

# Eldorado Gold Corporation: 2014 Second Quarter Financial and Operating Results

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## Full Year Production Guidance Raised, Operating Costs Reduced

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jul 31, 2014) - [Eldorado Gold Corp.](#) ("Eldorado" or "the Company") (TSX:ELD)(NYSE:EGO) today reported the Company's financial and operational results for the second quarter ended June 30, 2014. Net profit attributable to shareholders of the Company for the quarter was \$37.6 million or \$0.05 per share.

"The Company has finished the second quarter ahead of our expectations and the operations are now on track to deliver production at the high end of the initial full year range our teams had established. Total gold production for the period was 200,551 ounces, and cash operating costs continue to remain in the bottom quartile of the gold industry at \$489 per ounce," said Paul Wright, Chief Executive Officer of Eldorado Gold. "We are especially pleased to report that the Kisladag EIA was approved during the quarter by the Turkish authorities and we plan on completing the expansion to 20 million tonnes per year by mid-2016. Reflecting the strong results year-to-date and our outlook for the balance of 2014, we are confidently revising our guidance for the year to production of 790,000 ounces of gold with average cash costs for commercial production of \$495 per ounce and all-in sustaining cash costs of \$850 per ounce."

### Second Quarter Financial and Operational Highlights

- Net profit attributable to shareholders of the Company was \$37.6 million (**\$0.05 per share**).
- **Gold revenues were \$247.6 million** on sales of 190,621 ounces of gold at an average realized gold price of \$1,299 per ounce.
- **Liquidity of \$959.5 million**, including \$584.5 million in cash, cash equivalents and term deposits, and \$375.0 million in lines of credit.
- **A positive Environmental Impact Assessment ("EIA")** decision from the Ministry of Environment and Urbanization of Turkey on the Kisladag Mine Expansion project was received during the quarter.
- **Gold production of 200,551** ounces, including Olympias production from tailings retreatment (2013 - 183,971 ounces), a 9% increase year over year.
- Cash operating costs averaged **\$489 per ounce** and all-in sustaining cash costs averaged **\$829 per ounce**.
- Major concrete placements began at Skouries, and the semi-autogenous grinding (SAG) mill foundation was completed.
- On July 31, 2014, the Company declared that it will **pay a dividend of CDN\$0.01** per Common Share on August 26, 2014 to the holders of the Company's outstanding Common Shares as the close of business on the record date of August 15, 2014.

Throughout this press release we use cash operating cost per ounce, total cash costs per ounce, all-in sustaining cost per ounce, gross profit from gold mining operations, adjusted net earnings and cash flow from operating activities before changes in non-cash working capital as additional measures of Company performance. These are non IFRS measures. Please see page 10 of the MD&A for an explanation and discussion of these non IFRS measures.

All figures in US dollars unless otherwise stated.

## Financial Results

Summarized financial results (Millions, except where noted)	3 months ended June 30,		6 months ended June 30,	
	2014	2013	2014	2013
Revenues (millions)	\$ 265.5	\$ 266.9	\$ 545.4	\$ 605.0
Gold revenues (millions)	\$ 247.6	\$ 243.6	\$ 495.2	\$ 550.8
Gold sold (ounces)	190,621	176,260	381,249	365,606
Average realized gold price (US\$ per ounce)	\$ 1,299	\$ 1,382	\$ 1,299	\$ 1,506
Cash operating costs (US\$ per ounce sold)	\$ 489	\$ 478	\$ 504	\$ 492
Total cash cost (US\$ per ounce sold)	\$ 549	\$ 536	\$ 563	\$ 552
All-in sustaining cash cost (US\$ per ounce sold)	\$ 829	n/a	\$ 809	n/a
Gross profit from gold mining operations (millions)	\$ 100.8	\$ 117.2	\$ 196.2	\$ 281.0
Adjusted net earnings (millions)	\$ 35.9	\$ 48.2	\$ 73.2	\$ 131.5
Net profit (loss) attributable to shareholders of the Company (millions)	\$ 37.6	\$ 43.3	\$ 68.9	\$ (2.2)
Earnings (loss) per share attributable to shareholders of the Company - Basic (US\$/share)	\$ 0.05	\$ 0.06	\$ 0.10	\$ 0.00
Earnings (loss) per share attributable to shareholders of the Company - Diluted (US\$/share)	\$ 0.05	\$ 0.06	\$ 0.10	\$ 0.00
Dividends paid (Cdn\$/share)	\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.07
Cash flow from operating activities before changes in non-cash working capital (millions)	\$ 92.2	\$ 84.9	\$ 186.9	\$ 224.8

## Financial Results

Net income for the quarter was \$37.6 million (or \$0.05 per share), compared with \$43.3 million (or \$0.06 per share) in the second quarter of 2013. Gold revenues of \$247.6 million were two percent higher year over year as higher gold sales volumes were partially offset by lower gold prices. Gross profit from gold mining operations was fourteen percent lower than that of the second quarter of 2013 reflecting higher production costs and depreciation expense as a result of higher sales volumes. Total cash cost per ounce increased two percent year over year.

Exploration expenses fell \$6.4 million year over year, reflecting changes in the Company's exploration program in response to lower gold prices. The Company reported a foreign exchange gain of \$1.6 million for the quarter as compared to a loss of \$5.9 million for the second quarter of 2013 mainly as a result of changes in foreign exchange rates on the Company's Canadian dollar investments. Interest and financing costs fell \$3.1 million year over year, reflecting an increase in capitalization of interest on the Company's Greek development projects.

