

# ENDEAVOUR REPORTS STRONG FY-2018 RESULTS

## Q4 AND FY-2018 HIGHLIGHTS

(for continuing operations)

- Q4-2018 production up 25% over Q3-2018 to 174koz and AISC down 14% to \$707/oz
- FY-2018 production up 52% over the prior year to 612koz, beating the top end of the 555-590koz guidance
- FY-2018 AISC down \$25/oz over the prior year to \$744/oz, well below the guidance range of \$760-810/oz
- All-in Margin up \$17m in Q4 over Q3 to \$40m; FY-2018 up 80% over 2017 to \$184m
- Operating Cash Flow before non-cash working capital of \$53m or \$0.49/share in Q4; FY-2018 up 64% over 2017 to \$261m or 2.43/share
- Adjusted Net Earnings up from \$(1)m in Q3 to \$16m in Q4 or \$0.15/share, amounting to \$0.49/share for FY-2018
- Net Debt of \$536m at year end, up from \$232m at the end of 2017, due to the accelerated construction of Ity CIL project
- Group M&I resources up 0.9Moz year-over-year to 14Moz; P&P reserves down 0.6Moz to 8Moz as 1Moz Kari Pump maiden Indicated resource is expected to be converted to reserves by mid-year

## 2019 OUTLOOK

- FY-2019 production expected to increase to 615-695koz and AISC expected to remain low at \$760-810/oz
- Ity CIL construction progressing on-budget and ahead of schedule with the first gold pour expected in early Q2-2019
- Significant exploration investment of \$45-50m, mainly focused on our Houndé and Ity flagship mines

**George Town, March 5, 2019** – Endeavour Mining (TSX:EDV) (OTCQX:EDVMF) is pleased to announce its financial and operating results for the fourth quarter and full year 2018, with highlights provided in the table below.

*Table 1: Key Operational and Financial Highlights*

For continuing operations (in US\$ million)	QUARTER ENDED			YEAR ENDED		
	Dec. 31, 2018	Sep. 30, 2018	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2017	Δ
<b>PRODUCTION AND AISC HIGHLIGHTS</b>						
Gold Production, koz	174	139	151	612	403	+52%
Realized Gold Price <sup>2</sup> , \$/oz	1,198	1,161	1,228	1,228	1,199	+2%
All-in Sustaining Cost <sup>1</sup> , \$/oz	707	820	649	744	769	(3%)
All-in Sustaining Margin <sup>1,3</sup> , \$/oz	490	341	581	484	436	+11%
<b>CASH FLOW HIGHLIGHTS<sup>1</sup></b>						
All-in Sustaining Margin <sup>4</sup> , \$m	85	46	81	296	171	+73%
All-in Margin <sup>5</sup> , \$m	40	23	57	184	102	+80%
Operating Cash Flow Before Non-Cash Working Capital, \$m	53	45	39	261	159	+64%
Cash Flow per Share, \$/share	0.49	0.42	0.36	2.43	1.49	+63%
<b>PROFITABILITY HIGHLIGHTS</b>						
Revenues, \$m	208	156	171	752	471	+60%
Adjusted EBITDA <sup>1</sup> , \$m	56	49	84	265	172	+54%
Net Earnings Attr. to Shareholders <sup>1</sup> , \$m	(32)	15	(15)	(0)	27	n.a.
Net Earnings <sup>1</sup> , \$/share	(0.29)	0.14	(0.15)	(0.00)	0.27	n.a.
Adjusted Net Earnings Attr. to Shareholders <sup>1</sup> , \$m	16	(1)	53	53	54	n.a.
Adjusted Net Earnings per Share <sup>1</sup> , \$/share	0.15	(0.01)	0.49	0.49	0.51	n.a.
<b>BALANCE SHEET HIGHLIGHTS</b>						
Net Debt <sup>1</sup> , \$m	536	535	232	536	232	+131%

<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, stated: "2018 was a successful year for Endeavour during which we beat our production guidance and ended with AISC lower than the guided range, all while maintaining a strong safety record. The first full-year contribution from Houndé, coupled with the successful management of our portfolio, has sustainably decreased our all-in sustaining costs to below our strategic target of \$800/oz.*

*2019 is expected to be another strong year as we look forward to the first gold pour at the Ity CIL plant in the coming weeks, where construction continues to progress ahead of schedule and on budget. Over the past two years, we have transformed our portfolio, investing nearly \$1 billion into the business. Once Ity CIL commences production, we expect to enter a period of sustained strong free cash flow generation with a continued focus on return on capital employed.*

*The maiden resource at Houndé's Kari Pump discovery was our most notable exploration achievement in 2018. In 2019 we look forward to converting this discovery into reserves. We will maintain an aggressive exploration program focused specifically at Houndé where we expect further maiden resources on new discoveries. In addition, we will look to further grow the resource in the Le Plaque area at Ity and advance exploration at our greenfield properties.*

*I would like to thank our entire team for their dedication and contribution to our success in 2018 and for their efforts in positioning Endeavour for continued success in 2019 and beyond."*

## 2018 KEY ACHIEVEMENTS AND 2019 CATALYSTS

In 2018, Endeavour continued to deliver against its strategy, with good progress made across its four strategic levers:

- 1. Operational Excellence** – reinforced track record as Group Lost Time Injury Frequency Rate ("LTIFR") decreased from 0.29 to 0.16 year on year, remaining below industry benchmarks. Production and AISC guidance was met or beaten for the 6<sup>th</sup> consecutive year.
- 2. Project Development** – remained a key focus area with the successful progress at the Ity CIL project.
- 3. Unlocking Exploration Value** – continued to deliver against our 5-year discovery target, with 1.9Moz of M&I resources discovered in 2018, totaling 4.2Moz at a discovery cost of circa \$13/oz since the strategy was set in late 2016. In 2018, notable successes include the maiden Indicated resource Kari Pump target at Houndé and at the greenfield Fetekro property of respectively 1.0Moz and 0.5Moz, good results at the Le Plaque area at Ity which are soon expected to yield an increased resource, and greater confidence in the Kalana Main deposit resource.
- 4. Active Portfolio & Balance Sheet Management** – in line with its aim to focus on long-life and low-cost high-quality assets, following the sale of its non-core Youga mine and Nzema mines in 2016 and 2017 respectively, Endeavour sold its Tabakoto mine in 2018. On the balance sheet front, Endeavour finished the year with strong liquidity sources despite the accelerated construction of its Ity CIL project.

2019 is expected to be another pivotal year for Endeavour with the following notable catalysts:

- › Ity CIL project first gold pour expected in early Q2-2019, following which the Group is expected to be net cash flow positive.
- › Maiden reserve for the Kari Pump discovery at Houndé expected by mid-year.
- › Maiden resource for the Kari West and Kari center discoveries, and further resource delineation for the Kari Pump deposit at Houndé expected in Q4-2019.
- › Increased resource at the Le Plaque discovery at Ity expected in Q2-2019.
- › Resource increase at the Fetekro greenfield exploration project expected in Q2-2019 and further results on Kalana in H2-2019.

## STRONG Q4-2018 PERFORMANCE; BEATING FULL-YEAR GUIDANCE

- › Continued strong safety record in 2018 with a low LTIFR of 0.16 across the group.
- › The Tabakoto sale closed on December 24, 2018 and was deconsolidated in the financial statements.
- › Q4-2018 group production from continuing operations increased by 25% over the previous quarter to 174koz and AISC declined by 14% to \$707/oz due to a strong quarter at all mines.
- › Full-year 2018 production from continuing operations increased by 52% over the prior year to 612koz, beating the top end of the 555-590koz guidance, while AISC from continuing operations decreased by \$25/oz from prior year to \$744/oz, well below the guidance range of \$760-810/oz. 2018 benefited from a full-year of production at Houndé, and better production and AISC performance at Ity and Karma, which more than compensated for the expected lower performance at Agbaou.

Table 2: Group Production, koz

	THREE MONTHS ENDED			YEAR ENDED		2018 FULL-YEAR GUIDANCE		
	Dec. 31, 2018	Sep. 30, 2018	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2017			
(All amounts in koz, on a 100% basis)								
Agbaou	44	31	43	141	177	140	-	150
Ity	21	21	17	85	59	60	-	65
Karma	33	26	21	109	98	105	-	115
Houndé	76	61	69	277	69	250	-	260
PRODUCTION FROM CONTINUING OPERATIONS	174	139	151	612	403	555	-	590
Tabakoto (divested in December 2018)	30	26	28	115	144	115	-	130
Nzema (divested in December 2017)	-	-	25	-	116	n.a.	-	n.a.
TOTAL PRODUCTION	204	165	204	727	663	670	-	720

Table 3: Group All-In Sustaining Costs, US\$/oz

	THREE MONTHS ENDED			YEAR ENDED		2018 FULL-YEAR GUIDANCE		
	Dec. 31, 2018	Sep. 30, 2018	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2017			
(All amounts in US\$/oz)								
Agbaou	776	954	690	819	647	860	-	900
Ity	622	730	869	719	906	790	-	850
Karma	697	841	918	813	834	780	-	830
Houndé	588	638	335	564	335	580	-	630
Corporate G&A	46	44	46	43	43	30	-	30
Sustaining Exploration	0	14	4	12	19	10	-	10
GROUP AISC FROM CONTINUING OPERATIONS	707	820	649	744	769	760	-	810
Tabakoto (divested in December 2018)	1,470	1,420	1,411	1,369	1,148	1,200	-	1,250
Nzema (divested in December 2017)	-	-	855	-	859	n.a.	-	n.a
GROUP AISC	818	917	785	843	869	813	-	890

## HOUNDÉ MINE

### Q4 vs Q3-2018 Insights

- › A record quarter was achieved as production increased, mainly due to significantly higher grades following the end of the rainy season.
  - Tonnes of ore mined increased as mining activities ramped up following the end of the rainy season. Mining continued to focus on the Vindaloo Main and Vindaloo Central pits. The strip ratio was lower than initially planned due to a shift in the mine plan which delayed stripping to 2019.
  - Tonnes milled increased slightly, continuing to perform nearly 30% above nameplate capacity. The ore blend continued to be mainly transitional/fresh ore. Oxide ore represented 34% of the mill feed, up from 32% in Q3-2018.
  - Processed grades markedly improved as higher-grade areas of both the Vindaloo Main and Vindaloo Central pits became accessible following the end of the rainy season. In addition, the higher-grade ore mined was selectively processed while the lower-grade ore was stockpiled.
  - Recovery rates decreased slightly but remained at the level assumed in the Optimized Study.
- › AISC decreased due to higher production, lower unit mining costs associated with reduced water pumping requirements following the end of the rainy season, as well as the reduction in sustaining capital expenditures.
  - Mining unit costs decreased from \$2.14 to \$1.92 per tonne due to increased volumes mined following the rainy season.
  - Processing unit costs decreased from \$12.71 to \$11.84 per tonne due to the reduction in fresh ore processed in the period when compared to Q3-2017 along with increased throughput volumes.
  - Sustaining capital decreased from \$2.7 million to \$1.1 million following a reduction in waste capitalization in the period.
- › There was \$3.0 million of non-sustaining capex incurred during the quarter relating to waste capitalization.

### FY-2018 vs FY-2017 Insights

- › Production increased significantly as 2018 benefited from a full year of production since commercial production began in Q4-2017.
- › As guided, AISC increased as last year's production benefited from processing primarily high-grade oxide material.
- › Stockpiles grew in 2018, amounting to 2.0Mt at 1.1g/t containing 70koz at year-end.

### 2018 Performance vs Guidance

- › Production totaled 277koz, significantly exceeding full-year guidance of 250-260koz due mainly to both the mining activities and the process plant performing above their nameplate capacities.
- › AISC amounted to \$564/oz, well below the guided \$580-630/oz range due to the outperformance of the operation and a lower than planned strip ratio in the second of half the year following a shift in the mine plan which delayed higher stripping to 2019.

