

# ENDEAVOUR REPORTS STRONG FY-2019 RESULTS

2019 production up 6% over 2018 • Net Debt reduced by \$132m in H2-2019 • Strong growth expected for 2020

## Q4 AND FY-2019 HIGHLIGHTS

(for continuing operations)

- Q4-2019 production of 178koz at an AISC of \$819/oz, remaining fairly flat over Q3-2019
- FY-2019 production of 651koz at an AISC of \$818/oz, achieving guidance for the 7th consecutive year
- Operating Cash Flow of \$120m or \$1.10/share in Q4-2019, up 25% over Q3-2019; Operating Cash Flow for FY-2019 up 20% over FY-2018 to \$302m or \$2.75/share
- Following nearly four years of intensive growth-capital investment, Net Debt was reduced by \$52m in Q3-2019 and by a further \$80m in Q4-2019, marking a decrease of \$132m in H2-2019 to reach \$528m at year end
- Healthy Net Debt / Adjusted EBITDA (LTM) of 1.48x at year end after reaching a peak of 2.96x at the end of Q1-2019
- Adjusted Net Earnings for Q4-2019 up 13% over Q3-2019 to \$37m or \$0.34/share; Adjusted Net Earnings for FY-2019 up 39% over FY-2018 to \$74m or \$0.67/share
- Group M&I resources increased by 1.2Moz year-on-year to 15.1Moz, net of mine depletion
- Group P&P reserves remained flat year-on-year at 7.9Moz; increases expected in Q2-2020 with the conversion of the maiden 1Moz Indicated resource for Kari West and Kari Center

George Town, March 9, 2020 – Endeavour Mining (TSX:EDV) (OTCQX:EDVMF) is pleased to announce its financial and operating results for the fourth quarter and full year 2019, with highlights provided in the table below.

Table 1: Key Operational and Financial Highlights

For continuing operations only (in US\$ million)	QUARTER ENDED			YEAR ENDED		Δ
	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	
<b>PRODUCTION AND AISC HIGHLIGHTS</b>						
Gold Production, koz	178	181	174	651	612	+6%
Gold Sold, koz	172	185	173	649	612	+6%
Realized Gold Price <sup>2</sup> , \$/oz	1,445	1,443	1,198	1,366	1,228	+11%
All-in Sustaining Cost <sup>1</sup> , \$/oz	819	803	707	818	744	+10%
All-in Sustaining Margin <sup>1,3</sup> , \$/oz	627	639	491	549	484	+13%
<b>CASH FLOW HIGHLIGHTS<sup>1</sup></b>						
All-in Sustaining Margin <sup>4</sup> , \$m	108	118	85	356	296	+20%
All-in Margin <sup>5</sup> , \$m	85	106	66	259	210	+23%
Operating Cash Flow Before Non-Cash Working Capital, \$m	73	115	53	294	261	+13%
Operating Cash Flow Before Non-Cash Working Capital, \$/share	0.67	1.05	0.49	2.68	2.43	+10%
Operating Cash Flow, \$m	120	96	131	302	251	+20%
Operating Cash Flow, \$/share	1.10	0.88	1.22	2.75	2.33	+18%
<b>PROFITABILITY HIGHLIGHTS</b>						
Revenues, \$m	248	267	208	886	752	+18%
Adjusted EBITDA <sup>1</sup> , \$m	98	123	56	356	265	+34%
Net Earnings / (Loss) Attr. to Shareholders <sup>1</sup> , \$m	(113)	(32)	(32)	(159)	(0)	n.a.
Net Earnings / (Loss) <sup>1</sup> , \$/share	(1.03)	(0.29)	(0.29)	(1.45)	(0.00)	n.a.
Adjusted Net Earnings Attr. to Shareholders <sup>1</sup> , \$m	37	33	16	74	53	+39%
Adjusted Net Earnings per Share <sup>1</sup> , \$/share	0.34	0.30	0.15	0.67	0.49	+36%
<b>BALANCE SHEET HIGHLIGHTS<sup>1</sup></b>						
Net Debt, \$m	528	608	536	528	536	(2%)
Net Debt / Adjusted EBITDA (LTM) ratio	1.48	1.94	1.97	1.48	1.97	(25%)

<sup>1</sup>This is a non-GAAP measure. Refer to the non-GAAP measure section of the MD&A. <sup>2</sup>Realized Gold Price inclusive of Karma stream; <sup>3</sup>Realized Gold Price less AISC per ounce; <sup>4</sup>Net revenue less All-in Sustaining Cost; <sup>5</sup>Net revenue less All-in Sustaining Costs and Non-Sustaining capital; <sup>6</sup>Adjusted EBITDA divided by Revenues.

Sébastien de Montessus, President & CEO, commented:

*“Over the past four years, our team has worked diligently to strategically reposition our portfolio, and we have now successfully transitioned from a period of intense capital investment to an exciting new phase of significant cash flow generation.*

*In the near term we are squarely focused on two important initiatives: the strengthening of our balance sheet and ensuring optionality is built into our portfolio. To do this we will continue deleveraging supported by strong free cash flows, while simultaneously progressing studies at our Kalana and Fetekro projects and continuing to advance exploration.”*

## 2019 KEY ACHIEVEMENTS

In 2019, Endeavour continued to deliver against its strategy, with strong progress made across its four strategic levers:

- 1. Operational Excellence** – Reinforced track record as the Group’s Lost Time Injury Frequency Rate (“LTIFR”) decreased from 0.16 to 0.12 year-on-year, remaining well below industry benchmarks. Production and AISC guidance was met or beaten for the 7<sup>th</sup> consecutive year.
- 2. Project Development** – Ity CIL Project completed on budget and four months ahead of schedule with the 5Mtpa volumetric upgrade completed for minimal capital expenditure.
- 3. Unlocking Exploration Value** – Continued to deliver against our 5-year discovery target, with 2.1Moz of M&I resources discovered in 2019, totaling 6.3Moz at a discovery cost of circa \$12/oz since the strategy was set in late 2016. In 2019, successes include the 1.0Moz maiden Indicated resource for the Kari West and Kari Center deposits at Houndé, growing the Le Plaque deposit at Ity by 0.4Moz to 0.5Moz and increasing the Indicated resources at the greenfield Fetekro property by 0.7Moz to 1.2Moz.
- 4. Active Portfolio & Balance Sheet Management** – Strong cash flow was generated in H2-2019 following the completion of the Ity CIL build, finishing the year with a healthy balance sheet despite investing over \$1 billion in the business over the past four years. The Net Debt / Adjusted EBITDA (LTM) decreased sharply to 1.48x by year end, after peaking at 2.96x at the end of Q1-2019.

## UPCOMING CATALYSTS

The key upcoming expected catalysts are summarized in the table below.

*Table 2: Key Upcoming Catalysts*

TIMING	CATALYST	
Q2-2020	Houndé	Maiden reserve for the Kari West and Kari Center discoveries
Q2-2020	Houndé & Ity	Updated technical reports with mine plans including new reserves
Q2-2020	Fetekro	Resource estimate update and PEA
Late-2020	Houndé	Commence mining Kari Pump higher grade deposit

## Q4-2019 AND FULL YEAR 2019 SUMMARY

- › Continued strong safety record in 2019 for the Group with a low Lost Time Injury Frequency Rate (“LTIFR”) of 0.12.
- › Q4-2019 group production amounted to 178koz at an AISC of \$819/oz, remaining fairly flat over Q3-2019.
- › FY-2019 production amounted to 651koz, achieving the bottom end of the 650 – 695koz guidance range due to the slower than expected ramp-up at the newly commissioned Bouéré higher grade deposit at Houndé caused by the severe rainy season in Q3-2019. FY-2019 AISC amounted to \$818/oz, within the lower half of the \$794 – 845/oz guidance range.

Table 3: Group Production

	QUARTER ENDED			YEAR ENDED	
	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<i>(All amounts in koz, on a 100% basis)</i>					
Agbaou	35	36	44	138	141
Ity Heap Leach	-	-	21	3	85
Ity CIL	60	64	-	190	-
Karma	27	26	33	97	109
Houndé	55	55	76	223	277
<b>PRODUCTION FROM CONTINUING OPERATIONS</b>	<b>178</b>	<b>181</b>	<b>174</b>	<b>651</b>	<b>612</b>
Tabakoto <i>(divested in December 2018)</i>	-	-	30	-	115
<b>TOTAL PRODUCTION</b>	<b>178</b>	<b>181</b>	<b>204</b>	<b>651</b>	<b>727</b>

Table 4: Group All-In Sustaining Costs

	QUARTER ENDED			YEAR ENDED	
	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<i>(All amounts in US\$/oz)</i>					
Agbaou	846	767	776	796	819
Ity Heap Leach	-	-	622	1,086	719
Ity CIL	697	575	-	616	-
Karma	755	901	697	903	813
Houndé	878	954	588	862	564
Corporate G&A	19	33	46	32	43
Sustaining Exploration	-	-	-	-	12
<b>GROUP AISC FROM CONTINUING OPERATIONS</b>	<b>819</b>	<b>803</b>	<b>707</b>	<b>818</b>	<b>744</b>
Tabakoto <i>(divested in December 2018)</i>	-	-	1,470	-	1,369
<b>GROUP AISC</b>	<b>819</b>	<b>803</b>	<b>818</b>	<b>818</b>	<b>843</b>

## ITY MINE: CIL OPERATION

### Q4-2019 vs Q3-2019 Insights

- › Production decreased slightly as lower processed grades and recoveries were partially offset by increased plant throughput.
  - Mining activity increased following the end of the rainy season with 3.6Mt of material moved compared to 3.2Mt in the previous quarter. Tonnes of ore mined decreased slightly due to an increase in the strip ratio, with activity focused mainly on the Ity, Daapleu and Bakatouo pits, the latter of which was not mined during the rainy season.
  - Plant throughput increased in line with the volumetric upgrade to 5Mtpa which was completed during the quarter.
  - The processed grade decreased as lower grade stockpiles were used to supplement mill feed, specifically in the first half of the quarter due to the prolonged rainy season.
  - Recovery rates decreased due to increased volumes of Daapleu fresh ore processed.
- › The AISC increased due to a higher strip ratio, lower recovery rates, and higher unit mining costs which were partially offset by lower unit processing costs and lower sustaining capital.
  - Mining unit costs increased from \$4.27 to \$5.00 per tonne mined due to the utilization of a mining contractor to supplement load and haul activities in the Bakatouo pit in particular.
  - Processing unit costs decreased from \$13.26 to \$11.30 per tonne milled due to greater tonnes milled.
  - Sustaining capital decreased from \$0.5 million to nil for the quarter.
- › Non-sustaining capital increased from \$0.1 million to \$1.3 million, which is mainly related to land compensation and waste capitalization.

### FY-2019 vs FY-2018 Insights

- › Ity had its first gold pour in March 2019 with commercial production declared in early Q2-2019.
- › The comparative period production comprised the heap leach operation which ceased in Q4-2018.

### 2019 Performance vs Guidance

- › Production totalled 190koz, achieving the upper end of the original 2019 guidance of 160-200koz, mainly due to its quick ramp-up period.
- › AISC amounted to \$616/oz, in line with the outlook provided in the previous quarterly reporting period, which stated that AISC were expected to finish above the guided \$525-\$590/oz range as a result of higher royalty costs and lower average grades required to fill the excess plant capacity beyond nameplate design.

