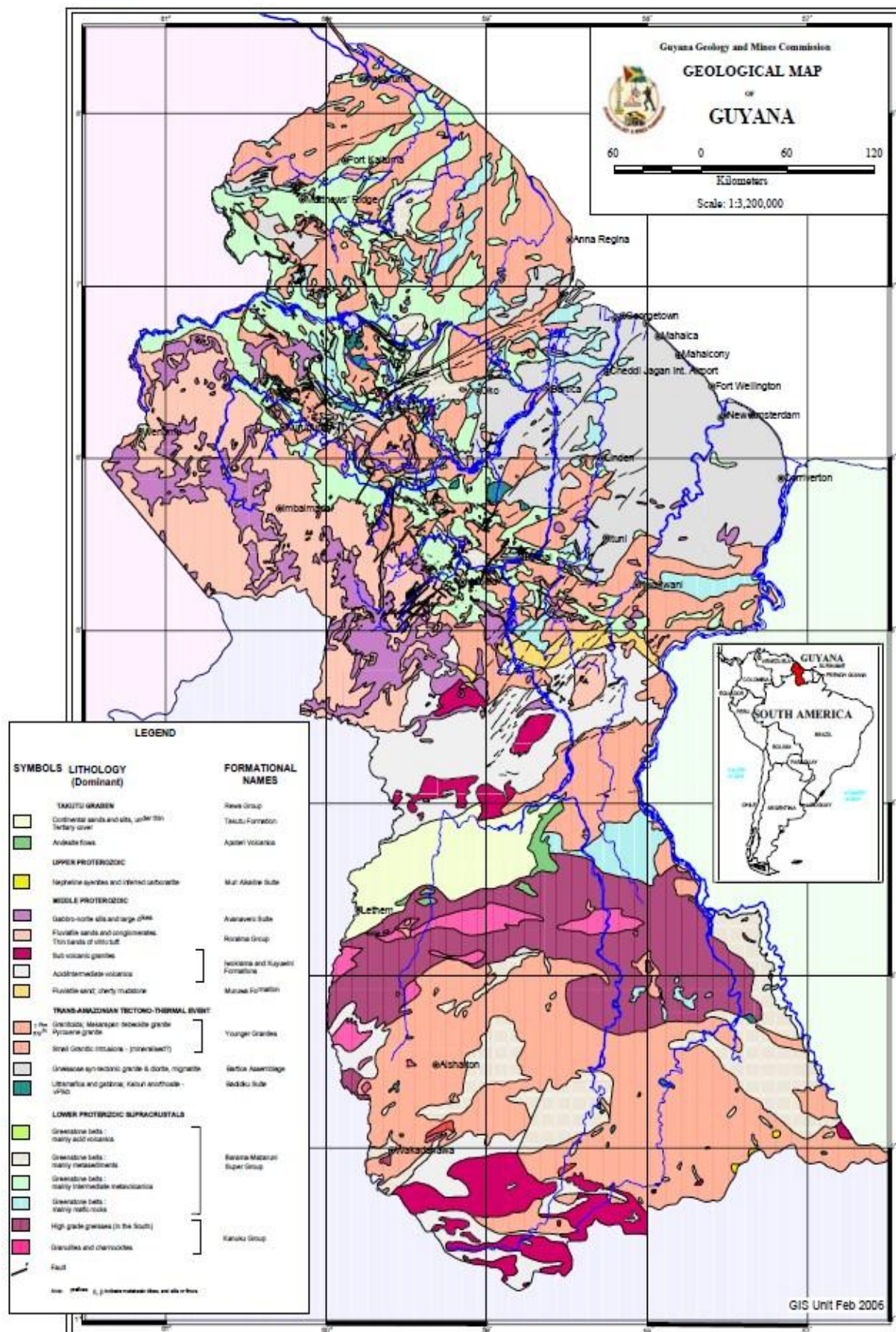




GUYANA GOLD BOARD

Annual Report 2020

MINISTRY OF NATURAL RESOURCES



MINISTRY OF NATURAL RESOURCES

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LETTER OF THE TRANSMITTAL

October 31, 2022

Honourable Vickram Bharrat M.P

Minister Natural Resources

Ministry of Natural Resources and the Environment

Upper Brickdam,

Georgetown

Guyana

Honourable Minister Bharrat,

In accordance with Section 17 of the Guyana Gold Board Act 1981 (Chapter 66:01) the Board of Directors is submitting to you the Annual Report of the Guyana Gold Board along with the Audited Financial Statement for the year ended December 31, 2020.

With the Highest Regards on behalf of the Board of Directors,

Eondrene Thompson

General Manager

CORPORATE INFORMATION

AUDITORS

Audit Office of Guyana

63 High Street,
Kingston
Georgetown, Guyana.

Maurice Solomon and Co

92 Oronoque Street,
Queenstown
Georgetown Guyana

LEGAL ADVISORS

Attorney General Chambers

39 Carmichael Street,
North Cummingsburg,
Georgetown, Guyana.

REGISTERED OFFICES

Main Office

133 Crown Street,
Queenstown
P.O. Box 12204
Tel. No.: 225-3173
Fax No.: 225-4963
E-mail: ggb@gol.net.gy

Sub Office

First Avenue, Bartica

Region 7, Guyana
Tel No.: 455-0072
Fax No.: 455-0073

Fitzburg, GBTI
Building, Turn Basin
Port Kaituma
Region 1, Guyana
Tel. No.:

BANKERS

Bank of Guyana

1 Avenue of the
Republic, Georgetown.
Guyana

Citizen Bank (Guyana) Limited

6 First Avenue,
Bartica, Region 7,
Guyana

Republic Bank (Guyana) Limited

38 Water Street,
Robbstown,
Georgetown, Guyana

Guyana Bank For Trade & Industry High & Young Street, Kingston

GUYANA GOLD BOARD

Establishment (Extracted from Guyana Gold Board Act 1981 Chap. 66:01 Section 3)

The Guyana Gold Board is hereby established as a body corporate, and the provisions of the First Schedule shall have effect as to the constitution of the Board and other matters related thereto.