The effective tax rate for the quarter was thirty-nine percent as compared to a rate of thirty-six percent in the second quarter of 2013. The effective tax rate for the second quarter of 2013 was lower due to a tax recovery related to recognition of investment tax credits in Turkey, partly offset by the impact of movements in the Turkish lira on deferred tax balances. The effective tax rate for the second quarter of 2014 was higher due to higher withholding tax accruals on dividends from our Turkish and Chinese subsidiaries.

## Operations Update

Summarized Operating Results	3 months ended June 30		6 months ended June 30	
	2014	2013	2014	2013
Gross profit - gold mining operations (millions)	\$ 100.8	\$ 117.2	\$ 196.2	\$ 281.0
Ounces produced - including Olympias production from tailings retreatment	200,551	183,971	397,074	347,739
Cash operating costs (\$ per ounce sold)	\$ 489	\$ 478	\$ 504	\$ 492
Total cash cost (\$ per ounce sold)	\$ 549	\$ 536	\$ 563	\$ 552
<b>Kisladag</b>				
Gross profit - gold mining operations (millions)	\$ 52.5	\$ 77.6	\$ 100.2	\$ 162.6
Ounces produced	76,980	76,735	144,055	146,956
Cash operating costs (\$ per ounce sold)	\$ 443	\$ 327	\$ 449	\$ 331
Total cash cost (\$ per ounce sold)	\$ 466	\$ 348	\$ 470	\$ 353
<b>Efemcukuru</b>				

Gross profit - gold mining operations (millions)	\$ 11.6	\$ 12.2	\$ 26.3	\$ 51.0
Ounces produced	25,034	26,289	52,003	46,145
Cash operating costs (\$ per ounce sold)	\$ 552	\$ 519	\$ 538	\$ 561
Total cash cost (\$ per ounce sold)	\$ 576	\$ 537	\$ 561	\$ 592
Tanjianshan				
Gross profit - gold mining operations (millions)	\$ 13.5	\$ 15.2	\$ 27.0	\$ 34.2
Ounces produced	25,790	27,938	54,169	54,145
Cash operating costs (\$ per ounce sold)	\$ 391	\$ 398	\$ 407	\$ 419
Total cash cost (\$ per ounce sold)	\$ 570	\$ 577	\$ 581	\$ 605
Jinfeng				
Gross profit - gold mining operations (millions)	\$ 17.0	\$ 8.3	\$ 29.4	\$ 17.0
Ounces produced	45,568	28,889	86,863	50,631
Cash operating costs (\$ per ounce sold)	\$ 540	\$ 757	\$ 581	\$ 789
Total cash cost (\$ per ounce sold)	\$ 622	\$ 845	\$ 664	\$ 881
White Mountain				
Gross profit - gold mining operations (millions)	\$ 6.2	\$ 3.9	\$ 13.3	\$ 16.2
Ounces produced	21,000	17,462	47,473	38,377
Cash operating costs (\$ per ounce sold)	\$ 583	\$ 742	\$ 596	\$ 683
Total cash cost (\$ per ounce sold)	\$ 623	\$ 781	\$ 636	\$ 726
Olympias				
Ounces produced from tailings retreatment	6,179	6,658	12,511	11,485

## Kisladag

Operating Data	3 months ended June 30		6 months ended June 30	
	2014	2013	2014	2013
Tonnes placed on pad	3,127,844	3,301,333	6,984,726	6,216,841
Average treated head grade - grams per tonne	1.11	1.26	0.90	1.28
Gold (ounces)				
- Produced	76,980	76,735	144,055	146,956
- Sold	72,815	76,680	139,667	146,930
Cash operating costs (per ounce sold)	\$ 443	\$ 327	\$ 449	\$ 331
Total cash costs (per ounce sold)	\$ 466	\$ 348	\$ 470	\$ 353
Financial Data (millions)				
Gold revenues	\$ 93.7	\$ 108.6	\$ 180.2	\$ 223.1
Depreciation and depletion	\$ 6.4	\$ 3.6	\$ 12.7	\$ 6.8
Gross profit - gold mining operations	\$ 52.5	\$ 77.6	\$ 100.2	\$ 162.6
Capital expenditure on mining interests	\$ 17.2	\$ 35.3	\$ 25.1	\$ 70.7

Gold production at Kisladag during the quarter was level year over year, while sales of approximately 4,600 ounces of gold were delayed into the third quarter due to the timing of dore shipments to the refinery. Leaching of run of mine ore placed on the pad during the first quarter of 2014 contributed to gold production during the second quarter, making up for lower tonnes and grade year over year. Cash costs in the quarter were higher than the same period of 2013 due to lower head grade and an increase in operational waste mining (2014 - 4.9 million tonnes versus 2013 - 0.7 million tonnes). Capital expenditures during the quarter included equipment for expansion and capitalized waste stripping.

## Efemcukuru

Operating Data	3 months ended June 30		6 months ended June 30	
	2014	2013	2014	2013
Tonnes Milled	110,706	109,349	217,207	196,228
Average treated head grade - grams per tonne				
	7.99	9.28	8.27	8.91
Average Recovery Rate (to Concentrate)	93.2 %	94.0 %	93.1 %	93.8 %
Gold (ounces)				
- Produced	25,034	26,289	52,003	46,145
- Sold	25,435	25,187	53,082	75,478
Cash operating costs (per ounce sold)	\$ 552	\$ 519	\$ 538	\$ 561

Total cash costs (per ounce sold)	\$ 576	\$ 537	\$ 561	\$ 592
Financial Data (millions)				
Gold revenues	\$ 33.1	\$ 31.6	\$ 69.7	\$ 112.7
Depreciation and depletion	\$ 6.6	\$ 5.3	\$ 13.0	\$ 15.1
Gross profit - gold mining operations	\$ 11.6	\$ 12.2	\$ 26.3	\$ 51.0
Capital expenditure on mining interests	\$ 5.8	\$ 6.8	\$ 11.3	\$ 16.6

Gold production at Efemcukuru during the quarter was lower year over year and cash operating costs per ounce were higher mainly due to a lower planned average treated head grade. Capital spending in the quarter included costs related to capitalized underground development and mobile equipment, surface infrastructure, and process improvements.