Table 5: Ity CIL Quarterly Performance Indicators

For The Quarter Ended	Q4-2019	Q3-2019	Q4-2018
Tonnes ore mined, kt	1,571	1,639	-
Strip ratio (incl. waste cap)	1.30	0.97	-
Tonnes milled, kt	1,318	1,183	-
Grade, g/t	1.69	1.94	-
Recovery rate, %	80%	88%	-
<b>PRODUCTION, KOZ</b>	<b>60</b>	<b>64</b>	-
Cash cost/oz	637	509	-
<b>AISC/OZ</b>	<b>697</b>	<b>575</b>	-

Table 6: Ity CIL Yearly Performance Indicators

For The Year Ended	Dec. 31, 2019	Dec. 31, 2018
Tonnes ore mined, kt	5,733	-
Strip ratio (incl. waste cap)	1.45	-
Tonnes milled, kt	3,693	-
Grade, g/t	1.88	-
Recovery rate, %	86%	-
<b>PRODUCTION, KOZ</b>	<b>190</b>	-
Cash cost/oz	557	-
<b>AISC/OZ</b>	<b>616</b>	-

### 2020 Outlook

- › Ity is expected to produce between 235-255koz in 2020 at an AISC of \$630-675/oz.
  - Plant feed is expected to be sourced from the Ity, Bakatouo and Daapleu pits while continuing to be supplemented with lower grade historic dumps.
  - As expected, a greater proportion of fresh ore is planned to be processed in 2020 as mining elevations get deeper while processed grades are expected to remain stable.
  - Recoveries are expected to be lower in H1-2020 due to the processing of greater quantities of Daapleu fresh ore.
  - Sustaining capital expenditure is expected to be minimal at \$4 million, mainly related to mid-life component change outs associated with heavy mining equipment.
- › Non-sustaining capital for 2020 is expected to be approximately \$15 million for non-mining related investments and \$10 million for waste extraction. Non-mining related investments include the stage 2 tailings storage facility ("TSF") lift (brought forward due to the plant upgrade), land compensation payments following recent exploration success and various small plant optimization initiatives.



### **2019 Exploration Program**

- › Exploration efforts were focused on the Le Plaque target. Due to the success of the campaign, the initial budget of 71,000 meters was exceeded with a total of 83,436 meters of drilling completed, amounting to \$11 million.
  - As announced on July 8, 2019, the Le Plaque Indicated resource increased from 85koz to 476koz at a grade of 3.20g/t Au.
  - A maiden reserve of 5.5Mt at a grade of 2.34 g/t Au containing 415koz was published on February 24, 2020.
  - The Le Plaque resource and reserve estimates are expected to further increase in Q2-2020 based on the additional 25,695 meters drilled in H2-2019 and the 41,000-meter drilling campaign planned for H1-2020.

### **2020 Exploration Program**

- › An exploration program of up to \$14 million totaling approximately 100,000 meters has been planned for 2020, with the aim of growing the Le Plaque, Bakatouo, and Daapleu deposits, and testing other targets such as Floleu and Samuel.

### **Reserve & Resource Evolution**

- › As shown in Appendix 3, there were more additions to P&P reserves and M&I resources than there was depletion due to the additions at Le Plaque.

### **Updated Mine Plan and Technical Report**

- › Given that the Le Plaque reserve grade is approximately 50% higher than the Ity mine reserve grade, it is expected to be mined as soon as possible and displace lower grade production. The Le Plaque permitting process is well underway with a mining license expected to be received in H2-2020.
- › The Ity mine plan is currently being updated to incorporate both the Le Plaque maiden reserve as well as the 25% increase in plant capacity, following last year's volumetric upgrades.
- › An updated technical report is expected to be published in Q2-2020, with the goal of demonstrating that Ity has a +10 year mine life at an average production of circa 250kozpa.

## HOUNDÉ MINE

### Q4-2019 vs Q3-2019 Insights

- › Production remained flat as slightly higher throughput was offset by lower processed grades.
  - Mining focused mainly on the Vindaloo Main and Bouéré pits. Total tonnes of ore mined decreased as mining activities continued to prioritise waste extraction, in particular at the Vindaloo pit due to delays caused by the severe rainy season in Q3-2019.
  - Tonnes milled increased slightly, continuing to perform nearly 30% above nameplate capacity while the ore blend continued to be mainly transitional/fresh ore.
  - Processed grades decreased, despite a circa 20% increase in mined grades, as low-grade stockpiles supplemented the mill feed.
  - Recovery rates remained flat.
- › AISC decreased mainly due to lower sustaining capital and unit processing costs which was partially offset by higher unit mining costs.
  - Mining unit costs increased from \$2.14 to \$2.64 per tonne as a result of the volume effect of less tonnes mined and increased maintenance costs based on planned maintenance.
  - Processing unit costs decreased from \$12.96 to \$11.70 per tonne driven by an increase in processing volumes and an improvement in underlying consumable costs.
  - Sustaining capital decreased from \$9.5 million to \$3.0 million due to the scheduled waste capitalization.
- › Non-sustaining capital increased from \$1.4 million to \$6.5 million mainly due to Bouéré non-sustaining waste capitalization and increased activities following the rainy season.

### FY-2019 vs FY-2018 Insights

- › As guided, production decreased and AISC increased due to low grade stockpiles supplementing the mill feed and a shift to processing a higher proportion of harder fresh ore compared to 2018 which benefited from high-grade soft oxide ore and a lower strip ratio.

### 2019 Performance vs Guidance

- › Production totaled 223koz at AISC of \$878/oz.
- › This performance is in line with the outlook provided in the previous quarterly reporting period, which stated that production was expected to finish below the lower end of the 230-250koz guided range while AISC were expected to finish above the AISC guidance of \$720-790/oz. This discrepancy is mainly due to the slower than planned ramp-up of the higher grade Bouéré deposit as a result of the severe rainy season in Q3-2019. AISC was also impacted by higher royalties as the guidance was based on a lower assumed gold price of \$1,250/oz.

Table 7: Houndé Quarterly Performance Indicators

For The Quarter Ended	Q4-2019	Q3-2019	Q4-2018
Tonnes ore mined, kt	622	661	1,736
Strip ratio (incl. waste cap)	13.94	14.67	5.87
Tonnes milled, kt	1,052	1,015	1,062
Grade, g/t	1.78	1.85	2.38
Recovery rate, %	92%	92%	93%
<b>PRODUCTION, KOZ</b>	<b>55</b>	<b>55</b>	<b>76</b>
Cash cost/oz	719	687	508
<b>AISC/OZ</b>	<b>878</b>	<b>954</b>	<b>588</b>

Table 8: Houndé Yearly Performance Indicator

For the Year Ended	Dec. 31, 2019	Dec. 31, 2018
Tonnes ore mined, kt	2,969	5,822
Strip ratio (incl. waste cap)	11.87	6.13
Tonnes milled, kt	4,144	3,948
Grade, g/t	1.83	2.29
Recovery rate, %	93%	94%
<b>PRODUCTION, KOZ</b>	<b>223</b>	<b>277</b>
Cash cost/oz	666	459
<b>AISC/OZ</b>	<b>862</b>	<b>564</b>

### 2020 Outlook

- › Houndé is expected to produce between 230-250koz in 2020 at AISC of \$865-895/oz.
  - Mining is expected to mainly be focused on the Vindaloo and Bouéré pits. The top end of the production guidance and low end of AISC guidance incorporates the potential to start mining the higher-grade Kari Pump deposit in the latter part of the year. The overall strip ratio is expected to remain high in the first half of the year.
  - The plant is expected to continue to perform above nameplate capacity with the overall ore blend expected to be predominantly fresh ore.
  - Low grade stockpiles are planned to supplement the mill feed in the first half of the year, while mining focuses on waste extraction, resulting in a higher processed grade in the second half.

- Sustaining costs are expected to increase from \$23 million in 2019 to circa \$50 million in 2020, in part due to increased production and the carryover of costs not incurred in 2019 (\$12 million of the guided \$35 million remains to be incurred). Roughly \$40 million is related to waste extraction while the remainder is mainly for fleet component replacement and a TSF raise.
- › Approximately \$10 million of non-sustaining expenditure is planned for 2020, mainly for the Kari Pump pre-strip, compensation and resettlement, and associated mine infrastructure.

#### **2019 Exploration Program**

- › Houndé was Endeavour's largest exploration focus in 2019 with a total of 174,710 meters drilled on the near-mine Kari anomalies.
- › A combined maiden Indicated resource of 19.4Mt at 1.61 g/t Au containing 1.0Moz was announced on November 25, 2019, based on a 0.5 g/t Au cut-off. This included 7.2Mt at a higher grade of 2.55 g/t Au for 590koz at Kari West based on a 1.5 g/t Au cut-off.
- › The mineralization at Kari West remains open at depth, to the west and the east, while Kari Center remains open to the southwest. Reserves are expected to be published in Q2-2020.

#### **2020 Exploration Program**

- › An exploration program of up to \$11 million totaling approximately 94,000 meters has been planned for 2020, with the aim of delineating additional resources in the Kari area and at the Vindaloo South and Vindaloo North targets. In addition, other targets such as Dohun and Sia/Sianikoui are expected to be tested.

#### **Reserve & Resource Evolution**

- › As shown in Appendix 3, both the P&P reserves and the M&I resource increased by more than depletion.
- › The increase in P&P reserves was due to the maiden reserve at Kari Pump and the increase in M&I resource was due to the maiden resource at Kari Center and Kari West.
- › Reserves are expected to significantly increase in Q2-2020 on the basis of converting the Kari West and Kari Center resources to reserves following the completion of the metallurgical tests and geotechnical study.

#### **Updated Mine Plan and Technical Report**

- › Given that the Kari Pump reserve grade is approximately 50% higher than the Houndé mine reserve grade, it is expected to be mined as soon as possible and displace lower grade production. The Kari Pump permitting process is well underway with a mining license expected to be received in H2-2020 and mining scheduled to start during the latter part of the year.
- › The Houndé mine plan is currently being updated to incorporate both the increased plant capacity (plant is performing approximately 30% above nameplate capacity) and the Kari area reserves.
- › An updated technical report is expected to be published in Q2-2020, with the goal of demonstrating that Houndé has a +10 year mine life at an average production of circa 250kozpa.

## AGBAOU MINE

### Q4-2019 vs Q3-2019 Insights

- › Production remained flat as a slightly higher recovery rate compensated for lower mill throughput and milled grades.
  - Ore tonnage mined remained steady with most of the ore being sourced from the West pit while waste extraction progressed at the South pit. The strip ratio remained flat.
  - Processed grades decreased as low-grade stockpiles supplemented the feed.
  - Mill throughput remained flat while recovery rates improved slightly.
- › The AISC increased mainly due to less ounces sold, higher G&A costs, and higher unit processing costs which were partially offset by lower unit mining costs and lower sustaining capital.
  - Mining unit costs decreased from \$2.70 to \$2.23 per tonne mined due to improved productivities following the rainy season and the commencement of mining in oxide material in the South Satellite pit, coupled with a shortage haulage profile.
  - Processing unit costs increased from \$7.52 to \$7.81 per tonne due to lower tonnes milled.
  - Sustaining capital costs decreased from \$3.6 million to \$2.8 million (from \$100 to \$88 per ounce) primarily due to the decrease in capitalized waste related to the South Satellite pit extension.
- › Non-sustaining capital decreased from \$1.6 million to \$0.7 million, which is attributable to remaining costs associated with the TSF raise which has been completed.

### FY-2019 vs FY-2018 Insights

- › As guided, production decreased marginally due to lower mill throughput and grades which were partially offset by a higher recovery rate.
- › The AISC decreased slightly as a result of a lower strip ratio and lower mining unit costs which were partially offset by increased sustaining costs and higher royalty costs.

### 2019 Performance vs Guidance

- › Production totalled 138koz, beating the upper end of the guided 120-130koz range due to better than expected mill throughput and recovery rates.
- › AISC amounted to \$796/oz, well below the guided \$850-900/oz range as a result of higher production and lower sustaining costs.