Commencement

By Order No. 24 of 1982, the Guyana Gold Board commenced operations on May 15, 1982.

Functions (Extracted from Guyana Gold Board Act 1981 Chap. 66:01 Section 4)

It shall be the functions of the Board –

- a) to carry on the business of trading in gold.
- b) to always secure an adequate supply of gold and to ensure its equitable distribution in Guyana at fair prices.
- c) subject to this Act, to purchase all gold produced in Guyana.
- d) subject to this Act, to sell all gold in Guyana and to sell gold outside Guyana.
- e) to engage in other commercial or industrial activities.

MINISTER RESPONSIBLE AND BOARD OF DIRECTORS

The Honourable Vickram Bharrat, M.P.
Minister of Natural Resources

Board of Directors:

Mr. Gobind Ganga	-	Chairperson of the Board of Directors
Mr. Andron Alphonso	-	Director
Mr. Newell Dennison	-	Director
Mr. Stephen Belle	-	Director
Mr. Fazal Khan	-	Director

Ms. Sharon Roopchand – Edwards	-	Director
Mr. Visal Satram	-	Board Secretary
Ms. Eondrene Thompson	-	General Manager

GENERAL MANAGER'S REPORT



Introduction

The Guyana Gold Board (GGB) remained steadfast in its mission to support Guyana's economic growth and development throughout 2020. Despite the numerous challenges posed by the global pandemic, our commitment to excellence, transparency, and innovation allowed us to continue serving our stakeholders with integrity and dedication. Our team's resilience ensured uninterrupted operations, and our strong partnerships with miners, licensed gold dealers, and other industry partners were central to our success.

Gold Price Performance

During 2020, the gold market experienced significant volatility due to global economic uncertainty and changing investor sentiments. The average gold price reached new heights, reflecting its role as a safe-haven asset in turbulent times. The highest gold price in 2020 was USD 2,089 per ounce, setting a new all-time high, mostly driven by the economic uncertainty caused by the COVID-19 pandemic.

Gold Declarations

In 2020, the gold declarations (586,000 ounces) reflected both the sector's resilience and the impacts of the pandemic. Compared with gold declarations in 2019 (635,000 ounces), gold reported solid declarations, supported by consistent production, favorable market conditions, and good weather. Although gold declarations were lower than the previous year, operating profit was approximately GYD1.019 billion, compared to a deficit of GYD808 million in 2019.

Despite operational disruptions, the industry managed to sustain output levels that closely matched those of the previous years, demonstrating the adaptability of Guyana's miners and the effectiveness of the Board's regulatory oversight.