### Tanjianshan

Operating Data	3 months ended June 30		6 months ended June 30	
	2014	2013	2014	2013
Tonnes Milled	278,226	273,065	541,836	520,126
Average treated head grade - grams per tonne	3.30	3.50	3.37	3.61
Average Recovery Rate	82.0 %	83.6 %	81.6 %	82.3 %
Gold (ounces)				
- Produced	25,790	27,938	54,169	54,145
- Sold	25,790	27,938	54,169	54,145
Cash operating costs (per ounce sold)	\$ 391	\$ 398	\$ 407	\$ 419
Total cash costs (per ounce sold)	\$ 570	\$ 577	\$ 581	\$ 605
Financial Data (millions)				
Gold revenues	\$ 33.7	\$ 38.4	\$ 70.7	\$ 81.0
Depreciation and depletion	\$ 5.4	\$ 6.7	\$ 11.8	\$ 13.3
Gross profit - gold mining operations	\$ 13.5	\$ 15.2	\$ 27.0	\$ 34.2
Capital expenditure on mining interests	\$ 3.7	\$ 3.2	\$ 4.8	\$ 5.0

Gold production at Tanjianshan during the quarter was lower year over year as a result of lower average treated head grade and recovery rate. Capital spending included exploration activities and waste stripping.

### Jinfeng

Operating Data	3 months ended June 30		6 months ended June 30	
	2014	2013	2014	2013
Tonnes Milled	371,971	336,707	736,958	688,608
Average treated head grade - grams per tonne	4.17	3.33	4.08	2.87
Average Recovery Rate	86.4 %	84.5 %	87.0 %	83.4 %
Gold (ounces)				
- Produced	45,568	28,889	86,863	50,631
- Sold	45,581	28,993	86,858	50,676
Cash operating costs (per ounce sold)	\$ 540	\$ 757	\$ 581	\$ 789
Total cash costs (per ounce sold)	\$ 622	\$ 845	\$ 664	\$ 881
Financial Data (millions)				

Gold revenues	\$ 59.6	\$ 40.8	\$ 113.0	\$ 75.9
Depreciation and depletion	\$ 14.2	\$ 8.1	\$ 26.0	\$ 14.2
Gross profit - gold mining operations	\$ 17.0	\$ 8.3	\$ 29.3	\$ 17.0
Capital expenditure on mining interests	\$ 1.6	\$ 15.4	\$ 7.1	\$ 29.3

Gold production at Jinfeng during the quarter was higher year over year and cash operating costs per ounce were lower mainly due to higher tonnes milled, average treated head grade and recovery rate, mainly due to ore production from the open pit. The open pit had resumed full mining operations midway through the second quarter of 2013 after completion of a cutback. Capital spending during the quarter included underground mine development and tailings dam construction.

### White Mountain

Operating Data	3 months ended June 30		6 months ended June 30	
	2014	2013	2014	2013
Tonnes Milled	213,741	203,033	414,423	401,967
Average treated head grade - grams per tonne	3.56	3.25	3.84	3.52
Average Recovery Rate	88.5 %	87.0 %	87.6 %	86.3 %
Gold (ounces)				
- Produced	21,000	17,462	47,473	38,377
- Sold	21,000	17,462	47,473	38,377
Cash operating costs (per ounce sold)	\$ 583	\$ 742	\$ 596	\$ 683
Total cash costs (per ounce sold)	\$ 623	\$ 781	\$ 636	\$ 726
Financial Data (millions)				
Gold revenues	\$ 27.5	\$ 24.2	\$ 61.7	\$ 58.1
Depreciation and depletion	\$ 8.1	\$ 6.6	\$ 18.1	\$ 13.9
Gross profit - gold mining operations	\$ 6.2	\$ 3.9	\$ 13.3	\$ 16.2
Capital expenditure on mining interests	\$ 6.2	\$ 5.8	\$ 9.2	\$ 11.9

Gold production at White Mountain for the quarter was higher year over year mainly as a result of increased process throughput, higher head grades, and improved recovery rates. Cash operating costs per ounce decreased significantly due to higher gold production and reduced operation costs. Capital spending this quarter included underground development, exploration, camp improvements, and completion of the new mobile maintenance work shop.

### Vila Nova

Operating Data	3 months ended June 30		6 months ended June 30	
	2014	2013	2014	2013
Tonnes Processed	190,721	179,864	394,202	392,775
Iron Ore Produced	162,721	155,172	337,799	338,598
Average Grade (% Fe)	62.8 %	60.1 %	62.8 %	59.8 %
Iron Ore Tonnes				
- Sold	87,518	81,874	304,900	211,421
Average Realized Iron Ore Price	\$ 56	\$ 106	\$ 74	\$ 113
Cash Costs (per tonne produced)	\$ 69	\$ 74	\$ 62	\$ 69
Financial Data (millions)				
Revenues	\$ 3.9	\$ 8.7	\$ 22.5	\$ 23.8

Depreciation and depletion	\$ 0.9	\$ 0.9	\$ 3.1	\$ 2.1
Gross profit / loss from mining operations	\$ (3.0)	\$ 1.8	\$ 0.4	\$ 7.2
Capital expenditure on mining interests	\$ 0	\$ 0.2	\$ 0.1	\$ 3.6

Vila Nova recorded a loss of \$3.0 million for the quarter compared with gross profit of \$1.8 million in the second quarter of 2013. A \$1.0 million negative price adjustment related to prior quarters' shipments impacted profitability. The average realized iron ore price for the quarter not including the price adjustment fell from \$106 per tonne to \$56 per tonne year over year. The Company is reviewing options to improve profitability at Vila Nova in light of the recent decline in iron ore prices.