Table 9: Agbaou Quarterly Performance Indicators

For The Quarter Ended	Q4-2019	Q3-2019	Q4-2018
Tonnes ore mined, kt	580	589	481
Strip ratio (incl. waste cap)	9.94	9.59	13.65
Tonnes milled, kt	662	672	708
Grade, g/t	1.55	1.77	2.21
Recovery rate, %	96%	95%	95%
<b>PRODUCTION, KOZ</b>	<b>35</b>	<b>36</b>	<b>44</b>
Cash cost/oz	699	607	601
<b>AISC/OZ</b>	<b>846</b>	<b>767</b>	<b>776</b>

Table 10: Agbaou Yearly Performance Indicators

For the Year Ended	Dec. 31, 2019	Dec. 31, 2018
Tonnes ore mined, kt	2,183	2,399
Strip ratio (incl. waste cap)	10.60	11.40
Tonnes milled, kt	2,699	2,830
Grade, g/t	1.62	1.70
Recovery rate, %	95%	94%
<b>PRODUCTION, KOZ</b>	<b>138</b>	<b>141</b>
Cash cost/oz	622	677
<b>AISC/OZ</b>	<b>796</b>	<b>819</b>

### 2020 Outlook

- › Agbaou is expected to produce between 115-125koz in 2020 at AISC of \$940-990/oz.
  - Mining is expected to focus in the North pit with contributions from the West pit in H1-2020 and from the South Satellite pit in the second half. Harder fresh ore is expected to be mined while the overall strip ratio is expected to decrease slightly.
  - Throughput and recovery rates are expected to decrease marginally due to the expected higher percentage of harder fresh ore in the blend.
  - Sustaining capital expenditure is expected to remain flat at approximately \$17 million related to waste extraction (as \$8 million carried over of the guided \$24 million for 2019 remains to be incurred).
  - Minimal non-sustaining expenditure of approximately \$1 million is planned for 2020.



### **2019 Exploration Program**

- › The 2019 exploration program began in Q3-2019, with full results pending from the 2,000 meters of diamond drilling and 5,100 meters of reverse circulation drilling conducted. An additional short drilling campaign on near-mine targets occurred in Q4-2019 with results pending.

### **2020 Exploration Program**

- › An exploration program of up to \$2 million is being considered for 2020 with the aim of continuing to test targets located along extensions of known deposits and on parallel trends.

### **Reserve & Resource Evolution**

- › As shown in Appendix 3, the variance in P&P reserves and M&I resources compared to the previous year mainly corresponds to mining depletion.

## KARMA MINE

### Q4-2019 vs Q3-2019 Insights

- › Production remained flat as an increase in stacked tonnage and recovery rates offset the lower stacked grades.
  - Mining activity increased following the end of the rainy season with total tonnes moved increasing by 7%. Tonnes of ore mined decreased due to a higher strip ratio based on mining exclusively in the Kao North pit.
  - Tonnage stacked increased following upgrades to the stacker system.
  - Stacked grades slightly decreased as low-grade stockpiles supplemented the feed.
  - Recovery rates increased significantly due to the benefit of solely stacking oxide ore from the recently commissioned Kao North pit.
- › The AISC improved significantly due to the benefit of mining and stacking primarily oxide ore, lower unit processing costs and due to year-end accrual and working capital adjustments.
  - Mining unit costs decreased from \$2.37 to \$2.27 per tonne due to higher tonnes mined as a result of mining more oxide ore.
  - Processing unit costs decreased from \$7.24 to \$6.51 per tonne due to more tonnes stacked with the stacker upgrades coming online and the benefit of stacking primarily oxide ore.
  - Sustaining capital costs decreased from \$1.0 million to \$0.2 million.
- › Non-sustaining capital spend increased from \$4.2 million to \$11.3 million due to upgrades on the stacker and power generation.

### FY-2019 vs FY-2018 Insights

- › As guided, production decreased due to lower grades associated with supplemented ore stacked from stockpiles.
- › AISC slightly increased as a result of higher waste capitalization and lower production.

### 2019 Performance vs Guidance

- › Production totalled 97koz at an AISC of \$903/oz.
- › Production finished below the 2019 production guidance of 105-115koz due to less than expected oxide material mined in Q4-2019 as a result of lower overall ore tonnes in Kao Main and the prolonged rainy season.
- › AISC were within the guided range of \$860-910/oz, a better than expected result compared to the outlook provided in the previous quarterly reporting due to year-end accrual and working capital adjustments.

Table 11: Karma Quarterly Performance Indicators

For The Quarter Ended	Q4-2019	Q3-2019	Q4-2018
Tonnes ore mined, kt	907	948	788
Strip ratio (incl. waste cap)	4.13	3.60	5.54
Tonnes milled, kt	1,134	919	1,037
Grade, g/t	0.96	1.17	0.98
Recovery rate, %	84%	79%	88%
<b>PRODUCTION, KOZ</b>	<b>27</b>	<b>26</b>	<b>33</b>
Cash cost/oz	657	765	592
<b>AISC/OZ</b>	<b>755</b>	<b>901</b>	<b>697</b>

Table 12: Karma Yearly Performance Indicators

For the Year Ended	Dec. 31, 2019	Dec. 31, 2018
Tonnes ore mined, kt	3,745	4,715
Strip ratio (incl. waste cap)	4.19	2.59
Tonnes milled, kt	4,196	4,097
Grade, g/t	0.91	0.95
Recovery rate, %	82%	82%
<b>PRODUCTION, KOZ</b>	<b>97</b>	<b>109</b>
Cash cost/oz	783	704
<b>AISC/OZ</b>	<b>903</b>	<b>813</b>

### 2020 Outlook

- › Karma is expected to produce between 100-110koz in 2020 at an AISC of \$980-\$1,050/oz.
  - Mining activity is expected to occur at the Kao North pit throughout the year, while the GG1 deposit is expected to be commenced in late Q1-2020. The overall strip ratio is expected to remain in line with the prior year.
  - Ore tonnes stacked are expected to increase slightly due to the completion of stacker upgrades in Q1 while grades and recoveries are expected to remain constant.
  - Sustaining capital expenditure is expected to increase from \$3 million in 2019 to approximately \$13 million planned for 2020, comprised of \$7 million for waste extraction and the remainder mainly for mining fleet components.
- › Non-sustaining expenditure is expected to reduce significantly from \$27 million in 2019 to \$5 million planned for 2020, mainly for the construction of a heap leach pad, and compensation and resettlement for GG1.



### **2019 Exploration Program**

- › The 2019 exploration program began in late Q3-2019 with 27,000 meters drilled, focused mainly on testing the extensions of Kao deposits and infill drilling at GG1.

### **2020 Exploration Program**

- › An exploration program of up to \$2 million is being considered for 2020 with the aim of in-fill drilling and testing extensions of known deposits.

### **Reserve & Resource Evolution**

- › As shown in Appendix 3, the decrease in P&P reserves and M&I resources compared to the previous year is due to the early completion of mining of Kao Main, updating the Resource model for GG1 and re-running pit optimizations based on life of mine unit cost, geotechnical and recovery rate assumptions, and mining depletion.
- › Given Karma's low-grade nature, the updated reserve and resource models are expected to be more robust and maximize profitability. Despite Karma's P&P reserves now standing at 0.29Moz, down from 0.76Moz the prior year, Karma has the potential to further extend its mine life as we will continue to assess near pit extensions at GG1 and Kao North/Kao Main in particular. Given the current higher gold price, Karma offers optionality to re-evaluate its significant sulfide material.
- › As a result of the reserve decrease, an impairment of \$127 million was recognized.

## PROJECT UPDATE

- › While the main focus for 2020 will be on cash flow generation, Endeavour will also continue to build optionality within its portfolio by advancing studies and conducting more exploration on both the Fetekro and Kalana projects.
- › Studies are underway with the aim of publishing a Preliminary Economic Assessment (“PEA”) on Fetekro in Q2-2020 and a Feasibility Study (“FS”) on Kalana in H2-2020.
- › Based on the outcome of these studies and Endeavour’s capital allocation strategy, the Kalana and Fetekro project investment cases will be reviewed against each other and other internal growth opportunities.

### ***Kalana Project in Mali***

- › In 2019, a \$2 million reconnaissance drilling campaign comprising approximately 20,500 meters, was conducted on targets located in proximity to the Kalana Main deposit with results currently being analyzed. In 2020, an exploration budget of up to \$2 million has been planned to follow-up on nearby targets once the 2019 drill results have been analyzed.
- › The Avnel FS is being updated to incorporate the updated resource for the Kalana Main deposit and the new Kalanako deposit (as published in March 2019), in addition to reviewing the size of the plant and all other assumptions. This is expected to be published in H2-2020.

### ***Fetekro Project in Côte d’Ivoire***

- › In 2019, a \$7 million exploration programme comprised of approximately 49,000 metres of drilling was conducted, focused primarily on the Lafigué deposit. In 2020, an exploration budget of up to \$6 million has been budgeted to further extend the Lafigué deposit.
- › The Indicated resource increased by 141% to 1.2Moz with 95% of the resource having been classified to the Indicated category, as announced on September 3, 2019.
- › The Lafigué deposit is amenable to open pit mining as mineralization starts at surface and preliminary metallurgical tests indicate high gold recovery rates of above 95% with a significant portion recoverable by gravity.
- › An updated resource and PEA study are expected to be published in Q2-2020.

## EXPLORATION ACTIVITIES

- › As shown in the table below, the 2019 Group exploration spend was \$49 million, comprising of 341,960 meters drilled. Details by asset are provided in the mine sections above.
- › The main areas of focus in 2019 were Houndé and Ity near-mine exploration, aimed at extending their mine lives to beyond 10 years, and Fetekro with the aim adding optionality to Endeavour’s project pipeline.
- › Exploration will continue to be a strong focus in 2020 with a Group exploration program of \$40-45 million, of which approximately 25% is expensed, 10% is sustaining, and 65% is non-sustaining.
- › The priority in 2020 is to continue near-mine exploration at Endeavour’s two flagship mines, Houndé and Ity, and advancing the Fetekro greenfield project. In addition, work will also be conducted on other exploration licenses in Côte d’Ivoire (such as on the Bondoukou cluster, Toulepleu and Mahapleu) and on the Siguiri license in Guinea.

**Table 13: Exploration Expenditures**

<i>(in US\$ million unless otherwise stated)</i>	2019 EXPENDITURE	2020 GUIDANCE	2020 ALLOCATION
Ity	11	~14	~34%
Houndé	22	~11	~27%
Fetekro	7	~6	~15%
Agbaou	1	~2	~5%
Karma	2	~2	~5%
Kalana	2	~2	~5%
Other greenfield	5	~4	~8%
<b>TOTAL</b>	<b>49</b>	<b>40-45</b>	<b>100%</b>

Amounts include expensed, sustaining, and non-sustaining exploration expenditures. Amounts may differ from MD&A due to rounding

## GROUP RESERVES AND RESOURCES

- › Measured and Indicated (“M&I”) resources amounted to 15.1Moz at year-end 2019, up 9% over the previous year, net of mine depletion.
  - M&I resources, net of mine depletion, increased by 1.0Moz at Endeavour’s two flagship mines, Houndé and Ity, and by 0.7Moz at the Fetekro project.
  - These increases were, however, offset by decreases at Karma and Agbaou of 0.3Moz and 0.1Moz respectively.
- › Proven and Probable (“P&P”) reserves amounted to 7.9Moz at year-end 2019, down 1% over the previous year, net of mine depletion.
  - P&P reserves, net of mine depletion, increased by 0.5Moz at Endeavour’s two flagship mines, Houndé and Ity.
  - These increases were however offset by a decrease of 0.5Moz and 0.1Moz at Karma and Agbaou, respectively.
- › Reserves are expected to increase in Q2-2020 following the publication of maiden reserves for the Kari Center and Kari West deposits at Houndé, for which a 1.0Moz Indicated resource was delineated.
- › Detailed year-over-year reserve and resource variances are available in Appendix 3 with details for each asset provided in the above mine sections.

*Table 14: Reserve and Resource Evolution*

<i>In Moz, on a 100% basis</i>	<b>AS AT DEC. 31, 2018</b>	<b>AS AT DEC. 31, 2019</b>	<b>Variance</b>	
P&P Reserves	8.0	7.9	(0.1)	(1%)
M&I Resources (inclusive of Reserves)	13.9	15.1	1.2	+9%
Inferred Resources	2.4	2.3	(0.1)	(5%)

*Notes available in Appendix 3 for the 2019 Mineral Reserves and Resources. For 2018 Reserves and Resource notes, please read the press release dated March 5, 2019 available on the Company’s website.*

## CASH FLOW BASED ON ALL-IN MARGIN APPROACH

The table below presents the cash flow for the three and twelve month periods ending December 31, based on the All-In Margin approach, with accompanying notes below.