2021 Outlook

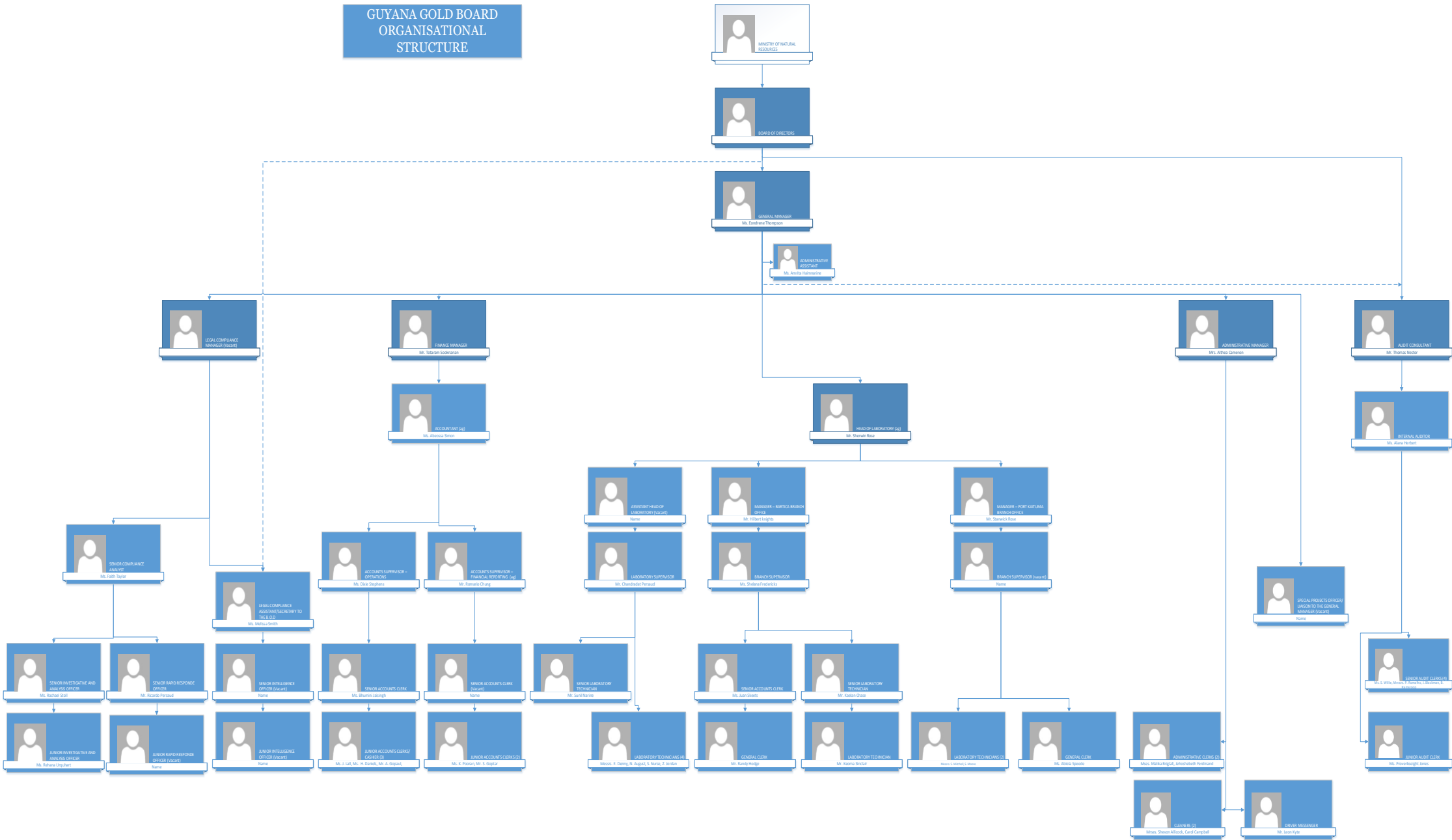
Looking ahead, the outlook for gold remains optimistic. Anticipated stabilization in global markets, ongoing investment in the mining sector, the Government's promise to incentivize miners, and continued support for the small and medium-scale miners for renewed growth in gold production and for the licensed gold dealers who export gold.

The Guyana Gold Board will continue to champion innovation, compliance, and partnership, ensuring that the nation's gold industry thrives in the year to come.

Conclusion

In conclusion, the Guyana Gold Board successfully navigated the challenges of 2020, maintaining its commitment to economic development, regulatory excellence, and strong partnerships in the gold sector. The organisation's adaptability and resilience ensured steady gold declarations despite the global pandemic's disruptions, while favourable gold prices provided both opportunities and challenges for all stakeholders. As the industry looks forward to 2021, ongoing collaboration, innovation, and prudent oversight will be key to sustaining growth and enhancing Guyana's economic position. GGB remains dedicated to supporting the miners, licensed gold dealers, and large-scale investors as they collectively advance the prosperity of Guyana's gold industry.

GUYANA GOLD BOARD ORGANISATIONAL STRUCTURE



FINANCIAL AND OPERATING HIGHLIGHTS 2020

GUYANA GOLD BOARD

STATEMENT OF FINANCIAL INCOME FOR THE PERIOD ENDING DECEMBER 31, 2020

GYD

	2020	2019	Inc/ (Dec)	% Change
<u>Items</u>				
Sales	27,832,165,097	23,432,860,424	4,399,304,673	18.77
Cost of Goods Sold	(26,609,986,936)	(24,015,934,050)	2,597,287,918	10.82
Gross Profit	1,222,178,161	(583,073,626)	1,805,251,787	309.61
Other Income	231,927,172	188,456,251	43,470,921	23.07
Operating Profit (Loss)	1,454,105,333	(394,617,375)	1,848,722,708	468.48
Administrative Expenses	(435,354,758)	(413,153,408)	22,201,350	5.37
Net Profit (Loss)	1,018,750,575	(807,770,783)	1,826,521,358	226.12

GUYANA GOLD BOARD

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2020

GYD

	2020	2019	Inc/(Dec)	% Change
<u>Items</u>				
Non-Current Assets	106,023,138	79,653,021	26,370,117	33.11
Current Assets	11,606,502,995	4,108,513,762	7,497,989,233	182.50
Total Assets	11,712,526,133	4,188,166,783	7,524,359,350	179.66
Total Equities	(9,357,372,663)	(10,378,123,238)	(1,020,750,575)	(9.84)
Non-Current Liabilities	8,731,630,794	8,731,630,794	-	0.00
Current Liabilities	12,338,268,002	5,834,659,227	6,503,608,775	114.47
Total Equity and Liability	11,712,526,133	4,188,166,783	7,524,359,350	179.66

GUYANA GOLD BOARD

PURCHASES FOR 2020 TROY OUNCES

Period	Total Purchases	Budgeted Purchases
January	5,300.73	12,500
February	6,993.66	12,500
March	5,874.13	12,500
April	7,965.67	12,500
May	6,093.78	12,500
June	7,604.11	12,500
July	8,007.43	8,500
August	7,850.79	9,000
September	8,181.65	9,500
October	9,308.22	10,500
November	10,611.42	11,000
December	9,372.98	11,667
TOTAL	93,164.57	135,167