Table 4: Houndé Quarterly Performance Indicators

For The Quarter Ended	Q4-2018	Q3-2018	Q4-2017
Tonnes ore mined, kt	1,736	1,413	663
Strip ratio (incl. waste cap)	5.87	6.00	13.78
Tonnes milled, kt	1,062	1,006	813
Grade, g/t	2.38	2.02	2.75
Recovery rate, %	93%	94%	95%
<b>PRODUCTION, KOZ</b>	<b>76</b>	<b>61</b>	<b>69</b>
Cash cost/oz	508	519	194
<b>AISC/OZ</b>	<b>588</b>	<b>638</b>	<b>335</b>

Table 5: Houndé Yearly Performance Indicator

For The Year Ended	Dec. 31, 2018	Dec. 31, 2017
Tonnes ore mined, kt	5,822	1,222
Strip ratio (incl. waste cap)	6.13	13.13
Tonnes milled, kt	3,948	813
Grade, g/t	2.29	2.75
Recovery rate, %	94%	95%
<b>PRODUCTION, KOZ</b>	<b>277</b>	<b>69</b>
Cash cost/oz	459	194
<b>AISC/OZ</b>	<b>564</b>	<b>335</b>

### 2019 Outlook

- › Houndé is expected to produce between 230-250koz in 2019, continuing to out-perform its feasibility study estimates, at an AISC of \$720-790/oz.
  - Mining is expected to continue in the Vindaloo deposit, while ore extraction at the Bouéré deposit is expected to start in late H1-2019. The strip ratio is expected to increase in 2019, due to both the mine plan sequence and to the carry-over of stripping delayed from 2018.
  - Throughput is expected to remain above nameplate capacity while the ore blend is expected to shift from the current mix of ~30% oxide ore and ~70 % transitional/fresh ore feed to mainly fresh ore by year-end, resulting in higher operating costs.
  - Despite the expected higher grades mined, the average processed grade is expected to decline due to the use of lower-grade stockpiles. This marks a change compared to the previous mine

plan due to the company's strategic focus on reducing working capital.

- Sustaining costs are expected to total circa \$35 million mainly due to the increased strip ratio, a planned raise in the TSF and the purchase of components for fleet maintenance.
- › Approximately \$7 million of non-sustaining expenditure is planned for 2019, mainly for the Bouéré pre-strip, road, and resettlement.

### **2018 Exploration Program**

- › The 2018 exploration program amounted to \$14 million, totaling approximately 165,700 meters of drilling, focused mainly on the Kari gold-in-soil anomaly which covers a 6km-long by 2.5km-wide area, resulting in:
- The identification of a maiden Indicated resource at the Kari Pump target totaling 11.3Mt at 2.71 g/t Au containing 987koz, as published on November 15, 2018. The maiden resource covers an area 1.3km-long by 0.8km-wide and remains open in various directions. The mineralization is amenable to open pit mining and 45% of the Indicated resource is located within the oxide and transition zones, compared to most of the Houndé Indicated resource located in fresh zones.
  - The Kari Center discovery, which extends 1.2km along strike and across a width of over 200m and remains open in various directions.
  - The Kari West discovery which extends at least 1.0km along strike and across a width of 500m and remains open in various directions.

### **2019 Exploration Program**

- › In 2019, Houndé will continue to be the priority exploration focus for Endeavour with a budget of up to \$17 million totaling approximately 195,000 meters of drilling with the aim of:
- Delineating additional resources at Kari Pump.
  - Delineating a maiden resource at the Kari Centre and Kari West targets.
  - Testing other targets such as Sia/Sianikoui, Grand Espoir and high-grade plunges at the Vindaloo deposit.

### **Reserve & Resource Evolution**

- › As shown in Appendix 3, the variance in P&P reserves compared to the previous year is primarily due to mining depletion at the Vindaloo deposit while the M&I resource increased due to the 987koz maiden resource outlined at the Kari Pump discovery.
- › Reserves are expected to increase in mid-year as the Kari Pump resource is expected to be converted to reserves following the completion of the on-going metallurgical tests.
- › Metallurgical tests are underway with Als Chemex Australia. Preliminary results are indicating good gold recovery rates, similar to the Vindaloo deposit currently being mined.

## AGBAOU MINE

### Q4 vs Q3-2018 Insights

- › Production increased as expected mainly due to a significant increase in milled grade following the waste extraction efforts over the course of the year which gave access to higher grade areas.
  - Ore mined increased due to greater extraction at the South Pit as less stripping was necessary. Waste extraction efforts continued in the West pit, resulting in an increase in the overall strip ratio.
  - Mill throughput increased as the proportion of fresh ore processed decreased from 15% to 12%.
  - Processed grades increased due to the change in mining sequence giving access to higher grade ore.
  - Recovery rates improved slightly due to a lower proportion of fresh ore processed.
- › All-in sustaining costs decreased, mainly due to increased gold sales, which were offset slightly by higher sustaining costs driven by increased waste capitalization activity.
  - Mining unit costs decreased from \$2.57 to \$2.38 per tonne because of the increased volumes mined in the South Pit.
  - Processing unit costs decreased from \$7.77 to \$7.66 per tonne due to the reduction in fresh ore processed.
  - Sustaining capital increased from \$3.6 million to \$5.8 million following the increased waste capitalization in the West Pit.
- › Non-sustaining capital increased from \$0.1 million to \$3.3 million due to the pre-stripping of the West pit.

### FY-2018 vs FY-2017 Insights

- › Production decreased as guided, as low-grade stockpile feed supplemented the mine feed to allow waste capitalization activity to progress quicker in 2018. In addition, mining was constrained to lower grade areas.
- › AISC increased, as guided, due to the higher sustaining costs associated with the waste capitalization activity, the impact of lower production, and higher operating costs related to mining and processing a greater volume of fresh and transitional ore.
- › Stockpiles declined in 2018, amounting to 1.6Mt at 0.6g/t containing 32koz at year-end.

### 2018 Performance vs Guidance

- › Production totaled 141koz, achieving the lower end of the guided 140-150koz range.
- › AISC amounted to \$819/oz, well below the guided \$860-900/oz range as a portion of the planned waste

capitalization was shifted to 2019 and more oxide material was processed compared to the initial plan.

*Table 6: Agbaou Quarterly Performance Indicators*

For The Quarter Ended	Q4-2018	Q3-2018	Q4-2017
Tonnes ore mined, kt	481	625	826
Strip ratio (incl. waste cap)	13.65	10.11	7.74
Tonnes milled, kt	708	669	760
Grade, g/t	2.21	1.54	1.85
Recovery rate, %	95%	94%	93%
<b>PRODUCTION, KOZ</b>	<b>44</b>	<b>31</b>	<b>43</b>
Cash cost/oz	601	791	607
<b>AISC/OZ</b>	<b>776</b>	<b>954</b>	<b>690</b>

*Table 7: Agbaou Yearly Performance Indicators*

For The Year Ended	Dec. 31, 2018	Dec. 31, 2017
Tonnes ore mined, kt	2,399	2,983
Strip ratio (incl. waste cap)	11.40	8.42
Tonnes milled, kt	2,830	2,906
Grade, g/t	1.70	2.02
Recovery rate, %	94%	94%
<b>PRODUCTION, KOZ</b>	<b>141</b>	<b>177</b>
Cash cost/oz	677	557
<b>AISC/OZ</b>	<b>819</b>	<b>647</b>

### 2019 Outlook

- › Agbaou is expected to produce between 120-130koz in 2019 at an AISC of \$850-900/oz.
  - Mining is expected to focus mainly on the West pit, with some contribution from the North and South pits. The strip ratio is expected to remain at a high-level as a portion of the planned 2018 waste capitalization was shifted to 2019.
  - The plant throughput is expected to decline as the oxide ore blend is expected to reduce from approximately 80% in 2018 to 60%, with the remainder of the feed comprised of fresh and transitional ore.
  - Despite plans to mine higher grade ore, the average processed grade is expected to remain fairly flat over 2019 due to the use of lower-grade stockpiles. This marks a change compared to the previous mine plan due to the company's strategic focus on maximizing free cash flow generation and reducing working capital.
  - Sustaining costs are expected to increase from \$13 million to circa \$24 million mainly due to increased waste capitalization.
- › Approximately \$8 million of non-sustaining expenditure is planned for 2019, mainly covering work to raise the TSF.





### **2018 Exploration Program**

- › The 2018 exploration program amounted to \$4 million, totaling approximately 27,800 meters of drilling, focused mainly on open pit targets, located along extensions of known deposits and on parallel trends, and on the at-depth potential of the North pit.
  - Mineralization was confirmed at the extensions of several deposits including the MPN, North Pit Satellite 3, West Pit 5 and Beta. However, the mineralization intercepted was low-grade and lacked continuity, and therefore little follow-up drilling was done, with a focus instead on testing other higher potential targets.
  - Mineralization was confirmed at-depth in the North Pit. However, in the short-term no follow-up drilling is planned for this target as the potential resource in this area may not be suitable for open pit operations. As such, the focus remains on testing other open pit targets.

### **2019 Exploration Program**

- › An exploration program of up to \$2 million is being considered for 2019 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 and an update in unit cost assumptions for the reserve calculation.

## KARMA MINE

### Q4 vs Q3-2018 Insights

- › Production increased due to a significant increase in ore stacked following the end of the rainy season.
  - Tonnes of ore mined increased as mining activities ramped up following the end of the rainy season. Activities focused exclusively on mining oxide ore from the Kao pit.
  - Mill throughput increased as operating conditions improved, with increased stacker utilization.
  - Recovery rates remained high due to the improved leach characteristics of the oxide ore stacked.
- › AISC improved as the overall operating costs decreased, following the end of the rainy season, and due to an increase in ounces sold.
  - Mining unit costs decreased from \$3.18 to \$1.76 per tonne because of increased tonnages being mined following the wet season.
  - Processing unit costs decreased from \$8.46 to \$7.41 per tonne due to higher stacked tonnes and lower reagent consumption for oxide material processed.
  - Sustaining capital increased marginally from \$1.0 million to \$1.3 million due to spending on mining components.
- › Non-sustaining capital spend was consistent with Q3-2018, with \$8.3 million spent. The Q4-2018 costs were mainly related to pre-stripping at the Kao deposit, as well as the resettlement costs associated to its development.

### FY-2018 vs FY-2017 Insights

- › Production increased as guided, despite a lower processed grade, as the plant optimization work done in 2017 increased stacking capacity.
- › AISC decreased, specifically in the second half of the year when most of the ore stacked was oxide ore, while transitional ore from the GG2 pit impacted costs in the first half of the year.
- › Stockpiles grew in 2018, amounting to 0.7Mt at 0.6g/t containing 13koz at year-end.

### 2018 Performance vs Guidance

- › Production totaled 109koz, achieving the middle of the guided 105-115koz range.
- › AISC amounted to \$813/oz, achieving the guided \$780-830 range.

Table 8: Karma Quarterly Performance Indicators

For The Quarter Ended	Q4-2018	Q3-2018	Q4-2017
Tonnes ore mined, kt	788	755	1,184
Strip ratio (incl. waste cap)	5.54	3.01	2.14
Tonnes stacked, kt	1,037	981	1,026
Grade, g/t	0.98	1.02	1.06
Recovery rate, %	88%	89%	77%
<b>PRODUCTION, KOZ</b>	<b>33</b>	<b>26</b>	<b>21</b>
Cash cost/oz	592	729	798
<b>AISC/OZ</b>	<b>697</b>	<b>841</b>	<b>918</b>

Table 9: Karma Yearly Performance Indicators

For The Year Ended	Dec. 31, 2018	Dec. 31, 2017
Tonnes ore mined, kt	4,715	3,862
Strip ratio (incl. waste cap)	2.59	2.96
Tonnes stacked, kt	4,097	3,552
Grade, g/t	0.95	1.07
Recovery rate, %	82%	83%
<b>PRODUCTION, KOZ</b>	<b>109</b>	<b>98</b>
Cash cost/oz	704	716
<b>AISC/OZ</b>	<b>813</b>	<b>834</b>

### 2019 Outlook

- › Karma is expected to produce between 105-115koz in 2019 at an AISC of \$860-910/oz.
  - Mining is expected to focus mainly on oxide and transitional ore from the Kao pit, which is expected to be mined out by mid-year, and on oxide ore from the North Kao pit where pre-stripping will begin in Q1-2019 and ore extraction in Q2-2019. The strip ratio is expected to increase in 2019 due to North Kao.
  - Tonnes stacked and recovery rates are expected to remain fairly flat over 2018.
  - The mine's performance is expected to be better in the second half of the year as the first half is expected to be impacted by the Kao pit transitional ore.
  - Sustaining costs are expected to total circa \$5 million with the main spending related to the waste capitalization at North Kao pit.
  - Non-sustaining expenditure is expected to be relatively flat at \$24 million, comprising mainly stacking line extension and lift preparation and lining, and pre-stripping for the North Kao deposit.