Table 15: Cash Flow Based on All-In Margin Approach

From continuing operations unless otherwise specified. (in US\$ million)	QUARTER ENDED			YEAR ENDED	
	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<b>GOLD PRODUCTION, koz</b>	<b>178</b>	<b>181</b>	<b>174</b>	<b>651</b>	<b>612</b>
<b>GOLD SOLD, koz</b> (Note 1)	<b>172</b>	<b>185</b>	<b>173</b>	<b>649</b>	<b>612</b>
Realized gold price, \$/oz (Note 2)	1,445	1,443	1,198	1,366	1,228
<b>REVENUE</b>	<b>248</b>	<b>267</b>	<b>208</b>	<b>886</b>	<b>752</b>
Total cash costs	(118)	(114)	(96)	(419)	(355)
Royalties (Note 3)	(14)	(14)	(10)	(48)	(41)
Corporate costs	(3)	(6)	(8)	(21)	(27)
Sustaining capital - mining (Note 4)	(6)	(15)	(8)	(43)	(26)
Sustaining capital - exploration	0	0	0	0	(7)
<b>ALL-IN SUSTAINING MARGIN</b> (Note 5)	<b>108</b>	<b>118</b>	<b>85</b>	<b>356</b>	<b>296</b>
Less: Non-sustaining capital - mining (Note 6)	(20)	(8)	(13)	(57)	(44)
Less: Non-sustaining capital - exploration (Note 7)	(2)	(4)	(6)	(39)	(42)
<b>ALL-IN MARGIN</b>	<b>85</b>	<b>106</b>	<b>66</b>	<b>259</b>	<b>210</b>
Changes in working capital and long-term assets (Note 8)	33	(18)	54	(14)	(54)
Taxes paid (Note 9)	(14)	(21)	(6)	(66)	(24)
Interest paid, financing fees and lease repayments (Note 10)	(9)	(16)	(11)	(59)	(48)
Cash settlements and premiums on gold collar (Note 11)	(3)	(2)	5	(5)	6
<b>NET FREE CASH FLOW</b>	<b>92</b>	<b>49</b>	<b>108</b>	<b>115</b>	<b>91</b>
Growth project capital (Note 12)	(2)	(6)	(36)	(94)	(267)
Greenfield exploration expense	0	(4)	0	(10)	(8)
M&A, restructuring and asset sales	(1)	0	33	(1)	33
Settlement of share appreciation rights, DSUs & PSUs	0	0	(4)	(1)	(8)
Net equity proceeds	(1)	(5)	0	(6)	(1)
Foreign exchange gains/losses	(3)	5	(7)	(4)	(19)
Other (expenses) / income (Note 13)	(16)	4	2	(14)	(6)
Convertible senior bond (Note 14)	0	0	0	0	330
Proceeds (repayment) of long-term debt (Note 15)	0	0	60	80	(70)
Cashflows used by discontinued operations (Note 16)	0	0	(70)	0	(73)
<b>CASH INFLOW (OUTFLOW) FOR THE PERIOD</b>	<b>70</b>	<b>42</b>	<b>87</b>	<b>66</b>	<b>1</b>

Certain line items in the table above are NON-GAAP measures. For more information and notes, please consult the Company's MD&A.

### NOTES:

- 1) While Q4-2019 production remained flat over Q3-2019, gold sales were greater than ounces produced in Q3-2019 (181koz produced compared to 185koz sold) and less in Q4-2019 (178koz produced compared to 172koz sold). Gold sales from continuing operations increased in FY-2019 compared to FY-2018 mainly due to the successful commissioning of the Ity CIL operation in Q2-2019.
- 2) The realized gold price for FY-2019 was \$1,366/oz compared to \$1,228/oz in 2018. Both these amounts include the impact of the Karma stream, amounting to 20,938 ounces sold in 2019 and 23,750 in 2018, at 20% of spot prices. The realized gold price excluding the gold stream at Karma, would have been \$1,402/oz for 2019 and \$1,268/oz for 2018.
- 3) The royalty expense remained relatively flat, increasing slightly from \$78/oz in Q3-2019 to \$79/oz in Q4-2019. The FY-2019 royalty expense was \$74/oz, up from \$67/oz for FY-2018, due to both the higher realized gold price and an increase in the underlying royalty rate based on the applicable sliding scale (above a spot gold price of \$1,300/oz, government royalty rates in Burkina Faso increase from 4.0% to 5.0%, and from 3.5% to 4.0% in Côte d'Ivoire).

- 4) The sustaining capital expenditure for Q4-2019 decreased significantly over Q3-2019 due to a decrease in spend at Houndé. The sustaining capital expenditure for FY-2019 increased compared to the corresponding period of 2018 due to increases at Houndé and Agbaou, as shown in the table below. Further details by asset are provided in the above mine sections.

*Table 16: Sustaining Capital for Continuing Operations*

	QUARTER ENDED			YEAR ENDED	
	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<b>(All amounts in US\$m)</b>					
Agbaou	3	4	6	16	13
Ity CIL	0	0	0	0	0
Ity HL	0	0	0	0	2
Karma	0	1	1	3	3
Houndé	3	10	1	23	7
<b>Total</b>	<b>6</b>	<b>15</b>	<b>8</b>	<b>43</b>	<b>26</b>

- 5) The All-In Sustaining Margin from continuing operations for FY-2019 increased compared to the corresponding period of 2018 due to increased gold sales and increased realized gold price (described in Notes 1 and 2) which was partially offset by slightly higher AISC.
- 6) The non-sustaining capital spend increased in Q4-2019 compared to Q3-2019, due to waste capitalisation at the high grade Bouéré deposit at Houndé, and stacker and power generation upgrades at Karma. The non-sustaining capital spend for FY-2019 increased compared to the corresponding period of 2018 mainly due to an increase at Houndé and Karma which was slightly offset by a decrease at Agbaou, as shown in the table below.

*Table 17: Non-Sustaining Capital for Continuing Operations*

	QUARTER ENDED			YEAR ENDED	
	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<b>(All amounts in US\$m)</b>					
Agbaou	1	2	3	7	14
Ity CIL	1	0	0	1	0
Ity HL	0	0	0	0	0
Karma	11	4	8	27	25
Houndé	7	1	1	17	5
Non-mining	0	1	1	4	0
<b>Total</b>	<b>20</b>	<b>8</b>	<b>13</b>	<b>57</b>	<b>44</b>

- 7) The non-sustaining exploration capital spend for 2019 continued to remain high, in line with Endeavour's strategic objective of unlocking exploration value through its aggressive drilling campaign. The majority of the exploration work done was conducted in H1-2019, ahead of the rainy season, with only \$7 million spent in H2-2019.
- 8) The tables below summarize the Q4-2019 and FY-2019 working capital movements.

*Table 18: Working Capital Movement – Q4-2019 compared to Q3-2019*

	Q4-2019	Q3-2019	Q4-2019 Comments
Trade and other receivables	+8	+17	Mainly due to VAT received at Houndé and Karma
Trade and other payables	+25	(34)	Payables were normalized following large payments in Q3-2019
Inventories	+9	+1	Mainly due to reclassification to long-term assets
Prepaid expenses and other	+5	(3)	Accounting reversal of prepaid goods received
Changes in long-term assets	(14)	+1	Mainly relating to stockpiles, supplies and inventory which are not expected to be utilized in the next 12-month period
<b>Total</b>	<b>+33</b>	<b>(18)</b>	

**Table 19: Working Capital Movement – FY-2019 compared to FY-2018**

	FY-2019	FY-2018	2019 Comments
Trade and other receivables	+21	(5)	Mainly due to VAT received at Houndé and Karma
Trade and other payables	(0)	+7	Payables returned to a normalized rate following the completion of the Ity CIL construction
Inventories	(11)	(17)	Mainly relating to the increase in stockpiles, GIC and consumables at Ity CIL as the mine came into commercial production in Q2-2019
Prepaid expenses and other	(2)	+5	Accounting reversal of prepaid goods received
Changes in long-term assets	(22)	(44)	Mainly relating to stockpiles, supplies and inventory which are not expected to be utilized in the next 12-month period
<b>Total</b>	<b>(14)</b>	<b>(54)</b>	

- 9) Taxes paid decreased by \$7 million in Q4-2019 compared to Q3-2019. This was due to no tax payments scheduled at Ity and Agbaou, tax payments for non-mine related activities, and a provisional tax installment payment at Houndé (required to be made in the first and third quarters). Taxed paid in FY-2019 significantly increased compared to the previous year mainly due to \$39 million of payments made at Houndé, comprised of \$28 million for 2018 income tax payments and \$12 million for 2019 provisional income tax payments. Tax payment details are provided in the below table.

**Table 20: Tax Payments**

(in US\$ million)	QUARTER ENDED			YEAR ENDED	
	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Agbaou	0	4	0	4	5
Karma	0	0	0	0	0
Ity	0	8	1	13	9
Houndé	8	6	3	39	4
Other (Kalana, Exploration, Corporate)	6	2	3	9	7
<b>Total</b>	<b>14</b>	<b>21</b>	<b>6</b>	<b>66</b>	<b>24</b>

- 10) The interest paid, financing fees and lease repayments decreased in Q4-2019 compared to Q3-2019 as the convertible bond coupon is payable during the first and third quarters. The amount for FY-2019 increased compared to the corresponding period of 2018 due to increased levels of Group debt and its associated interest charge.
- 11) The fee for the gold collar programs for 2019 amounted to \$5 million. In 2019, no material settlements were made as the average monthly London PM Gold Fix for the period was below the collar ceiling price.
- 12) Growth project spend decreased to only \$2 million in Q4-2019 as the Ity CIL plant construction was completed in Q1-2019 and its volumetric upgrade in early Q4-2019. The amount for FY-2019 was comprised mainly of \$86 million for the Ity CIL project construction and \$9 million for Kalana. Spend significantly decreased in H2-2019 over H1-2019 due to the completion of the Ity CIL plant build.
- 13) Mainly comprised of year-end non-cash adjustments.
- 14) \$330 million was received in 2018 from the convertible notes issuance.
- 15) \$80 million was drawn on the Revolving Credit Facility (“RCF”) in H1-2019 (none in H2-2019) to fund the Ity CIL plant construction while net repayments of \$70 million were made in 2018 following proceeds received from the convertible notes issuance.
- 16) The cashflows used by discontinued operations for 2018 relates to the Tabakoto mine which was sold in Q4-2018.

## NET CASHFLOW, NET DEBT AND LIQUIDITY SOURCES

- Following nearly four years of intensive growth-capital investment, Net Debt was reduced by \$52 million in Q3-2019 and a further \$80 million in Q4-2019, marking a decrease of \$132 million in H2-2019 to reach \$528 million at year-end.
- At year-end, Endeavour's available sources of financing and liquidity remained strong at \$310 million, which included \$190 million from its current cash position and \$120 million in undrawn funds from its revolving credit facility.
- The below table summarizes operating, investing, and financing activities, main balance sheet items and the resulting impact on the company's Net Debt position, with notes provide below.