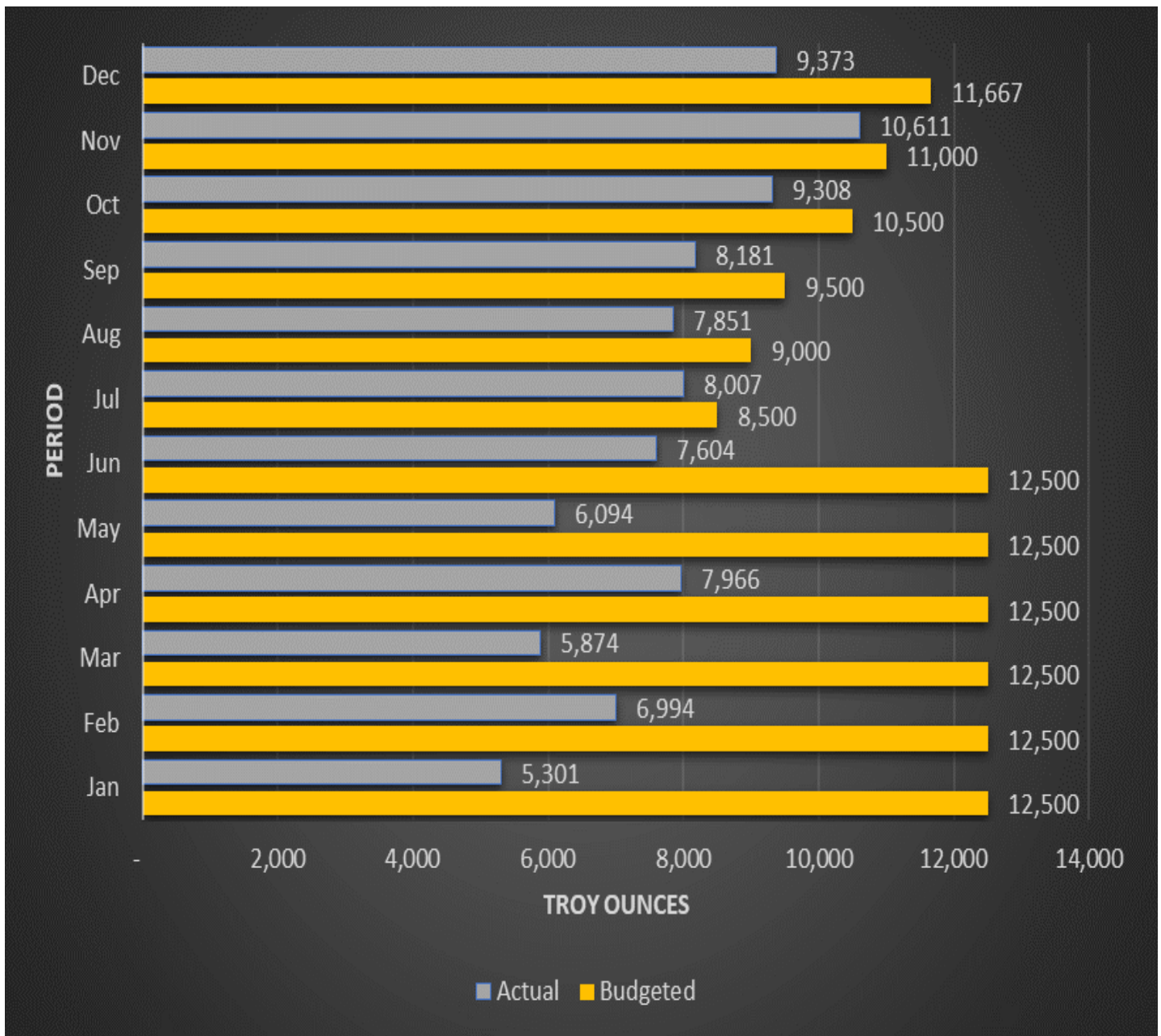
DECLARATIONS AS AT DECEMBER 31, 2020 IN TROY OUNCES

Dealers									
Period	Opening Bal.	Adj to Opening Bal.	Closing Bal.	Exports	Guyana Gold Fields	Troy Resources	GGB	Declarations	YTD
Jan	35,363.04	-	12,948.39	44,178.44	9,516.39	-	5,300.73	36,580.91	36,580.91
Feb	12,948.39	-	6,199.26	34,848.72	8,528.53	1,149.10	6,993.66	44,770.88	81,351.78
Mar	6,199.26	-	7,302.56	30,523.81	12,682.06	2,077.36	5,874.13	52,260.66	133,612.45
Apr	7,302.56	-	12,721.79	29,588.13	10,745.04	4,237.62	7,965.67	57,955.69	191,568.14
May	12,721.79	-	15,794.18	31,427.31	10,012.80	3,141.61	6,093.78	53,747.89	245,316.03
June	15,794.18	-	4,472.87	46,076.39	12,833.29	3,371.91	7,604.11	58,564.39	303,880.42
July	4,472.87	-	14,335.03	34,031.65	3,991.29	1,756.14	8,007.43	57,648.67	361,529.09
August	14,335.03	-	12,000.74	29,765.00	-	3,287.74	7,850.79	38,569.24	400,098.33
September	12,000.74	-	2,808.01	36,056.76	-	2,297.24	8,181.65	37,342.92	437,441.25
October	2,808.01	-	9,472.81	27,585.72	-	1,371.00	9,308.22	44,929.74	482,370.99
November	9,472.81	-	15,563.17	32,873.17	-	1,228.25	10,611.42	50,803.20	533,174.19
December	15,563.17	-	16,358.44	34,436.44	4,845.34	2,809.10	9,372.98	52,259.13	585,433.32