### **2018 Exploration Program**

- › The 2018 exploration program amounted to \$3 million, totaling approximately 23,600 meters of drilling, focused mainly on Yabongso and North Kao, resulting in:
  - The identification of a maiden Indicated resource at the Yabongso target totalling 2.9Mt at 1.28 g/t Au containing 119koz.
  - The continuity of mineralization at the North Kao deposit was confirmed along an 800m strike length, with additional lenses identified to the south east.
- › Other targets such as Rambo West, Mogombouli, Zanna, and Rouna were also studied to prepare for the 2019 drilling campaign.

### **2019 Exploration Program**

- › An exploration program of up to \$2 million totaling approximately 27,000 meters has been planned for 2019, with the aim of delineating near-mill oxide targets, mainly focused on testing the extension of the North Kao deposit and the along strike and northern plunge extension of the Yabongso deposit.

### **Reserve & Resource Evolution**

- › As shown in Appendix 3, the variance in P&P reserves and M&I resources compared to the previous year corresponds to mining depletion and a decreased for the GG2 and Kao Main deposits, following changes in estimation parameters, which was partially offset by the addition of M&I resources and P&P reserves at the Yabongso deposit.

## ITY MINE: HEAP LEACH OPERATION

### Q4 vs Q3-2018 Insights

- › 2018 was guided to be a transition year for the heap leach operation with greater priority given to the CIL construction activities, particularly in the second half of the year as the main goal was to stack ore from lower grade stockpiles. However, Ity's heap leach operation performed above expectations, particularly in Q4-2018, as mining was opportunistically conducted based on equipment availability and the good progress made on Ity CIL construction.
- › Production remained flat as a decrease in stacked grade was offset by a higher recovery rate.
  - Tonnes of ore mined decreased, in line with the plan, as mining activity for the heap leach decreased to prioritize the construction of the CIL plant. Mining for the heap leach operation ceased in mid-December.
  - Ore stacked decreased as the quantity of ore mined decreased with lower-grade stockpiles supplementing the stacked feed. Stacking at the heap leach operation ceased in mid-December.
  - The stacked grade decreased as mining activity at the high-grade Bakatouo pit ceased for heap leach operations and low-grade ore stockpiles were used.
  - Recovery rates increased due to improved leach characteristics associated with the ore stacked from the Bakatouo pit.
- › AISC decreased due to lower unit mining costs associated with reduced water pumping requirements, as well as a lower strip ratio, lower processing and G&A costs, and increased ounces of gold sold in the period.
  - Mining unit costs decreased from \$7.02 to \$6.65 per tonne due to shorter haul distances as mining for the heap leach operations winds down.
  - Processing unit costs decreased from \$14.70 to \$13.80 per tonne due to lower reagent usage.
  - Sustaining capital decreased from \$0.3 million to \$0.07 million as the heap leach operation winds down.
- › There was no non-sustaining capital spent in the quarter.
- › Depreciation and depletion increased for the period due to accelerated depreciation taken on the heap leach assets as it nears the end of mine life.

### FY-2018 vs FY-2017 Insights

- › Record production was achieved due to significantly higher grades stacked from the Bakatouo deposit and increased stacking. AISC decreased due to increased production and lower sustaining costs.

### 2018 Performance vs Guidance

- › Production totaled 85koz, significantly exceeding its full-year guidance of 60-65koz as opportunistic mining was carried-out in the second half of the year.
- › AISC amounted to \$719/oz, well below the guided \$790-850/oz range, due to the above-mentioned opportunistic mining.

Table 10: Ity Quarterly Performance Indicators

For The Quarter Ended	Q4-2018	Q3-2018	Q4-2017
Tonnes ore mined, kt	200	253	402
Strip ratio (incl. waste cap)	1.47	2.43	3.18
Tonnes stacked, kt	316	326	372
Grade, g/t	2.37	2.64	1.86
Recovery rate, %	87%	78%	78%
<b>PRODUCTION, KOZ</b>	<b>21</b>	<b>21</b>	<b>17</b>
Cash cost/oz	563	667	657
<b>AISC/OZ</b>	<b>622</b>	<b>730</b>	<b>869</b>

Table 11: Ity Yearly Performance Indicators


For The Year Ended	Dec. 31, 2018	Dec. 31, 2017
Tonnes ore mined, kt	1,127	1,410
Strip ratio (incl. waste cap)	2.58	3.71
Tonnes stacked, kt	1,307	1,194
Grade, g/t	2.49	1.85
Recovery rate, %	81%	83%
<b>PRODUCTION, KOZ</b>	<b>85</b>	<b>59</b>
Cash cost/oz	646	733
<b>AISC/OZ</b>	<b>719</b>	<b>906</b>

### 2019 Outlook

- › Mining and stacking activities for the heap leach operation ceased in mid-December. Residual gold from the heaps, of up to 5koz, is expected to be recovered in Q1-2019.
- › Transition preparation and training efforts are underway to shift to CIL production in early Q2-2019.

### 2018 Exploration Program

- › The 2018 exploration program amounted to \$9 million, totaling 49,600 meters of drilling, focused mainly on the Le Plaque area and Daapleu deposit, resulting in:
  - The identification of mineralization in the Le Plaque area where drilling is ongoing and a resource is expected to be delineated in Q2-2019.
  - The validation of a high-grade at depth plunge at the Daapleu deposit.

- 
- The identification of mineralization below the leach pad suggesting an extension of the Bakatouo deposit.

### ***2019 Exploration Program***

- › An exploration program of up to \$11 million totaling approximately 71,000 meters has been planned for 2019, with the aim of delineating additional resources at the Le Plaque target, and testing other targets such as Foleu, Daapleu SW and Samuel.

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

- › As shown in Appendix 3, the increase in P&P reserves was a result of additional reserve conversion at the Bakatouo deposit, while the M&I resource decreased, albeit less than depletion, due to additional resource delineation.

## TABAKOTO MINE (DISCONTINUED OPERATION)

### Tabakoto Sale Insights

- › On December 24, 2018, Endeavour completed the sale of its interest in the non-core Tabakoto mine to Algom Resources Limited, a subsidiary of BCM International Ltd ("BCM").
- › The total sale price consideration is up to approximately US\$70 million, comprised of an upfront cash consideration of US\$35 million (which was received on December 24, 2018), a deferred cash consideration of US\$10 million expected in 2019, subject to certain conditions, and a 10% net smelter royalty on the Dar Salaam deposit, capped at a maximum of 200,000 ounces of gold.
- › An impairment and loss-on sale totaling \$41 million was recognized in 2018.

### Q4 vs Q3-2018 Insights

- › Production increased mainly due to higher average head grades, despite a decrease in milled tonnage.
  - Open pit production significantly decreased as the Tabakoto North pit neared its end of life.
  - Underground tonnes mined increased due to the end of the rainy season, allowing for improved stope access and productivity.
  - Despite a decrease in total milled tonnage, processing activities continued to perform well with throughput rates remaining flat.
  - The overall average grade processed increased as per the mine sequence.
  - The recovery rate remained flat.
- › AISC increased, despite lower mining and processing costs, mainly due to higher costs associated with processed stockpiles and higher G&A costs.
  - Open pit mining unit costs decreased from \$5.36 to \$5.15 per tonne because of a decrease in the open pit mining activity.
  - Underground mining unit costs decreased from \$85.92 to \$72.10 per tonne due to reduced fleet maintenance costs.
  - Processing unit costs decreased from \$22.45 to \$20.34 per tonne due to decreased reagent consumption.
  - Sustaining capital decreased from \$7.5 million to \$6.1 million following the increased underground development at the site in Q3-2018.
- › Non-sustaining capital spend of \$1.1 million, down from \$8.1 million.
- › There was zero depreciation and depletion this quarter as the asset was classified as a discontinued operation under IFRS during the period.

### FY-2018 vs FY-2017 Insights

- › Production decreased and AISC increased mainly due to a decrease in processed grades following the completion of the high-grade Kofi C pit in 2017 and Kofi B pit in H1-2018.

### 2018 Performance vs Guidance

- › Production totaled 115koz, achieving the bottom-end of the guided 115-130koz range, while the AISC finished above the guided range at \$1,369/oz.
- › The lower than expected performance is mainly attributable to sub-optimal underground equipment availability and associated maintenance costs.

Table 12: Tabakoto Quarterly Performance Indicators

For The Quarter Ended	Q4-2018	Q3-2018	Q4-2017
OP Tonnes ore mined, kt	108	146	165
OP Strip ratio (incl. waste cap)	3.81	5.25	10.33
UG tonnes ore mined, kt	164	143	157
Tonnes milled, kt	417	433	436
Grade, g/t	2.41	2.08	2.20
Recovery rate, %	92%	92%	92%
<b>PRODUCTION, KOZ</b>	<b>30</b>	<b>26</b>	<b>28</b>
Cash cost/oz	1,188	1,058	1,170
<b>AISC/OZ</b>	<b>1,470</b>	<b>1,420</b>	<b>1,411</b>

Table 13: Tabakoto Yearly Performance Indicators

For The Year Ended	Dec. 31, 2018	Dec. 31, 2017
OP Tonnes ore mined, kt	572	647
OP Strip ratio (incl. waste cap)	6.98	8.89
UG tonnes ore mined, kt	601	756
Tonnes milled, kt	1,714	1,640
Grade, g/t	2.28	2.90
Recovery rate, %	92%	94%
<b>PRODUCTION, KOZ</b>	<b>115</b>	<b>144</b>
Cash cost/oz	1,055	929
<b>AISC/OZ</b>	<b>1,369</b>	<b>1,148</b>

## ITY CIL PROJECT CONSTRUCTION: AHEAD OF SCHEDULE AND ON-BUDGET

- › Construction is progressing on-budget and two months ahead of schedule with the first gold pour expected in early Q2-2019.
- › Ity is expected to produce 160- 200koz in 2019 at an AISC of \$525- 590/oz, with the bottom-end of production guidance corresponding to the nameplate capacity while the top-end factors in possible upsides from an earlier start date, a quicker than expected ramp-up and the plant producing above its nameplate.
- › The major milestones achieved to date include:
  - Over 8 million man-hours have been worked without a lost time injury.
  - Overall project completion stands at more than 98%, tracking approximately two months ahead of schedule.
  - The project remains on-budget with the remaining cash outflow for 2019 amounting to \$50.0 – 60.0 million. As at December 31, 2018, the total project spend to date for capital expenditure stands at \$374 million, which includes approximately \$308 million of cash outflow, \$50 million of leased equipment and \$16 million of non-cash working capital.
  - The Ball and SAG mill commissioning has been completed and, in preparation for production, ore was introduced into the process plant milling circuit with all the CIL tanks filled and agitators commissioned.
  - The dry plant has been successfully commissioned.
  - The oxygen plant mechanical and piping installation is nearing completion and commissioning is expected to soon commence.
  - The tailings storage facility construction is complete.
  - The 11kV switch room and 11kV overhead power line have been commissioned, the 90kV transmission line construction is nearly complete, and the back-up power station has been commissioned.
  - The Daapleu haul bridge construction and river diversion have been completed.
  - The resettlement of Daapleu is complete and the official ceremony of handing over the houses took place on December 10, 2018.
  - Construction of the 312-room permanent employee camp, messing, and staff recreation facilities is complete.
  - Pre-stripping commenced at the Bakatouo and Ity Flat deposits in late 2018.
  - Demobilization of construction personnel has begun following the completion of key construction milestones, and operating teams are in place with training programs well underway.

*Picture 1: Process Plant*



## KALANA PROJECT UPDATE

- › The Kalana exploration program in 2018 amounted to \$7 million comprised of approximately 48,000 metres of drilling, focused primarily on the Kalana Main deposit and to a lesser extent on the Kalanako deposit.
- › At the Kalana Main deposit, the in-fill drilling program improved the geological model and converted a portion of the previously classified Inferred Resource in the northeastern part of the deposit to the Indicated category.
- › The 2016 Kalana Main Mineral Resource Estimate (MRE) as prepared by Avnel (the previous owner) was updated following a rebuild of the geological model using a more conservative approach to incorporate tighter geological controls for the high-grade nugget effect, stacked vein sets and dilution.
- › Endeavour considers the updated 2019 Kalana Main geological model to be a more robust and accurate model as:
  - The geological model was updated with over 30,000 metres of in-fill drilling completed since the project was acquired in late 2017. In total, more than 2,200 holes and more than 221,000 assays (including over 103,000 LeachWELL assays) were used to refine the geological model.
  - A total of 135 veins within 61 vein packages were individually modelled as opposed to the previous approach of applying geostatistics to 56 grouped vein packages, and thereby provided an upgraded confidence in the vein packages/domain boundaries.
  - Mineralized intersections outside of the defined wireframes where continuity was not proven were excluded.
  - The cut-off grade was lowered from 0.9 g/t Au to 0.5 g/t Au.
- › As illustrated in the below table, the M&I resource grade has been decreased from 4.14 g/t Au to 2.69 g/t Au based on the above-mentioned changes. For reference, the 2016 P&P reserve grade stood at 2.80 g/t Au.