Table 21: Cash Flow and Net Debt Position

		QUARTER ENDED			YEAR ENDED	
		Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<i>(in US\$ million unless stated otherwise)</i>						
<b>Net cash from (used in), as per cash flow statement:</b>						
Operating activities	(Note 17)	120	96	131	302	251
Investing activities	(Note 18)	(40)	(33)	(87)	(252)	(453)
Financing activities	(Note 19)	(10)	(21)	43	15	204
Effect of exchange rate changes on cash		0	0	(1)	0	(1)
<b>INCREASE/(DECREASE) IN CASH</b>		<b>70</b>	<b>42</b>	<b>86</b>	<b>66</b>	<b>1</b>
Cash position at beginning of period		120	78	38	124	123
<b>CASH POSITION AT END OF PERIOD</b>		<b>190</b>	<b>120</b>	<b>124</b>	<b>190</b>	<b>124</b>
Equipment financing	(Note 20)	(78)	(89)	(100)	(78)	(100)
Convertible senior bond	(Note 21)	(330)	(330)	(330)	(330)	(330)
Drawn portion of revolving credit facility	(Note 22)	(310)	(310)	(230)	(310)	(230)
<b>NET DEBT POSITION</b>	(Note 23)	<b>528</b>	<b>608</b>	<b>536</b>	<b>528</b>	<b>536</b>
Net Debt / Adjusted EBITDA (LTM) ratio	(Note 24)	1.48	1.94	1.97	1.48	1.97
Net Debt / Adjusted EBITDA (H2-2019 annualized) ratio	(Note 24)	1.20	n.a	n.a	1.20	n.a

Net Debt and Adjusted EBITDA are NON-GAAP measures. For a discussion regarding the company's use of NON-GAAP Measures, please see "note regarding certain measures of performance" in the MD&A.

### NOTES:

- Net cash flow from operating activities for 2019 was \$302 million, up \$51 million compared to 2018, mainly due to a \$134 million increase in revenue driven by more gold sold at a higher realized gold price and a positive \$18 million non-cash working capital variance which was partially offset by a \$42 million increase in taxes paid, a \$44 million increase in operating costs, and a \$7 million increase in royalty costs.
- Net cash used in investing activities during 2019 was \$252 million, down \$201 million compared to 2018, as the capital requirements for the Ity CIL Project wound-down. Further insights on sustaining and non-sustaining capital spend is provided in Notes 4 and 6 above.
- Net cash generated in financing activities during 2019 was \$15 million, mainly related to the \$80 million drawdown on the RCF which was offset by \$33 million in interest payments, \$24 million repayment of finance lease obligations and \$2 million payment of financing and other fees.
- The equipment finance debt outstanding at year-end decreased from \$100 million in 2018 to \$78 million in 2019 due to scheduled finance lease payments.
- In 2018, Endeavour issued a \$330 million convertible note.
- A total of \$80 million was drawn on the RCF in 2019, solely in the first half of the year, for the completion of the Ity CIL Project build. In Q2-2019 the total commitment capacity on the RCF was increased by \$80 million to \$430 million to provide Endeavour with increased financial flexibility and ability to reimburse higher-cost debt within its capital structure.
- Net Debt amounted to \$528 million at year-end 2019, a decrease of \$8 million compared to year-end 2018. Net Debt decreased by \$132 million since reaching a peak Net Debt of \$660 million as at June 30, 2019, following the end of the Ity CIL construction.
- The Net Debt / Adjusted EBITDA ratio significantly improved throughout the year, decreasing from its peak of 2.75 times at the end of June 2019 to 1.48 times at year-end, based on a trailing last 12-month Adjusted EBITDA. The

ratio amounts to 1.20 times based on annualizing H2-2019 adjusted EBITDA, which due to the commissioning of the Ity CIL Project, and the higher gold price environment, may be considered as a more relevant metric.

## OPERATING CASH FLOW PER SHARE

- › Operating cash flows from continuing operations increased by \$24 million in Q4-2019 compared to Q3-2019, amounting to \$120 million or \$1.10 per share.
- › Operating cash flows from continuing operations increased by \$51 million in FY-2019 compared to FY-2018, amounting to \$302 million or \$2.75 per share. Further insights have been provided in Note 17 above.

*Table 22: Operating Cash Flow Per Share*

	QUARTER ENDED			YEAR ENDED	
	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<i>(in US\$ million unless stated otherwise)</i>					
<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>120</b>	<b>96</b>	<b>131</b>	<b>302</b>	<b>251</b>
Divided by weighted average number of O/S shares, in millions	110	110	108	110	108
<b>OPERATING CASH FLOW PER SHARE</b>	<b>1.10</b>	<b>0.88</b>	<b>1.22</b>	<b>2.75</b>	<b>2.33</b>

Operating Cash Flow Per Share is a NON-GAAP measure. For a discussion regarding the company's use of NON-GAAP Measures, please see "note regarding certain measures of performance" in the MD&A.

- › Operating cash flows before non-cash working capital from continuing operations amounted to \$73 million, down \$42 million over Q3-2019, mainly due to a \$19 million decrease in revenues (due to sales timing), a \$10 million increase in operating expenses, and a \$12 million increase in current income tax expense.
- › Operating cash flows before non-cash working capital from continuing operations increased by \$33 million in FY-2019 compared to FY-2018, amounting to \$294 million or \$2.68 per share.

*Table 23: Operating Cash Flow Before Non-Cash Working Capital Per Share*

	QUARTER ENDED			YEAR ENDED	
	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<i>(in US\$ million unless stated otherwise)</i>					
<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>120</b>	<b>96</b>	<b>131</b>	<b>302</b>	<b>251</b>
Add back changes in non-cash working capital	47	(19)	79	8	(10)
<b>OPERATING CASH FLOWS BEFORE NON-CASH WORKING CAPITAL</b>	<b>73</b>	<b>115</b>	<b>53</b>	<b>294</b>	<b>261</b>
Divided by weighted average number of O/S shares, in millions	110	110	108	110	108
<b>OPERATING CASH FLOW PER SHARE BEFORE NON-CASH WORKING CAPITAL</b>	<b>0.67</b>	<b>1.05</b>	<b>0.49</b>	<b>2.68</b>	<b>2.43</b>

Operating Cash Flow Per Share is a NON-GAAP measure. For a discussion regarding the company's use of NON-GAAP Measures, please see "note regarding certain measures of performance" in the MD&A.

## ADJUSTED NET EARNINGS PER SHARE

- Adjusted Net Earnings from continuing operations attributable to shareholders increased by 13% in Q4-2019 compared to Q3-2019, amounting to \$37 million or \$0.34 per share.
- Adjusted Net Earnings from continuing operations attributable to shareholders increased by 39% in FY-2019 compared to FY-2018, amounting to \$74 million or \$0.67 per share.
- Adjustments made in 2019 relate mainly to the impairment at Karma (\$127 million), loss on financial instruments (\$58 million), tax impact of adjusting items (\$21 million), deferred income tax recovery (\$20 million), share based compensation (\$21 million), non-cash and other adjustments (\$12 million).

Table 24: Net Earnings and Adjusted Net Earnings

	QUARTER ENDED			YEAR ENDED	
	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<i>(in US\$ million unless stated otherwise)</i>					
<b>TOTAL NET EARNINGS</b>	<b>(113)</b>	<b>(24)</b>	<b>(130)</b>	<b>(141)</b>	<b>(138)</b>
Adjustments (see MD&A)	153	67	151	237	212
<b>ADJUSTED NET EARNINGS FROM CONTINUING OPERATIONS</b>	<b>40</b>	<b>44</b>	<b>22</b>	<b>96</b>	<b>75</b>
Less portion attributable to non-controlling interests	3	11	6	23	21
<b>ATTRIBUTABLE TO SHAREHOLDERS</b>	<b>37</b>	<b>33</b>	<b>16</b>	<b>74</b>	<b>53</b>
Divided by weighted average number of O/S shares	110	110	108	110	108
<b>ADJUSTED NET EARNINGS PER SHARE (BASIC) FROM CONTINUING OPERATIONS</b>	<b>0.34</b>	<b>0.30</b>	<b>0.15</b>	<b>0.67</b>	<b>0.49</b>

Adjusted Net Earnings is a NON-GAAP measure. For a discussion regarding the company's use of NON-GAAP Measures, please see "Note Regarding Certain Measures of Performance" in the MD&A.

## 2020 OUTLOOK

- Group production is expected to increase to 680-740koz in 2020 at an AISC of \$845-895/oz. Production is expected to be higher and AISC lower during the latter portion of the year, notably due to the expected commissioning of the higher-grade Kari Pump deposit at Houndé. More details on individual mine guidance have been provided in the above sections.

Table 25: Production Guidance

	2019 ACTUALS	2020 FULL-YEAR GUIDANCE		
<i>(All amounts in koz, on a 100% basis)</i>				
Agbaou	138	115	-	125
Ity HL	3	n.a.	-	n.a.
Ity CIL	190	235	-	255
Karma	97	100	-	110
Houndé	223	230	-	250
<b>GROUP PRODUCTION</b>	<b>651</b>	<b>680</b>	<b>-</b>	<b>740</b>

Table 26: AISC Guidance

	2019 ACTUALS	2020 FULL-YEAR GUIDANCE		
<i>(All amounts in US\$/oz)</i>				
Agbaou	796	940	-	990
Ity HL	1,086	n.a.	-	n.a.
Ity CIL	616	630	-	675
Karma	903	980	-	1,050
Houndé	862	865	-	895
Corporate G&A	32		30	
Sustaining exploration	0		5	
<b>GROUP AISC</b>	<b>818</b>	<b>845</b>	<b>-</b>	<b>895</b>

- › As detailed in the table below, sustaining and non-sustaining capital allocations for 2020 amount to \$84 million and \$43 million respectively. Capital spend is expected to be higher in the first half of the year to take advantage of the dry season. More details on individual mine capital expenditures have been provided in the above sections.

**Table 27: Mine Capital Expenditure Guidance**

<i>(in US\$ million)</i>	<b>SUSTAINING CAPITAL</b>	<b>NON-SUSTAINING CAPITAL</b>
Agbaou	17	1
Ity	4	26
Karma	13	5
Houndé	49	10
<b>MINE CAPITAL EXPENDITURE</b>	<b>84</b>	<b>43</b>

- › Growth capital spend is expected to amount to approximately \$10 million, mainly for studies on Kalana and Fetekro, while corporate non-sustaining capital is expected to amount to approximately \$2 million, mainly for IT projects.
- › Exploration will continue to be a strong focus in 2020 with a company-wide exploration program of \$40-45 million, which is expected to be higher in the first half of the year to take advantage of the dry season.
- › To maximize the cash flow certainty during its debt reimbursement phase, in July 2019 Endeavour put in place a short-term gold revenue protection strategy consisting of gold option contracts, similar to the strategy employed during its recent construction phases. A deferred premium collar strategy using written call options and bought put options was entered into on July 1, 2019 which ends on June 30, 2020 with a floor price of \$1,358/oz and a ceiling price of \$1,500/oz. A total of 210koz remained outstanding at year end 2019, representing approximately 25% of Endeavour's total estimated gold production for 2020.

## CONFERENCE CALL AND LIVE WEBCAST

Management will host a conference call and webcast on Monday March 9, at 8:30am Toronto time (ET) to discuss the Company's financial results.

The conference call and webcast are scheduled at:

5:30am in Vancouver

8:30am in Toronto and New York

12:30pm in London

8:30pm in Hong Kong and Perth

**The webcast can be accessed through the following link:**

<https://edge.media-server.com/mmc/p/h2g6xkcy>

**Analysts and investors are also invited to participate and ask questions using the dial-in numbers below:**

International: +1 631-510-7495

North American toll-free: +1 866-966-1396

UK toll-free: 08003767922

Confirmation Code: **1155614**

**The conference call and webcast will be available for playback on [Endeavour's website](#).**

Click [here](#) to add Webcast reminder to Outlook Calendar

Access the live and On-Demand version of the webcast from mobile devices running iOS and Android:



## QUALIFIED PERSONS

Clinton Bennett, Endeavour's Vice-President of Technical Services - a Member of the Australasian Institute of Mining and Metallurgy, is a "Qualified Person" as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") and has reviewed and approved the technical information in this news release.