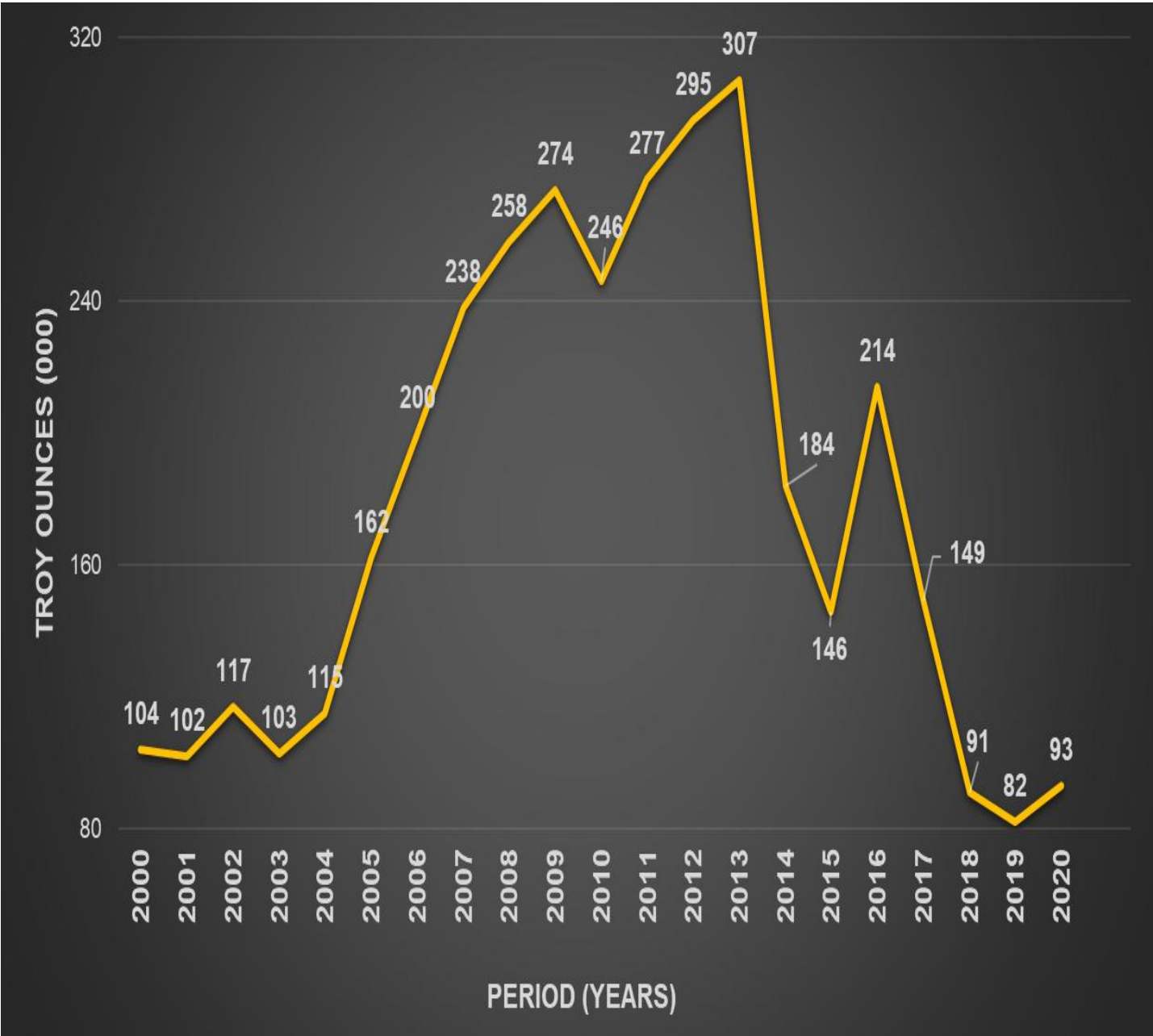
TOTAL

411,391.54 73,154.74 26,727.07 93,164.57 585,433.32

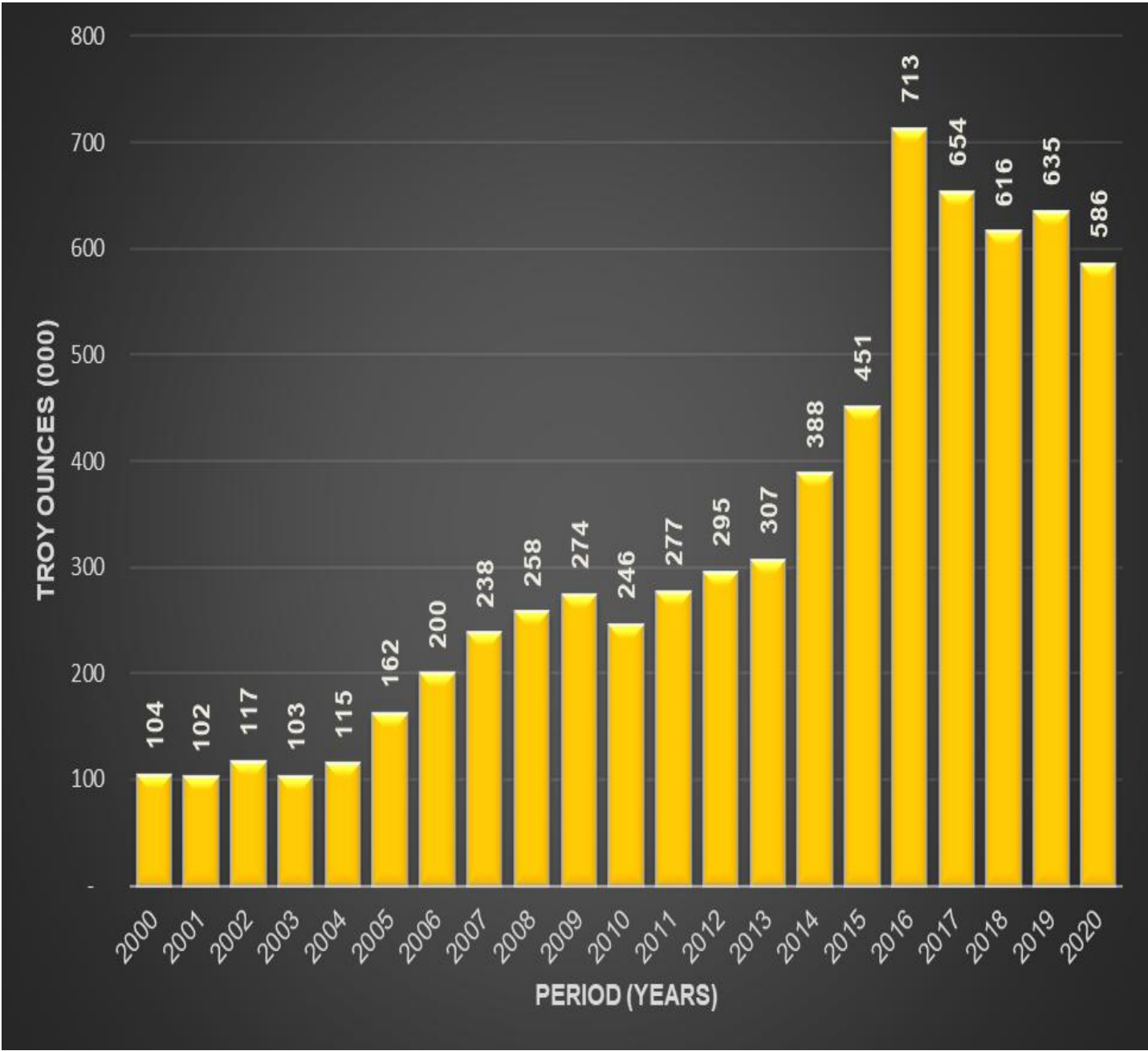