## Stratoni

Operating Data	3 months ended June 30		6 months ended June 30	
	2014	2013	2014	2013
Tonnes ore mined (wet)	57,275	60,109	114,517	114,234
Tonnes ore processed (dry)	55,548	62,331	110,997	110,852
Pb grade (%)	6.03 %	6.57 %	6.15 %	6.41 %
Zn grade (%)	11.39 %	9.38 %	11.33 %	9.37 %
Ag grade (g/t)	150	173	157	168
Tonnes of concentrate produced	15,714	16,054	31,650	28,332
Tonnes of concentrate sold	12,989	16,783	29,706	30,751
Average realized concentrate price (per tonne)	\$ 981	\$ 783	\$ 845	\$ 849
Cash Costs (per tonne of concentrate sold)	\$ 735	\$ 829	\$ 671	\$ 829
Financial Data (millions)				
Revenues	\$ 12.7	\$ 13.1	\$ 25.1	\$ 26.1
Depreciation and depletion	\$ 1.9	\$ 3.4	\$ 4.0	\$ 5.3
Gross profit from mining operations	\$ 0.3	\$ (4.2)	\$ 0.2	\$ (4.7)
Capital expenditure on mining interests	\$ 1.1	\$ 0.5	\$ 1.5	\$ 0.6

Combined metal concentrate production at Stratoni for the quarter was level year over year, with lower lead concentrate production offset by higher zinc concentrate production as a result of changes in metal head grades. The average realized combined concentrate price increased year over year as zinc prices improved while lead prices weakened. Taken in conjunction with the increase in zinc concentrate production the change in metal prices contributed to Stratoni's gross profit performance year over year.

## Development Project Update

### Kisladag Mine Expansion

During the quarter the Company received a positive EIA decision from the Ministry of Environment and Urbanization of Turkey on the Kisladag Mine Expansion project. The EIA approval will allow for the expansion of the Kisladag open pit mine production from its current 12.5 million tonnes per annum to a maximum of 35.0 million tonnes per annum. The Company has decided to proceed with an expansion to an annual production rate of 20 million tonnes per year of crushed ore to the leach pad at an additional capital cost of approximately \$90.0 million. We are forecasting completion in mid-2016, producing an average of 325,000 ounces per annum in the first five years after expansion.

### Skouries

Major structural concrete placements for the SAG and ball mills commenced in the quarter. The SAG mill foundation was completed, and concrete placement in the SAG mill plinths began. The majority of the ball mill concrete piles were completed and reinforcing fabrication and formwork for other major plant foundations was ongoing. Mill mechanical equipment was being pre-assembled in a nearby warehouse and will be mobilized to site with onsite erection scheduled to begin in the third quarter. Construction of access roads to the tailings dam progressed during the quarter. A review of the tailings dam construction materials and methodology was completed and design modifications to enhance constructability were finalized. Site

earthwork continued during the quarter, and included excavation and fill for the regrind mill, the flotation area and the tailings thickening area. The site batch plant construction commenced and is scheduled to be completed in the third quarter. The open pit surface area was cleared and topsoil removal commenced. Progress continued on the underground decline during the quarter. Capital spending totaled \$29.7 million during the quarter.

## **Olympias**

Approximately 168,000 tonnes of tailings were reprocessed during the quarter at a grade of 2.84 grams per tonne. A total of 6,179 payable ounces of gold in concentrate were produced. Cash proceeds from the sale of concentrate generated \$11.8 million during the quarter on approximately 9,300 ounces of gold in concentrate. Capital spending totalled \$35.6 million during the quarter including approximately \$11.0 million related to tailings reprocessing, production royalties and transportation and selling costs, \$1.9 million related to capitalized interest, and the remainder on mine development as well as Phase II engineering.

## **Perama Hill**

Preliminary engineering continued on the project during the quarter with completion expected in the third quarter this year. Metallurgical test work to optimise the process is planned to be completed during the third quarter this year, with detailed engineering expected to begin shortly thereafter. The Company continues to work with Greek government authorities to facilitate approval of the Environmental Impact Assessment. Capital spending totaled \$3.1 million during the quarter.

## **Certej**

During the quarter studies were conducted focusing on optimization of critical elements of the project identified in the prefeasibility study, including pressure oxidation, oxygen supply, open pit development and use of Romanian resources to build the mine. Metallurgical test work continued during the quarter in order to provide further data for optimization of the pressure oxidation circuit. The Company plans to commence work on the feasibility study in the third quarter this year. Capital spending totaled \$2.3 million during the quarter.

## **Tocantinzinho**

During the quarter work continued on optimization of the Tocantinzinho feasibility study. Additionally, preparations were begun to upgrade the access road to the site, including obtaining the necessary permits and authorizations from the municipality. Capital spending totaled \$0.5 million during the quarter.

## **Eastern Dragon**

Eastern Dragon remained on care and maintenance pending resolution of permitting issues. Site management worked with the local authorities to maintain local permits and permissions in good standing. Work continued on the preparation of the revised Environmental Impact Assessment for submission to the Ministry of Environmental Protection. This will be followed by submission of the Project Permit Approval to the National Development and Reform Commission.