**Table 14: Kalana Main Deposit M&I Resource Evolution (2016 Avnel vs. 2019 Snowden Estimates)**

(on a 100% basis)	PREVIOUS 2016 M&I RESOURCE <sup>1</sup>	UPDATED 2019 M&I RESOURCE <sup>2</sup>	
	0.9	0.9 (For comparative purpose)	0.5 (As reported)
Cut-off grade (g/t Au)			
Tonnage (Mt)	23	18	27
Grade (g/t Au)	4.14	3.70	2.69
Content (Au koz)	3,060	2,092	2,287

Mineral Reserve estimates follow the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") definitions standards for Mineral Resources and Reserves and have been completed in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument 43-101. Reported tonnage and grade figures have been rounded from raw estimates to reflect the relative accuracy of the estimate. Minor variations may occur during the addition of rounded numbers. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. <sup>1</sup>As per Avnel calculated resources as at March 2016, based on \$1,400/oz. For the notes related to the 2016 Resource Estimate, please consult the Kalana Technical Report dated March 30, 2016 available on the Endeavour website. <sup>2</sup> The Updated 2019 Mineral Resource has an effective date of February 8, 2019 and is constrained by a \$1,500/oz conceptual Pit Shell. For the notes relating to the 2019 Resource Estimate, please consult the section below entitled "Kalana Resource Modelling". The Qualified Persons for the 2019 Updated Resource is Geoff Booth, FAusIMM, Mining Consulting Manager, Snowden Mining Consultants.

- › The Kalana Main resource estimate is robust based on a lower gold price pit shell, as shown in the table below.

**Table 15: 2019 Kalana Main M&I Resource Sensitivity to Gold Price (0.5 g/t Au cut-off)**

(on a 100% basis)	BASED ON \$1,250/OZ PIT SHELL			BASED ON \$1,500/OZ PIT SHELL		
	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)
Indicated Resources	25.4	2.71	2,204	26.6	2.69	2,287
Inferred Resources	4.9	2.83	443	6.4	2.75	564

Mineral Reserve Estimates follow the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") definitions standards for Mineral Resources and Reserves and have been completed in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument 43-101. Reported tonnage and grade figures have been rounded from raw estimates to reflect the relative accuracy of the estimate. Minor variations may occur during the addition of rounded numbers. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. For notes relating to the Resource Estimate, please consult the section below entitled "Kalana Resource Modelling".



- › Endeavour updated the Mineral Resource Estimate for the nearby Kalanako deposit based on the additional drilling conducted, as presented in the table below.

**Table 16: 2019 Kalana Project Consolidated Mineral Resource Estimate as at February 8, 2019**

(on a 100% basis)	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)
<b>Kalana Main</b>			
Measured Resources	-	-	-
Indicated Resources	26.6	2.69	2,290
<b>M&amp;I Resources</b>	<b>26.6</b>	<b>2.69</b>	<b>2,290</b>
Inferred Resources	6.4	2.75	560
<b>Kalanako</b>			
Measured Resources	-	-	-
Indicated Resources	2.1	2.27	150
<b>M&amp;I Resources</b>	<b>2.1</b>	<b>2.27</b>	<b>150</b>
Inferred Resources	0.2	4.66	25
<b>Tailings</b>			
Measured Resources	-	-	-
Indicated Resources	0.7	1.75	40
<b>M&amp;I Resources</b>	<b>0.7</b>	<b>1.7</b>	<b>40</b>
Inferred Resources	-	-	-
<b>Total Kalana Project</b>			
Measured Resources	-	-	-
Indicated Resources	29.4	2.62	2,480
<b>M&amp;I Resources</b>	<b>29.4</b>	<b>2.62</b>	<b>2,480</b>
Inferred Resources	6.6	2.78	585

Mineral Reserve estimates follow the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") definitions standards for Mineral Resources and Reserves and have been completed in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument 43-101. Reported tonnage and grade figures have been rounded from raw estimates to reflect the relative accuracy of the estimate. Minor variations may occur during the addition of rounded numbers. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The 2019 Resource estimate is based on a 0.5 g/t Au cut-off grade. The Updated 2019 Mineral Resource has an effective date of February 8, 2019 and is constrained by a conceptual \$1,500/oz Pit Shell. The Qualified Person for the Kalana Main Resource Estimate is Geoff Booth, FAusIMM, Mining Consulting Manager, Snowden Mining Consultants. The Qualified Person for the Kalanako Estimate is Helen Oliver, FGS, CGeol, Endeavour Mining. The Qualified Person for the Tailings Resource is Ivor Jones FAusIMM, Principal, Denny Jones Pty Ltd. For additional notes relating to the 2019 Resource Estimates, please consult the section below entitled "Kalana Resource Modelling".

- › An exploration programme of up to \$4 million totaling approximately 23,000 metres is planned for 2019, with the aim of testing nearby targets and initiating work on the Fougadian licence.
- › The Updated 2019 Mineral Resource will be used as a basis for an updated feasibility study which is expected to be prepared for Q4-2019.
- › In parallel to working on the Kalana Feasibility Study and further testing of exploration potential, Endeavour intends to review its other available internal growth opportunities. Based on Endeavour's capital allocation strategy, the Kalana project investment case will be reviewed against its other internal growth opportunities and uses of capital.

## EXPLORATION ACTIVITIES

### 2018 Exploration Activities

- As shown in the table below, a total of \$53 million of exploration expenditures were incurred in 2018 with details by asset provided in the above mine sections.
- The 2018 exploration program mainly focused on delineating the potential at Endeavour's two flagship mines (Houndé and Ity) and on developing Endeavour's organic growth potential (Kalana, Fetekro, and other greenfield properties).

Table 17: Exploration Expenditures, \$m

In US\$m	2018 ACTUALS	2019 GUIDANCE	
Agbaou	4	~2	4%
Tabakoto	6	0	n.a.
Ity mine and trend	9	~11	23%
Karma	3	~2	5%
Kalana	7	~4	8%
Houndé	14	~17	37%
Fetekro	4	~7	16%
Other greenfield properties	5	~4	8%
<b>TOTAL EXPLORATION EXPENDITURES*</b>	<b>53</b>	<b>45-50</b>	<b>100%</b>

\*Includes expensed, sustaining, and non-sustaining exploration expenditures.

### 2019 Exploration Activities

- Exploration will continue to be a strong focus in 2019 with a company-wide exploration program of \$45-50 million, with approximately 20% expensed, 5% sustaining, and 75% non-sustaining.
- The main focus is expected to continue to be near-mine exploration at Endeavour's two flagship mines (Houndé and Ity) and continue to develop organic growth opportunities such as Kalana, Fetekro, and other greenfield properties.
  - At Houndé, additional resource delineation is expected, notably at the Kari Pump, Kari Center and Kari West targets.
  - At Ity, additional resource delineation is expected, notably at the Le Plaque target.
  - Greenfield exploration efforts are expected to be primarily focused on delineating additional resources at the Fetekro property. In addition, work will also be conducted on other exploration licenses in Côte d'Ivoire (such as on the Bondoukou cluster and the Mankono-Sissedougou JV with Barrick), on the Siguiri license in Guinea, and on the Kofi North and Netekoto licenses in Mali.

## GROUP RESERVES AND RESOURCES

- Measured and Indicated ("M&I") resources amounted to 14Moz at year-end 2018, up 0.9Moz or 7% over the previous year, as mine depletion was more than offset by the maiden resources delineated.
- Proven and Probable (P&P) reserves for continuing operations amounted to 8Moz at year-end 2018, down 0.6Moz or 7% over the previous year, mainly due to the time lag between resource delineation and reserve conversion. An updated reserve is expected to be published for the Houndé mine in mid-2019 following the 987koz maiden Indicated resource outlined at the Kari Pump discovery.
- 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 18: Reserve and Resource Evolution

In Moz, on a 100% basis	AS AT DEC. 31, 2017		AS AT DEC. 31, 2018	Δ (for continuing operations)	
	Including discontinued Tabakoto mine	For continuing operations	For continuing operations		
P&P Reserves	9.1	8.6	8.0	(0.6)	(7%)
M&I Resources (inclusive of Reserves)	14.9	12.9	13.9	0.9	+7%
Inferred Resources	3.1	2.3	2.4	0.1	+6%

Notes available in Appendix 3 for the 2018 Mineral Reserves and Resources. For 2017 Reserves and Resource notes, please consult Company's press releases dated March 13, 2018 available on the Company's website.

## CASH FLOW BASED ON ALL-IN MARGIN APPROACH

- › The table below presents the cash flow for the 12 months ended December 31<sup>st</sup>, based on the All-In Margin approach with accompanying notes below.

Table 19: Simplified Cash Flow Statement

		YEAR ENDED,	
		Dec. 31, 2018	Dec. 31, 2017
<i>(in US\$ million)</i>			
<b>GOLD SOLD FROM CONTINUING OPERATIONS, koz</b>	<i>(Note 1)</i>	<b>612</b>	<b>393</b>
Gold Price, \$/oz	<i>(Note 2)</i>	1,228	1,199
<b>REVENUE FROM CONTINUING OPERATIONS</b>		<b>752</b>	<b>471</b>
Total cash costs		(355)	(222)
Royalties	<i>(Note 3)</i>	(41)	(23)
Corporate costs		(27)	(23)
Sustaining capex	<i>(Note 4)</i>	(26)	(23)
Sustaining exploration		(7)	(8)
<b>ALL-IN SUSTAINING MARGIN FROM CONTINUING OPERATIONS</b>	<i>(Note 5)</i>	<b>296</b>	<b>171</b>
Less: Non-sustaining capital	<i>(Note 6)</i>	(70)	(44)
Less: Non-sustaining exploration	<i>(Note 7)</i>	(42)	(25)
<b>ALL-IN MARGIN FROM CONTINUING OPERATIONS</b>		<b>184</b>	<b>102</b>
Working capital	<i>(Note 8)</i>	(10)	(2)
Changes in long-term inventories	<i>(Note 9)</i>	(30)	0
Changes in long-term receivables	<i>(Note 10)</i>	(13)	0
Taxes paid		(24)	(14)
Interest paid and financing fees	<i>(Note 11)</i>	(48)	(14)
Cash settlements on hedge programs and gold collar premiums	<i>(Note 12)</i>	6	(4)
<b>NET FREE CASH FLOW FROM CONTINUING OPERATIONS</b>		<b>64</b>	<b>69</b>
Growth project capital	<i>(Note 13)</i>	(267)	(317)
Greenfield exploration expense		(8)	(5)
M&A activities	<i>(Note 14)</i>	33	(54)
Cash paid on settlement of share appreciation rights, DSUs and PSUs		(8)	(4)
Net equity proceeds		(1)	108
Restructuring costs		0	(7)
Other (foreign exchange gains/losses and other)	<i>(Note 15)</i>	(25)	(9)
Convertible senior bond	<i>(Note 16)</i>	330	0
Proceeds (repayment) of long-term debt	<i>(Note 17)</i>	(70)	160
Cashflows used by discontinued operations	<i>(Note 18)</i>	(47)	58
<b>CASH INFLOW (OUTFLOW) FOR THE PERIOD</b>		<b>1</b>	<b>(2)</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) Gold sales from continuing operations increased mainly due to the commissioning of Houndé in Q4-2017, which had its first full-year of production in 2018.
- 2) The 2018 realized gold price was \$1,228/oz compared to \$1,199/oz in 2017. Both these amounts include the impact of the Karma stream, amounting to 23,750 ounces sold in 2018 and 20,000 in 2017, at 20% of spot prices.
- 3) Royalties paid increased due to both greater gold sales and a higher realized gold price, representing approximately \$67/oz sold for 2018 compared to \$59/oz for 2017.
- 4) Sustaining capital for continuing operations for 2018 increased compared to the corresponding period of 2017 due to the addition of Houndé and an increase at Agbaou, which were offset by a decrease at Ity as illustrated in

the below table. Further details by assets are provided in the above mine sections.