QUANTITY OF GOLD PURCHASED VS BUDGET 2020



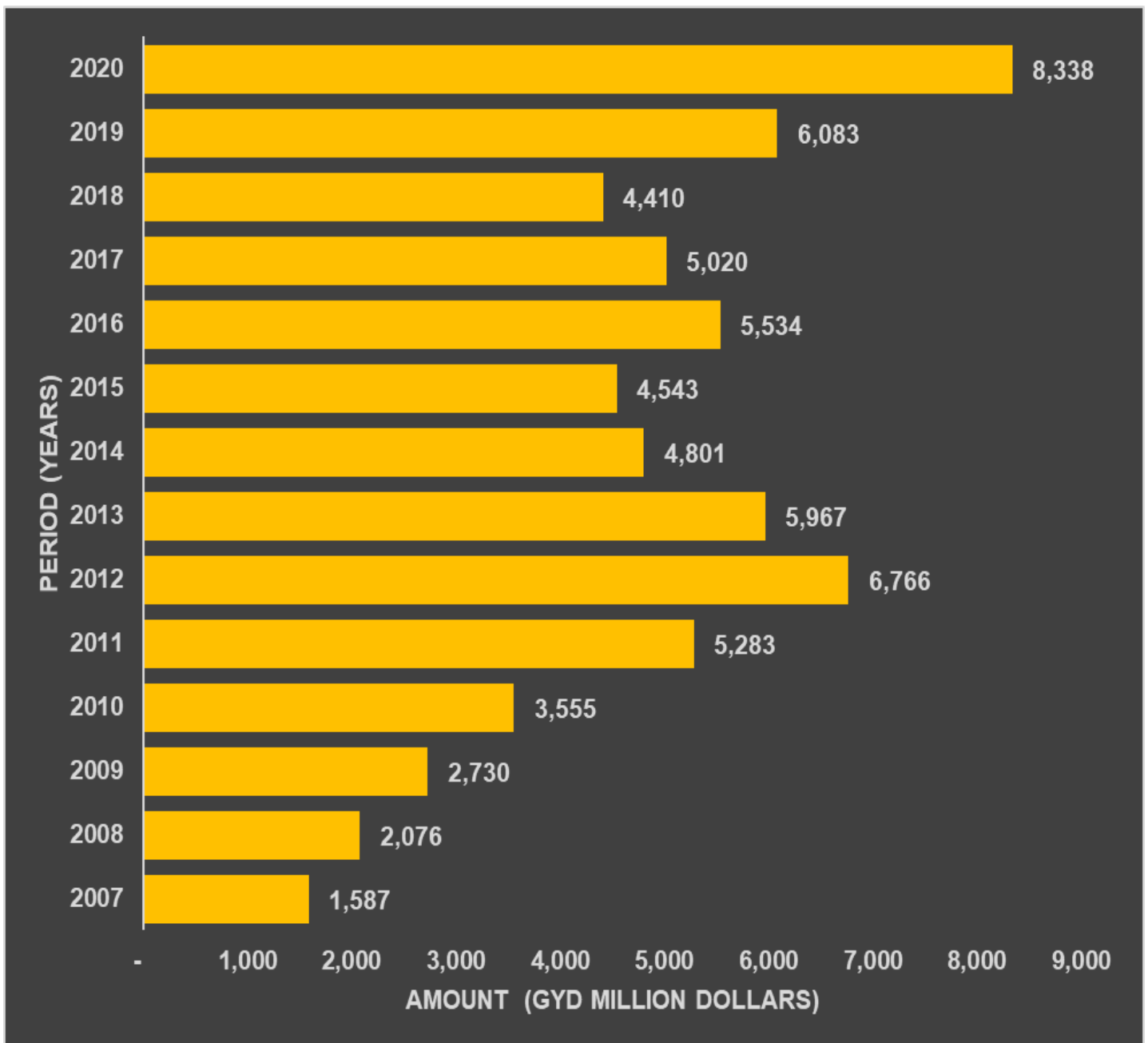
GOLD PURCHASED (2000-2020)