## **Exploration Update**

### **Greece**

In the Halkidiki District, underground exploration drilling continued at the Mavres Petres mine, targeting the western extension of the orebody. Several drillholes cut massive sulfide zones outside of the existing resource, and activities are now focused on extending underground development to allow further stepout drilling. Drilling commenced late in the quarter at the Piavitsa deposit with a 6,000 meter program planned to test the continuity of mineralized zones identified in previous widely-spaced drillholes. At the Olympias deposit, drilling completed in the east ramp development project encountered several significant zones of

high grade gold and silver mineralization that lie outside of the current resource model.

In the Perama district exploration activities focused on extending geological mapping coverage in the Perama South area, conducting reconnaissance field visits to nearby prospects, and evaluating historical data for the newly acquired Sappes project.

## **Romania**

Exploration activities during the quarter near Certej focused on defining drill targets at the Magura, Bocsa, and P. Avram prospect areas. Reconnaissance mapping, soil sampling, and drillhole targeting commenced during the quarter at the nearby Muncel and Brad exploration licenses.

## **Turkey**

Exploration activities in Turkey focussed on reconnaissance of regional target areas in western Turkey, and definition of new drilling targets at the Efemcukuru minesite.

## **China**

Underground drilling at White Mountain targeted down-plunge extensions in the middle and north ore zones. Detailed geological mapping was conducted over the mine area, and surface exploration drilling programs will commence in the third quarter. At Tanjianshan, drilling programs were completed at the Xijingou deposit and Dushugou prospect, and drilling is ongoing at the Qinlongtan North deposit.

## **Brazil**

Exploration resumed at the Tapajos region projects, including soil sampling along the Tocantinzinho trend northwest of the Tocantinzinho deposit, and drill-testing of geochemical anomalies at the adjacent Ruben Zilio project.

## **2014 Outlook**

Total gold production for 2014 is forecast to be 790,000 ounces of gold with average cash costs for commercial production of \$495 per ounce and average all-in sustaining cash costs of \$850 per ounce. Previous guidance was production of 730,000 - 800,000 ounces at average cash costs of \$550 to \$590 per ounce and average all-in sustaining cash costs of \$915 to \$985 per ounce. Capital spending is forecast to be \$170.0 million in sustaining capital and \$265.0 million in project development capital compared with previous guidance of \$170.0 million and \$345.0 million respectively. The forecast for project development capital is lower than original guidance mainly due to presently projected lower capital spending at Skouries.

The Company is evaluating the merits of pursuing a potential overseas listing on the Hong Kong Stock Exchange in relation to its Chinese business. Eldorado is the largest foreign producer of gold in China with three operating gold mines (Jinfeng, Tanjianshan and White Mountain) and the Eastern Dragon project. The Company's Chinese operations presently produce roughly 300,000 ounces of gold annually.

## **Conference Call**

Eldorado will host a conference call on **Friday, August 1, 2014** to discuss the Second Quarter 2014 Financial and Operating Results at **8:30am PDT (11:30am EDT)**. You may participate in the conference call by dialling **416-340-2219** in Toronto or **1-866-225-0198** toll free in North America and asking for the Eldorado Conference Call.

The call will be available on Eldorado's website: [www.eldoradogold.com](http://www.eldoradogold.com). A replay of the call will be available

until August 8, 2014 by dialling 905-694-9451 in Toronto or 1-800-408-3053 toll free in North America and entering the Passcode: 5888733.

## **About Eldorado Gold**

Eldorado is a leading low cost gold producer with mining, development and exploration operations in Turkey, China, Greece, Romania and Brazil. The Company's success to date is based on a low cost strategy, a highly skilled and dedicated workforce, safe and responsible operations, and long-term partnerships with the communities where they operate. Eldorado's common shares trade on the Toronto Stock Exchange (TSX:ELD) and the New York Stock Exchange (NYSE:EGO).

*Certain of the statements made herein may contain forward-looking statements or information within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements or information herein include, but are not limited, to statements or information with respect to the Company's 2014 Second Quarter Financial and Operating Results.*

*Forward-looking statements and forward-looking information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. We have made certain assumptions about the forward-looking statements and information, including assumptions about the legal restrictions regarding the payment of dividends by the Company; assumptions about the price of gold; anticipated costs and expenditures; estimated production, mineral reserves and metallurgical recoveries; financial position, reserves and resources and gold production; and the ability to achieve our goals. Although our management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statements or information will prove to be accurate. Furthermore, should one or more of the risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or information. These risks, uncertainties and other factors include, among others, the following: gold price volatility; risks of not meeting production and cost targets; discrepancies between actual and estimated production, mineral reserves and resources and metallurgical recoveries; mining operational and development risk; litigation risks; regulatory restrictions, including environmental regulatory restrictions and liability; risks of sovereign investment and operating in foreign countries; currency fluctuations; speculative nature of gold exploration; global economic climate; dilution; share price volatility; competition; loss of key employees; additional funding requirements; and defective title to mineral claims or property, as well as those factors discussed in the sections entitled "Forward-Looking Statements" and "Risk Factors" in the Company's Annual Information Form & Form 40-F dated March 28, 2014.*

*There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, you should not place undue reliance on the forward-looking statements or information contained herein. Except as required by law, we do not expect to update forward-looking statements and information continually as conditions change and you are referred to the full discussion of the Company's business contained in the Company's reports filed with the securities regulatory authorities in Canada and the U.S.*

## **Cautionary Note Regarding Mineral Reserves and Mineral Resources**

*The terms "Mineral Reserve", "Proven Mineral Reserve" and "Probable Mineral Reserve" used in this release are Canadian mining terms as defined in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council on August 20, 2000 as may be amended from time to time by the CIM. These definitions differ from the definitions in the United States Securities & Exchange Commission ("SEC") Guide 7. In the United States, a mineral reserve is defined as a part of a mineral deposit which could be economically and legally*

extracted or produced at the time the mineral reserve determination is made.