## CONTACT INFORMATION

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## ABOUT ENDEAVOUR MINING CORPORATION

*Endeavour Mining is a TSX listed intermediate African gold producer with a solid track record of operational excellence, project development and exploration in the highly prospective Birimian greenstone belt in West Africa. Endeavour is focused on offering both near-term and long-term growth opportunities with its project pipeline and its exploration strategy, while generating immediate cash flow from its operations.*

*Endeavour operates four mines across Côte d'Ivoire (Agbaou and Ity) and Burkina Faso (Houndé, Karma).*

*For more information, please visit [www.endeavourmining.com](http://www.endeavourmining.com).*

## CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This news release contains "forward-looking statements" including but not limited to, statements with respect to Endeavour's plans and operating performance, the estimation of mineral reserves and resources, the timing and amount of estimated future production, costs of future production, future capital expenditures, and the success of exploration activities. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "expects", "expected", "budgeted", "forecasts", and "anticipates". Forward-looking statements, while based on management's best estimates and assumptions, are subject to risks and uncertainties that may cause actual results to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the successful integration of acquisitions; risks related to international operations; risks related to general economic conditions and credit availability, actual results of current exploration activities, unanticipated reclamation expenses; changes in project parameters as plans continue to be refined; fluctuations in prices of metals including gold; fluctuations in foreign currency exchange rates, increases in market prices of mining consumables, possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in the completion of development or construction activities, changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which Endeavour operates. Although Endeavour has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Please refer to Endeavour's most recent Annual Information Form filed under its profile at [www.sedar.com](http://www.sedar.com) for further information respecting the risks affecting Endeavour and its business. AISC, all-in sustaining costs at the mine level, cash costs, operating EBITDA, all-in sustaining margin, free cash flow, net free cash flow, free cash flow per share, net debt, and adjusted earnings are non-GAAP financial performance measures with no standard meaning under IFRS, further discussed in the section Non-GAAP Measures in the most recently filed Management Discussion and Analysis.

**Corporate Office: 5 Young St, Kensington, London W8 5EH, UK**

## APPENDIX 1: PRODUCTION AND AISC BY MINE

### ON A QUARTERLY BASIS

		AGBAOU			ITY CIL			ITY HL			KARMA			HOUNDÉ		
<i>(on a 100% basis)</i>		Q4-2019	Q3-2019	Q4-2018	Q4-2019	Q3-2019	Q4-2018	Q4-2019	Q3-2019	Q4-2018	Q4-2019	Q3-2019	Q4-2018	Q4-2019	Q3-2019	Q4-2018
<b>Physicals</b>																
Total tonnes mined – OP <sup>1</sup>	000t	6,341	6,236	7,040	3,606	3,222	-	-	0	494	4,648	4,357	5,155	9,298	10,354	11,925
Total ore tonnes – OP	000t	580	589	481	1,571	1,639	-	-	0	200	907	948	788	622	661	1,736
Open pit strip ratio <sup>1</sup>	W:t ore	9.94	9.59	13.65	1.30	0.97	-	-	0.00	1.47	4.13	3.60	5.54	13.94	14.67	5.87
Total tonnes milled	000t	662	672	708	1,318	1,183	-	-	0	316	1,134	919	1,037	1,052	1,015	1,062
Average gold grade milled	g/t	1.55	1.77	2.21	1.69	1.94	-	-	0.00	2.37	0.96	1.17	0.98	1.78	1.85	2.38
Recovery rate	%	96%	95%	95%	80%	88%	-	-	0%	87%	84%	79%	88%	92%	92%	93%
Gold ounces produced	oz	35,017	36,129	44,360	60,387	63,764	-	-	0	20,574	27,247	26,168	33,459	55,005	54,708	75,828
<b>Gold sold</b>	<b>oz</b>	<b>32,804</b>	<b>36,081</b>	<b>43,880</b>	<b>56,287</b>	<b>65,354</b>	-	-	<b>0</b>	<b>20,462</b>	<b>27,705</b>	<b>25,442</b>	<b>33,516</b>	<b>55,067</b>	<b>58,392</b>	<b>75,567</b>
<b>Unit Cost Analysis</b>																
Mining costs - Open pit	\$/t mined	2.23	2.70	2.38	5.00	4.27	-	-	0.00	6.65	2.27	2.37	1.76	2.64	2.14	1.92
Processing and maintenance	\$/t milled	7.81	7.52	7.66	11.30	13.26	-	-	0.00	13.80	6.51	7.24	7.41	11.70	12.96	11.84
Site G&A	\$/t milled	6.65	4.13	4.17	3.51	4.16	-	-	0.00	3.47	1.67	2.85	3.06	6.69	5.16	6.71
<b>Cash Cost Details</b>																
Mining costs - Open pit <sup>1</sup>	\$000s	14,154	16,855	16,731	18,042	13,743	-	-	0	3,286	10,568	10,333	9,052	24,581	22,150	22,849
Mining costs -Underground	\$000s	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Processing and maintenance	\$000s	5,173	5,052	5,421	14,888	15,688	-	-	0	4,358	7,391	6,653	7,684	12,309	13,160	12,581
Site G&A	\$000s	4,405	2,772	2,955	4,625	4,917	-	-	0	1,097	1,895	2,619	3,171	7,038	5,237	7,126
Capitalized waste	\$000s	(2,616)	(3,591)	(5,055)	(444)	0	-	-	0	0	(871)	(2,539)	(2,881)	(6,992)	(8,337)	(412)
Inventory adjustments and other	\$000s	1,815	824	6,336	(1,276)	(1,095)	-	-	0	2,786	(786)	2,387	2,807	2,666	7,890	(3,738)
Cash costs for ounces sold	\$000s	22,931	21,912	26,387	35,835	33,253	-	-	0	11,526	18,197	19,453	19,832	39,602	40,100	38,407
Royalties	\$000s	2,015	2,152	1,931	3,384	3,868	-	-	0	1,125	2,540	2,420	2,360	5,699	6,041	4,922
Sustaining capital	\$000s	2,806	3,619	5,750	0	486	-	-	0	70	193	1,043	1,183	3,039	9,548	1,120
Cash cost per ounce sold	\$/oz	699	607	601	637	509	-	-	0	563	657	765	592	719	687	508
<b>Mine-level AISC Per Ounce Sold</b>	<b>\$/oz</b>	<b>846</b>	<b>767</b>	<b>776</b>	<b>697</b>	<b>575</b>	-	-	<b>0</b>	<b>622</b>	<b>755</b>	<b>901</b>	<b>697</b>	<b>878</b>	<b>954</b>	<b>588</b>

1) Includes waste capitalized

## ON A FULL YEAR BASIS

		AGBAOU		ITY CIL		ITY HL		KARMA		HOUNDÉ	
		FY-2019	FY-2018	FY-2019	FY-2018	FY-2019	FY-2018	FY-2019	FY-2018	FY-2019	FY-2018
<i>(on a 100% basis)</i>											
<b>Physicals</b>											
Total tonnes mined – OP <sup>1</sup>	000t	25,349	29,735	14,053	-	0	4,028	19,435	16,932	38,194	41,489
Total ore tonnes – OP	000t	2,183	2,399	5,733	-	0	1,127	3,745	4,715	2,969	5,822
Open pit strip ratio <sup>1</sup>	W:t ore	10.60	11.40	1.45	-	0.00	2.58	4.19	2.59	11.87	6.13
Total tonnes milled	000t	2,699	2,830	3,693	-	0	1,307	4,196	4,097	4,144	3,948
Average gold grade milled	g/t	1.62	1.70	1.88	-	0.00	2.49	0.91	0.95	1.83	2.29
Recovery rate	%	95%	94%	86%	-	-	81%	82%	82%	93%	94%
Gold ounces produced	oz	137,537	141,335	190,438	-	2,702	84,832	96,534	108,733	223,304	277,218
<b>Gold sold</b>	<b>oz</b>	<b>137,006</b>	<b>142,559</b>	<b>183,630</b>	-	<b>4,214</b>	<b>85,191</b>	<b>96,615</b>	<b>108,308</b>	<b>227,290</b>	<b>276,046</b>
<b>Unit Cost Analysis</b>											
Mining costs - Open pit	\$/t mined	2.46	2.63	5.00	-	0.00	6.37	2.27	2.27	2.23	1.91
Processing and maintenance	\$/t milled	7.66	7.69	11.30	-	0.00	14.97	7.04	8.42	12.48	11.74
Site G&A	\$/t milled	4.95	4.40	3.51	-	0.00	7.96	2.53	3.37	6.11	6.77
<b>Cash Cost Details</b>											
Mining costs - Open pit <sup>1</sup>	\$000s	62,464	78,128	45,781	-	0	25,665	44,140	38,508	85,269	79,049
Mining costs -Underground	\$000s	-	-	-	-	-	-	-	-	-	-
Processing and maintenance	\$000s	20,663	21,764	43,384	-	684	19,566	29,556	34,499	51,698	46,371
Site G&A	\$000s	13,353	12,451	14,694	-	26	10,402	10,621	13,797	25,335	26,736
Capitalized waste	\$000s	(15,466)	(20,016)	(444)	-	0	0	(13,074)	(10,172)	(24,528)	(10,603)
Inventory adjustments and other	\$000s	4,155	4,232	(1,062)	-	3,664	(597)	4,420	(344)	13,622	(14,821)
Cash costs for ounces sold	\$000s	85,170	96,558	102,353	-	4,374	55,035	75,663	76,287	151,396	126,732
Royalties	\$000s	7,581	6,761	10,280	-	201	4,161	8,594	8,335	21,483	21,811
Sustaining capital	\$000s	16,241	13,438	486	-	0	2,076	2,994	3,385	23,081	7,152
Cash cost per ounce sold	\$/oz	622	677	557	-	1,038	646	783	704	666	459
<b>Mine-level AISC Per Ounce Sold</b>	<b>\$/oz</b>	<b>796</b>	<b>819</b>	<b>616</b>	-	<b>1,086</b>	<b>719</b>	<b>903</b>	<b>813</b>	<b>862</b>	<b>564</b>

1) Includes waste capitalized

## APPENDIX 2: FINANCIAL STATEMENTS

### BALANCE SHEET

	Note	As at December 31, 2019	As at December 31, 2018
<b>ASSETS</b>			
Current			
Cash		189,889	124,022
Trade and other receivables	8	19,228	57,782
Inventories	6	168,379	126,353
Current portion of derivative financial assets	19	-	1,636
Prepaid expenses and other	7	18,542	16,975
		<b>396,038</b>	<b>326,768</b>
Non-current			
Mining interests	9	1,410,274	1,543,842
Deferred income taxes	20	5,498	4,186
Other long-term assets	11	60,981	47,247
<b>Total assets</b>		<b>\$ 1,872,791</b>	<b>\$ 1,922,043</b>
<b>LIABILITIES</b>			
Current			
Trade and other payables	12	173,267	177,322
Current portion of finance and lease obligations	13	29,431	24,034
Current portion of derivative financial liabilities	19	10,349	-
Income taxes payable	20	54,968	47,064
		<b>268,015</b>	<b>248,420</b>
Non-current			
Finance and lease obligations	13	57,403	76,347
Long-term debt	14	638,980	542,248
Other long-term liabilities	15	41,911	41,877
Deferred income taxes	20	49,985	68,818
<b>Total liabilities</b>		<b>\$ 1,056,294</b>	<b>\$ 977,710</b>
<b>EQUITY</b>			
Share capital	16	1,774,172	1,743,661
Equity reserve	16	72,487	65,452
Deficit		(1,128,792)	(951,107)
<b>Equity attributable to shareholders of the Corporation</b>		<b>717,867</b>	<b>858,006</b>
Non-controlling interests	17	98,630	86,327
<b>Total equity</b>		<b>816,497</b>	<b>944,333</b>
<b>Total equity and liabilities</b>		<b>\$ 1,872,791</b>	<b>\$ 1,922,043</b>

Please consult Financial Statements for notes and more information.

