group for the purposes for which they were intended;

(e) demonstrate honesty, truthfulness, respectfulness and integrity in all business dealings and interactions with the B2Gold Group's shareholders, customers, suppliers, competitors and other employees; and

(f) act in accordance with all applicable laws and regulations, adhere to the ethical standards set out in the Code and follow the Company's policies and procedures. For certainty, if any applicable law conflicts with a policy in this Code, B2Gold Personnel must comply with the applicable law. If a local custom or policy conflicts with this Code, B2Gold Personnel must consult with the Governance Committee and comply with this Code, unless a waiver is obtained pursuant to Section 12.3.

2. **Conflicts of Interest**

2.1. All B2Gold Personnel have an obligation to act in the best interests of the B2Gold Group at all times. Further, B2Gold Personnel are required to avoid situations where their personal interests interfere or might appear to interfere in any way with the interests of the B2Gold Group.

2.2. A conflict of interest will arise when B2Gold Personnel must choose between the Company's best interests and their personal interests, including when such B2Gold Personnel has personal interest in a B2Gold Group transaction. Any situation where the judgment of such B2Gold Personnel may be compromised, where he or she shows undue favoritism to any party or where he or she receives a personal benefit of some kind is potentially a conflict of interest. All B2Gold Personnel must strive to avoid situations that create a conflict, create the potential for a conflict or create the appearance of a conflict.

2.3. Where a conflict of interest may exist, then such B2Gold Personnel must immediately disclose the conflict to a member of the Governance Committee. If a B2Gold Personnel becomes aware of a material transaction or relationship (including those involving family members) that could reasonably be expected to give rise to a conflict of interest, he or she should discuss the matter promptly with a member of the Governance Committee.

2.4. If required by the Board, where a director of the Company has a conflict of interest, such director shall retire from any meeting of the Board while discussion on the applicable material contract or transaction or proposed material contract or transaction is taking place and shall refrain from voting on the subject under consideration, but this will not prevent the Board from calling him or her into the meeting to answer any questions regarding the matter under discussion nor shall it release the director from his or her obligation to inform the Board.

3. **Use of B2Gold Group Resources**

3.1. All B2Gold Personnel are to safeguard and use the B2Gold Group's resources for legitimate B2Gold Group business purposes only. The B2Gold Group and all B2Gold Personnel will take steps to prevent theft, carelessness and any manner of significant waste that has a direct impact on the B2Gold Group's profitability. Any suspect incident of fraud, theft or other irregularity should be reported immediately to the suspect's supervisor for investigation. B2Gold Group equipment should not be used for non-B2Gold Group business, other than incidental personal use; other use requires pre- approval by an immediate supervisor.



3.2. The obligation of B2Gold Personnel to protect the B2Gold Group's assets includes the protection of its proprietary information. Proprietary information includes: drill results; engineering plans and designs; geological prospects and interpretations; databases and records; business, marketing and corporate development plans; salary information; intellectual property and any unpublished financial or technical data and reports. Unauthorized use or distribution of this information is a violation of this Code. It may also be illegal and result in civil or criminal penalties. The obligation to preserve the confidentiality of proprietary information continues even after B2Gold Personnel cease to have a relationship with the B2Gold Group. See "Confidentiality".

4. Corporate Opportunities

Opportunities which become available to a B2Gold Personnel by reason of his or her position with the B2Gold Group or employment activities must be disclosed to the Company and be treated as if belonging to the B2Gold Group. B2Gold Personnel are prohibited from using B2Gold Group property or information for personal gain, taking personal advantage of opportunities that are discovered through the use of B2Gold Group property or information, or competing with the B2Gold Group. B2Gold Personnel owe a duty to the B2Gold Group to advance its legitimate interests, before their own, when the opportunity to do so arises in connection with B2Gold Personnel's employment, engagement or other relationship with the B2Gold Group.

5. Confidentiality

5.1. All B2Gold Personnel are required to maintain and protect the confidentiality of all information and materials entrusted to them.

5.2. B2Gold Personnel have access to sensitive and confidential corporate information. Confidential information is any information obtained or developed in the B2Gold Group's business that has not been made public by the Company through designated spokespersons or publicly disclosed documents. Release of such information may be harmful to the B2Gold Group, other B2Gold Personnel, suppliers and customers, and in some cases it may be illegal. B2Gold Personnel must use extreme care when dealing with confidential information to ensure that such information not be released to anyone inside or outside of the B2Gold Group who is not authorized or legally entitled to receive it. Treatment of confidential information must be in accordance with the Company's Disclosure, Confidentiality & Insider Trading Policy.

5.3. The foregoing obligations of confidentiality are subject to applicable whistleblower laws, which protect the right of B2Gold Personnel to provide information to governmental and regulatory authorities. Notwithstanding any other provision of this Code, any other B2Gold Group policy or any agreement relating to B2Gold Personnel, B2Gold Personnel are not required to seek B2Gold Group's permission or notify B2Gold Group of any communications made in compliance with applicable whistleblower laws, and B2Gold Group will not consider such communications to violate this or any other B2Gold Group policy or any agreement between the B2Gold Personnel and the B2Gold Group.



6. **Fair Dealings**

6.1. B2Gold Personnel are required to deal fairly with the B2Gold Group's customers, suppliers, competitors and other employees in a business-like manner, free from discriminatory practices, including harassment.

6.2. The Company believes that fair competition is fundamental to the continuation of the free enterprise system. The B2Gold Group complies with and supports laws that prohibit restraints of trade, unfair practices, or abuse of economic power. B2Gold Personnel must not enter into arrangements that unlawfully restrict the B2Gold Group's ability to compete with other businesses, or the ability of any other business to compete with the B2Gold Group. B2Gold Personnel are also prohibited from entering or discussing any unlawful arrangement that may result in unfair business practices or anticompetitive behaviour.