**Table 20: Sustaining Capital for Continuing Operations**

(in US\$ million)	THREE MONTHS ENDED			YEAR ENDED	
	Dec. 31, 2018	Sep. 30, 2018	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2017
Agbaou	6	4	1	13	8
Ity Heap Leach	0	0	3	2	7
Karma	1	1	1	4	4
Houndé	1	3	4	7	4
<b>Total</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>26</b>	<b>23</b>

- 5) The All-In Sustaining Margin from continuing operations increased due the inclusion of Houndé for the full-year, higher realized gold prices, and an increase in gold sold at Ity, which offset the decrease in revenue generated by Agbaou.
- 6) Non-sustaining capital spending from continuing operations increased by \$26 million in 2018 over 2017 mainly due to an increase at Agbaou for waste capitalization activities and the addition of the Houndé mine.
- 7) Non-sustaining exploration capital increased in line with Endeavour's strategic objective of unlocking exploration value.
- 8) As expected, there was a working capital cash inflow in Q4-2018, amounting to \$79 million, reducing the total outflow to \$10 million for the year. The main components for the full year outflow were:
  - Receivables were a 2018 outflow of \$5 million. The 2018 outflow primarily related to an increase in VAT receivables at the Burkina Faso mine sites (Karma and Houndé) of \$5 million and the recognition of \$9 million for the current portion of the Tabakoto sale receivable. This was offset partly by a reduction in other receivable balances during the year across the Corporation.
  - Inventories were a 2018 outflow of \$17 million relating primarily to a build up of stockpiles at Houndé which totalled \$29 million at year end. This was offset by a decrease at Ity where mining operations is winding down, as well as Karma where inventory levels are being reduced to optimised levels.
  - Prepayments are a 2018 \$5 million inflow due to a prepayment for strategic spares at Houndé that was in place at year end 2017. These were received in 2018 and are accounted for as part of consumable inventory.
  - Trade and other payables are a \$7 million inflow 2018. At year end there was a \$12 million outflow at Karma due to a change in supplier terms from last year and \$13 million outflow in payables at Agbaou which was the result of the site having a logistical issue in paying a key supplier in the prior period. This was offset against an inflow in trade payables of \$22 million across Ity and Houndé.
- 9) The changes in long-term inventories is a new policy adopted by the group whereby stockpiled material that will not be processed within 12 months is treated as a non-current asset. The outflow in the year represents the build-up of this newly classified item.
- 10) Changes in long-term assets relates to the recognition of the long-term receivable for NSR on the sale of the Tabakoto mine.
- 11) Interest and financing fees paid increased due to the increase in debt outstanding related to the construction of Houndé and Ity CIL.
- 12) The revenue protection program, based on a collar with a floor at \$1,300/oz and a ceiling of \$1,500/oz, generated a cash inflow, net of the premium, of \$5 million in Q4-2018 amounting to \$6 million for the year.
- 13) Growth project for 2018 was comprised mainly of:
  - \$235m for the Ity CIL project
  - \$13m on TSF construction and other at Houndé
  - \$11m on Kalana
  - \$7m on aviation equipment purchased to reduce travel costs and improve efficiency
- 14) \$33m was received upon closing of the Tabakoto sale in Q4-2018, net of transaction fees, while the 2017 outflow mainly relates to the purchase of an additional 25% stake in the Ity mine which was netted against proceeds received from the Nzema sale.
- 15) A foreign exchange loss, mainly on the settlement of euro denominated supplier payments, occurred because of a stronger US dollar.

- 16) \$330 million was received in Q1-2018 from the convertible notes issuance.
- 17) \$280 million was repaid on the revolving credit facility ("RCF") in Q1-2018, while \$70 million, \$80 million and \$60 million were subsequently redrawn in respectively Q2, Q3, and Q4-2018, mainly to fund the Ity CIL construction.
- 18) For 2018, the discontinued operation represents the Tabakoto mine, while for 2017 it also includes the Nzema mine.

## NET CASHFLOW, NET DEBT AND LIQUIDITY SOURCES

- At year-end, Endeavour's available sources of financing and liquidity remained strong at \$244 million, which included its \$124 million cash position and \$120 million undrawn on the RCF. In addition to these liquidity sources, Endeavour also has strong cash flow generation and the remaining proceeds from the Tabakoto and Nzema sales.
- 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**

	THREE MONTHS ENDED			YEAR ENDED	
	Dec. 31, 2018	Sep. 30, 2018	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2017
(in US\$ million unless stated otherwise)					
<b>Net cash from (used in), as per cash flow statement:</b>					
Operating activities (Note 19)	131	12	82	251	223
Investing activities (Note 20)	(87)	(120)	(123)	(453)	(479)
Financing activities (Note 21)	43	64	33	204	252
Effect of exchange rate changes on cash	(1)	(1)	4	(1)	4
<b>INCREASE/(DECREASE) IN CASH</b>	<b>86</b>	<b>(45)</b>	<b>(3)</b>	<b>1</b>	<b>(2)</b>
Cash position at beginning of period	38	82	125	123	124
Cash position discontinued operation	-	(4)	-	-	-
<b>CASH POSITION AT END OF PERIOD</b>	<b>124</b>	<b>37</b>	<b>123</b>	<b>124</b>	<b>123</b>
Equipment financing (Note 22)	(100)	(69)	(54)	(100)	(54)
Convertible senior bond (Note 23)	(330)	(330)	0	(330)	0
Drawn portion of revolving credit facility	(230)	(170)	(300)	(230)	(300)
<b>NET DEBT POSITION</b> (Note 24)	<b>536</b>	<b>535</b>	<b>232</b>	<b>536</b>	<b>232</b>
Net Debt / Adjusted EBITDA (LTM) ratio	1.97	1.79	1.05	1.97	1.05

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:

- 19) Net cash flow from operating activities during 2018 was \$251 million, up \$28 million over 2017, mainly due to an increase in revenues (related to more ounces sold at a higher gold price) which were offset by a \$10 million outflow of non-cash working capital.
- 20) Net cash used in investing activities during 2018 was \$453 million, down \$26 million over 2017. Investing activities remained high due to the \$267 million growth project capital spend (mainly for Ity CIL construction – reference Note 12 above), increased in sustaining, non-sustaining capital spend and changes in long-term inventories (reference respectively Notes 4, 6 and 9 above), which were partially offset by proceeds received from the sale of Tabakoto (reference Note 13 above).
- 21) Net cash generated in financing activities during 2018 was \$204 million, which was mainly related to the \$330 million convertible bond issuance which was offset by \$70 million in net repayment on the RCF and \$24 million in interest payments.
- 22) Equipment lease financing stood at \$100 million as at year end, up \$46 million due to an increase in equipment financing relating to the backup CAT power generators and Komatsu mine fleet for the Ity CIL project.
- 23) In 2018, Endeavour issued a \$330 million convertible note and subsequently downsized its \$500 million revolving credit facility to \$350 million.
- 24) As anticipated, net debt increased from \$232 million to \$536 million over the past year mainly due to the Ity construction. Net debt is expected to decline in 2019 once the Ity CIL project is commissioned due to the project's low production costs and quick payback.

## OPERATING CASH FLOW PER SHARE

- › The increase in operating cash flows from continuing operations was due to more ounces sold, due to a full year of Houndé production, at a higher gold price, resulting in operating cash flow before non-cash working capital increasing by 64% over 2017 to \$261 million for 2018, representing \$2.43/share.

Table 22: Operating Cash Flow Per Share

All amounts are from continuing operations, in US\$ million unless stated otherwise	THREE MONTHS ENDED			YEAR ENDED	
	Dec. 31, 2018	Sept 30, 2018	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2017
<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>131</b>	<b>12</b>	<b>84</b>	<b>251</b>	<b>223</b>
Add back changes in non-cash working capital	79	(34)	4	(10)	(2)
<b>OPERATING CASH FLOWS BEFORE NON-CASH WORKING CAPITAL</b>	<b>53</b>	<b>45</b>	<b>14</b>	<b>261</b>	<b>159</b>
Divided by weighted average number of O/S shares, in millions	108	108	9	108	107
<b>OPERATING CASH FLOW PER SHARE</b>	<b>0.49</b>	<b>0.42</b>	<b>1.47</b>	<b>2.43</b>	<b>1.49</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 amounted to \$75 million for 2018, an increase of \$7 million over 2017, mainly due to the higher revenue which was offset an \$80 million increase in depreciation and depletion, a \$56 million increase in current income taxes expense and higher finance costs.
- › In 2018, total adjustments of \$212 million were made related mainly to:
  - A \$155 million adjustment of the loss from the discontinued operation at Tabakoto.
  - In addition, adjustments were made for acquisitions and restructuring costs, deferred income tax expense, stock-based expenses, gains/loss on financial instruments and other non-cash adjustments.

Table 23: Net Earnings and Adjusted Net Earnings

(in US\$ million unless stated otherwise)	THREE MONTHS ENDED			YEAR ENDED	
	Dec 31, 2018	Sept.30, 2018	Dec 31, 2017	Dec 31, 2018	Dec 31, 2017
<b>TOTAL NET EARNINGS</b>	<b>(130)</b>	<b>(20)</b>	<b>(134)</b>	<b>(138)</b>	<b>(177)</b>
Less adjustments (see MD&A)	151	20	190	212	246
<b>ADJUSTED NET EARNINGS FROM CONTINUING OPERATIONS</b>	<b>22</b>	<b>(0)</b>	<b>56</b>	<b>75</b>	<b>68</b>
Less portion attributable to non-controlling interests	6	1	3	21	14
<b>ATTRIBUTABLE TO SHAREHOLDERS</b>	<b>16</b>	<b>(1)</b>	<b>53</b>	<b>53</b>	<b>54</b>
Divided by weighted average number of O/S shares	108	108	108	108	107
<b>ADJUSTED NET EARNINGS PER SHARE (BASIC) FROM CONTINUING OPERATIONS</b>	<b>0.15</b>	<b>(0.01)</b>	<b>0.49</b>	<b>0.49</b>	<b>0.51</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.



## 2019 OUTLOOK

- Group production from continuing operations is expected to increase to 615-695koz in 2019 and AISC is expected to be between \$760-810/oz due to the benefit of the Ity CIL project coming online in early Q2-2019. More details on individual mine guidance have been provided in the above sections.

*Table 24: Production Guidance from Continuing Operations, koz*

(All amounts in koz, on a 100% basis)	2018 ACTUALS	2019 FULL-YEAR GUIDANCE		
Agbaou	141	120	-	130
Ity	85	160	-	200
Karma	109	105	-	115
Houndé	277	230	-	250
<b>GROUP PRODUCTION</b>	<b>612</b>	<b>615</b>	<b>-</b>	<b>695</b>

*Table 25: AISC Guidance from Continuing Operations, \$/oz*

(All amounts in US\$/oz)	2018 ACTUALS	2019 FULL-YEAR GUIDANCE		
Agbaou	819	850	-	900
Ity	719	525	-	590
Karma	813	860	-	910
Houndé	564	720	-	790
Corporate G&A	43	35	-	35
Sustaining exploration	12	5	-	5
<b>GROUP AISC</b>	<b>744</b>	<b>760</b>	<b>-</b>	<b>810</b>

- As detailed in the table below, sustaining and non-sustaining capital allocations for 2019 amount to \$68 million and \$83 million respectively. Growth projects amount to \$64 million, mainly for the completion of the Ity CIL project construction. More details on individual mine capital expenditures have been provided in the above sections.

*Table 26: Capital Expenditure Guidance, \$m*

(All amounts in US\$m)	SUSTAINING CAPITAL	NON-SUSTAINING CAPITAL	GROWTH PROJECTS
Agbaou	24	8	
Ity	1	2	55
Karma	5	24	
Houndé	35	7	
Kalana	0	0	9
Exploration	3	36	
Corporate (mainly comprised IT systems across the Group)	0	6	
<b>TOTAL</b>	<b>68</b>	<b>83</b>	<b>64</b>

- Exploration will continue to be a strong focus in 2019 with a company-wide exploration program of \$45-50 million, with approximately 20% expensed, 5% sustaining, and 75% non-sustaining.
- A short-term Gold Revenue Protection Strategy was entered into in early 2018 to protect the company's cash generation during the Ity CIL construction period, beginning on February 1, 2018 and ending on April 30, 2019. The program consists of a deferred premium collar strategy using written call options and bought put options with a floor price of \$1,300/oz and a ceiling price of \$1,500/oz. The program initially covered a total of 400,000 ounces and as at December 31, 2018, a total of 107,000 ounces remained. Once these contracts expire, Endeavour will return to a position where its gold production is fully exposed to spot gold prices.