The terms "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource", "Inferred Mineral Resource" used in this release are Canadian mining terms as defined in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects under the guidelines set out in the CIM Standards. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.

For a detailed discussion of resource and reserve estimates and related matters see the Company's reports, including the Annual Information Form and Form 40-F dated March 28, 2014 and technical reports filed under the Company's name at [www.sedar.com](http://www.sedar.com) and [www.sec.gov](http://www.sec.gov) respectively.

#### Cautionary Note to US Investors Concerning Estimates of Measured, Indicated and Inferred Resources

Note to U.S. Investors. While the terms "mineral resource", "measured mineral resource," "indicated mineral resource", and "inferred mineral resource" are recognized and required by Canadian regulations, they are not defined terms under standards in the United States and normally are not permitted to be used in reports and registration statements filed with the SEC. As such, information contained in this report concerning descriptions of mineralization and resources under Canadian standards may not be comparable to similar information made public by U.S companies in SEC filings. With respect to "indicated mineral resource" and "inferred mineral resource" there is a great amount of uncertainty as to their existence and a great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "indicated mineral resource" or "inferred mineral resource" will ever be upgraded to a higher category. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.

There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, you should not place undue reliance on the forward-looking statements or information contained herein. Except as required by law, we do not expect to update forward-looking statements and information continually as conditions change and you are referred to the full discussion of the Company's business contained in the Company's reports filed with the securities regulatory authorities in Canada and the U.S.

#### ELDORADO GOLD

##### Q2 2014 Gold Production Highlights (in US\$)

	First Quarter 2014	Second Quarter 2014	Second Quarter 2013	First Six Months 2014	First Six Months 2013
<b>Gold Production</b>					
Ounces Sold	190,628	190,621	176,260	381,249	365,606
Ounces Produced <sup>(1)</sup>	196,523	200,551	183,971	397,074	347,739
Cash Operating Cost (\$/oz) <sup>(2), (4)</sup>	519	489	478	504	492
Total Cash Cost (\$/oz) <sup>(3), (4)</sup>	577	549	536	563	552
Realized Price (\$/oz - sold)	1,299	1,299	1,382	1,299	1,506
<b>Kiikilahti Mine, Turkey</b>					
Ounces Sold	66,852	72,815	76,680	139,667	146,930
Ounces Produced	67,075	76,980	76,735	144,055	146,956
Tonnes to Pad	3,856,882	3,127,844	3,301,333	6,984,726	6,216,841
Grade (grams / tonne)	0.73	1.11	1.26	0.90	1.28
Cash Operating Cost (\$/oz) <sup>(4)</sup>	456	443	327	449	331
Total Cash Cost (\$/oz) <sup>(3), (4)</sup>	473	466	348	470	353
<b>Efencukuru Mine, Turkey</b>					
Ounces Sold	27,647	25,435	25,187	53,082	75,478
Ounces Produced	26,969	25,034	26,289	52,003	46,145
Tonnes Milled	106,501	110,706	109,349	217,207	196,228
Grade (grams / tonne)	8.56	7.99	9.28	8.27	8.91
Cash Operating Cost (\$/oz) <sup>(4)</sup>	526	552	519	538	561
Total Cash Cost (\$/oz) <sup>(3), (4)</sup>	547	576	537	561	592

<u>Tanjianshan Mine, China</u>					
Ounces Sold	28,379	25,790	27,938	54,169	54,145
Ounces Produced	28,379	25,790	27,938	54,169	54,145
Tonnes Milled	263,609	278,227	273,065	541,836	520,126
Grade (grams / tonne)	3.44	3.30	3.50	3.37	3.61
Cash Operating Cost (\$/oz) <sup>(4)</sup>	422	391	398	407	419
Total Cash Cost (\$/oz) <sup>(3), (4)</sup>	592	570	577	581	605
<u>Jinfeng Mine, China</u>					
Ounces Sold	41,277	45,581	28,993	86,858	50,676
Ounces Produced	41,295	45,568	28,889	86,863	50,631
Tonnes Milled	364,987	371,971	336,707	736,958	688,608
Grade (grams / tonne)	4.00	4.17	3.33	4.08	2.87
Cash Operating Cost (\$/oz) <sup>(4)</sup>	626	540	757	581	789
Total Cash Cost (\$/oz) <sup>(3), (4)</sup>	709	622	845	664	881
<u>White Mountain Mine, China</u>					
Ounces Sold	26,473	21,000	17,462	47,473	38,377
Ounces Produced	26,473	21,000	17,462	47,473	38,377
Tonnes Milled	200,682	213,741	203,033	414,423	401,967
Grade (grams / tonne)	4.13	3.56	3.25	3.84	3.52
Cash Operating Cost (\$/oz) <sup>(4)</sup>	607	583	742	596	683
Total Cash Cost (\$/oz) <sup>(3), (4)</sup>	646	623	781	636	726
<u>Olympias, Greece</u>					
Ounces Sold	-	-	-	-	-
Ounces Produced <sup>(1)</sup>	6,332	6,179	6,658	12,511	11,485
Tonnes Milled	144,522	168,013	116,972	312,535	206,084
Grade (grams / tonne)	3.08	2.84	3.80	2.95	3.86
Cash Operating Cost (\$/oz) <sup>(4)</sup>	-	-	-	-	-
Total Cash Cost (\$/oz) <sup>(3), (4)</sup>	-	-	-	-	-

(1) Ounces produced include production from tailings retreatment in Olympias.

(2) Cost figures calculated in accordance with the Gold Institute Standard.

(3) Cash Operating Costs, plus royalties and the cost of off-site administration.