## PROFIT AND LOSS STATEMENT

	Note	YEAR ENDED	
		December 31, 2019	December 31, 2018
<b>Revenues</b>			
Gold revenue		886,371	751,957
<b>Cost of sales</b>			
Operating expenses		(430,987)	(386,926)
Depreciation and depletion	9	(197,219)	(169,069)
Royalties		(48,139)	(41,068)
<b>Earnings from mine operations</b>		<b>210,026</b>	<b>154,894</b>
Corporate costs		(20,620)	(26,573)
Acquisition and restructuring costs		(4,552)	-
Impairment of mining interests	10	(127,380)	-
Share-based compensation	16	(21,042)	(24,931)
Exploration costs		(9,893)	(7,621)
<b>Earnings from operations</b>		<b>26,539</b>	<b>95,769</b>
Other income/(expenses)			
(Loss)/gain on financial instruments	18	(57,968)	8,035
Finance costs	14	(43,066)	(23,671)
Other income/(expenses)		(8,515)	(1,558)
<b>(Loss)/Earnings from continuing operations before taxes</b>		<b>(83,010)</b>	<b>78,575</b>
Current income tax expense	20	(73,901)	(66,522)
Deferred income tax recovery	20	20,145	5,007
<b>Net and comprehensive (loss)/earnings from continuing operations</b>		<b>(136,766)</b>	<b>17,060</b>
Net loss from discontinued operations	5	(4,394)	(154,795)
<b>Total net and comprehensive loss</b>		<b>(141,160)</b>	<b>(137,735)</b>
<b>Net (loss)/earnings from continuing operations attributable to:</b>			
Shareholders of Endeavour Mining Corporation		(159,324)	(65)
Non-controlling interests	17	22,558	17,125
<b>Net (loss)/earnings from continuing operations</b>		<b>(136,766)</b>	<b>17,060</b>
<b>Net loss from discontinued operations attributable to:</b>			
Shareholders of Endeavour Mining Corporation		(4,394)	(144,791)
Non-controlling interests	17	-	(10,004)
<b>Net loss from discontinued operations</b>		<b>(4,394)</b>	<b>(154,795)</b>
<b>Total net (loss)/earnings attributable to:</b>			
Shareholders of Endeavour Mining Corporation		(163,718)	(144,856)
Non-controlling interests	17	22,558	7,121
<b>Total net loss</b>		<b>\$ (141,160)</b>	<b>\$ (137,735)</b>

Please consult Financial Statements for notes and more information.

## CASH FLOW STATEMENT

YEAR ENDED

	Note	December 31, 2019	December 31, 2018
<b>Operating Activities</b>			
(Loss)/earnings from continuing operations before taxes		(83,010)	78,575
Adjustments for:			
Depreciation and depletion	9	197,219	169,069
Finance costs	14	43,066	23,671
Share-based compensation	16	21,042	24,931
Loss/(gain) on financial instruments	18	57,968	(8,035)
Impairment of mining interests	10	127,380	-
Cash paid on settlement of share appreciation rights, DSUs and PSUs	16	(1,125)	(8,355)
Income taxes paid		(65,997)	(24,018)
Net cash movement from gold collar settlements		(5,360)	5,795
Net non-cash asset adjustments		6,790	18,413
Foreign exchange loss		(3,972)	(18,724)
<b>Operating cash flows before changes in non-cash working capital</b>		<b>294,001</b>	<b>261,322</b>
Trade and other receivables		21,393	(4,730)
Inventories		(10,794)	(17,199)
Prepaid expenses and other		(2,366)	5,318
Trade and other payables		(349)	6,524
<b>Operating cash flows generated from continuing operations</b>		<b>301,885</b>	<b>251,235</b>
Operating cash flows used by discontinued operations	5	-	(315)
<b>Cash generated from operating activities</b>		<b>\$ 301,885</b>	<b>\$ 250,920</b>
<b>Investing Activities</b>			
Expenditures on mining interests	9	(233,439)	(402,203)
Cash paid for additional interest of Ity mine	17	(453)	-
Changes in long-term assets	11	(21,509)	(43,570)
Net proceeds from sale of assets	9	3,875	33,179
<b>Investing cash flows used by continuing operations</b>		<b>(251,526)</b>	<b>(412,594)</b>
Investing cashflows used by discontinued operations	5	-	(40,725)
<b>Cash used in investing activities</b>		<b>\$ (251,526)</b>	<b>\$ (453,319)</b>
<b>Financing Activities</b>			
Proceeds received from the issue of common shares	16	292	600
Dividends paid to non-controlling interest	17	(6,154)	(1,956)
Payment of financing fees and other		(2,165)	(2,300)
Interest paid		(33,248)	(24,434)
Proceeds of long-term debt	14	80,000	210,000
Repayment of long-term debt	14	-	(280,000)
Proceeds from convertible senior bond	14	-	330,000
Repayment of finance and lease obligation	13	(23,601)	(21,203)
Deposit paid on reclamation liability bond		-	(157)
<b>Financing cash flows generated from continuing operations</b>		<b>15,124</b>	<b>210,550</b>
Financing cashflows used by discontinued operations	5	-	(6,083)
<b>Cash generated from financing activities</b>		<b>\$ 15,124</b>	<b>\$ 204,467</b>
Effect of exchange rate changes on cash		384	(748)
Increase in cash		65,867	1,320
Cash, beginning of year		124,022	122,702
<b>Cash, end of year</b>		<b>\$ 189,889</b>	<b>\$ 124,022</b>

Please consult Financial Statements for notes and more information.

## APPENDIX 3: RESERVES AND RESOURCES AS AT DECEMBER 31, 2019

Resources shown inclusive of Reserves	ON A 100% BASIS			ON AN ATTRIBUTABLE BASIS		
	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)
<b>Agbaou Mine (85% owned)</b>						
Proven Reserves	1.5	0.71	34	1.3	0.71	29
Probable Reserves	4.8	1.86	286	4.1	1.86	243
<b>P&amp;P Reserves</b>	<b>6.3</b>	<b>1.58</b>	<b>321</b>	<b>5.4</b>	<b>1.58</b>	<b>273</b>
Measured Resource (incl. reserves)	1.5	0.76	38	1.3	0.76	32
Indicated Resources (incl. reserves)	6.0	2.49	481	5.1	2.49	409
<b>M&amp;I Resources (incl. reserves)</b>	<b>7.6</b>	<b>2.14</b>	<b>519</b>	<b>6.4</b>	<b>2.14</b>	<b>441</b>
Inferred Resources	0.7	1.59	37	0.6	1.59	31
<b>Houndé Mine (90% owned)</b>						
Proven Reserves	1.8	1.57	89	1.6	1.57	80
Probable Reserves	30.9	2.09	2,075	27.8	2.09	1,867
<b>P&amp;P Reserves</b>	<b>32.6</b>	<b>2.06</b>	<b>2,164</b>	<b>29.4</b>	<b>2.06</b>	<b>1,948</b>
Measured Resource (incl. reserves)	1.7	1.75	96	1.5	1.75	87
Indicated Resources (incl. reserves)	58.6	2.01	3,797	52.8	2.01	3,417
<b>M&amp;I Resources (incl. reserves)</b>	<b>60.4</b>	<b>2.01</b>	<b>3,893</b>	<b>54.3</b>	<b>2.01</b>	<b>3,504</b>
Inferred Resources	6.9	2.07	456	6.2	2.07	411
<b>Ity Mine (85% owned except 100% owned Le Plaque area)</b>						
Proven Reserves	9.4	1.05	318	8.0	1.05	271
Probable Reserves	52.7	1.67	2,825	45.6	1.67	2,464
<b>P&amp;P Reserves</b>	<b>62.1</b>	<b>1.57</b>	<b>3,144</b>	<b>53.6</b>	<b>1.57</b>	<b>2,734</b>
Measured Resource (incl. reserves)	10.3	1.02	337	8.7	1.02	286
Indicated Resources (incl. reserves)	68.1	1.61	3,514	58.6	1.61	3,059
<b>M&amp;I Resources (incl. reserves)</b>	<b>78.4</b>	<b>1.53</b>	<b>3,851</b>	<b>67.3</b>	<b>1.53</b>	<b>3,345</b>
Inferred Resources	18.0	1.35	780	15.4	1.35	670
<b>Karma Mine (90% owned)</b>						
Proven Reserves	3.1	0.85	84	2.8	0.85	75
Probable Reserves	6.1	1.06	209	5.5	1.06	188
<b>P&amp;P Reserves</b>	<b>9.2</b>	<b>0.99</b>	<b>293</b>	<b>8.3</b>	<b>0.99</b>	<b>264</b>
Measured Resource (incl. reserves)	0.3	0.38	4	0.3	0.38	3
Indicated Resources (incl. reserves)	52.3	1.21	2,038	47.0	1.21	1,834
<b>M&amp;I Resources (incl. reserves)</b>	<b>52.6</b>	<b>1.39</b>	<b>2,350</b>	<b>47.3</b>	<b>1.39</b>	<b>2,115</b>
Inferred Resources	15.7	1.35	681	14.1	1.35	613
<b>Kalana Project (80% owned)<sup>7</sup></b>						
Proven Reserves	5.1	3.00	492	4.1	3.00	394
Probable Reserves	16.6	2.76	1,472	13.3	2.76	1,177
<b>P&amp;P Reserves</b>	<b>21.7</b>	<b>2.81</b>	<b>1,964</b>	<b>17.4</b>	<b>2.81</b>	<b>1,571</b>
Measured Resource (incl. reserves)	9.5	4.19	1,280	7.6	4.19	1,024
Indicated Resources (incl. reserves)	16.3	3.74	1,964	13.1	3.74	1,571
<b>M&amp;I Resources (incl. reserves)</b>	<b>25.8</b>	<b>3.92</b>	<b>3,254</b>	<b>20.7</b>	<b>3.92</b>	<b>2,603</b>
Inferred Resources	1.9	4.41	265	1.5	4.41	212
<b>Fetekro Project (65% owned)</b>						
Proven Reserves	-	-	-	-	-	-
Probable Reserves	-	-	-	-	-	-
<b>P&amp;P Reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Measured Resource (incl. reserves)	-	-	-	-	-	-
Indicated Resources (incl. reserves)	14.6	2.54	1,190	9.5	2.54	774
<b>M&amp;I Resources (incl. reserves)</b>	<b>14.6</b>	<b>2.54</b>	<b>1,190</b>	<b>9.5</b>	<b>2.54</b>	<b>774</b>
Inferred Resources	0.9	2.17	60	0.6	2.17	39
<b>Total - Endeavour Mining</b>						
Proven Reserves	20.9	1.52	1,017	17.7	1.49	849
Probable Reserves	111.1	1.92	6,868	96.2	1.92	5,941
<b>P&amp;P Reserves</b>	<b>131.9</b>	<b>1.86</b>	<b>7,885</b>	<b>114.0</b>	<b>1.85</b>	<b>6,789</b>
Measured Resource (incl. reserves)	23.3	2.34	1,755	19.5	2.29	1,433
Indicated Resources (incl. reserves)	215.9	1.87	12,985	186.0	1.85	11,064
<b>M&amp;I Resources (incl. reserves)</b>	<b>239.3</b>	<b>1.96</b>	<b>15,058</b>	<b>205.5</b>	<b>1.93</b>	<b>12,782</b>
Inferred Resources	44.1	1.61	2,280	38.4	1.60	1,977

The mineral reserves and resources ("MRE") were estimated as at December 31, 2019 in accordance with the provisions adopted by the Canadian Institute of Mining Metallurgy and Petroleum (CIM) and incorporated into the NI 43-101. The Qualified Persons responsible for the mineral reserve and resource estimates are detailed in the following tables.