## CONFERENCE CALL AND LIVE WEBCAST

Management will host a conference call and live webcast today at 8:30am Toronto time (EST) to discuss the Company's financial results.

The conference call and live webcast are scheduled at:

5:30am in Vancouver

8:30am in Toronto and New York

1:30pm in London

9:30pm in Hong Kong and Perth

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

<https://edge.media-server.com/m6/p/n759ggdv>

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

International: +16315107495

North American toll-free: + 18669661396

UK toll-free: 08003767922

Confirmation Code: **5693456**

**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:



## KALANA PROJECT RESOURCE MODELLING

The 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 2019 Kalanko geological model and resource estimation 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 tailings MRE is unchanged from the 2016 Resource Estimate prepared by Ivor Jones FAusIMM, Principal, Denny Jones Pty Ltd and a Qualified Person as defined by NI 43-101.

### MINERAL RESOURCE ESTIMATE

The MREs for Kalana Main and Kalanako have been updated with the recent Endeavour exploration results. The MREs have utilised the IAMGOLD (2010-12) and SOMIKA (2012-15) exploration results. The drilling and sampling protocols are largely the same and are considered to be suitable for use in a MRE.

Kalana Main gold mineralisation has been modelled at a threshold of 0.2 ppm Au to 0.3 ppm Au with a thickness of three metres down-the hole (DTH, equivalent to two metres vertically). One hundred and thirty-five (135) veins have been modelled within 61 Vein Packages, grouped into eight types or domains based on geometry, orientation and/or location. The veins have a typical thickness of four to five metres (DTH), but may exceed 40 m. There is no gold enrichment or depletion in the saprolite.

Gold mineralisation at Kalanako has been modelled at a threshold of 0.2 ppm Au with a minimum thickness of three metres down-the hole (equivalent to two metres vertically) into 34 wireframes (of which six represent two-thirds of the total mineralised volume). The mineralised wireframes are considered to be a single domain and have an average thickness of seven metres.

Specific gravities of 1.66 g/cm<sup>3</sup> for the Saprolite, 2.19 g/cm<sup>3</sup> Saprock and 2.69 g/cm<sup>3</sup> Fresh Rock at Kalana have been used derived from results of the Archimedes Method. Specific gravities of 1.70 g/cm<sup>3</sup> for the Mottled Zone, 1.76 g/cm<sup>3</sup> Saprolite, 2.09 g/cm<sup>3</sup> Saprock and 2.64 g/cm<sup>3</sup> Fresh Rock at Kalanako have been used.

### KALANA MAIN

The February 2019 Kalana Main Mineral Resource Estimate utilises data and geological interpretations used by Denny Jones (2016) to estimate the Mineral Resource, plus geological interpretation and drill data compiled by EDV in 2018.

The Kalana Mineral Resource was estimated utilising Categorical Kriging to reduce internal dilution within the mineralised wireframes and Multiple Indicator Kriging (MIK) with dynamic anisotropy to estimate the grade in Datamine Studio 3. One metre composites were used and no capping was applied.

The Kalana Main MRE is constrained within a US\$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 = US\$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.

## **KALANAKO**

One metre composites and a top cap of 90 g/t Au have been applied. The average grade of the encapsulated samples is 1.42 g/t Au and the average grade of the capped composites is 1.30 g/t Au. There is no gold enrichment or depletion in the saprolite.

The Kalanako gold grades have been estimated by Ordinary Kriging into a Geovia Surpac block model with 10 m x 10 m x 5 m blocks subdivided into 2.5 m x 2.5 m x 1.25 m blocks.

The criteria for classification follows the CIM Definition Standards 2014 and is based on a minimum of five samples within 50 m from at least three holes for Indicated Mineral Resources and three samples in 100 m from at least three holes for Inferred Mineral Resources.

The Kalanako MRE is constrained by a conceptual (Whittle) pit based on a gold price of US\$1,500/oz, mining cost of US\$2.00/t, processing and G&A cost of US\$21 for oxide, US\$26 for transition and US\$25 for fresh, 92 % gold recovery and a pit slope of 40°.

### **DRILLING AND ASSAY PROCEDURES**

The Reverse Circulation (RC) drill programme samples were collected on one metre intervals using dual tube, percussion hammer and drop centre bit. The material passed through a cyclone which was thoroughly cleaned after every sample by flushing the hole. Samples were split at the drill site using a three-tier riffle splitter with both bulk and laboratory sample weights and moisture recorded. Samples sent to the laboratory are between four and five kilograms in weight. Representative samples for each interval were collected with a spear, sieved into chip trays and retained for reference. Washed chips were also glued onto display boards.

Drill core (PQ, HQ and NQ size) samples were selected by Endeavour geologists and sawn in half with a diamond blade at the project site. Half of the core was retained at the site for reference purposes. Sample intervals were generally one metre in length.

All samples were transported by road to ALS in Ouagadougou, Burkina Faso or in Kumasi, Ghana, or to the BIGS Global Burkina SARL Laboratory in Ouagadougou in secured, poly-woven bags.

On arrival, the RC and DD samples were weighed and crushed to 6 mm (70% passing), and a two-kilogram me sample taken by a rotary split which was pulverised to 75 µm (85% passing).

The two kilogramme pulverised samples were analysed for gold using the LeachWELL (LW) method. LW tails were further analysed by Fire Assay (50 g charge) with an Atomic Absorption (AA) finish when returning an assay of over 0.3 ppm Au.

### **QUALITY ASSURANCE/QUALITY CONTROL PROCEDURES**

The sampling and assaying at Kalana and Kalanako were monitored through the implementation of a quality assurance/quality control (QA/QC) programme with the use of Certified Reference Materials ("standards"), blanks and duplicates inserted into the sample stream by Endeavour geologists.

QA/QC results are reviewed on a certificate basis and "failed" samples are identified and re-assayed according to the Endeavour QA/QC protocol.

The Kalana exploration database is held within a propriety electronic secure database system with a dedicated Database Manager.

## QUALIFIED PERSONS

Gérard de Hert, EurGeol, Senior VP Exploration for Endeavour Mining, has reviewed and approved the technical information in this news release. Gérard de Hert has more than 20 years of mineral exploration and mining experience and is a "Qualified Person" as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101").

## 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 4 mines across Côte d'Ivoire (Agbaou and Ity) and Burkina Faso (Houndé, Karma) which are expected to produce 615-695koz in 2019 at an AISC of \$760-810/oz.*

*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			TABAKOTO			ITY			KARMA			HOUNDE		
		Q4-2018	Q3-2018	Q4-2017	Q4-2018	Q3-2018	Q4-2017	Q4-2018	Q3-2018	Q4-2017	Q4-2018	Q3-2018	Q4-2017	Q4-2018	Q3-2018	Q4-2017
<i>(on a 100% basis)</i>																
<b>Physicals</b>																
Total tonnes mined – OP <sup>1</sup>	000t	7,040	6,942	7,216	521	912	1,864	494	867	1,679	5,155	3,027	3,716	11,925	9,894	9,798
Total ore tonnes – OP	000t	481	625	826	108	146	165	200	253	402	788	755	1,184	1,736	1,413	663
Open pit strip ratio <sup>1</sup>	W:t ore	13.65	10.11	7.74	3.81	5.25	10.33	1.47	2.43	3.18	5.54	3.01	2.14	5.87	6.00	13.78
Total tonnes mined – UG	000t	-	-	-	211	182	207	-	-	-	-	-	-	-	-	-
Total ore tonnes – UG	000t	-	-	-	164	143	157	-	-	-	-	-	-	-	-	-
Total tonnes milled	000t	708	669	760	417	433	436	316	326	372	1,037	981	1,026	1,062	1,006	813
Average gold grade milled	g/t	2.21	1.54	1.85	2.41	2.08	2.20	2.37	2.64	1.86	0.98	1.02	1.06	2.38	2.02	2.75
Recovery rate	%	95%	94%	93%	92%	92%	92%	87%	78%	78%	88%	89%	77%	93%	94%	95%
Gold ounces produced	oz	44,360	31,248	43,439	29,598	26,456	28,117	20,574	20,993	17,287	33,459	26,064	21,102	75,828	60,736	68,754
<b>Gold sold</b>	<b>oz</b>	<b>43,880</b>	<b>30,649</b>	<b>41,490</b>	<b>29,398</b>	<b>25,851</b>	<b>27,741</b>	<b>20,462</b>	<b>20,929</b>	<b>16,316</b>	<b>33,516</b>	<b>24,668</b>	<b>20,574</b>	<b>75,567</b>	<b>57,913</b>	<b>61,024</b>
<b>Unit Cost Analysis</b>																
Mining costs - Open pit	\$/t mined	2.38	2.57	2.68	5.15	5.36	2.99	6.65	7.02	3.27	1.76	3.18	1.75	1.92	2.14	1.33
Mining costs – Underground	\$/t mined	-	-	-	72.10	85.92	74.90	-	-	-	-	-	-	-	-	-
Processing and maintenance	\$/t milled	7.66	7.77	8.07	20.34	22.45	20.22	13.80	14.70	13.85	7.41	8.46	8.15	11.84	12.71	6.81
Site G&A	\$/t milled	4.17	4.81	4.32	10.54	9.76	11.39	3.47	8.83	9.47	3.06	3.59	4.14	6.71	6.03	3.38
<b>Cash Cost Details</b>																
Mining costs - Open pit <sup>1</sup>	\$000s	16,731	17,826	19,312	2,682	4,884	5,564	3,286	6,087	5,491	9,052	9,626	6,512	22,849	21,180	9,296
Mining costs -Underground	\$000s	-	-	-	15,215	15,638	15,504	-	-	-	-	-	-	-	-	-
Processing and maintenance	\$000s	5,421	5,201	6,130	8,486	9,720	8,818	4,358	4,793	5,152	7,684	8,295	8,365	12,581	12,789	5,534
Site G&A	\$000s	2,955	3,220	3,281	4,396	4,224	4,965	1,097	2,877	3,522	3,171	3,526	4,250	7,126	6,062	2,745
Capitalized waste	\$000s	(5,055)	(3,239)	(3,288)	(3,643)	(4,260)	(3,665)	0	0	(829)	(2,881)	(3,502)	(754)	(412)	(2,617)	(3,995)
Inventory adjustments and other	\$000s	6,336	1,242	(247)	7,800	(2,859)	1,268	2,786	196	(2,612)	5,632	27	(1,948)	(3,738)	(7,377)	(1,754)
Cash costs for ounces sold	\$000s	26,387	24,250	25,189	34,937	27,349	32,454	11,526	13,953	10,725	22,657	17,972	16,425	38,407	30,037	11,826
Royalties	\$000s	1,931	1,358	2,292	2,172	1,865	2,118	1,125	952	786	2,360	1,761	1,360	4,922	4,222	4,595
Sustaining capital	\$000s	5,750	3,636	1,154	6,112	7,496	4,583	70	382	2,665	1,329	1,022	1,095	1,120	2,712	3,995
Cash cost per ounce sold	\$/oz	601	791	607	1,188	1,058	1,170	563	667	657	592	729	798	508	519	194
<b>Mine-level AISC/ Per Ounce Sold</b>	<b>\$/oz</b>	<b>776</b>	<b>954</b>	<b>690</b>	<b>1,470</b>	<b>1,420</b>	<b>1,411</b>	<b>622</b>	<b>730</b>	<b>869</b>	<b>697</b>	<b>841</b>	<b>918</b>	<b>588</b>	<b>638</b>	<b>335</b>

1) Includes waste capitalized



## ON A FULL YEAR BASIS

(on a 100% basis)