6.3. The Company will make full, fair, accurate, timely and understandable disclosure in periodic reports and documents required to be filed by the Company under applicable securities laws in accordance with the Company's Disclosure, Confidentiality & Insider Trading Policy.

7. **Discrimination and Harassment**

The B2Gold Group is committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Examples include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances. B2Gold Personnel are encouraged to speak with the Company's local Human Resources Officer when a coworker's conduct makes them uncomfortable and to report harassment when it occurs.

8. **Use of Email and Internet Services**

8.1. Email and internet services are provided by the B2Gold Group to assist B2Gold Personnel in carrying out their work. Incidental and occasional personal use is permitted, but never for personal gain or any improper purpose. B2Gold Personnel may not access, send or download any information that could be insulting or offensive to another person, such as sexually explicit messages, cartoons, jokes, unwelcome propositions, derogatory messages based on racial or ethnic characteristics or any other messages that could reasonably be viewed as harassment.

8.2. Messages (including voicemail) and computer information sent, received or created by B2Gold Personnel are considered B2Gold Group property and B2Gold Personnel should recognize that these messages and information are not "private". Unless prohibited by law, the B2Gold Group reserves the right to access and disclose those messages and information as necessary for its business purposes. B2Gold Personnel should use good judgment and not access, send messages or store any information that they would not want to be seen or heard by others.

9. Compliance with Laws

The Company operates within a complex framework of Canadian federal, provincial and municipal laws and regulations, United States laws and regulations, stock exchange rules and the laws of other countries in which it does business. All B2Gold Personnel are expected to comply with the applicable laws, rules and regulations of Canada, the United States and any other country in which the B2Gold Group carries on business and applicable stock exchange rules, including without limitation mining and environmental laws and regulations. No B2Gold Personnel is ever expected to commit or condone an illegal act, or to instruct other B2Gold Personnel to do so on behalf of the B2Gold Group.

10. Insider Trading

Trading of publicly listed securities or their derivatives on the basis of insider information, or inducing others to do so, is illegal and may result in significant civil and criminal penalties. Insider information includes information that is not public and could materially affect the price of the Company's shares. It may be positive or negative and may include information concerning significant discoveries, assay results, geological interpretations, grades, tonnages, resources and reserves of properties owned or operated by the B2Gold Group, financial results or forecasts, or information concerning major contracts or proposed transactions including mergers, takeovers and asset acquisitions. The Company has adopted the Disclosure, Confidentiality & Insider Trading Policy governing the trade of the Company's securities or the securities of any counter- party to a potential material transaction by B2Gold Personnel. Each B2Gold Personnel is expected to read and become familiar with this Policy.

11. Financial Records and Internal Controls

B2Gold Personnel must maintain the integrity of the Company's financial records and ensure full, fair, accurate, timely and understandable disclosure of financial information as required by securities and other regulatory authorities. All assets, liabilities and transactions must be accurately and completely reported in the books and supported by necessary documentation, and no asset, liability or transaction is to be concealed from management or the Company's internal or external auditors.



12. **Reporting**

12.1. B2Gold Personnel should promptly report:

(a) any concerns related to the Company's accounting, internal controls or auditing matters pursuant to the Company's Whistleblower Policy; and

(b) all other violations of the Code to the Governance Committee. The Governance Committee shall cause an investigation of any reported violations and shall oversee an appropriate response, including corrective action and preventative measures where required provided that the Governance Committee may refer the investigation to the Audit Committee where appropriate. B2Gold Personnel are expected to cooperate with such investigation. Any B2Gold Personnel who violates the Code shall face appropriate, case specific, disciplinary action, which may include termination and, in appropriate cases, civil action or reference for criminal prosecution. Failure to report a known violation of the Code is itself a violation of the Code.

Following is the contact information for each member of the Governance Committee:

Robert Cross	Tel: 604-685-2162 or	bcross@b2gold.com
Robert Gayton	Tel: 604-307-8558 or	rgayton@b2gold.com
Jerry Korpan	Tel: 778-668-1081 or	jkorpan@b2gold.com

12.2. The Company will not tolerate any retaliation or reprisal against anyone who in good faith reports a potential breach of the Code or raises a concern with respect to whether certain conduct constitutes a breach. A "good faith" report is one which is made honestly and reasonably, whether or not the person has all of the relevant facts or is sure that a breach has occurred.

12.3. The Code encourages all B2Gold Personnel to seek guidance when unsure about the best course of action in a particular situation.

13. **Requests for Waivers**

Requests for waivers from this Code must be delivered to the Governance Committee or a delegate of the Governance Committee, together with a summary of all relevant facts and circumstances. Waivers with respect to directors and executive officers may only be granted by the Board. Waivers with respect to other officers or non-officer employees of the B2Gold Group may be granted by the Governance Committee or its delegate. The B2Gold Personnel to whom a waiver is granted accepts that public disclosure of the granting of any such waiver may be required by applicable securities laws, regulations, policies or guidelines, including those of a stock exchange on which the Company's stock may be listed.



14. **Violations**

Upon determination that a B2Gold Personnel has violated this Code, the Company will take such preventative or disciplinary action as it deems appropriate, including, but not limited to, reassignment, demotion, dismissal and, in the event of criminal conduct or other serious violations of the law, notification of appropriate governmental authorities. Appropriate action may also be taken to deter any future Code violations.