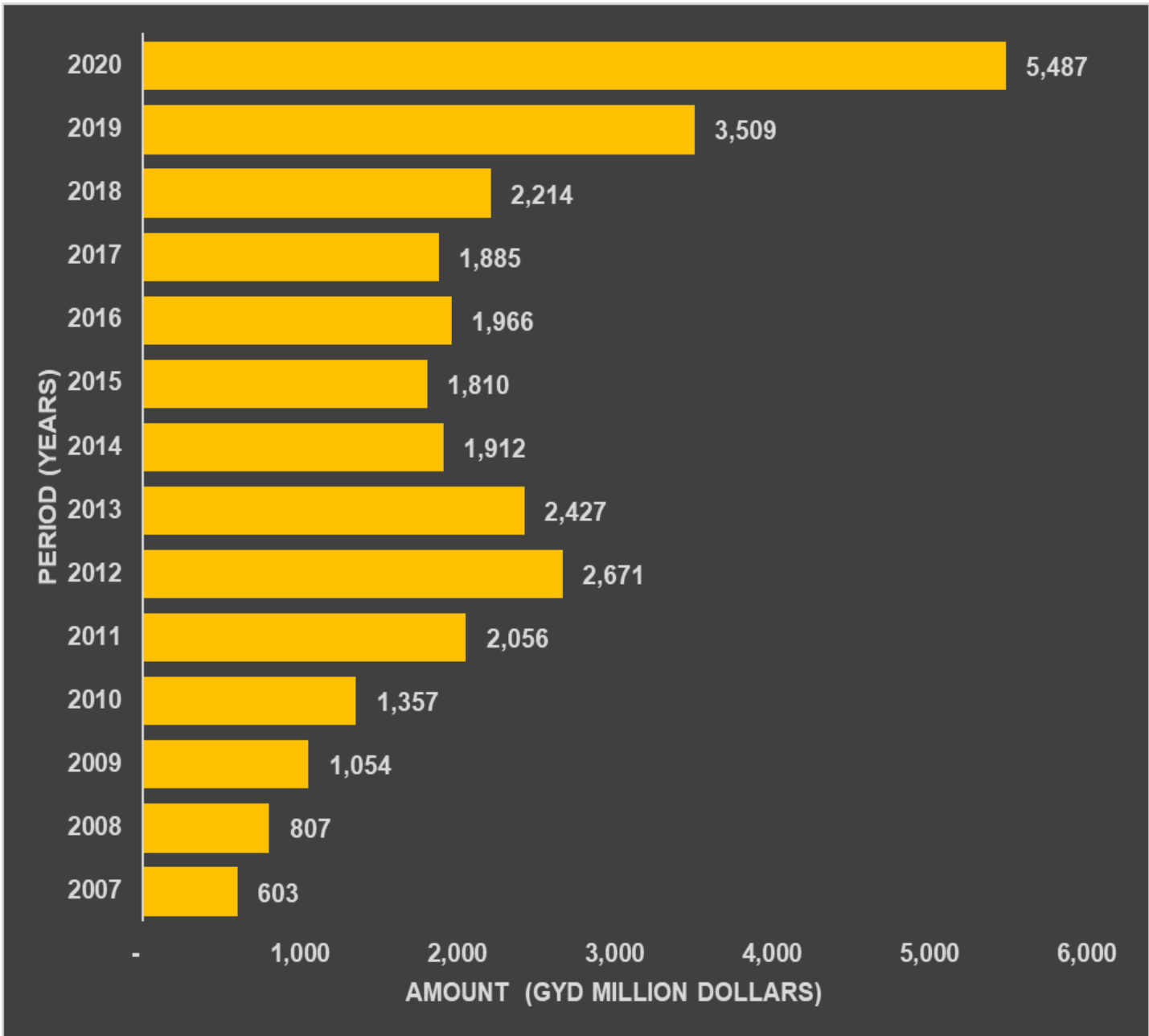
GOLD DECLARATION (2000-2020)