		AGBAOU		TABAKOTO		ITY		KARMA		HOUNDÉ	
		Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2017
<b>Physicals</b>											
Total tonnes mined – OP <sup>1</sup>	000t	29,735	28,100	4,569	6,400	4,028	6,647	16,932	15,312	41,489	17,271
Total ore tonnes – OP	000t	2,399	2,983	572	647	1,127	1,410	4,715	3,862	5,822	1,222
Open pit strip ratio <sup>1</sup>	W:t ore	11.40	8.42	6.98	8.89	2.58	3.71	2.59	2.96	6.13	13
Total tonnes mined – UG	000t	-	-	784	997	-	-	-	-	-	-
Total ore tonnes – UG	000t	-	-	601	756	-	-	-	-	-	-
Total tonnes milled	000t	2,830	2,906	1,714	1,640	1,307	1,194	4,097	3,552	3,948	813
Average gold grade milled	g/t	1.70	2.02	2.28	2.90	2.49	1.85	0.95	1.07	2.29	3
Recovery rate	%	94%	94%	92%	94%	81%	83%	82%	83%	94%	1
Gold ounces produced	oz	141,335	177,191	115,240	143,995	84,832	59,026	108,733	97,982	277,218	68,754
<b>Gold sold</b>	<b>oz</b>	<b>142,559</b>	<b>174,868</b>	<b>115,207</b>	<b>144,636</b>	<b>85,191</b>	<b>59,688</b>	<b>108,308</b>	<b>96,935</b>	<b>276,046</b>	<b>61,024</b>
<b>Unit Cost Analysis</b>											
Mining costs - Open pit	\$/t mined	2.63	2.54	3.70	3.46	6.37	3.21	2.27	1.82	1.91	1
Mining costs – Underground	\$/t mined	-	-	74.21	66.24	-	-	-	-	-	-
Processing and maintenance	\$/t milled	7.69	7.42	19.74	20.64	14.97	14.88	8.42	8.77	11.74	7
Site G&A	\$/t milled	4.40	4.15	10.12	11.05	7.96	9.40	3.37	4.29	6.77	3
<b>Cash Cost Details</b>											
Mining costs - Open pit <sup>1</sup>	\$000s	78,128	71,375	16,904	22,140	25,665	21,306	38,508	27,903	79,049	9,296
Mining costs -Underground	\$000s	-	-	58,184	66,045	-	-	-	-	-	-
Processing and maintenance	\$000s	21,764	21,556	33,839	33,848	19,566	17,771	34,499	31,161	46,371	5,534
Site G&A	\$000s	12,451	12,050	17,348	18,115	10,402	11,219	13,797	15,252	26,736	2,745
Capitalized waste	\$000s	(20,016)	(5,248)	(14,744)	(16,260)	0	(3,205)	(10,172)	(2,724)	(10,603)	(3,995)
Inventory adjustments and other	\$000s	4,232	(2,333)	10,060	10,492	(597)	(3,335)	2,481	(2,207)	(14,821)	(1,754)
Cash costs for ounces sold	\$000s	96,558	97,400	121,591	134,380	55,035	43,757	79,112	69,385	126,732	11,826
Royalties	\$000s	6,761	8,186	8,748	10,847	4,161	2,896	8,335	7,593	21,811	4,595
Sustaining capital	\$000s	13,438	7,555	27,415	20,768	2,076	7,428	3,531	3,834	7,152	3,995
Cash cost per ounce sold	\$/oz	677	557	1,055	929	646	733	704	716	459	194
<b>Mine-level AISC Per Ounce Sold</b>	<b>\$/oz</b>	<b>819</b>	<b>647</b>	<b>1,369</b>	<b>1,148</b>	<b>719</b>	<b>906</b>	<b>813</b>	<b>834</b>	<b>564</b>	<b>335</b>

1) Includes waste capitalized

## APPENDIX 2: FINANCIAL STATEMENTS

### BALANCE SHEET

In thousands of US\$	Note	As at December 31, 2018	As at December 31, 2017
<b>ASSETS</b>			
Current			
Cash		124,022	122,702
Cash - restricted		1,073	1,327
Trade and other receivables	9	57,782	50,698
Income taxes receivable	20	-	627
Inventories	7	126,353	134,766
Current portion of derivative financial assets	19	1,636	-
Prepaid expenses and other	8	16,975	44,514
		<b>327,841</b>	<b>354,634</b>
Non-current			
Mining interests	10	1,543,842	1,310,638
Deferred income taxes	20	4,186	6,267
Other long term assets	11	46,174	14,658
<b>Total assets</b>		<b>\$ 1,922,043</b>	<b>\$ 1,686,197</b>
<b>LIABILITIES</b>			
Current			
Trade and other payables	12	177,322	213,467
Current portion of finance obligations	13	24,034	17,658
Income taxes payable	20	47,064	2,746
		<b>248,420</b>	<b>233,871</b>
Non-current			
Finance obligations	13	76,347	36,744
Long-term debt	14	542,248	286,440
Other long-term liabilities	15	41,877	52,615
Deferred income taxes	20	68,818	75,906
<b>Total liabilities</b>		<b>\$ 977,710</b>	<b>\$ 685,576</b>
<b>EQUITY</b>			
Share capital		1,743,661	1,735,074
Equity reserve	16	65,452	56,041
Deficit		(951,107)	(806,251)
<b>Equity attributable to shareholders of the Corporation</b>		<b>858,006</b>	<b>984,864</b>
Non-controlling interests	17	86,327	15,757
<b>Total equity</b>		<b>944,333</b>	<b>1,000,621</b>
<b>Total equity and liabilities</b>		<b>\$ 1,922,043</b>	<b>\$ 1,686,197</b>

Please consult Financial Statements for notes and more information.

## PROFIT AND LOSS STATEMENT

TWELVE MONTHS ENDED  
DECEMBER 31,

	Note	2018	2017
In thousands of US\$			
<b>Revenues</b>			
Gold revenue		751,957	470,643
<b>Cost of sales</b>			
Operating expenses		(386,926)	(224,270)
Depreciation and depletion	10	(169,069)	(88,752)
Royalties		(41,068)	(23,270)
<b>Earnings from mine operations</b>		<b>154,894</b>	<b>134,351</b>
Corporate costs		(26,573)	(23,126)
Impairment of mining interests		-	-
Acquisition and restructuring costs	5	-	(14,132)
Share-based compensation	16	(24,931)	(23,137)
Exploration costs		(7,621)	(5,284)
<b>Earnings from operations</b>		<b>95,769</b>	<b>68,672</b>
Other income/(expenses)			
Gain/(loss) on financial instruments	18	8,035	(3,327)
Finance costs	14	(23,671)	(17,623)
Other expenses		(1,558)	(2,242)
<b>Earnings from continuing operations before taxes</b>		<b>78,575</b>	<b>45,480</b>
Current income tax recovery/(expense)	20	(66,522)	(10,086)
Deferred income tax recovery/(expense)	20	5,007	4,775
<b>Net and comprehensive earnings from continuing operations</b>		<b>17,060</b>	<b>40,169</b>
Net loss from discontinued operations	6	(154,795)	(217,553)
<b>Total net and comprehensive loss</b>		<b>(137,735)</b>	<b>(177,384)</b>
<b>Net earnings/(loss) from continuing operations attributable to:</b>			
Shareholders of Endeavour Mining Corporation		(65)	26,520
Non-controlling interests	17	17,125	13,649
<b>Net earnings/(loss) from continuing operations</b>		<b>17,060</b>	<b>40,169</b>
<b>Total net earnings/(loss) attributable to:</b>			
Shareholders of Endeavour Mining Corporation		(144,856)	(191,033)
Non-controlling interests	17	7,121	13,649
<b>Total net loss</b>		<b>\$ (137,735)</b>	<b>\$ (177,384)</b>
<b>Net earnings/(loss) per share from continuing operations</b>			
Basic earnings/(loss) per share	16	\$ (0.00)	\$ 0.27
Diluted earnings/(loss) per share	16	\$ (0.00)	\$ 0.27
<b>Net loss per share</b>			
Basic loss per share	16	\$ (1.34)	\$ (1.94)
Diluted loss per share	16	\$ (1.34)	\$ (1.94)

Please consult Financial Statements for notes and more information.

## CASH FLOW STATEMENT

TWELVE MONTHS ENDED  
DECEMBER 31,

In thousands of US\$	Note	2018	2017
<b>Operating Activities</b>			
Earnings from continuing operations before taxes <sup>1</sup>		78,575	45,480
Adjustments for:			
Depreciation and depletion	10	169,069	88,584
Financing costs	14	23,671	17,623
Share based compensation	16	24,931	23,137
(Gain)/loss on financial instruments	18	(8,035)	3,327
Cash paid on settlement of share appreciation rights, DSUs and PSUs	16	(8,355)	(3,509)
Income taxes paid		(24,018)	(14,192)
Net cash movement from gold collar settlements	19	5,795	(3,658)
Net non-cash inventory adjustments		18,413	4,335
Foreign exchange loss		(18,724)	(2,258)
Operating cash flows before non-cash working capital		261,322	158,869
Trade and other receivables		(4,730)	(23,817)
Inventories		(17,199)	(49,564)
Prepaid expenses and other		5,318	(17,156)
Trade and other payables		6,524	88,937
Changes in non-cash working capital		(10,087)	(1,600)
Operating cash flows generated from continuing operations <sup>1</sup>		251,235	157,269
Operating cash flows(used by)/generated from discontinued operations	6	(315)	66,146
<b>Cash generated from operating activities</b>		<b>\$ 250,920</b>	<b>\$ 223,415</b>
<b>Investing Activities</b>			
Expenditures and prepayments on mining interests - Mining interests		(135,271)	(94,704)
Expenditures and prepayments on mining interests - Assets under construction		(266,932)	(317,313)
Cash paid for additional interest of Ity mine	17	-	(53,915)
Cash acquired on acquisitions	5	-	7,982
Changes in long-term inventories	11	(30,248)	-
Changes in long-term assets	11	(13,322)	-
Net proceeds from sale of mining interests	6	33,179	8,601
Investing cash flows used by continuing operations <sup>1</sup>		(412,594)	(449,349)
Investing cashflows used by discontinued operations	6	(40,725)	(29,379)
<b>Cash used in investing activities</b>		<b>\$ (453,319)</b>	<b>\$ (478,728)</b>
<b>Financing Activities</b>			
Proceeds received from the issue of common shares	16	600	112,932
Dividends paid	17	(1,956)	(5,177)
Payment of financing and other fees		(2,300)	(3,276)
Interest paid		(24,434)	(11,146)
Proceeds of long-term debt	14	210,000	420,000
Repayment of long-term debt	14	(280,000)	(260,000)
Proceeds from convertible senior bond	14	330,000	-
Repayment of finance lease obligation		(21,203)	-
Deposit/(refund) paid on reclamation liability bond		(157)	(530)
Financing cash flows used by continuing operations <sup>1</sup>		210,550	252,803
Financing cashflows used by discontinued operations	6	(6,083)	(1,062)
<b>Cash generated from financing activities</b>		<b>\$ 204,467</b>	<b>\$ 251,741</b>
Effect of exchange rate changes on cash		(748)	3,604
Increase/(decrease) in cash		1,320	(1,592)
Cash, beginning of year		122,702	124,294
<b>Cash, end of year</b>		<b>\$ 124,022</b>	<b>\$ 122,702</b>

1. For the year ended December 31, 2018 and comparative periods, Tabakoto Mines has been classified as a discontinued operation and adjusted accordingly in the statement of comprehensive loss and cash flows. The Corporation has changed its presentation to present the discontinued operations as a separate line item in these consolidated financial statements for the year ended December 31, 2018 and 2017

Please consult Financial Statements for notes and more information.