(4) Cash operating costs and total cash costs are non-IFRS measures. Please see our MD&A for an explanation and discussion of these.

#### Eldorado Gold Corporation

#### Unaudited Condensed Consolidated Balance Sheets

(Expressed in thousands of U.S. dollars)

	<i>Note</i>	June 30, 2014	December 31, 2013
		\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		559,498	589,180
Term deposits		25,026	34,702
Restricted cash		262	262
Marketable securities		4,637	4,387
Accounts receivable and other		82,822	89,231
Inventories		233,531	244,042
		<u>905,776</u>	<u>961,804</u>
Investment in associate		-	10,949
Deferred income tax assets		1,601	997
Restricted assets and other		55,581	37,330
Defined benefit pension plan		15,398	13,484
Property, plant and equipment		5,806,914	5,684,382
Goodwill		526,296	526,296
		<u>7,311,566</u>	<u>7,235,242</u>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		171,775	211,406
Current debt	5	16,253	16,402
		<u>188,028</u>	<u>227,808</u>

Debt	5	586,104	585,006
Other non-current liability	4(b )	47,711	-
Asset retirement obligations		86,423	85,259
Deferred income tax liabilities		852,575	842,305
		<u>1,760,841</u>	<u>1,740,378</u>
Equity			
Share capital	6	5,314,813	5,314,589
Treasury stock		(14,845 )	(10,953 )
Contributed surplus		37,197	78,557
Accumulated other comprehensive loss		(16,450 )	(17,056 )
Deficit		(80,965 )	(143,401 )
Total equity attributable to shareholders of the Company		5,239,750	5,221,736
Attributable to non-controlling interests		310,975	273,128
		<u>5,550,725</u>	<u>5,494,864</u>
		<u>7,311,566</u>	<u>7,235,242</u>

### Approved on behalf of the Board of Directors

(Signed) Robert R. Gilmore

Director

(Signed) Paul N. Wright

Director

The accompanying notes are an integral part of these consolidated financial statements.

Eldorado Gold Corporation  
Unaudited Condensed Consolidated Income Statements  
(Expressed in thousands of U.S. dollars)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2014	2013	2014	2013
	\$	\$	\$	\$
Revenue				
Metal sales	265,497	266,929	545,367	604,997
Cost of sales				
Production costs	122,524	116,133	257,309	246,501
Depreciation and amortization	44,095	35,234	89,667	72,348
	<u>166,619</u>	<u>151,367</u>	<u>346,976</u>	<u>318,849</u>
Gross profit	98,878	115,562	198,391	286,148
Exploration expenses	3,890	10,240	7,785	17,864
General and administrative expenses	19,099	18,239	34,943	34,725
Defined benefit pension plan expense	413	619	816	1,248
Share based payments	5,281	3,291	12,275	12,168
Foreign exchange loss (gain)	(1,553 )	5,920	(2,914 )	5,818
Operating profit	<u>71,748</u>	<u>77,253</u>	<u>145,486</u>	<u>214,325</u>
Loss (gain) on disposal of assets	1,819	(51 )	1,825	(15 )
Loss (gain) on marketable securities and other investments	550	-	1,322	(21 )
Loss on investments in associates	-	214	102	1,123
Other income	(3,631 )	(3,138 )	(2,847 )	(5,114 )
Asset retirement obligation accretion	581	386	1,163	725
Interest and financing costs	7,916	11,061	16,321	21,562
Profit before income tax	<u>64,513</u>	<u>68,781</u>	<u>127,600</u>	<u>196,065</u>
Income tax expense	<u>24,999</u>	<u>24,550</u>	<u>57,443</u>	<u>195,802</u>
Profit for the period	<u>39,514</u>	<u>44,231</u>	<u>70,157</u>	<u>263</u>
Attributable to:				
Shareholders of the Company	37,632	43,274	68,900	(2,189 )
Non-controlling interests	1,882	957	1,257	2,452
Profit for the period	<u>39,514</u>	<u>44,231</u>	<u>70,157</u>	<u>263</u>
Weighted average number of shares outstanding				
Basic	716,249	715,038	716,239	714,739
Diluted	716,249	715,426	716,239	715,256

## Earnings per share attributable to shareholders of the Company:

Basic earnings per share	0.05	0.06	0.10	0.00
Diluted earnings per share	0.05	0.06	0.10	0.00

The accompanying notes are an integral part of these consolidated financial statements.

## Eldorado Gold Corporation

## Unaudited Condensed Consolidated Statements of Comprehensive Income

(Expressed in thousands of U.S. dollars except per share amounts)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2014	2013	2014	2013
	\$	\$	\$	\$
Profit for the period	39,514	44,231	70,157	263
Other comprehensive gain (loss):				
Change in fair value of available-for-sale financial assets	336	(918 )	(153 )	(1,400 )
Realized gains on disposal of available-for-sale financial assets	-	-	759	(17 )
Total other comprehensive gain (loss) for the period	336	(918 )	606	(1,417 )
Total comprehensive income (deficit) for the period	39,850	43,313	70,763	(1,154 )
Attributable to:				
Shareholders of the Company	37,968	42,356	69,506	(3,606 )
Non-controlling interests	1,882	957	1,257	2,452
	39,850	43,313	70,763	(1,154 )

The accompanying notes are an integral part of these consolidated financial statements.