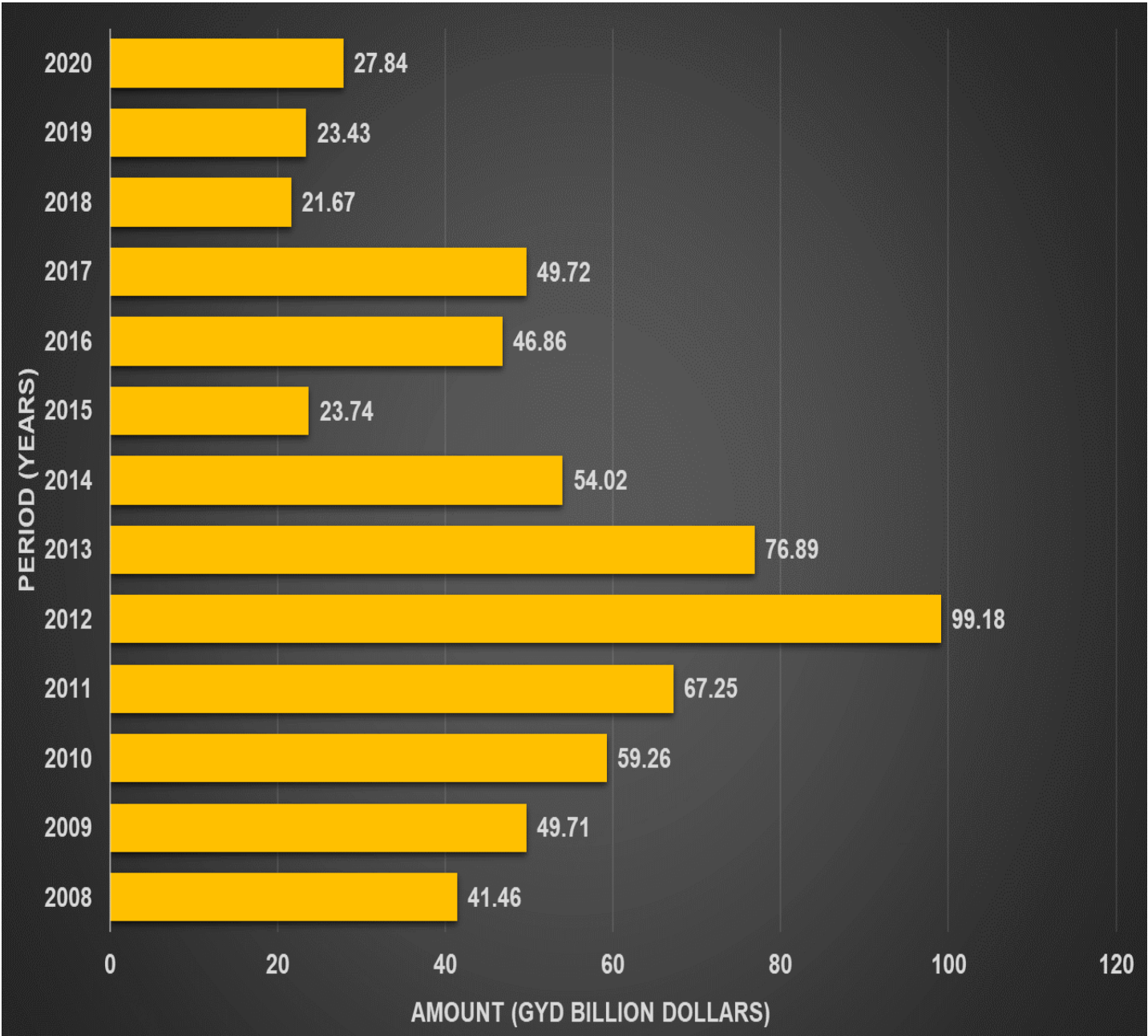
ROYALTIES (2007-2020)



TAXES (2007-2020)



TURNOVER (2008-2020)



FINAL REMARKS

On behalf of the Board of Directors of 2020, let me say how honored we were to serve in Guyana's most economically important sector, working along with the Ministry of Natural Resources to shape policy for the industry. The gold industry continued to be a natural blessing to the Guyanese economy in 2020, in defiance of conventional belief of the role of natural resources in developing countries.

Output and declarations buoyed in 2020, however confirmed that the sector continued to attract investment and reinvestment, responding to the constructive policies and business environment governing the sector. Medium level gold prices assisted the upward thrust.

The Guyana Gold Board in 2020 benefited from a very constructive and engaging Board of Directors, appointed by the new government. The Board of Directors evinced strong commitment to stronger and more robust regulation of the sector, by studying and re-examining many old, established conventions regarding pricing and buying practices by the Gold Board, and the regulatory framework. Indeed, the Board upheld the strong studied position that the Gold Board is an essential part of the industry in Guyana, to ensure that Guyanese benefit from the God- given endowment of their country with El Dorado.

It is hoped that going forward, the central importance of the Gold Board to small and medium miners, and to the entire economy of Guyana, continues to remain evident and that sustained support is given to its mandate by these stakeholders.

On behalf of the Board of Directors of 2020, we express thanks again for the privilege of serving in this sector.