## APPENDIX 3: RESERVES AND RESOURCES AS AT DECEMBER 31, 2018

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	0.3	1.63	16	0.3	1.63	13
Probable Reserves	8.3	1.67	445	7.1	1.67	379
<b>P&amp;P Reserves</b>	<b>8.6</b>	<b>1.66</b>	<b>461</b>	<b>7.3</b>	<b>1.66</b>	<b>392</b>
Measured Resource (incl. reserves)	1.9	0.87	54	1.6	0.87	46
Indicated Resources (incl. reserves)	7.6	2.51	610	6.4	2.51	518
<b>M&amp;I Resources (incl. reserves)</b>	<b>9.5</b>	<b>2.18</b>	<b>664</b>	<b>8.1</b>	<b>2.18</b>	<b>564</b>
Inferred Resources	0.8	1.72	46	0.7	1.72	39
<b>Houndé Mine (90% owned)</b>						
Proven Reserves	3.5	1.53	174	3.2	1.53	156
Probable Reserves	24.0	2.03	1,566	21.6	2.03	1,409
<b>P&amp;P Reserves</b>	<b>27.5</b>	<b>1.97</b>	<b>1,740</b>	<b>24.8</b>	<b>1.97</b>	<b>1,566</b>
Measured Resource (incl. reserves)	3.6	1.56	180	3.2	1.56	162
Indicated Resources (incl. reserves)	41.2	2.23	2,954	37.0	2.23	2,658
<b>M&amp;I Resources (incl. reserves)</b>	<b>44.7</b>	<b>2.18</b>	<b>3,134</b>	<b>40.3</b>	<b>2.18</b>	<b>2,821</b>
Inferred Resources	3.2	2.64	268	2.8	2.64	241
<b>Ity Mine (85% owned except 100% owned Le Plaque area)</b>						
Proven Reserves	0.0	1.45	2	0.0	1.45	2
Probable Reserves	60.7	1.55	3,036	51.6	1.55	2,581
<b>P&amp;P Reserves</b>	<b>60.8</b>	<b>1.55</b>	<b>3,039</b>	<b>51.7</b>	<b>1.55</b>	<b>2,583</b>
Measured Resource (incl. reserves)	1.4	0.97	44	1.2	0.97	37
Indicated Resources (incl. reserves)	72.2	1.55	3,602	61.5	1.55	3,074
<b>M&amp;I Resources (incl. reserves)</b>	<b>73.6</b>	<b>1.54</b>	<b>3,646</b>	<b>62.7</b>	<b>1.54</b>	<b>3,111</b>
Inferred Resources	19.1	1.34	823	16.3	1.34	706
<b>Karma Mine (90% owned)</b>						
Proven Reserves	1.3	0.56	24	1.2	0.56	22
Probable Reserves	26.2	0.88	740	23.6	0.88	666
<b>P&amp;P Reserves</b>	<b>27.5</b>	<b>0.86</b>	<b>764</b>	<b>24.8</b>	<b>0.86</b>	<b>688</b>
Measured Resource (incl. reserves)	1.3	0.66	28	1.2	0.66	25
Indicated Resources (incl. reserves)	74.0	1.10	2,627	66.6	1.10	2,364
<b>M&amp;I Resources (incl. reserves)</b>	<b>75.3</b>	<b>1.10</b>	<b>2,655</b>	<b>67.8</b>	<b>1.10</b>	<b>2,389</b>
Inferred Resources	17.9	1.34	772	16.1	1.34	695
<b>Kalana Project (80% owned)</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 (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)	6.9	2.25	499	4.5	2.25	324
<b>M&amp;I Resources (incl. reserves)</b>	<b>6.9</b>	<b>2.25</b>	<b>499</b>	<b>4.5</b>	<b>2.25</b>	<b>324</b>
Inferred Resources	3.0	2.31	221	1.9	2.31	144
<b>Total - Endeavour Mining</b>						
Proven Reserves	10.3	2.13	707	8.8	2.08	587
Probable Reserves	135.8	1.66	7,259	117.1	1.65	6,212
<b>P&amp;P Reserves</b>	<b>146.2</b>	<b>1.70</b>	<b>7,967</b>	<b>125.9</b>	<b>1.68</b>	<b>6,799</b>
Measured Resource (incl. reserves)	17.8	2.78	1,586	14.9	2.71	1,295
Indicated Resources (incl. reserves)	218.1	1.75	12,255	189.1	1.73	10,510
<b>M&amp;I Resources (incl. reserves)</b>	<b>235.9</b>	<b>1.83</b>	<b>13,851</b>	<b>204.0</b>	<b>1.80</b>	<b>11,813</b>
Inferred Resources	45.9	1.62	2,394	39.4	1.61	2,036

The mineral reserves and resources were estimated as at December 31, 2018 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	Agbaou, Colline Sud deposit (Ity), North Kao deposit (Karma), Bouere and Dohoun deposits (Houndé)
Mark Zammit, MAIG	Principal, Cube Consulting Pty Ltd	Ity (except Colline Sud deposit), Vindaloo deposits (Houndé)
Eugene Puritch, P.Eng.	President, P&E Mining Consultants Inc	Karma (except North Kao deposit)
Ivor Jones, FAusIMM	Principal Consultant, Denny Jones (Pty) Ltd	Kalana Project

## MINERAL RESERVES

QUALIFIED PERSON	POSITION	PROPERTY/DEPOSIT
Michael Alyoshin, MAusIMM CP (Min)	An independent consultant	Bouere and Dohoun deposits of Houndé, and North Kao deposit of Karma.
Jan Dharmabandu, FIMMM	Group Manager – Long Term Planning, Endeavour Mining	Ity, Agbaou, Houndé – except Bouere and Dohoun deposits, and Karma – except North Kao, Nami and GG1.
Eugene Puritch, P.Eng.	President, P&E Mining Consultants Inc	Nami & GG1 of Karma
Allan Earl, FAusIMM	Executive Consultant, Snowden Mining Industry Consultants (Pty) Ltd	Kalana Project, Ity (CIL)

1. 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.
2. Mineral resources that are not mineral reserves do not have demonstrated economic viability.
3. All Mineral Resources are reported inclusive of Mineral Reserves.
4. Tonnages are rounded to the nearest 100,000 tonnes; gold grades are rounded to two decimal place; ounces are rounded to the nearest 1,000oz. Rounding may result in apparent summation differences between tonnes, grade and contained metal.
5. Tonnes and grade measurements are in metric units; contained gold is in troy ounces.
6. 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	1,250	1,200	1,250	1,300	1,250	n.a.
Resources Au price	1,500	1,400	1,500	1,557	1,500	1,500

<sup>1</sup> Cut off grades for all resources open pits are 0.5g/tAu, except at Kalana where the cutoff grade is at 0.9g/tAu and at Karma where the cut-off grade is defined by material type: Oxide=0.2, Transition=0.22 and Sulfide=0.5.

Cut off grades for reserves except for Karma and Kalana vary between 0.4-0.6g/t for Oxide ore, 0.4-0.8g/t for Transition ore & 0.6-0.8g/t for Sulfide ore. For Karma Cut-off grade vary between 0.3-0.4g/t.

<sup>2</sup> North Kao resources has a gold price of \$1,500/oz. Gold price for Kao Main and Rambo West reserves is \$1350/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 Oreology "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

	AS AT DECEMBER 31, 2017			AS AT DECEMBER 31, 2018		
	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)
<i>Resources shown inclusive of Reserves, on a 100% basis</i>						
<b>Agbaou Mine</b>						
Proven Reserves	1.0	1.41	44	0.3	1.63	16
Probable Reserves	7.9	2.45	624	8.3	1.67	445
<b>P&amp;P Reserves</b>	<b>8.9</b>	<b>2.34</b>	<b>668</b>	<b>8.6</b>	<b>1.66</b>	<b>461</b>
Measured Resource (incl. reserves)	1.0	1.43	47	1.9	0.87	54
Indicated Resources (incl. reserves)	9.3	2.54	757	7.6	2.51	610
<b>M&amp;I Resources (incl. reserves)</b>	<b>10.3</b>	<b>2.43</b>	<b>804</b>	<b>9.5</b>	<b>2.18</b>	<b>664</b>
Inferred Resources	1.0	1.74	54	0.8	1.72	46
<b>Houndé Mine</b>						
Proven Reserves	3.6	2.25	263	3.5	1.53	174
Probable Reserves	26.5	1.98	1,693	24.0	2.03	1,566
<b>P&amp;P Reserves</b>	<b>30.2</b>	<b>2.02</b>	<b>1,957</b>	<b>27.5</b>	<b>1.97</b>	<b>1,740</b>
Measured Resource (incl. reserves)	3.6	2.40	281	3.6	1.56	180
Indicated Resources (incl. reserves)	33.7	2.01	2,178	41.2	2.23	2,954
<b>M&amp;I Resources (incl. reserves)</b>	<b>37.3</b>	<b>2.05</b>	<b>2,459</b>	<b>44.7</b>	<b>2.18</b>	<b>3,134</b>
Inferred Resources	3.2	2.64	275	3.2	2.64	268
<b>Ity Mine</b>						
Proven Reserves	0.3	1.41	14	0.0	1.45	2
Probable Reserves	58.6	1.59	3,001	60.7	1.55	3,036
<b>P&amp;P Reserves</b>	<b>58.9</b>	<b>1.59</b>	<b>3,016</b>	<b>60.8</b>	<b>1.55</b>	<b>3,039</b>
Measured Resource (incl. reserves)	0.7	0.63	15	1.4	0.97	44
Indicated Resources (incl. reserves)	73.1	1.57	3,680	72.2	1.55	3,602
<b>M&amp;I Resources (incl. reserves)</b>	<b>73.9</b>	<b>1.56</b>	<b>3,695</b>	<b>73.6</b>	<b>1.54</b>	<b>3,646</b>
Inferred Resources	18.7	1.31	785	19.1	1.34	823
<b>Karma Mine</b>						
Proven Reserves	0.7	0.63	15	1.3	0.56	24
Probable Reserves	33.8	0.89	971	26.2	0.88	740
<b>P&amp;P Reserves</b>	<b>34.6</b>	<b>0.89</b>	<b>986</b>	<b>27.5</b>	<b>0.86</b>	<b>764</b>
Measured Resource (incl. reserves)	0.7	0.63	15	1.3	0.66	28
Indicated Resources (incl. reserves)	81.0	1.10	2,856	74.0	1.10	2,627
<b>M&amp;I Resources (incl. reserves)</b>	<b>81.8</b>	<b>1.09</b>	<b>2,871</b>	<b>75.3</b>	<b>1.10</b>	<b>2,655</b>
Inferred Resources	21.4	1.32	909	17.9	1.34	772
<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)	14.2	3.96	1,810	16.3	3.74	1,964
<b>M&amp;I Resources (incl. reserves)</b>	<b>23.7</b>	<b>4.06</b>	<b>3,100</b>	<b>25.8</b>	<b>3.92</b>	<b>3,254</b>
Inferred Resources	1.7	4.39	240	1.9	4.41	265
<b>Fetekro</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
<b>M&amp;I Resources (incl. reserves)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.9</b>	<b>2.25</b>	<b>499</b>
Inferred Resources	-	-	-	3.0	2.31	221
<b>Total from Continuing Operations</b>						
Proven Reserves	10.8	2.39	829	10.3	2.13	707
Probable Reserves	143.5	1.68	7,761	135.8	1.66	7,259
<b>P&amp;P Reserves</b>	<b>154.3</b>	<b>1.73</b>	<b>8,590</b>	<b>146.2</b>	<b>1.70</b>	<b>7,967</b>
Measured Resource (incl. reserves)	15.7	3.25	1,638	17.8	2.78	1,586
Indicated Resources (incl. reserves)	211.3	1.66	11,282	218.1	1.75	12,255
<b>M&amp;I Resources (incl. reserves)</b>	<b>226.9</b>	<b>1.77</b>	<b>12,929</b>	<b>235.9</b>	<b>1.83</b>	<b>13,851</b>
Inferred Resources	46.0	1.53	2,264	45.9	1.62	2,394

	AS AT DECEMBER 31, 2017			AS AT DECEMBER 31, 2018		
	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)
<i>Resources shown inclusive of Reserves, on a 100% basis</i>						
<b>Tabakoto Mine</b>						
Proven Reserves	2.4	3.32	251	-	-	-
Probable Reserves	2.4	3.40	266	-	-	-
<b>P&amp;P Reserves</b>	<b>4.8</b>	<b>3.36</b>	<b>517</b>	-	-	-
Measured Resource (incl. reserves)	7.4	2.99	715	-	-	-
Indicated Resources (incl. reserves)	12.4	3.03	1,211	-	-	-
<b>M&amp;I Resources (incl. reserves)</b>	<b>19.9</b>	<b>3.01</b>	<b>1,925</b>	-	-	-
Inferred Resources	7.4	3.40	810	-	-	-
<b>Group Total</b>						
Proven Reserves	13.1	2.56	1,080	10.3	2.13	707
Probable Reserves	145.9	1.71	8,027	135.8	1.66	7,259
<b>P&amp;P Reserves</b>	<b>159.0</b>	<b>1.78</b>	<b>9,106</b>	<b>146.2</b>	<b>1.70</b>	<b>7,967</b>
Measured Resource (incl. reserves)	23.1	3.17	2,353	17.8	2.78	1,586
Indicated Resources (incl. reserves)	223.7	1.74	12,492	218.1	1.75	12,255
<b>M&amp;I Resources (incl. reserves)</b>	<b>246.8</b>	<b>1.87</b>	<b>14,855</b>	<b>235.9</b>	<b>1.83</b>	<b>13,851</b>
Inferred Resources	53.5	1.79	3,074	45.9	1.62	2,394

Notes for the period ended December 31, 2018 are available in the section above. Notes for the period ended December 31, 2017 are available in the press release dated March 13, 2018 available on the Company's website and on SEDAR.