## MINERAL RESOURCES

QUALIFIED PERSON	POSITION	PROPERTY/DEPOSIT
Kevin Harris, CPG	V.P. Resources, Endeavour Mining Corp	Agbaou; Colline Sud, LaPlaque (Ity); North Kao, Yabonso, Rambo West, GG1 deposits (Karma); Bouere, Dohoun, Kari Pump deposits (Houndé); Lafigué (Fetekro)
Helen Oliver, FGS, CGeol	Group Resource Geologist, Endeavour Mining Corp.	Kari West, Kari Center (Hounde), Nami (Karma), Kalanko (Kalana)
Mark Zammit, MAIG	Principal, Cube Consulting Pty Ltd	Ity (except Colline Sud and La Plaque deposits); Vindaloo deposits (Houndé); GG1 (Karma)
Eugene Puritch, P.Eng.	President, P&E Mining Consultants Inc	GG2, Rambo, Kao Main (Karma)
Ivor Jones, FAusIMM	Principal Consultant, Denny Jones (Pty) Ltd	Kalana Project

## MINERAL RESERVES

QUALIFIED PERSON	POSITION	PROPERTY/DEPOSIT
Salih Ramazan, MAusIMM	Vice President – Mine Planning, Endeavour Mining	Ity, Agbaou, Houndé and Karma
Allan Earl, FAusIMM	Executive Consultant, Snowden Mining Industry Consultants (Pty) Ltd	Kalana Project, Ity (CIL)

- The mineral resources and reserves have been estimated and reported in accordance with Canadian National Instrument 43-101, 'Standards of Disclosure for Mineral Projects' and the Definition Standards adopted by CIM Council in May 2014.
- Mineral resources that are not mineral reserves have not demonstrated economic viability.
- All mineral resources are reported inclusive of mineral reserves.
- Tonnages are rounded to the nearest 100,000 tonnes; gold grades are rounded to one decimal place; ounces are rounded to the nearest 1,000oz. Rounding may result in apparent summation differences between tonnes, grade and contained metal.
- Tonnes and grade measurements are in metric units; contained gold is in troy ounces.
- Processing recoveries vary at each pit by many factors including material types, mineralogy and chemistry of the ore. The overall average recoveries are around 81% at Ity and Karma, 90% at Hounde and Agbaou.
- The reporting of mineral reserves and resources are based on a gold price as detailed below:

Project <sup>1</sup>	Agbaou	Kalana	Ity	Karma <sup>2</sup>	Houndé	Fetekro
Reserves Au price	1,300	1,200	1,300	1,350	1,300	n.a.
Resources Au price	1,500	1,400	1,500	1,500	1,500	1,500

<sup>1</sup>Cut-off grades for all resources open pits are 0.5g/tAu, except at Kalana where the cut-off grade is at 0.9g/tAu and at Karma where the cut-off grade is defined by material type: Oxide=0.2, Transition=0.2 and Sulfide=0.5.

Cut-off grades for reserves except for Kalana vary between 0.3-0.5g/t for Oxide ore, 0.3-0.8g/t for Transition ore, 0.3-0.7g/t for Sulfide ore.

Cut-off grade for Kalana pits reserve is 0.9g/t.

<sup>2</sup> Kao, GG2, and Rambo have a gold price of \$1,557/oz. Gold price for Kao Main and Rambo West reserves is \$1,350/oz.

- The Kalana Main deposit Mineral Resource is stated as per that published by Avnel, which forms the basis on which the stated Mineral Reserves were estimated.

In March 2019, Endeavour published an updated Mineral Resource Estimate for the Kalana Main deposit. The comparison between the Avnel MRE and the Endeavour MRE is demonstrated in the below:

(on a 100% basis)	PREVIOUS 2016 M&I RESOURCE	UPDATED 2019 M&I RESOURCE
Cut-off grade (g/t Au)	0.9	0.9 (For comparative purpose) 0.5
Tonnage (Mt)	23	18 27
Grade (g/t Au)	4.14	3.70 2.69
Content (Au Koz)	3,060	2,092 2,290

The 2019 Kalana Main geological model was prepared by Helen Oliver. Ms Oliver FGS, CGeol is Endeavour Mining's Group Resource Geologist and a Qualified Person as defined by NI 43-101. The 2019 Kalana Main Resource Estimate was prepared by Geoff Booth, FAusIMM, Mining Consulting Manager for Snowden Mining Industry Consultants Pty Ltd and a Qualified Person as defined by NI 43-101.

The Kalana Main MRE is constrained within a \$1,500/oz gold Whittle pit shell as a limit of economic extraction, defined using the following parameters (all costs are in US dollars):

- Slope angles – Oxide 32°, Transition 45°, Fresh 54°

- Au recovery – Oxide 96.2%, Transition – 88.5%, Fresh – 89%
- Gold price = \$1,500/oz
- Mining cost (Oxide base cost at 380 mRL) = Bulk \$1.97/t, semi-selective \$2.06/t, selective \$2.34/t
- Mining cost (Transition base cost at 380 mRL) = Bulk \$1.79/t, semi-selective \$1.98/t, selective \$2.18/t
- Mining cost (Fresh base cost at 380 mRL) = Bulk \$2.41/t, semi-selective \$3.08/t, selective \$3.37/t
- Mining cost (depth cost below 380 mRL) = 0.005/t/m
- Processing cost – Oxide \$16.64/t, Transition \$20.37/t, Fresh \$21.40/t
- Selling cost - \$58/oz

The scientific and technical information relating to the Agbaou mine, Ity mine, Karma mine, Houndé mine and Kalana Project contained in this document has been derived from or based on the following technical reports. Copies of the reports are available electronically on SEDAR at [www.sedar.com](http://www.sedar.com) under the Corporation's profile. The Kalana report is available under the Avnel Gold Mining profile on SEDAR.

- Agbaou mine: "Technical Report, Mineral Resource and Reserve Update for the Agbaou Gold Mine, Côte d'Ivoire, West Africa" dated effective December 31, 2014.
- Ity mine: "Ity CIL Project National Instrument 43-101 Technical Report", dated December 9, 2016.
- Ity mine: Reserves and Resources were updated in 2017 after the completion of a Project Optimization Study. The results were published in the September 20, 2017 press release available on the company's website.
- Karma mine: "Technical Report on an updated Feasibility Study and a Preliminary Economic Assessment for the Karma Gold Project, Burkina Faso, West Africa" dated effective August 10, 2014.
- Houndé mine: "Houndé Gold Project, Burkina Faso, Feasibility Study NI 43-101 Technical Report", dated effective October 31, 2013.
- Houndé mine: Reserves were updated in 2015 by Orelogy "Cost review and Reserve update study", dated February 2015. Endeavour News Release February 19, 2015
- Kalana Project: "NI 43-101 Technical Report on Kalana Main Project", dated effective March 30, 2016.

## RESERVES AND RESOURCES: YEAR-OVER-YEAR COMPARISON

Resources shown inclusive of Reserves, on a 100% basis	AS AT DECEMBER 31, 2018			AS AT DECEMBER 31, 2019		
	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)
<b>Agbaou Mine</b>						
Proven Reserves	0.3	1.63	16	1.5	0.71	34
Probable Reserves	8.3	1.67	445	4.8	1.86	286
<b>P&amp;P Reserves</b>	<b>8.6</b>	<b>1.66</b>	<b>461</b>	<b>6.3</b>	<b>1.58</b>	<b>321</b>
Measured Resource (incl. reserves)	1.9	0.87	54	1.5	0.76	38
Indicated Resources (incl. reserves)	7.6	2.51	610	6.0	2.49	481
<b>M&amp;I Resources (incl. reserves)</b>	<b>9.5</b>	<b>2.18</b>	<b>664</b>	<b>7.6</b>	<b>2.14</b>	<b>519</b>
Inferred Resources	0.8	1.72	46	0.7	1.59	37
<b>Houndé Mine</b>						
Proven Reserves	3.5	1.53	174	1.8	1.57	89
Probable Reserves	24.0	2.03	1,566	30.9	2.09	2,075
<b>P&amp;P Reserves</b>	<b>27.5</b>	<b>1.97</b>	<b>1,740</b>	<b>32.6</b>	<b>2.06</b>	<b>2,164</b>
Measured Resource (incl. reserves)	3.6	1.56	180	1.7	1.75	96
Indicated Resources (incl. reserves)	41.2	2.23	2,954	58.6	2.01	3,797
<b>M&amp;I Resources (incl. reserves)</b>	<b>44.7</b>	<b>2.18</b>	<b>3,134</b>	<b>60.4</b>	<b>2.01</b>	<b>3,893</b>
Inferred Resources	3.2	2.64	268	6.9	2.07	456
<b>Ity Mine</b>						
Proven Reserves	0.0	1.45	2	9.4	1.05	318
Probable Reserves	60.7	1.55	3,036	52.7	1.67	2,825
<b>P&amp;P Reserves</b>	<b>60.8</b>	<b>1.55</b>	<b>3,039</b>	<b>62.1</b>	<b>1.57</b>	<b>3,144</b>
Measured Resource (incl. reserves)	1.4	0.97	44	10.3	1.02	337
Indicated Resources (incl. reserves)	72.2	1.55	3,602	68.1	1.61	3,514
<b>M&amp;I Resources (incl. reserves)</b>	<b>73.6</b>	<b>1.54</b>	<b>3,646</b>	<b>78.4</b>	<b>1.53</b>	<b>3,851</b>
Inferred Resources	19.1	1.34	823	18.0	1.35	780
<b>Karma Mine</b>						
Proven Reserves	1.3	0.56	24	3.1	0.85	84
Probable Reserves	26.2	0.88	740	6.1	1.06	209
<b>P&amp;P Reserves</b>	<b>27.5</b>	<b>0.86</b>	<b>764</b>	<b>9.2</b>	<b>0.99</b>	<b>293</b>
Measured Resource (incl. reserves)	1.3	0.66	28	0.3	0.38	4
Indicated Resources (incl. reserves)	74.0	1.10	2,627	52.3	1.21	2,038
<b>M&amp;I Resources (incl. reserves)</b>	<b>75.3</b>	<b>1.10</b>	<b>2,655</b>	<b>52.6</b>	<b>1.39</b>	<b>2,350</b>
Inferred Resources	17.9	1.34	772	15.7	1.35	681
<b>Kalana Project</b>						
Proven Reserves	5.1	3.00	492	5.1	3.00	492
Probable Reserves	16.6	2.76	1,472	16.6	2.76	1,472
<b>P&amp;P Reserves</b>	<b>21.7</b>	<b>2.81</b>	<b>1,964</b>	<b>21.7</b>	<b>2.81</b>	<b>1,964</b>
Measured Resource (incl. reserves)	9.5	4.19	1,280	9.5	4.19	1,280
Indicated Resources (incl. reserves)	16.3	3.74	1,964	16.3	3.74	1,964
<b>M&amp;I Resources (incl. reserves)</b>	<b>25.8</b>	<b>3.92</b>	<b>3,254</b>	<b>25.8</b>	<b>3.92</b>	<b>3,254</b>
Inferred Resources	1.9	4.41	265	1.9	4.41	265
<b>Fetekro Project</b>						
Proven Reserves	-	-	-	-	-	-
Probable Reserves	-	-	-	-	-	-
<b>P&amp;P Reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Measured Resource (incl. reserves)	-	-	-	-	-	-
Indicated Resources (incl. reserves)	6.9	2.25	499	14.6	2.54	1,190
<b>M&amp;I Resources (incl. reserves)</b>	<b>6.9</b>	<b>2.25</b>	<b>499</b>	<b>14.6</b>	<b>2.54</b>	<b>1,190</b>
Inferred Resources	3.0	2.31	221	0.9	2.17	60
<b>Group Total</b>						
Proven Reserves	10.3	2.13	707	20.9	1.52	1,017
Probable Reserves	135.8	1.66	7,259	111.1	1.92	6,868
<b>P&amp;P Reserves</b>	<b>146.2</b>	<b>1.70</b>	<b>7,967</b>	<b>131.9</b>	<b>1.86</b>	<b>7,885</b>
Measured Resource (incl. reserves)	17.8	2.78	1,586	23.3	2.34	1,755
Indicated Resources (incl. reserves)	218.1	1.75	12,255	215.9	1.87	12,985
<b>M&amp;I Resources (incl. reserves)</b>	<b>235.9</b>	<b>1.83</b>	<b>13,851</b>	<b>239.3</b>	<b>1.96</b>	<b>15,058</b>
Inferred Resources	45.9	1.62	2,394	44.1	1.61	2,280

Notes for the period ended December 31, 2019 are available in the section above. Notes for the period ended December 31, 2018 are available in the press release dated March 5, 2019 available on the Company's website and on SEDAR.