## Eldorado Gold Corporation

## Unaudited Condensed Consolidated Statements of Cash Flows

(Expressed in thousands of U.S. dollars)

	Note	Three months ended		Six months ended	
		June 30,		June 30,	
		2014	2013	2014	2013
		\$	\$	\$	\$
Cash flows generated from (used in):					
Operating activities					
Profit for the period		39,514	44,231	70,157	263
<i>Items not affecting cash:</i>					
Asset retirement obligation accretion		581	386	1,163	725
Depreciation and amortization		44,095	35,234	89,667	72,348
Unrealized foreign exchange loss (gain)		(508 )	403	(124 )	524
Deferred income tax expense		471	560	9,667	136,448
Loss (gain) on disposal of assets		1,819	(51 )	1,825	(15 )
Loss on investments in associates		-	214	102	1,123
Loss (gain) on marketable securities and other investments		550	-	1,322	(21 )
Share based payments		5,281	3,291	12,275	12,168
Defined benefit pension plan expense		413	619	816	1,248
		92,216	84,887	186,870	224,811
Changes in non-cash working capital	9	(29,383 )	(63,433 )	(54,600 )	(36,265 )
		62,833	21,454	132,270	188,546
Investing activities					
Net cash used on acquisition of subsidiary	4(a )	-	-	(30,318 )	-
Purchase of property, plant and equipment		(107,917 )	(116,549 )	(188,347 )	(217,763 )
Proceeds from the sale of property, plant and equipment		92	136	176	192
Proceeds on production from tailings retreatment		11,765	10,900	20,557	15,228
Purchase of marketable securities		(852 )	-	(852 )	-
Proceeds from the sale of marketable securities		243	-	865	332
Investments in associates		-	-	-	(6,357 )
Redemption of (investment in) term deposits		(20,000 )	(62,514 )	9,676	(221,441 )
Decrease in restricted cash		(24 )	15	2	5

	(116,693 )	(168,012 )	(188,241 )	(429,804 )
Financing activities				
Issuance of common shares for cash	-	179	-	1,601
Investment by non-controlling interest	4(b )	-	40,000	-
Dividend paid to shareholders	-	-	(6,464 )	(50,241 )
Dividends paid to non-controlling interest	(815 )		(815 )	
Purchase of treasury stock	(9 )	(168 )	(6,413 )	(6,462 )
Long-term and bank debt proceeds	-	-	16,363	12,412
Long-term and bank debt repayments	-	-	(16,382 )	(10,354 )
Loan financing costs	-	90	-	(383 )
	<u>(824 )</u>	<u>101</u>	<u>26,289</u>	<u>(53,427 )</u>
Net decrease in cash and cash equivalents	(54,684 )	(146,457 )	(29,682 )	(294,685 )
Cash and cash equivalents - beginning of period	614,182	668,615	589,180	816,843
Cash and cash equivalents - end of period	<u>559,498</u>	<u>522,158</u>	<u>559,498</u>	<u>522,158</u>

The accompanying notes are an integral part of these consolidated financial statements.

Eldorado Gold Corporation

Unaudited Condensed Consolidated Statements of Changes in Equity

(Expressed in thousands of U.S. dollars)

	Note	Three months ended		Six months ended	
		2014	June 30, 2013	2014	June 30, 2013
		\$	\$	\$	\$
Share capital					
Balance beginning of period		5,314,813	5,303,095	5,314,589	5,300,957
Shares issued upon exercise of share options, for cash		-	179	-	1,601
Transfer of contributed surplus on exercise of options		-	273	-	989
Transfer of contributed surplus on exercise of deferred phantom units		-	3,400	224	3,400
Balance end of period		<u>5,314,813</u>	<u>5,306,947</u>	<u>5,314,813</u>	<u>5,306,947</u>
Treasury stock					
Balance beginning of period		(17,357 )	(12,307 )	(10,953 )	(7,445 )
Purchase of treasury stock		(9 )	(168 )	(6,413 )	(6,462 )
Shares redeemed upon exercise of restricted share units		2,521	700	2,521	2,132
Balance end of period		<u>(14,845 )</u>	<u>(11,775 )</u>	<u>(14,845 )</u>	<u>(11,775 )</u>
Contributed surplus					
Balance beginning of period		35,424	71,827	78,557	65,382
Share based payments		5,035	3,935	11,750	12,528
Shares redeemed upon exercise of restricted share units		(2,521 )	(700 )	(2,521 )	(2,132 )
Recognition of other non-current liability and related costs	4(b )	(741 )	-	(50,365 )	-
Transfer to share capital on exercise of options and deferred phantom units		-	(3,673 )	(224 )	(4,389 )
Balance end of period		<u>37,197</u>	<u>71,389</u>	<u>37,197</u>	<u>71,389</u>
Accumulated other comprehensive loss					
Balance beginning of period		(16,786 )	(25,034 )	(17,056 )	(24,535 )
Other comprehensive loss for the period		336	(918 )	606	(1,417 )

Balance end of period		(16,450 )	(25,952 )	(16,450 )	(25,952 )
Retained earnings (deficit)					
Balance beginning of period					
Dividends paid	(118,597 )	499,172	(143,401 )	594,876	
Profit (loss) attributable to shareholders of the Company	-	-	(6,464 )	(50,241 )	
Balance end of period	37,632	43,274	68,900	(2,189 )	
Total equity attributable to shareholders of the Company	(80,965 )	542,446	(80,965 )	542,446	
Non-controlling interests					
Balance beginning of period					
Profit attributable to non-controlling interests	312,503	285,595	273,128	284,100	
Dividends declared to non-controlling interests	1,882	957	1,257	2,452	
Increase during the period	(3,410 )	-	(3,410 )	-	
4(b )	-	-	40,000	-	
Total equity	310,975	286,552	310,975	286,552	
	5,550,725	6,169,607	5,550,725	6,169,607	

The accompanying notes are an integral part of these consolidated financial statements.

Click here for the Unaudited Condensed Consolidated Financial Statements for the quarter ended June 30, 2014: <http://media3.marketwire.com/docs/eldq2fsmda.pdf>.

## Contact

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